

# FY 2025-26 Capital Improvement Program Budget Update

Presented by:  
Justin Fenton, Engineering Manager

Information Item

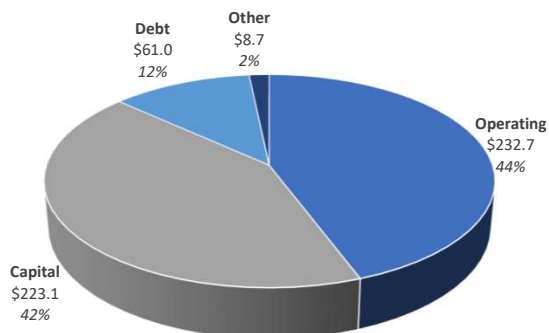
Operations Committee  
May 7, 2025

**OC SAN**  
ORANGE COUNTY SANITATION DISTRICT

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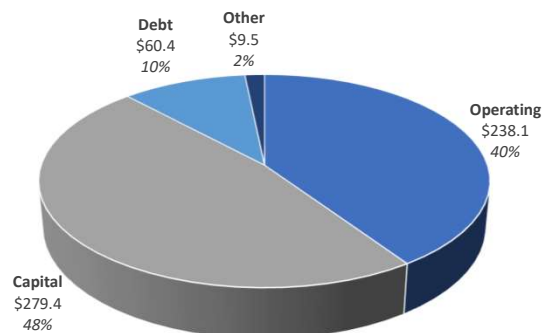
## All Budget Expenses (millions)

FY 2024-25



Total Expenses - \$525.4

FY 2025-26



Total Expenses - \$587.4

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## Capital Improvement Program (CIP)

Our Asset Management Plan is utilized to develop the CIP.

The CIP includes all costs to plan, design, and construct capital facilities based on four (4) key drivers:

- *Additional Capacity*
- *Regulations*
- *Strategic Initiatives*
- *Rehabilitation & Replacement*



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## CIP – General Overview

Proposed CIP includes:

- 74 Active & Upcoming Projects (\$3.7B)
- Programs:
  - Small Construction Projects (\$125M)
  - Information Tech Capital (\$10M)
  - Research (\$10M)
  - Planning Studies (\$25M)
- Capital Equipment (\$17M)
- 54 Future Projects

PROJNO	Name	Phase	Sum of EAC
P2-128	Digester Replacement at Plant No. 2	04-Preliminary Des.	\$588,000,000
P1-140	Activated Sludge-1 Rehabilitation at Plant No. 1	05-Design	\$470,000,000
P2-133	B/C-Side Primary Sedimentation Basins Rehabilitation at Plant No. 2	01-Not Started	\$305,928,000
P1-126	Primary Sedimentation Basins No. 3-5 Replacement at Plant No. 1	05-Design	\$201,000,000
P2-138	Operations and Maintenance Complex at Plant No. 2.	04-Preliminary Des.	\$178,000,000
J-124	Digester Gas Facilities Rehabilitation	05-Design	\$190,000,000
P1-105	Headworks Rehabilitation at Plant 1	07-Construction	\$340,000,000
5-67	Bay Bridge Pump Station Replacement	06-Bid and Award	\$172,000,000
J-133	Laboratory Replacement at Plant No. 1	03-Project Develop.	\$129,300,000
3-68	Seal Beach Sewer Facilities Improvements	01-Not Started	\$115,198,000
3-67	Seal Beach Pump Station Replacement	07-Construction	\$132,500,000
P2-127	Collections Yard Relocation and Warehouse Demolition at Plant No. 2	07-Construction	\$9,400,000
P1-133	Primary Sedimentation Basins No. 6-31 Reliability Improvements at Plant No. 1	07-Construction	\$12,100,000
7-68	MacArthur Force Main Improvements	07-Construction	\$6,400,000
SP-195	Capital Improvement Program Management Services	07-Construction	\$2,000,000
J-128	Project Management Information System	07-Construction	\$2,280,000

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## Net Capital Expenses - Overview

Capital Expenses (Millions)

	Budget FY 24-25	Estimated FY 24-25	Adopted FY 25-26	Proposed FY 25-26
Capital Improvement Program (CIP)	\$238	\$211	\$303	\$230
Capital Equipment	\$15	\$15	\$14	\$17
CIP Savings & Deferrals	(\$30)	(\$13)	(\$38)	(\$30)
Future Rehabilitation & Replacement	-	-	\$0.2	-
<b>Net Capital Expenses</b>	<b>\$223</b>	<b>\$213</b>	<b>\$279</b>	<b>\$217</b>
<i>Change from Adopted Budget</i>		(\$10)		(\$62)
		-4.5%		-22%

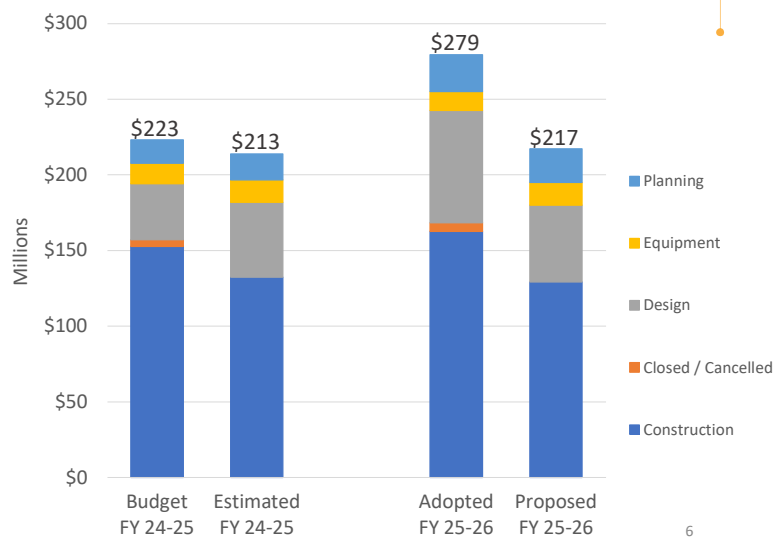
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## Net Capital Expenses – Budget Update

FY25-26 change based on:

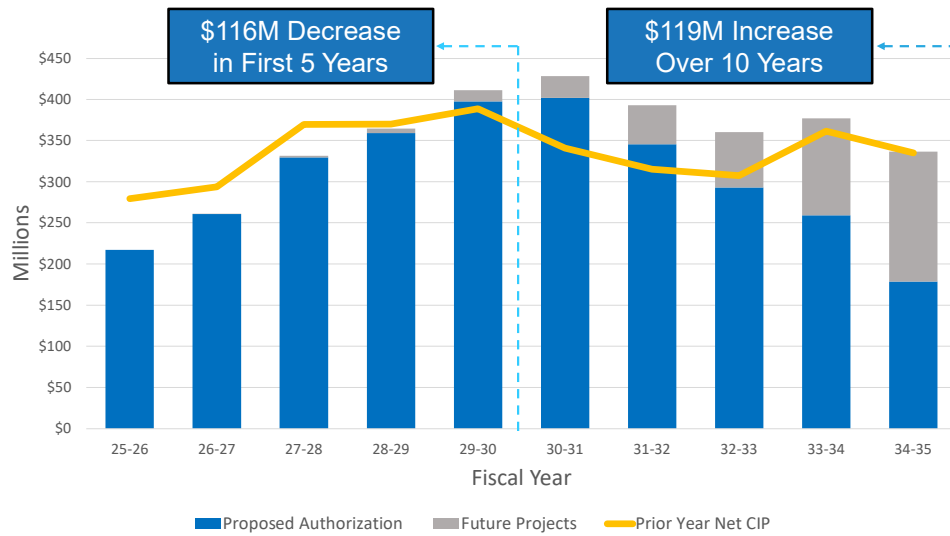
- Project Specific Information
- Construction Risks
- Project Schedule Updates
- Historic Adjustments



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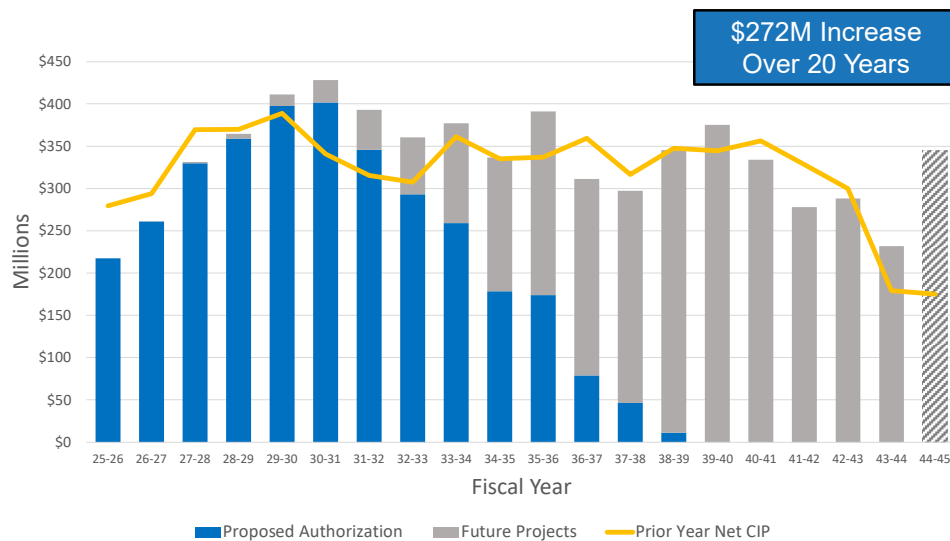
## 10-Year Net CIP: \$3.5B



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## 20-Year Net CIP: \$6.7B



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## Top 15 Project Changes

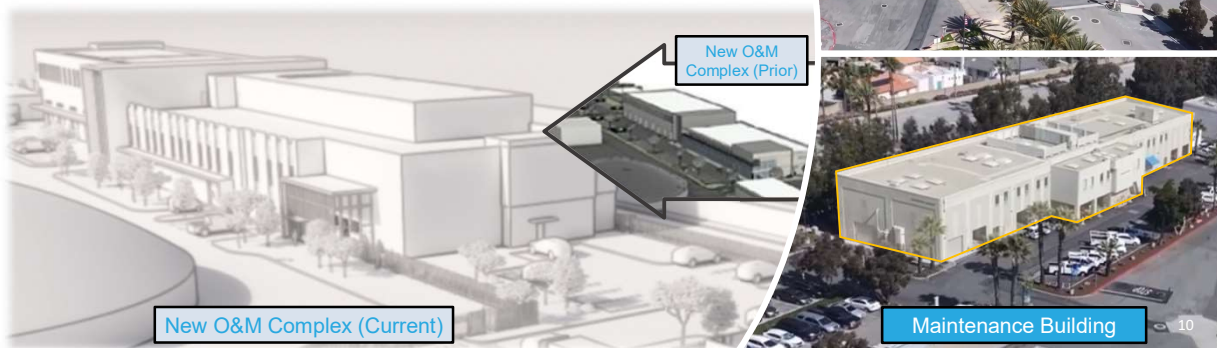
Project #	Project Name	Budget Change (M)	Proposed Budget (M)
J-143	Deep Well Biosolids Management Facility	\$79 	\$79
J-142	Power Dist Systems & PB C Replacement at P1 & P2	\$55 	\$55
P2-138	Operations and Maintenance Complex at P2	\$52 	\$178
1-24	Greenville Trunk Improvements	(\$46) 	\$2
J-133	Laboratory Replacement at P1	\$26 	\$129
7-69	North Tustin-Orange Sewer Rehabilitation	(\$25) 	\$34
P2-142	Oxygen Gas Generation Facility at P2	\$20 	\$20
J-137	Ocean Outfalls Rehabilitation	\$18 	\$100
P1-126	Primary Sed Basins No. 3-5 Replacement at P1	\$18 	\$201
J-140	CenGen Monitoring System Improvements at P1 & P2	\$17 	\$17
P1-136	12.47 kV Switchgear Replacement at CenGen at P1	(\$16) 	\$-
J-98	Electrical Power Distribution System Improvements	\$14 	\$43
P2-143	Waste Sidestream Pump Station A Improvements at P2	\$12 	\$12
J-141	Public Address System Replacement	\$12 	\$12
5-69	East Coast Highway Sewer Rehabilitation	\$11 	\$19



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## P2-138: Ops & Maint Complex at P2

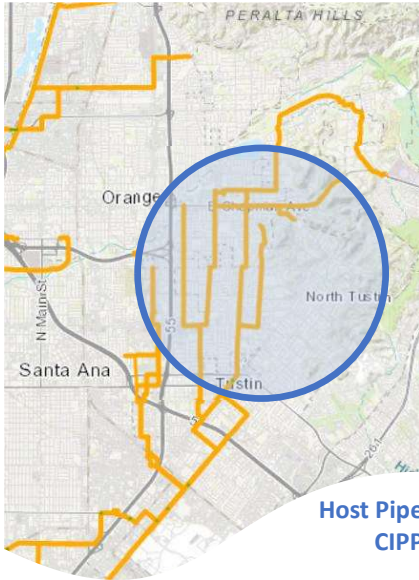
- Current Project - \$126.5M
  - Replace existing Operations Center & Maintenance Building
  - Includes Construction Management and Risk Management staff
- Revised Project - \$178.0M (\$51.5M INCREASE)
  - 3<sup>rd</sup> Floor/SF Added
  - Updated Pricing
  - Deep Foundation



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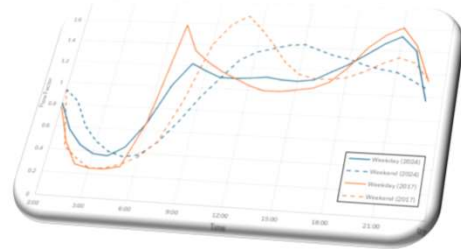
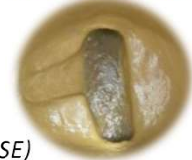


## 7-69: N. Tustin-Orange Sewer Rehabilitation



- Current Project - \$59.1M
  - Pipe Replacement (Capacity)
  - Pipe & Manhole Rehabilitation
- Revised Project – \$33.8M (\$25.3M DECREASE)
  - Recent Study – capacity not required

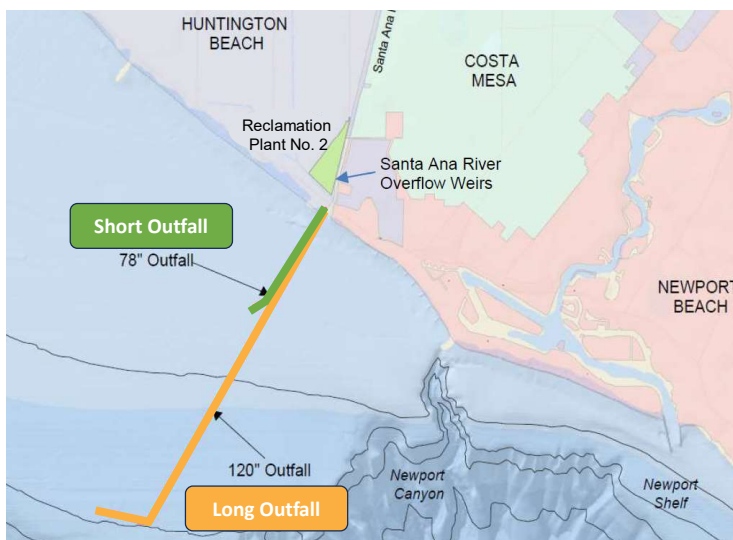
Manhole Rehab



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## J-137: Ocean Outfalls Rehabilitation



### Short Outfall (1.5 miles):

- Assessment & Rehabilitation
- Reliable for next 15 years:
  - Cleaning & Inspection
  - Minor Repairs
  - Plan for future CIP

### Long Outfall (5 miles):

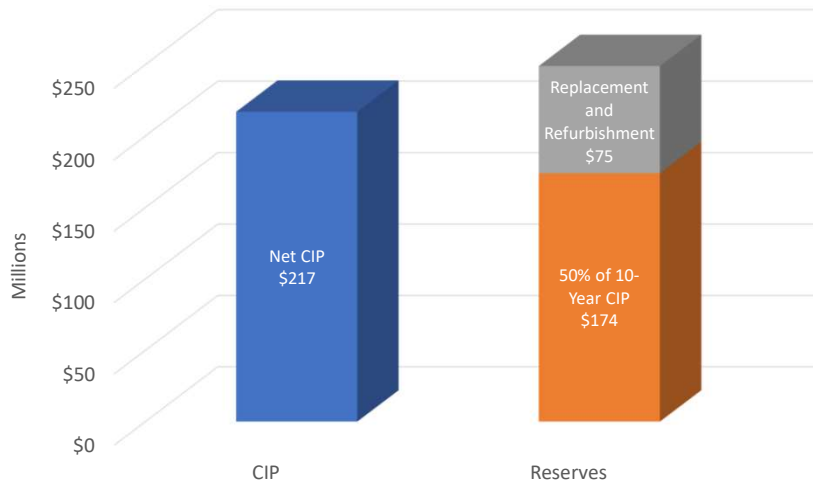
- Rehabilitation
- Add 25+ years of Life:
  - Replace Manholes
  - Remove Sediment
  - Ballast Correction

*\$18M budget increase due to short outfall scope, cost updates, and sequencing*

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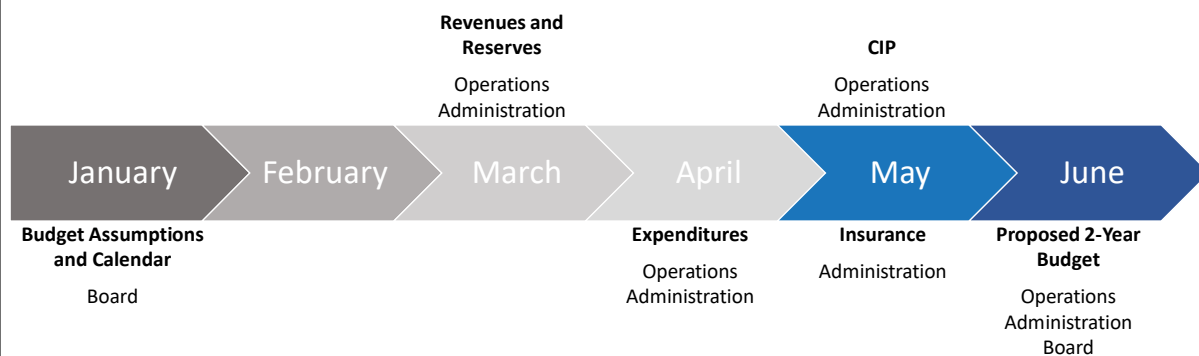
## FY 2025-26 CIP Reserves



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## Key Meeting Dates



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# Questions?

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