

Proposed Budget

Fiscal Years
2024-25 and 2025-26



Orange County Sanitation District, California



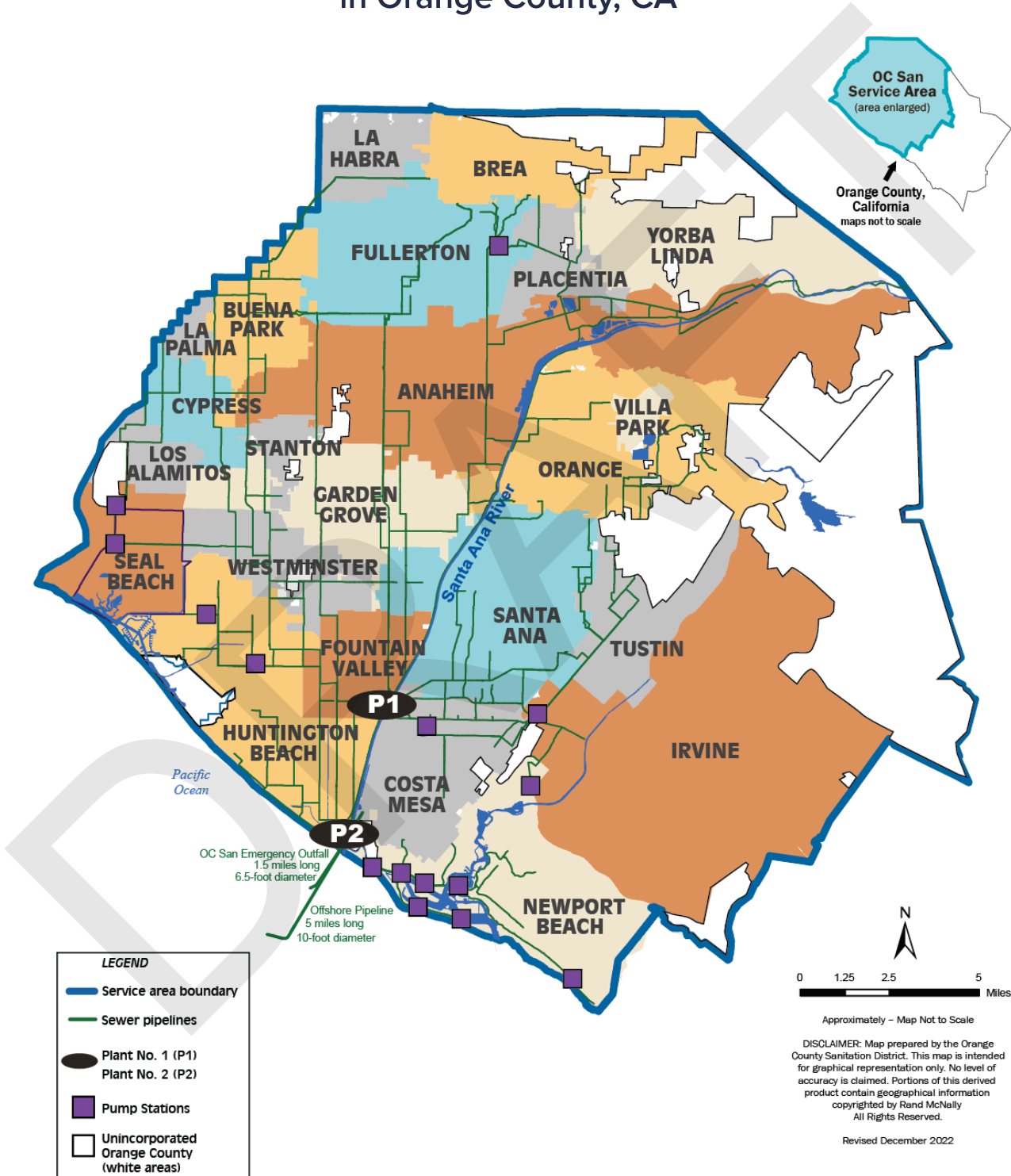


MISSION STATEMENT

“To protect public health and the environment by providing effective wastewater collection, treatment, and recycling.”

*For Fiscal Years
July 1, 2024 through June 30, 2025 and
July 1, 2025 through June 30, 2026*

Orange County Sanitation District Service Area and Treatment Plant Locations in Orange County, CA





GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

PRESENTED TO

**Orange County Sanitation District
California**

For the Biennium Beginning

July 01, 2022

Christopher P. Morill
Executive Director

The Government Finance Officers Association of the United States and Canada (GFOA) presented a Distinguished Budget Presentation Award to the Orange County Sanitation District, California, for its biennial budget for the biennium beginning July 1, 2022.

In order to receive this award, a government unit must publish a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan, and as a communication device.

The award is valid for a period of two years only. We believe our current budget continues to conform to the program requirements, and we are submitting it to GFOA to determine its eligibility for another award.

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Reader's Guide to the Budget

This guide is intended to help the reader understand what information is available in the budget and how it is organized. This budget document is broken down into ten sections including a Budget Glossary and Index. The Administrative Services Department invites your suggestions on ways to make the budget document more understandable.

The General Manager's Budget Message and a summary of OC San's Core Values follow this guide. The General Manager's budget message introduces the budget to the reader.

Following is an explanation of the major sections of this budget:

Section 1 – Executive Summary

The Executive Summary highlights critical issues and financial information regarding OC San's FY 2024-25 and FY 2025-26 Budget.

Section 2 – Introduction

Financial Overview and Budget Issues highlight the issues impacting the FY 2024-25 and FY 2025-26 Budget.

Section 3 – Policies and Practices

Fiscal Policies describe OC San's financial goals along with policies addressing the operating budget; revenues and expenses; service fees; capital improvement program; long- and short-term debt; reserves; investments; and accounting, auditing and financial reporting.

GFOA Recommended Practices lists all of the Accounting, Auditing, and Financial Reporting; Cash Management; Governmental Budgeting and Fiscal Policy; Debt Management; and Retirement and Benefits Administration practices that are recommended by the Government Finance Officers Association of the United States and Canada. Included within this list of best financial practices for states and local governments is OC San's status as to whether we are in compliance, in progress towards compliance, or whether the practice is applicable to this agency.

Budget Process provides an overview of the budget development process and budget calendar.

Budget Assumptions are decided on as a foundation for developing the budget, and they guide OC San in determining the level of wastewater treatment services that will be provided to the community.

Accounting Systems and Budgetary Control provides an overview of OC San's accounting systems and the level at which budgetary control is maintained.

Section 4 – OC San Summary

This summary section is a comprehensive overview of the FY 2024-25 and FY 2025-26 Budget with a focus on all consolidated OC San funds. Included are tables and graphs for both revenues and expenses.

Section 5 – Operations Overview

This section is a comprehensive overview of OC San's operating costs and related revenues for FY 2024-25 and FY 2025-26. OC San's operations include collection, treatment, and disposal activities. Tables are included for revenues and expenses to assist the reader in interpreting the data.

Section 6 – Operating Divisions

This section includes operating programs for OC San's basic organizational units which provide collection and essential wastewater treatment services to the community. Divisional budgets are presented in the following format:

Organization Chart - An organization chart by position is provided for each division.

Authorized FTE Positions - The total number of full-time equivalent positions assigned to each division is included in this table.

Staffing Trends - A multi-year staffing trend chart is provided to show the changes that have occurred in each division over time.

Service Description - A description of the services or functions provided by each division.

FY 2023-24 Objectives - Represents the objectives defined by the division for the previous fiscal year.

FY 2023-24 Performance Results - A summary of major accomplishments and objectives that were actually met during the previous fiscal year.

FY 2024-25 and FY 2025-26 Performance Objectives - A list of projected goals to be accomplished during FY 2024-25 and FY 2025-26.

Performance Measures - A listing of the measures that will be used to evaluate the success of the budgeted fiscal years.

Budget Overview - Provides an overview of changes from the FY 2022-23 Budget to the FY 2024-25 and FY 2025-26 Budget. Additionally, the significant impacts of budgetary changes are outlined along with dollar amounts.

Expenses by Category - A chart comparing the FY 2022-23 actual expenses and the FY 2023-24 budgeted and projected expenses against the proposed budget for FY 2024-25 and FY 2025-26. The percent change from the FY 2023-24 Budget compared to the FY 2024-25 Budget is also included.

Expenditure Trends - This graph provides a multi-year historical trend of divisional expenses.

Section 7 – Self-Insurance Program

This section presents an overview of the self-insurance program, including program descriptions and revenue and expense detail.

Section 8 – Capital Improvements

This section of the budget gives an overview of OC San's Capital Improvement Program (CIP), CIP project summaries, and detailed CIP project sheets. The project sheets outline project descriptions, project location, project type, projected costs, and funding sources.

Section 9 – Debt Financing Program

This section describes OC San's Debt Financing Program including a listing of the outstanding debt issues, a description of the purpose of each issue, a debt service retirement schedule, and Debt Service Requirements, including principal and interest, over the life of the outstanding debt issues.

Section 10 – Appendix

Staffing - Includes charts of staffing by department and category, charts of the historical staffing by department, a historical summary and detail schedules of authorized positions and full-time equivalent employees by department and by division.

Appropriations Limit - The calculation of OC San's California Constitutional appropriation limit.

Budget Glossary

Miscellaneous Statistics

Service Area Population Information

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Orange County Sanitation District Board of Directors

Cities	Active Director
Anaheim	Stephen Faessel
Brea	Christine Marick
Buena Park	Joyce Ahn
Cypress	Scott Minikus
Fountain Valley	Glenn Grandis
Fullerton	Bruce Whitaker
Garden Grove	Stephanie Klopfenstein
Huntington Beach	Pat Burns
Irvine	Farrah N. Khan
La Habra	Rose Espinoza
La Palma	Debbie Baker
Los Alamitos	Jordan Nefulda
Newport Beach	Brad Avery
Orange	Jon Dumitru
Placentia	Chad Wanke
Santa Ana	Johnathan Ryan Hernandez
Seal Beach	Schelly Sustarsic
Stanton	David Shawver
Tustin	Ryan Gallagher
Villa Park	Robbie Pitts

Sanitary/Water Districts

Costa Mesa Sanitary District (CMSD)	Robert Ooten
Midway City Sanitary District (MCSD)	Andrew Nguyen
Irvine Ranch Water District (IRWD)	John Withers
Yorba Linda Water District (YLWD)	Phil Hawkins

County

Member of the Board of Supervisors	Doug Chaffee
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Board Committees

OPERATIONS COMMITTEE

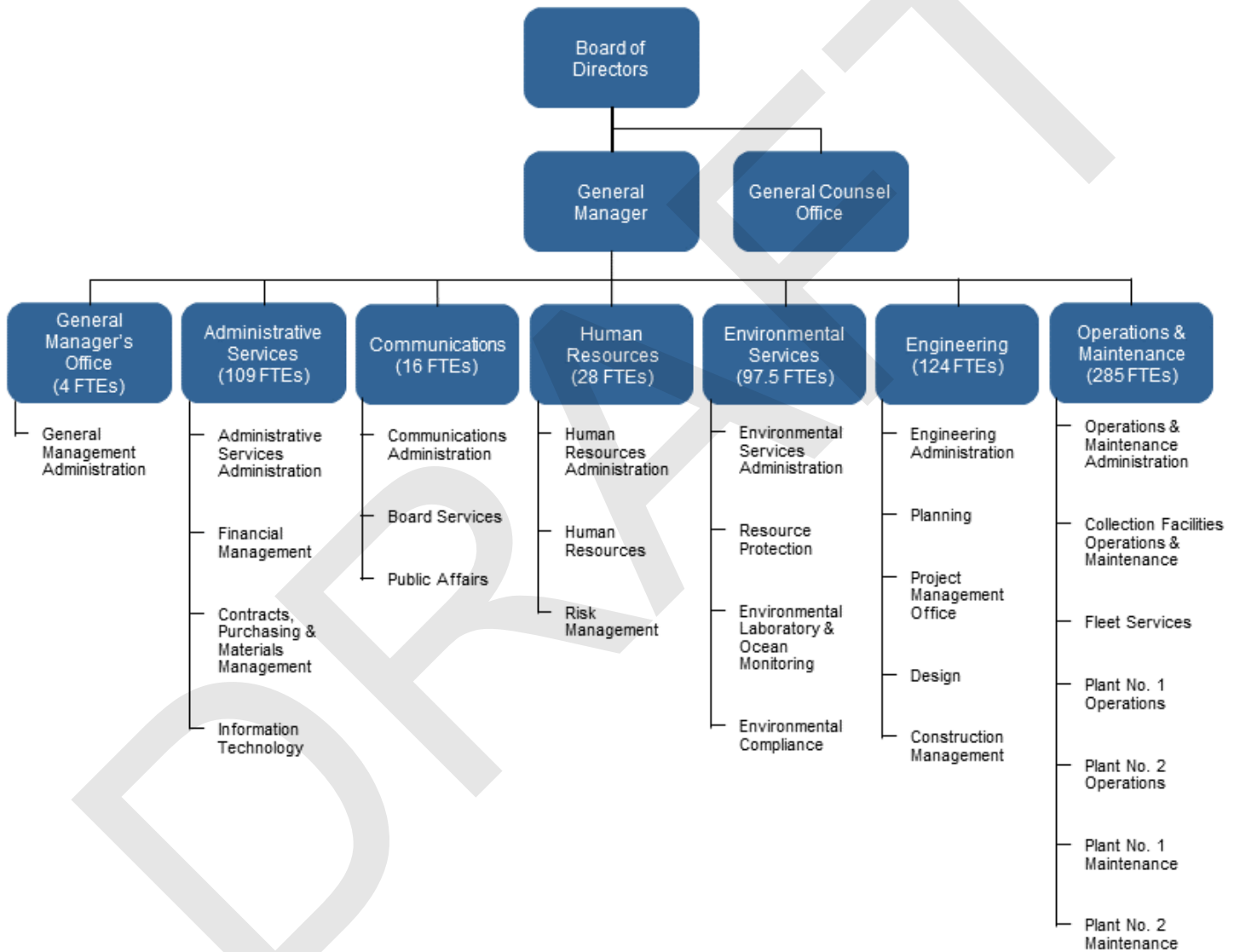
Jon Dumitru, Chair
Bob Ooten, Vice-Chair
Joyce Ahn
Debbie Baker
Doug Chaffee
Stephen Faessel
Phil Hawkins
Johnathan Ryan Hernandez
Stephanie Klopfenstein
Scott Minikus
Schelly Sustarsic
Bruce Whitaker
Chad Wanke, Board Chair
Ryan Gallagher, Board Vice-Chair

ADMINISTRATION COMMITTEE

Christine Marick, Chair
Glenn Grandis, Vice-Chair
Brad Avery
Pat Burns
Rose Espinoza
Farrah Khan
Jordan Nefulda
Andrew Nguyen
Robbie Pitts
David Shawver
John Withers
Chad Wanke, Board Chair
Ryan Gallagher, Board Vice-Chair

STEERING COMMITTEE

Chad Wanke, Board Chair
Ryan Gallagher, Board Vice-Chair
Jon Dumitru, Chair, Operations Committee
Christine Marick, Chair, Administration Committee
Pat Burns
Glenn Grandis
John Withers



Administrative Officials

General Manager	Rob Thompson
Assistant General Manager	Lorenzo Tyner
Director of Engineering	Mike Dorman
Director of Environmental Services	Lan Wiborg
Director of Finance	Wally Ritchie
Director of Human Resources	Laura Maravilla
Director of Operations & Maintenance	Riaz Moinuddin

DRAFT

June 1, 2024

Honorable Chair and Board of Directors:

I am pleased to submit the Orange County Sanitation District's (OC San) Proposed Budget for fiscal years 2024-25 and 2025-26. This document lays out the framework for OC San's activities over the next two years and serves as a source of information for OC San's Board of Directors, our ratepayers, and our employees. This budget includes the operational, capital, and debt service expenditures necessary to deliver the Level of Service and Strategic Initiatives defined in the 2023 Strategic Plan which cost-effectively supports our mission "To protect the public health and the environment by providing effective wastewater collection, treatment, and recycling".

OC San's proposed fiscal year 2024-25 total Operating and Capital Improvement Program (CIP) budget is \$455.7 million, which is a decrease of \$31.7 million (6.5 percent) compared to the fiscal year 2023-24 budget. Proposed CIP expenditures are decreasing by \$48.9 million, while the Operating Budget includes an increase of \$17.3 million.

The Operating Budget increase is primarily driven by additional chemical, utility, and infrastructure maintenance/repair costs. While the effects of the COVID-19 pandemic, including inflation and supply chain issues, still linger, this proposed budget reflects a financially sound and stable organization that has weathered the storm and continues to move forward.

During the budget preparation process, I met with each of the departments to ensure their budget proposals were prudent and cost-effective. This process helped to develop a comprehensive budget for OC San that meets the needs of the organization and is fiscally responsible.

I would like to highlight some of our areas of focus for the next two years:

Operational Readiness – OC San continues to look ahead, preparing for our future infrastructure needs and for emergency events such as line breaks, earthquakes, extreme weather events associated with climate change, and potential cybersecurity breaches. We are continually updating our Business Continuity Plans and conducting tabletop exercises for emergency scenarios to allow us to respond quickly and effectively without compromising our mission or levels of service.

Expanded Recycling Efforts – Food Waste Treatment Facility – OC San is committed to working with Orange County Waste and Recycling to assist the cities in our service area to satisfy the requirements of California State Assembly Bill 1826 and Senate Bill 1383 which requires that organic wastes be diverted away from landfills. This regulatory shift has created an opportunity to create a public-public partnership between OC San and Orange County Waste and Recycling to provide a cost effective and environmentally friendly service to help manage organics using OC San's existing anaerobic digesters, which in turn will produce renewable energy to power our treatment plants.

Capital Improvement Program (CIP) – OC San's CIP has evolved over time. It began by focusing on creating the initial infrastructure of the collections and treatment system, shifted to expanding capacity, improved the level of treatment, and now our focus is on aging infrastructure, incorporating climate resiliency, seismic risk, maximizing resource recovery, and adopting improved technology in every project we execute. OC San has continued moving our CIP forward, with 73 active projects. There are 44 projects in construction that have a budget of \$865 million, helping keep the economic engine running in Orange County.

- Serving:*
- Anaheim
 - Brea
 - Buena Park
 - Cypress
 - Fountain Valley
 - Fullerton
 - Garden Grove
 - Huntington Beach
 - Irvine
 - La Habra
 - La Palma
 - Los Alamitos
 - Newport Beach
 - Orange
 - Placentia
 - Santa Ana
 - Seal Beach
 - Stanton
 - Tustin
 - Villa Park
 - County of Orange
 - Costa Mesa Sanitary District
 - Midway City Sanitary District
 - Irvine Ranch Water District
 - Yorba Linda Water District

Infrastructure Reliability and Asset Management – OC San’s infrastructure must operate continuously day and night, requiring that we proactively manage the condition of more than \$14 billion in assets to ensure reliable operation. Over the past decade, we made a concerted effort to establish an updated and more robust understanding of the condition and performance of all critical and major assets and our ability to meet established levels of service. Our annually updated Asset Management Plan includes tactical approaches for addressing asset condition and performance issues. The plan lays out how we will operate and maintain those assets to deliver the required level of service at the lowest lifecycle cost with an acceptable level of risk. OC San will be investing an additional \$36.3 million in repairs and maintenance this next year.

Safety and Security – OC San will work to complete its plan to achieve a Voluntary Protection Program (VPP) Certification at both plants. Plant No. 1 has achieved VPP Star Certification and the work is underway for certification at Plant No. 2. The VPP certification recognizes employers and workers who have implemented effective safety and health management systems and maintain injury and illness rates below national Bureau of Labor Statistics averages for their respective industries.

Staffing – This budget update includes seven new key positions to enhance programs to that improve our regulatory compliance, resilience, reliability, and resource recovery. This budget displays our commitment to increased service and efficiency.

Research and Innovation – This budget update continues the support for operational research of innovative improvements in wastewater collection and treatment. Technology demonstrations like Supercritical Water Oxidation which show promise in cost effectively destroying microplastics, pharmaceuticals, and forever chemicals are examples of OC San commitment to making prudent investments in new technology to solve problems facing our industry.

Resilient Staffing – OC San continues to deal with the “silver tsunami” that is common in the wastewater sector. This budget update supports the creation of depth in the craft labor, technical, supervision, management, and executive management teams. Staff have identified areas of risk where the loss of specialized technicians, technologist, regulatory specialist, or management team members will jeopardize service levels in the short to medium term. Positions are dynamically shifted to create and fill vacancies to build organizational depth prior to retirements or other separations to keep the agency moving forward.

OC San will continue to provide wastewater collection, treatment, recycling, infrastructure maintenance, ocean monitoring, and many other services while keeping rates among the lowest in California. This pay as you go budget fully supports the goals and levels of service included in OC San’s Strategic Plan and positions us well to proactively manage the unknown challenges that will face this agency in the coming years.



Rob Thompson
General Manager
Orange County Sanitation District

MISSION STATEMENT

The Mission Statement is the basic foundation that defines why the Orange County Sanitation District exists.

“To protect public health and the environment by providing effective wastewater collection, treatment, and recycling.”

VISION STATEMENT

The Vision Statement supports the Mission Statement by expressing a broad philosophy of what the Orange County Sanitation District strives to achieve now and in the future in the delivery of services to our customers, vendors, other agencies, the general public and each other.

“ORANGE COUNTY SANITATION DISTRICT **WILL BE A LEADER** IN:

- Providing reliable, responsive and affordable services in line with **customer** needs and expectations.
- **Protecting** public health and the environment utilizing all practical and effective means for wastewater, energy, and solids resource recovery.
- Continually seeking **efficiencies** to ensure that the public’s money is wisely spent.
- **Communicating** our mission and strategies with those we serve and all other stakeholders.
- **Partnering** with others to benefit our customers, this region, and our industry.
- Creating the best possible **workforce** in terms of safety, productivity, customer service, and training.”

CORE VALUES

The Core Values support our Mission and Vision Statements by expressing the values, beliefs, and philosophy that guide our daily actions. They help form the framework of our organization and reinforce our professional work ethic.

INTEGRITY, INCLUSION, HONESTY, and RESPECT

We aspire to the highest degree of integrity, inclusion, honesty, and respect in our interactions with each other, our suppliers, our customers, and our community. We strive to demonstrate these values in our actions, commitments, and service.

LEADERSHIP, TEAMWORK, and PROBLEM SOLVING

We lead by example, acknowledging the value of our resources and using them wisely to achieve our mission. We strive to reach OC San goals through cooperative efforts and collaboration with each other and our constituencies. We work to solve problems in a creative, cost-effective and safe manner, and we acknowledge team and individual efforts.

CUSTOMER SERVICE, TRANSPARENCY, and ACCOUNTABILITY

We are committed to acting in a timely, accurate, accessible, and transparent manner through excellent customer service. We are committed to act in the best interest of our internal and external stakeholders.

RESILIENCY, INNOVATION, and LEARNING

We continuously develop ourselves, enhancing our talents, skills, and abilities. We recognize that only through personal growth and development will we progress as an agency and as individuals.

SAFETY

We are committed to providing a safe work environment. We will demonstrate leadership, promote individual accountability, and participate actively in the advancement of our health and safety practices.

This FY 2024-25 and FY 2025-26 budget represents a consolidation of two one-year proposed operating and capital budgets. OC San's FY 2024-25 operating and capital improvement budget is proposed at \$455.8 million, a 6.6 percent decrease from the prior year budget of \$487.4 million. This overall decrease is primarily attributable to a decrease of \$48.9 million in net Capital Improvement Program (CIP) Outlay, offset by a \$17.3 million increase in operating costs.

OC San's FY 2025-26 operating and capital improvement budget is proposed at \$517.5 million, a \$62 million increase from the FY 2024-25 proposed budget. The increase is mostly comprised of a \$56.2 million, or 25.2 percent net increase in cash outlays for construction projects. The fluctuation in capital outlay requirements over the next two years is attributable to the timing of the construction schedule on the implementation of the overall combined ten-year, \$3.2 billion CIP.

The table below summarizes OC San's funding requirements:

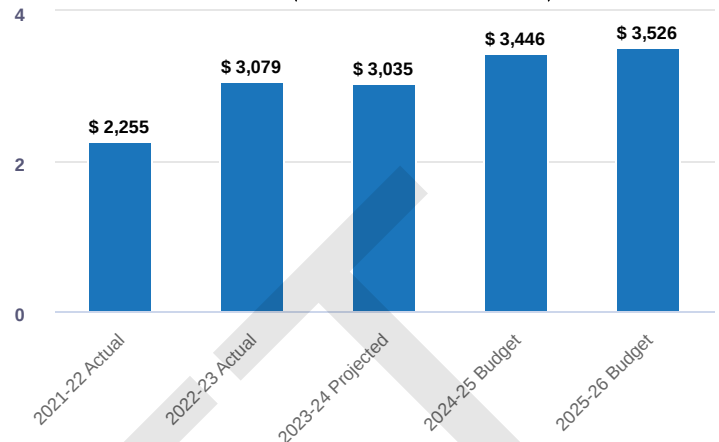
Funding Requirements by Category
(In Millions)

Category	2022-23 Actual	2023-24 Budget	2024-25 Proposed	2025-26 Proposed
Capital Improvement Program	\$ 225.0	\$ 272.0	\$ 223.1	\$ 279.2
Operating Expense/Self Insur	205.6	219.6	237.8	244.1
Debt Service	68.6	68.6	61.0	60.4
Intradistrict Transfers	-	3.5	3.5	3.5
Total Outlays	499.2	563.6	525.4	587.2
Ending Reserves	1,040.0	860.9	867.0	849.2
Total Funding Uses	\$ 1,539.2	\$ 1,424.5	\$ 1,392.4	\$ 1,436.4

This FY 2024-25 and FY 2025-26 budget continues to reflect the agency's ongoing efforts to meet the operational standards and regulatory requirements. Staffing levels are being proposed at 663.50 full time equivalent (FTE) positions, an increase of 8.50 FTE position, or 1.3 percent over the 655 FTE staffing level that was approved for FY 2023-24.

Additionally, service level increases in ocean monitoring, discharge and treatment, water reclamation and conservation, urban runoff diversions, biosolids management, CIP expansion, and aging infrastructure costs have resulted in a corresponding increase in cash flow requirements. Considering the CIP alone, the \$223 million and \$279 million proposed CIP outlay for FY 2024-25 and FY 2025-26 is part of the 10-year \$3.2 billion outlay for active and future projects identified within the recently completed Annual CIP Validation Process.

Cost to Collect, Treat, & Recycle One Million Gallons (Amount \$ in Thousands)



OC San has a variety of revenue sources available to fund its operating and capital outlay requirements. As shown in the table below, OC San's major funding resources come from sewer service fees and property taxes:

Funding Sources by Category
(In Millions)

Category	2022-23 Actual	2023-24 Budget	2024-25 Proposed	2025-26 Proposed
Beginning Reserves	\$ 984.0	\$ 1,040.0	\$ 860.9	\$ 867.0
Service Fees	320.4	337.7	352.6	368.9
Property Taxes	125.5	115.9	117.6	120.1
Permit User Fees	16.9	16.1	15.5	16.1
Capital Capacity Charges	23.4	18.5	15.5	16.0
Interest	12.1	14.1	17.1	17.0
Intradistrict Transfers	10.9	3.5	3.5	3.5
Debt Proceeds	-	-	-	-
Other Revenue	8.3	2.2	9.7	28.0
Total Funding Sources	\$ 1,501.4	\$ 1,547.9	\$ 1,392.4	\$ 1,436.6

Budget Overview

The agency's two treatment plants, located in Fountain Valley and Huntington Beach, process a combined 185 million gallons of wastewater each day generated by approximately 2.6 million people in central and northwest Orange County.

The FY 2024-25 proposed budget to operate, maintain and manage our sewage collection, treatment and disposal system is \$232.7 million, an increase of 8 percent, or \$17.3 million, from the prior year budget.

Contractual services are proposed to increase \$1.7 million, or 7.7 percent, due to need for outside consultants in support of repairs and maintenance.

Overhead cost allocation out to the CIP has been changed by (0.3) million, or (1.3) percent based on an updated cost allocation plan.

Combined utilities costs for natural gas, electricity, and water are proposed to increase \$3.9 million, or 31.6 percent, due to increased delivery costs.

Repairs and maintenance costs are proposed to increase \$0.8 million or 2.3 percent. This increase is mostly attributable to increases in basic repairs and maintenance costs.

Operating materials and supplies, which consists primarily of chemicals used in operations, are proposed to increase \$1.7 million, or 2.3 percent due to higher unit costs and hauling expenses.

Personnel costs are budgeted to increase \$7.5 million, or 6.4 percent, primarily due to additional staff and an increase in budgeted salaries and wages in accordance with previously approved labor agreements.

The FY 2025-26 proposed operating budget is \$238.1 million, an increase of \$5.6 million, or 2.4 percent over the FY 2024-25 proposed budget.

Personnel costs are proposed to increase \$6.0 million, or 4.9 percent increase due primarily to increases in salaries per anticipated labor agreements, group insurances and retirement costs.

Staffing is being proposed to to increase to remain constant at 663.50 FTE proposed for FY 2024-25.

Repairs and maintenance costs are being proposed to change \$(0.6) million or (1.7) percent.

Overhead cost allocation out to the CIP has been increased by \$(0.3) million, or (1.3) percent based on an updated agency-wide full cost allocation plan.

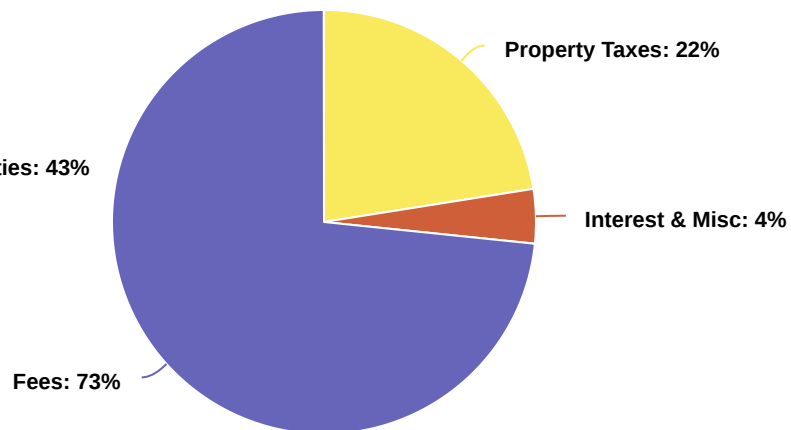
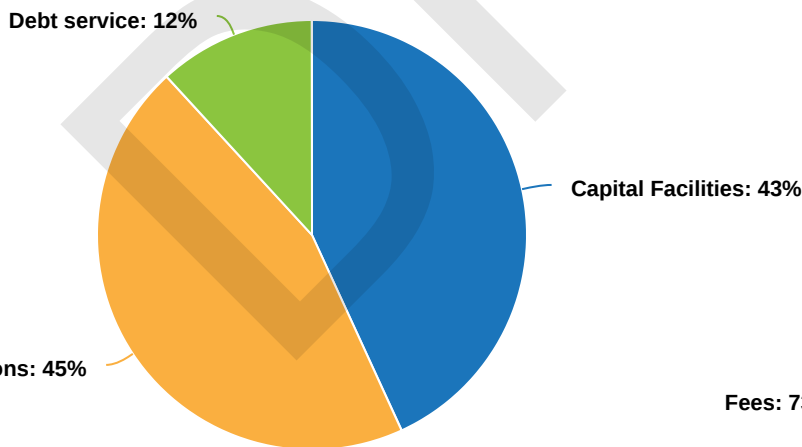
The cost per million gallons of wastewater treated, an industry wide performance measurement is expected to increase in FY 2024-25 to \$3,446, a \$184, or 5.6 percent increase over the prior year projected cost of \$3,262, and increase in FY 2025-26 to \$3,526, a \$80, or 2.3 percent increase from the FY 2024-25 proposed budget. The 5.4 percent increase in FY 2024-25 is primarily due to the budget increase and the projected wastewater flows through the treatment system from remaining consistent at 185 MGD. Wastewater flows have an inverse relationship to the cost per million gallons; the lower the flows, the higher the cost. Wastewater flows are expected to remain flat at 185 MGD in FY 2025-26.

OC San's CIP net cash flow budget for FY 2024-25 is \$223.0 million, an change of \$(49.0) million from the prior year budget. The CIP cash flow budget for FY 2025-26 is \$279.2 million, an increase of \$56.3 million from the FY 2024-25 proposed CIP cash flow. This CIP two-year cash flow budget finances collection system, joint treatment works and disposal system improvement projects. These CIP cash flows are attributable to the additional infrastructure needs identified in the 2017 Facilities Master Plan and updates that are part of the 2024 validation of the CIP.

FY 2024-25

Uses of Funds

Source of Funds



How Resources Are Used

OC San resources are used to fund the cost of providing wastewater collection, treatment and recycling service, including employees' salaries and benefits, debt service, capital improvements and the cost of self insurance.

Summary of Operating & Maintenance Expenses

Collections, Treatment & Recycling Operations

	2022-23 Actual	2023-24 Budget	2024-25 Proposed	2025-26 Proposed
Salaries, Wages & Benefits	\$ 110,530,475	\$ 116,587,576	\$ 124,095,542	\$ 130,121,421
Administrative Expenses	1,900,421	2,305,733	2,694,297	2,736,372
Printing & Publication	584,670	361,737	398,196	394,733
Training & Meetings	556,160	1,215,867	1,989,398	1,947,414
Operating Materials & Supplies	26,483,287	30,511,514	31,214,001	31,807,230
Contractual Services	20,109,451	21,796,564	23,481,390	24,127,578
Professional Services	6,219,750	7,583,166	7,917,396	7,056,284
Research & Monitoring	1,153,116	1,776,363	2,135,754	2,022,637
Repairs & Maintenance	31,764,506	35,500,413	36,305,899	35,670,942
Utilities	15,924,441	12,259,566	16,132,374	16,436,772
Other Materials, Supplies, and Svc	4,139,339	7,137,456	7,671,266	8,149,313
Cost Allocation	(19,706,415)	(21,646,370)	(21,361,020)	(22,355,980)
Net Operating Requirements	\$ 199,659,200	\$ 215,389,585	\$ 232,674,493	\$ 238,114,716

Facilities Planning

In December 2017, the 2017 Facilities Master Plan was adopted by the Board of Directors to define OC San's goals, responsibilities, and requirements over the next twenty years. It includes projections through the assumed "build-out" of OC San's service area to beyond the year 2040. The Projects identified via the Master Plan are continually updated via OC San's Asset Management Program (AMP). The AMP also identifies new Projects and annually conducts a validation review of every future Project.

The proposed net CIP outlays for FY 2024-25 and FY 2025-26 are \$223.0 million and \$279.2 million, respectively, and are part of an overall 20-year CIP outlay of \$6.5 billion for all planned active and future projects, as well as outlays that are primarily allotted for future rehabilitation and replacement of the OC San's aging assets and systems.

Wastewater Recycling

In partnership with the Orange County Water District (OCWD), our agency recycles enough water to supply the needs of 850,000 people. Recognizing the need for a reliable, affordable, and high-quality water supply, OC San's Board of Directors set a goal of recycling 100 percent of all reclaimable wastewater flows.

OC San worked with OCWD on the construction and completion of the final expansion of the Groundwater Replenishment System. The final expansion came online in 2023 and will supply enough water for 1 million people.

Sewer Service Fee Increases

In March of 2023, the Board approved rate increases for each year over the next five years. These increases are necessary for compliance with OC San's debt fiscal policy of balancing the funding of new capital improvements with current revenues and existing debt, and to minimize the increase in rates over an extended period of time.

The impact of this five-year sewer fee schedule has increased the single family residence user fee rate, on average, 3.5 percent a year from \$358 in FY 2023-24 to \$411 in FY 2027-28. These rate increases by OC San are still well below the average annual sewer rate of \$523 being charged throughout the State according to the 2018 California Wastewater Charge Survey by the State Water Resources Control Board.

Staffing

Authorized staffing levels are being proposed at 663.50 and 663.50 FTE positions over the next two fiscal years, 8.50 and 0 FTE positions, respectively, higher than the approved staffing level for FY 2023-24. However, staffing is still 14.5 FTE positions below the agency's all time high of 678 positions approved in FY 1995-96.

OC San budgets staffing levels by FTE positions to provide a realistic estimate of actual staffing levels since not all employees are full-time employees. The part-time positions are funded at 1,040 hours. Parttime employees receive a prorated share of personnel benefits. The reductions from FY 1995-96 are a result of this agency's effort in striving to provide wastewater treatment as efficiently and effectively as possible while reducing operational and maintenance costs to more closely match those agencies that are "best in class" for wastewater treatment facilities.

Strategic Planning

In November 2019, the Board of Directors adopted a new comprehensive strategic plan to steer OC San's efforts. The Strategic Plan developed by the Board of Directors and staff is updated every two years prior to the start of the budget process. The plan defines the strategic initiatives to be pursued by OC San and provides a basis for long-term financial, capital, and operational planning. In addition, it provides for longterm continuity of vision as Board and staff members change over the many years it takes to deliver public works infrastructure.

Driven by our Mission, Vision and Core Values, this Strategic Plan continues OC San's aggressive efforts to protect the public health of the more than 2.6 million people we serve while protecting the environment where we live.

The Strategic Plan is broken down into four broad categories with fifteen policy areas that define our responsibilities and the services we provide. These areas are:

Business Principles

- Budget Control and Fiscal Discipline
- Asset Management
- Cybersecurity
- Property Management
- Organizational Advocacy and Outreach

Environmental Stewardship

- Energy Independence
- Climate and Catastrophic Event Resiliency
- Food Waste Treatment
- Water Reuse
- Environmental Water Quality, Stormwater Management and Urban Runoff

Wastewater Management

- Chemical Sustainability
- Biosolids Management
- Constituents of Emerging Concern

Workplace Environment

- Resilient Staffing
- Safety and Physical Security

The Strategic Plan is not a radical departure from the current direction, but rather the well defined iterative update to the direction of OC San. With the adoption of the Strategic Plan, staff will be updating the Asset Management Plan, Capital Improvement Plan, and Financial Plan that are the basis of a two-year budget that will be adopted by the Board of Directors. The Budget goals and the General Manager's work plan are the accountability steps that measure achievable progress toward the strategic initiatives listed in the Strategic Plan.

Financial Overview and Budgetary Issues

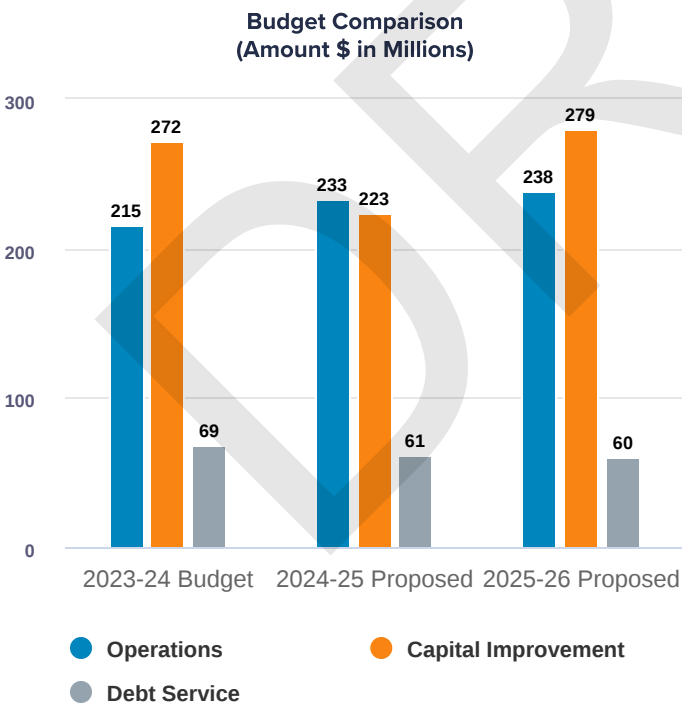
This section of the budget is a financial overview and an outline of issues affecting the development of the budget, as listed below:

- Proposed Consolidated Cash Flow Budget
- Proposed Operating Budget
- Proposed Net Capital Improvement Outlay
- Debt Service Requirements
- Sewer Service Fees & Property Tax Revenues
- Budget Highlights
- Individual Collection System
- Reserves
- Staffing Levels
- Business Plan
- OC San Long-Term Planning Process
- OC San Fiscal Policies
- GFOA Best Practices and Advisories

Proposed Consolidated Cash Flow Budget

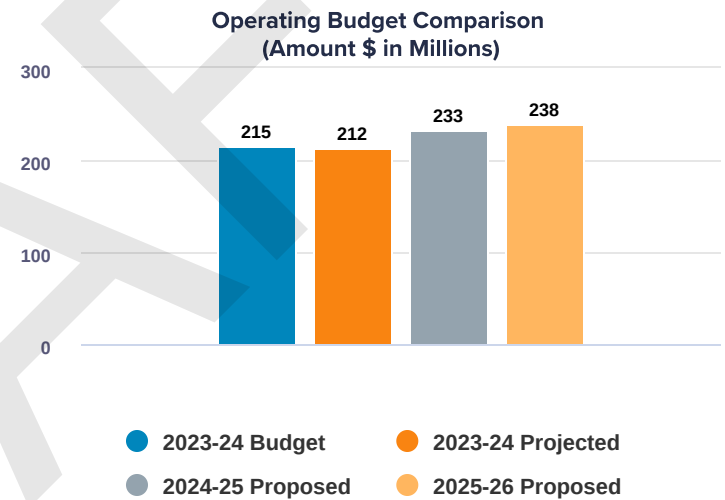
The total proposed cash flow budget for FY 2024-25 is \$525.4 million, a 6.8 percent change under the prior year total cash flow budget of \$563.6 million. The total proposed cash flow budget for FY 2025-26 is \$586.7 million, a 11.7 percent increase from the total proposed cash flow budget for FY 2024-25. The change in FY 2024-25 in comparison to the prior year is primarily due to an decrease of capital costs. There was a \$48.9 million decrease in the Capital Improvement Program over the prior year due to the timing of projects and inflationary pressures.

The following table shows the comparisons of the FY 2023-24 Budget, and the FY 2024-25 and FY 2025-26 Proposed Budgets by major budget category:



Proposed Operating Budget

The Operating program accounts for the costs to operate, maintain, and manage OC San's two treatment plants, with a secondary treatment design capacity of 332 million gallons a day, and over 380 miles of collection systems. All the personnel costs for OC San are initially recorded as an Operating cost. Costs chargeable to the Capital Improvement Program (CIP) are allocated for the work done through a job cost system. These charges are shown as reductions in the line item Operating program budget. Costs remaining in the Operating program are ultimately allocated to the two individual revenue areas that make up OC San, the Consolidated Revenue Area, and Revenue Area 14, based on flows. Operational cost, comprised of collections, treatment plant, recycling operations and maintenance, and administration are projected to come in under budget for FY 2023-24 Budget by \$3.1 million, or 1.4 percent. The FY 2024-25 Budget is being proposed with an increase of \$17.3 million or 8.0 percent from the prior year budget, and the FY 2025-26 Budget is being proposed with an increase of \$5.4 million, or 2.3 percent over the FY 2024-25 Proposed Budget.



Analysis on the year-to-year change is provided from three perspectives. First, the FY 2023-24 Budget is compared to the 2023-24 year-end projections. Secondly, the FY 2023-24 year-end projections are compared to the FY 2024-25 Proposed Budget, and lastly, the FY 2024-25 Proposed Budget is compared to the FY 2025-26 Proposed Budget.

FY 2023-24 Operations – Budget vs. Projected

As depicted by the chart above, operating expenses are projected to come in under the FY 2023-24 Budget by \$3.1 million, or 1.4 percent. The major category that comprised most of the underage is salaries and wages.

Salaries and wages costs are expected to come in under budget by \$5.1 million, or 4.3 percent primarily due to unfilled positions and positions being filled at entry level.

Administrative expenses are expected to come in under budget by \$0.7 million, or 31 percent primarily due to reduced need for small computer items.

Professional services are expected to come in under budget by \$2.3 million, or 31 percent primarily due to reduced usage of outside consultants.

Utility costs are expected to exceed budget by \$3.8 million, or 31.3 percent due to significant increase in delivery costs.

FY 2023-24 Projected Operating Expense vs. FY 2024-25 Proposed Operating Budget

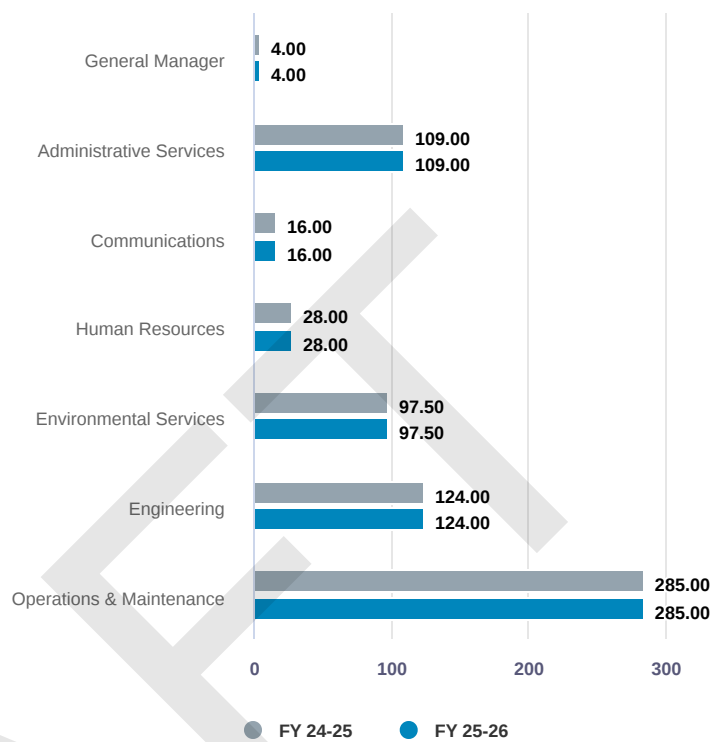
The FY 2024-25 Operating Budget is a \$20.3 million, or 9.6 percent increase over the FY 2023-24 projected operating requirements. Increases in the proposed operating requirements are primarily attributable to increases in salaries, wages and benefits, operating materials and supplies, and professional services.

Personnel costs are being proposed at \$12.6 million, or 11.3 percent increase over the prior year projection mainly due to anticipated salary and benefit adjustments for all employee bargaining units and increased insurance premiums and retirement contributions. There is a proposed increase of eight full time equivalent (FTE) staff position bringing the proposed total FTE count in FY 2024-25 to 663.50 FTEs.

Costs for training and meetings are proposed to increase \$1.0 million or 108 percent over the prior year projection. Increased costs for training are attributable to more in person training opportunities as the restrictions from COVID-19 are reduced, in addition to a districtwide effort to invest further into the growth of employees.

Professional services costs are proposed to increase \$2.7 million or 51 percent over the prior year projection. The increase is attributable to increased outside environmental scientific consultants, and software programming consultants.

Full Time Equivalent (FTE) Staff



FY 2024-25 Proposed Operations Budget vs. FY 2025-26 Proposed Operations Budget

In FY 2025-26, the second year of this two-year operating budget, staff is proposing a 2.3 percent, or \$5.4 million increase over the FY 2024-25 proposed operating requirements. Increases in the proposed operating requirements are primarily attributable to increases in personnel costs, operating materials and supplies, and repairs and maintenance.

Personnel costs are being proposed at a 4.9 percent, or \$6.0 million increase in FY 2025-26 over the FY 2024-25 Proposed Budget. This increase is mostly attributable to anticipated salary and benefit adjustments for all employee bargaining units and an increase of group medical insurance premiums.

Operating materials and supplies are being proposed to increase \$0.6 million or 1.9 percent, primarily due to chemical costs.

Proposed Net Capital Improvement Outlay

Proposed capital improvement outlays approximate two-fifths of the overall proposed budget and provide for the improvements, rehabilitation, replacement, expansion and upgrades of facilities at the two treatment plants, including the utility systems, administrative facilities, and the ocean disposal system, and the rehabilitation, replacement and expansion of the over 380 miles of the collection system and off-site pump stations.

The net CIP outlay has been prepared under assumptions included in the Facilities Master Plan adopted by the Board of Directors in December 2017 and in accordance with the Board approved 2023 Strategic Plan.

The Strategic Plan is a two-year, four-step management process that creates and maintains vision alignment between the Board of Directors, the staff, and the public. The Facilities Master Plan defines OC San's goals, responsibilities, and requirements over the next twenty years.

The Facilities Master Plan provides a comprehensive analysis of the condition and capacity of OC San's wastewater infrastructure. It also evaluated the potential impacts due to anticipated regulatory changes, and incorporated recommendations from other recent master planning efforts, such as the Effluent Reuse Study, Biosolids Master Plan, the Climate Resiliency Study, the Seismic Evaluations Study, and the Collections System (sewers and pump stations outside the Plants) Capacity Evaluation, to create the CIP which supports OC San's mission over the next 20 years.

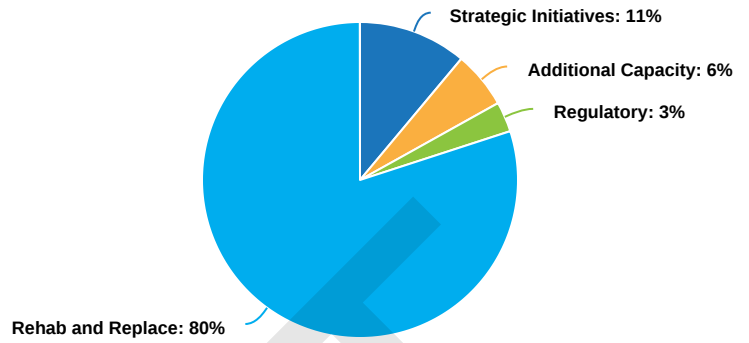
The Asset Management Program (AMP) continuously validates and updates the Facilities Master Plan Projects that are within CIP. This is performed by working with Operations and Maintenance and performing facility condition assessments and Planning Studies that allows future Projects to be created and updated. Future Projects that are updated through the year are also validated annually to ensure accurate schedule, scope, and budget.

The proposed net CIP outlays for FY 2024-25 and FY 2025-26 are \$223.1 million and \$279.2 million, respectively, and are part of an overall 20-year CIP outlay of \$6.5 billion for all planned active and future projects, as well as outlays that are primarily allotted for future rehabilitation and replacement of OC San's aging assets and systems.

There are four key drivers that lead to CIP projects: (1) Rehabilitation and Replacement; (2) Additional Capacity; (3) Regulatory; and (4) Strategic Initiatives.

As demonstrated by the following chart, the most prevalent CIP project driver is to rehabilitate and replace aging assets. OC San is now facing a time when dry weather influent flows have stabilized and discharged regulations are less dynamic. Most of the capital improvement costs will be focused on asset management, rehabilitation, and replacement of aging infrastructure.

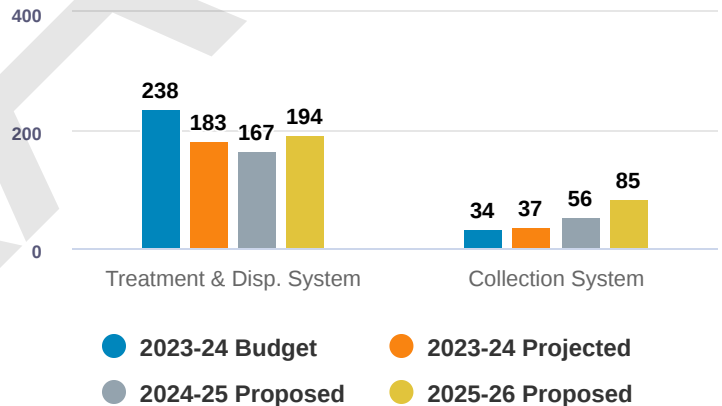
Projected FY24-25 Net CIP Outlay by Project Driver



The validated CIP includes 70 active and future capital projects, five programs, such as the Planning Studies Program (M-Studies) and Small Construction Program (M-FE), and budget for capital equipment purchases with a total CIP budget authority of \$4.7 billion.

The projected outlay for FY 2023-24 for Treatment and Disposal Improvement projects is expected to reach 77 percent of the annual net CIP outlay of \$238 million. The FY 2024-25 and FY 2025-26 proposed net CIP outlays for Treatment and Disposal Improvement projects are \$167 million and \$194 million, respectively.

CIP Program - Net Outlay (Amount \$ in Millions)



The three largest reclamation facility projects for FY 2024-25 include Headworks Rehabilitation at Plant No. 1 (Project No. P1-105), Primary Treatment Rehabilitation at Plant No. 2 (Project No. P2-98), and Ocean Outfall System Rehabilitation (Project No. J-117) with projected expenditures of \$36 million, \$17 million, and \$9 million, respectively.

Collection system projects are related to the conveyance of sewage to Reclamation Plant No. 1 or Reclamation Plant No. 2. These projects include a combination of gravity sewers, force mains, and pump stations. The projected net CIP outlay for collection system projects for FY 2023-24 is expected to exceed the annual net CIP outlay of \$34 million by 9 percent. The FY 2024-25 and FY 2025-26 proposed net CIP outlays for collection system projects are \$56 million and \$85 million, respectively.

The three large projects in the collection system include Gisler-Red Hill Interceptor and Baker Force Main Rehabilitation (Project No. 7-65), Seal Beach Pump Station Replacement (Project No. 3-67), and Taft Branch Improvements (Project No. 2-49) with projected expenditures of \$24 million, \$12 million, and \$6 million, respectively.

All of the projects referenced above are in construction; in total, construction accounts for 76 percent of the FY 2024-25 net CIP outlay. Additional information on these projects and the Capital Improvement Program as a whole is provided within Section 8 of this document.

Debt Service Requirements

OC San's long-term debt fiscal policy restricts long-term borrowing to capital improvements that cannot be financed from current revenue. Before any new debt is issued, the impact of debt service payments on total annual fixed costs will be analyzed.

OC San issued the \$80.0 million Wastewater Revenue Obligation, Series 2010A in May 2010 and the \$157.0 million Wastewater Revenue Obligation, Series 2010C in December 2010, both as "Build America Bonds" (BABs) fixed rate debt and the last of the "new" money debt issuances. The American Recovery and Reinvestment Act of 2009 created this new financing product, BABs, for the municipal issuer. BABs are issued as higher interest taxable bonds; however, the U.S. Treasury provides a 35.0 percent subsidy on interest payments. The net cost, after accounting for the 35.0 percent subsidy payment, frequently results in lower net costs to the issuer, specifically in the maturity years beyond ten years. Based on the market conditions at the time of these issuances in comparing the back-loaded BABs new money borrowing to a back-loaded tax-exempt structure, Series 2010A resulted in present value savings to OC San of \$15.2 million, as the debt was issued at an all-in true interest cost of 3.7 percent; and Series 2010C resulted in present value savings to OC San of \$20.0 million, as the debt was issued at an all-in true interest cost of 4.1 percent.

On March 1, 2013, the federal government implemented certain automatic spending cuts known as "the sequester". As a result of the sequester, federal subsidy payments on BABs have been reduced annually from a high of 8.7 percent for the federal FY ended September 30, 2013 to a low of 5.9 percent for the federal FY ended September 30, 2020.

In FY 2023-24, OC San issued \$139.7 million of Revenue Refunding Series 2024A to refund callable and maturing debt at a net present value savings of \$23.1 million. As a result of having an adequately funded reserves policy, experienced management, and prudent planning, OC San was again able

to secure a "AAA" credit rating from Fitch Ratings, Moody's, and Standard & Poor's on this latest debt issuance. In FY 2023-24, OC San also paid off \$134.2 million of the Wastewater Revenue Obligation, Series 2010C.

This two-year budget proposes no additional new money debt issuances as the \$3.3 billion in future replacement, rehabilitation, and refurbishment projects anticipated over the next ten years will be adequately funded through current sewer service fee charges and existing reserves.

The FY 2024-25 debt service requirements are proposed at \$61.0 million, a decrease of \$7.6 million, or 11.1 percent from FY 2023-24 projected amount. Total Debt Service requirements for the second year of this two-year budget will be steady at \$60.4 million.

OC San's Debt Financing Program is described in more detail in Section 9 of this budget.

Sewer Service Fees

The Consolidated Revenue Area has an adopted Sanitary Sewer Service Fee to provide funding for operating the sewer systems in accordance with the Clean Water Act and OC San's Revenue Program. Revenue Area No. 14 is funded through user fee charges to the IRWD. Sewer service fees are adopted in five year increments.

In the fall of 2007, OC San staff conducted strategic planning workshops with the Board of Directors to lay out a capital program to deliver the levels of service desired by the Board of Directors. These levels of service and resulting capital projects were included in OC San's Five-Year Strategic Plan.

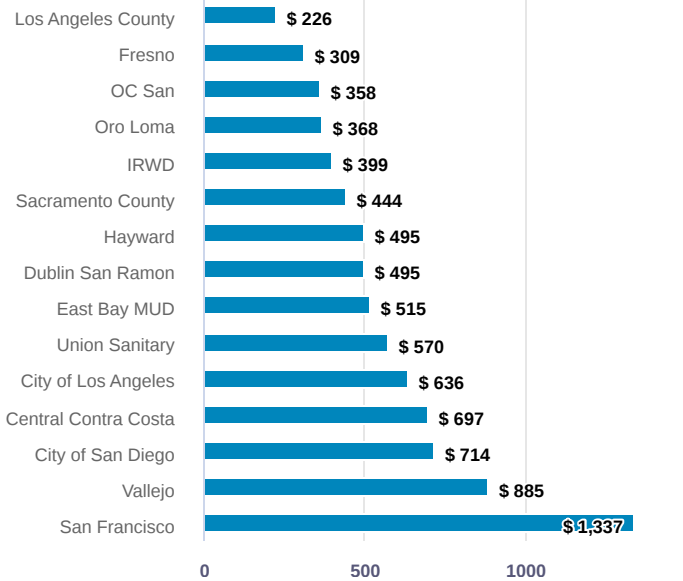
This effort was reinforced through the adoption of a new Master Plan in December 2017, a planning effort to define OC San's goals, responsibilities, and requirements over the next twenty years. The 2017 Facilities Master Plan defined a CIP consisting of over 80 future infrastructure projects. Collectively, these projects along with current active projects total over \$6 billion of CIP spending over the next 20 years.

The 2017 Facilities Master Plan also included a Wastewater Revenue Program Rate Study which determined the appropriate rates going forward to support the proposed 20-year CIP. In March 2023, following a Proposition 218 notice process, the Board approved sewer rate increases for each year over the next five years averaging approximately 3.5 percent a year. These increases are necessary to provide needed capital improvements, to meet additional treatment and disinfection requirements, and to minimize future rate increases.

The impact of this five-year sewer fee schedule has increased the single-family residence user fee rate, the underlying rate for all sewer service user fees, an average of 3.5 percent a year from \$358 in FY 2023-24 to \$411 in FY 2027-28 .

Even with these increases, OC San rates are still well below the average annual sewer rate of \$523 being charged throughout the State according to the 2018 California Wastewater User Charge Survey conducted by the State Water Resources Control Board.

Annual Single Family Residential Rates (July 2023)



In FY 1997-98, OC San’s Rate Advisory Committee, made up of elected city officials, community, business and industry leaders, and OC San staff analyzed OC San’s rate structure to determine whether user fees were equitable among residences and industry. In May of 1998, the Board approved the proposed revisions to the Sewer Service User Fee rate structure that more equitably charged consumers based on actual usage while remaining revenue neutral. Significant changes in the rate structure included:

Non-residential user charge will be based upon typical quantity and strength of discharge per 1,000 square feet.

Fees for users who discharge high quantities or high-strength waste, including former Class III permittees such as restaurants and laundromats, will be based on the assumed flow and strength per 1,000 square feet.

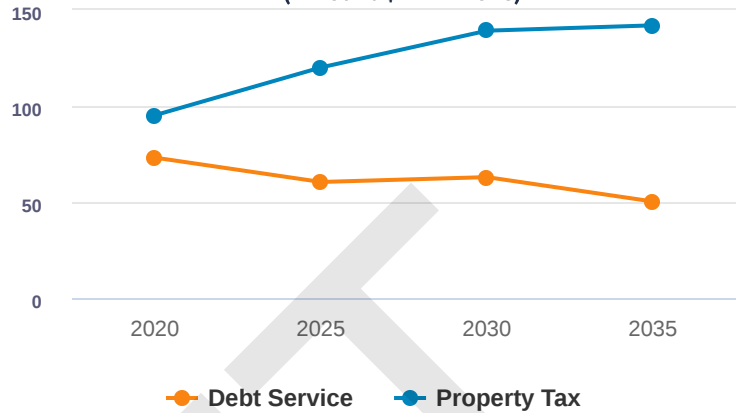
Discontinuation of the Class III permit process because of the implementation of the expanded and more accurate rate structure. This resulted in simplification of the billing and collection process for these two hundred users.

The revised rate structure resulted in a greater number of decreases in charges (22,000) for non-residential users than increases (13,000). Overall, the total fees collected remained essentially the same as those generated by the old structure.

Property Taxes

OC San’s share of the one percent ad valorem property tax is dedicated for the payment of COP debt service. The apportionment of the ad valorem tax is pursuant to the Revenue Program adopted in April 1979 to comply with regulations of the Environmental Protection Agency and the State Water Resources Control Board and in accordance with COP documents and Board policy.

Debt Service vs. Property Tax Receipts (Amount \$ in Millions)



Historically, OC San’s property tax revenues exceeded OC San’s debt service obligations. This trend should continue with debt service obligations leveling off and no new planned COP debt issuances.

Property tax revenues have increased from \$106.6 million in FY 2022-23 to a projected \$115.3 million in FY 2023-24 . Property tax revenues projected to increase 2.0 percent a year through FY 2025-26.

Any property tax revenue shortfalls in meeting debt service obligations may require adjustments to user fees, as making debt service payments are legally mandated.

Budget Highlights

This section briefly outlines the proposed major changes in all departments over the next two years. All plant operating costs and collection system costs are consolidated into the individual department budgets for better accountability and control.

However, separate accounting is maintained between Joint Works Operation activities (treatment and recycling operational costs) and collection operational activities since each Revenue Area is directly responsible for their own collection operating costs. The Joint Works Operation activities are allocated to the Revenue Areas based on their individual contributions to the annual sewage flow. Likewise, the Joint Works Capital Improvements are allocated to the Revenue Areas on a three-year average of sewage flows called the "joint works equity percentage", and each Revenue Area is responsible for their own collection system capital improvements.

Details for each department can be found in “Section 6 – Operations” of this document. Complete staffing schedules are located in the Appendix.

General Manager Office

An amount equaling one percent of the Operating materials and services budget is included within the General Manager’s Re-appropriation line item for each of the next two FYs. Since the current year’s budget lapses each year, re- appropriation of funds is needed to pay for goods or services ordered at the end of one budget year but not provided until the following year.

The General Manager reviews and approves all departmental re-appropriation requests to ensure that prior year funding was available and has not been spent.

An amount equal to one percent of the Operating materials and services budget is included within the General Manager's contingency account for each of the next two FYs.

Administrative Services

An increase in salaries, wages, and benefits costs of \$1.6 million in FY 2024-25 is attributable to additional FTEs and anticipated salary and benefit adjustments for all employee bargaining units.

An increase of \$3.4 million in contractual services costs, is driven by and increase in janitorial costs to service new facilities and the addition of security services costs to this department.

A net increase of 3.0 FTEs over the next two years.

Communications

An increase in salaries, wages, and benefits costs of \$0.6 million in FY 2024-25 is attributable to additional FTEs and anticipated salary and benefit adjustments for all employee bargaining units.

A net change of 2.0 FTEs over the next two years.

Human Resources

A decrease of \$2.3 million in FY 2024-25 is due to contractual services for security services being removed from his department.

No net change in FTE over the next two years.

Environmental Services

An increase in salaries, wages, and benefits of \$0.9 million in FY 2024-25 is attributable to anticipated salary and benefit adjustments for all employee bargaining units.

An increase of \$250,610 in other operating expense is driven by an increase in regulatory operating fees.

An increase of \$211,530 in professional services for engineering costs and environmental scientific consultants.

A net increase of 3.5 FTE over the next two years.

Engineering

An increase in salaries, wages, and benefits of \$1.4 million in FY 2024-25 is attributable to an additional FTE along with anticipated salary and benefit adjustments for all employee bargaining units.

A net increase of 1.0 FTE over the next two years.

Operations & Maintenance

An increase in salaries, wages, and benefits of \$2.6 million in FY 2024-25 is attributable to additional FTEs along with anticipated salary and benefit adjustments for all employee bargaining units.

An increase in repair and maintenance of \$1.5 million mainly due to activated sludge clarifier repairs, manhole rehabilitations, and digester cleaning and repairs.

An increase in utilities costs of \$3.7 million due to a significant increase in utility delivery costs.

No net change in FTE over the next two years.

Reserves

OC San conducted an in-depth review of the agency's reserve policies. This review included a survey of the reserve policies of 23 other public agencies and is periodically updated. It serves as a tool to assist in the evaluation of the underlying economic reasons supporting OC San's reserve policies. Below are seven distinct reserve criterion which together comprise OC San's reserve fund target.

Cash Flow Criterion has been established at a level to fund operations, maintenance and certificate of participations expenses for the first half of the FY, prior to the receipt of the first installment of the property tax allocation and the sewer service user fees which are collected as a separate line item on the property tax bill. The level of this criterion will be established as the sum of an amount equal to six months operations and maintenance expenses and the total of the annual debt or COP service payments due in August each year.

Operating Contingency Criterion has been established to provide for non-recurring operating expenditures that were not anticipated when the annual budget was considered and adopted. The level of this criterion will be established at an amount equal to ten percent of the current FY's annual operating budget.

Capital Improvement Criterion has been maintained to fund annual increments of the CIP. The target level of this criterion has been established at one half of the average annual cash outlay of the CIP through the year 2034. Levels higher and lower than the target can be expected while the long-term financing and capital improvement programs are being finalized.

Catastrophic Loss, or Self-Insurance Criterion has been maintained for property damage including fire, flood, and earthquake, for general liability and for workers' compensation. This reserve criterion is intended to work with purchased insurance policies, FEMA, and State disaster reimbursements.

Based on the plant infrastructure replacement value, the level of this criterion has been set to fund OC San's non-reimbursed costs, estimated to be \$100 million.

Capital Replacement/Refurbishment Criterion has been established to provide funding to replace or refurbish the current collection, treatment, and recycling facilities at the end of their useful economic lives. The current replacement value of these facilities is estimated to be \$11.6 billion. The reserve criterion level had been established at \$75 million.

Debt Service Criterion has been established at ten percent of the outstanding COP issues. Other debt service reserves are required to be under the control of a Trustee by the provisions of the COP issues.

These funds are not available for the general needs of OC San and must be maintained at specified levels.

Accumulated Funds exceeding the targets specified by OC San policy will be maintained for Capital Improvements and Rate Stabilization. These funds will be applied to future years' CIP needs due to the timing of the actual CIP outlays, in order to maintain rates or to moderate annual fluctuations.

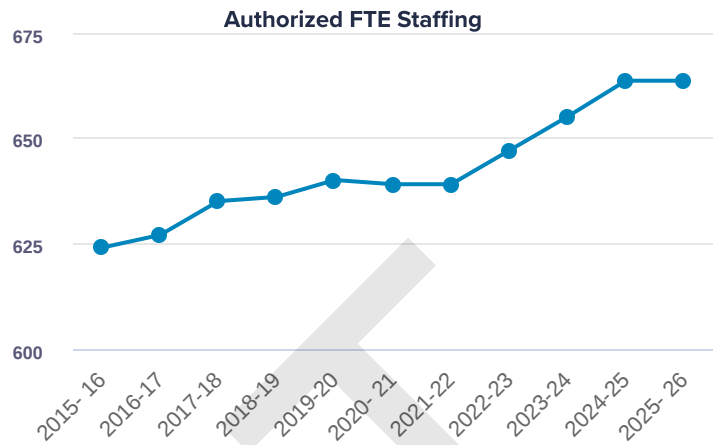
Collectively, these individual criterion requirements average \$556 million a year over the current ten-year cash flow forecast to support the operation and maintenance of OC San's \$14 billion in assets.

Staffing Levels

Authorized staffing levels are being proposed to increase the total FTE position count by eight and a half over FY 2023-24 at 663.50 FTE positions over the next two-FYs. However, staffing is still 14.5 FTE positions below the agency's all time high of 678 positions approved in FY 1995-96.

OC San budgets staffing levels by FTE to provide a realistic estimate of actual staffing levels since not all employees are full-time employees. The part-time positions are funded at 1,040 hours per year. Part-time employees receive a prorated share of personnel benefits.

The staffing reductions from 1995-96 are a result of this agency's effort in striving to provide wastewater treatment as efficiently and effectively as possible while lowering operational and maintenance costs to more closely match those agencies that are "best in class" for wastewater treatment facilities. However, as the result of new initiatives in the areas of water reclamation and conservation, and the expansion of the CIP, the existing staffing plan was no longer sufficient to meet OC San's needs.



The Appendices within Section 10 provide a Staffing History Summary (by Department and Division) and Detail (by position title within each Department and Division).

OC San Planning Environment

OC San has developed an integrated planning system that allows for intentional, thoughtful decision making to maintain current operations while adding resilience and meeting new challenges. This integrated planning system includes Strategic Planning, Asset Management, Budgeting (Capital and Operating), a General Manager's work plan, focused engineering study efforts, and a research program. While these plans are important, equally important is an organizational structure and relationships between employees that work together toward these common goals.

Strategic Planning is the first step. OC San has developed a strategic planning model that creates a long-term level-of-service agreement between its Board of Directors and staff. The Board of Directors use this document to lay out a vision of what the agency will deliver over the next 10 to 20 years. This is an alignment document to define long-term levels of service. The Strategic Plan also serves as a continuity bridge as members of the 25-member Board of Directors come onto and leave the governing body. It is initially important as an education tool for what and why OC San does what it does, but also allows for new Board members to adjust the vision as it is revised every two years. The Strategic Plan is timed to be adopted by the Board of Directors in the November prior to the bi-annual budget development.

OC San has also created an updated Asset Management Plan. The Asset Management Plan details what we own, what condition it is in, and what it is capable of delivering. This plan is renewed every year. OC San has broken down its facilities by drainage areas, pump stations, and treatment plant process areas. Each of these discrete areas have a plan. One of the key features of this planning method is to assume that each area has a life expectancy and will need regular refurbishment to maintain resiliency and attain the lowest lifecycle cost. Corrosion, mechanical wear and tear, electrical and instrumentation obsolescence, and technological opportunity must be addressed.

It is generally assumed that a normal plant process area will have a 60 to 80-year life if it is refurbished every 20 years. Linear assets like sewers and manholes tend to have a longer life and need attention less often. OC San inspects its linear assets no less than every five years to correct defects, rather than replace failed corroded pipes. It is much more efficient and responsible for OC San to rehabilitate and extend the life of our assets rather than replace once failure occurs.

The CIP portion of the budget lays out major refurbishment and replacement projects for each planning area looking out more than 20 years. Project start dates, scopes of work and cost estimates shift based on the ongoing asset management efforts that include an annual validation where schedule, scope, and budget are reviewed. The operations budget also lays out the smaller scale equipment level refurbishments or replacements necessary to keep the assets working between major projects. This longer horizon view optimizes the resources necessary to deliver projects by minimizing the number of projects and more fully scoping the necessary work at the beginning of the project, minimizing change orders and disruption. This more consistent capital and operational funding approach tends to level out funding requirements and user rates.

Once the two-year fiscal budget is approved, staff develops the General Manager's Work Plan for each of the budget years. The General Manager's Work Plan is a list of goals that are specifically linked to the Strategic Plan items. Each goal is specific and measurably moves the agency toward the vision in the Strategic Plan.

This complete planning cycle is repeated every two years. In addition, OC San is consistently studying very important topics that help shape the project and maintenance efforts guided by the planning cycle.

Some of the important engineering studies include Regional Urban Runoff Optimization, Ocean Outfall Condition Assessment, Energy and Digester Gas Master Plan, seismic risk evaluations, climate change resilience, and biosolids management. By studying the risks and impacts of these, and other issues, OC San is able to understand how its facilities must be improved or altered in order to deal with new requirements or better understood risks. OC San uses the information in each of the studies to improve the scopes of work for existing projects or maintenance activities. Taking the long view to adapt the facilities to address long-term risk and opportunity is the most effective way to reach an intentional, strategically planned vision for OC San.

Having a coherently aligned planning process is critical for moving OC San forward, but it is only half of the equation. Creating an environment where people are aligned is the other half. OC San has worked hard to utilize both formal and informal relationships in and across departments to align work efforts. Significant work has been done to define the roles and responsibilities of every department, division, and work group. This includes what each work group needs and is responsible to supply to the rest of the organization. The work groups were designed to be interdependent with a culture of holding each other accountable for delivering required services.

OC San has worked very hard to create an integrated planning environment which begins with the expectations of its Board of Directors and flows down to the work product of each employee. We have worked equally hard to assure our staff members are communicating and providing transparent services to each other in support of the plan.

CIP Master Planning The 2017 Facilities Master Plan was adopted in December 2017. Like previous versions, this latest master plan updated planning assumptions, provided a comprehensive analysis of the condition and capacity of our wastewater infrastructure, assessed new technology opportunities, anticipated regulatory changes, and resource recovery options to create a roadmap of facility evaluation improvements which supports OC San's mission over the next 20 years.

The 2017 Facilities Master Plan defined a Capital Improvement Program comprised of over 80 CIP projects. However, the budget allotted for each project must be approved by OC San Board of Directors during the annual budget review. To prepare for this annual budget review, OC San employees go through a budget validation process. Each CIP project is reviewed to ensure that the scope of the project is appropriate, and that the cost estimates are accurate. In addition, through the Asset Management Program, the Planning Division continually reviews and updates the ongoing and future CIP to appropriately manage the risks associated with asset or system failure. Future projects may be accelerated, delayed, consolidated, canceled or rescope to help ensure that the CIP is delivered in the most efficient way possible.

Strategic Plan

In November 2023, the Board of Directors adopted an updated comprehensive strategic plan to steer OC San's efforts. The Strategic Plan developed by the Board of Directors and staff defines the strategic initiatives to be pursued by OC San and provides a basis for long-term financial, capital, and operational planning. In addition, it provides for long-term continuity of vision as Board and staff members change over the many years it takes to deliver public works infrastructure.

Driven by our Mission, Vision and Core Values, this Strategic Plan continues OC San's aggressive efforts to meet the sanitation, health, and safety needs of the more than 2.6 million people we serve while protecting the environment where we live.

The Strategic Plan is broken down into four broad categories with fifteen policy areas that define our responsibilities and the services we provide. These areas are:

Business Principles

- Budget Control and Fiscal Discipline
- Asset Management
- Cybersecurity
- Property Management
- Organizational Advocacy and Outreach

Environmental Stewardship

- Energy Independence
- Climate and Catastrophic Event Resiliency
- Food Waste Treatment
- Water Reuse
- Environmental Water Quality, Stormwater Management and Urban Runoff

Wastewater Management

- Chemical Sustainability
- Biosolids Management
- Constituents of Emerging Concern

Workplace Environment

- Resilient Staffing
- Safety and Physical Security

The Strategic Plan is not a radical departure from the current direction, but rather the well-defined iterative update to the direction of OC San. With the adoption of the Strategic Plan, staff will be updating the Asset Management Plan, Capital Improvement Program, and Financial Plan that are the basis of a two-year budget that will be adopted by the Board of Directors. The Budget goals and the General Manager's work plan are the accountability steps that measure achievable progress toward the strategic initiatives listed in the Strategic Plan.

Biosolids Management

Biosolids is a resource recovered through the wastewater treatment process. OC San treats nutrient-rich, organic matter (solids) to produce biosolids. Biosolids can be recycled through composting or fertilizing farm fields (non-food crops via land application). OC San's goals are to ensure that biosolids management strategies align with beneficial use of biosolid and existing market conditions and to continue to have a sustainable, reliable, and economical biosolids management program that provides environmentally sound practices and meets the stringent federal, state, and local regulatory requirements.

Through March, in FY 2023-24, OC San produced an average of 515 tons per day ("tpd") of biosolids at a cost of \$10.6 million, which averaged \$75.04 per ton for hauling and recycling at offsite locations, as described in the table below.

The FY 2024-25 budget for biosolids management is \$14.4 million, an increase of 1.4 percent from FY 2023-24 based on the increased costs of both hauling and management.

Contractor	Location	Product	Appx. Tons per Day (March 24)	Avg. Cost per Ton (March 24)
Synagro - Nursery Products	Helendale, CA	Compost	135	\$ 77.66
Synagro - South Kern	Taft, CA	Compost	65	\$ 80.76
Synagro - AZ Solids	Vicksburg, AZ	Compost	-	\$ 87.66
Tule Ranch	Yuma, AZ	Land Application	226	\$ 67.96
Synagro - Liberty Compost	Lost Hills, CA	Compost	69	\$ 88.31
Inland Empire Regional Composting - Denali	Rancho Cucamonga, CA	Compost	9	\$ 83.25
Rialto Bioenergy Facility	Rialto, CA	Fertilizing Pellets/Char	-	\$ 95.87

OC San's contractors provide fail-safe, back-up biosolids management capacity in California and Arizona that include composting, land application, and landfill. Together, these options have the additional available capacity to manage more than ten times OC San's daily biosolids production to ensure sustainable, consistent, and reliable wastewater treatment operations.

OC San staff have been working to implement the recommendations of the 2017 Biosolids Master Plan. The plan evaluated the biosolids markets and technology options for digestion facility replacement at Plant No. 2 in Huntington Beach. This plan will serve as the road map for sustainable and cost-effective Biosolids management options over a 20-year period and will diversify our biosolids portfolio by adding a Class "A" option under federal rules for biosolids management.

Urban Runoff

Recognizing that County beaches were being affected by pollution carried by urban runoff, the Board of Directors adopted a number of resolutions to accept dry weather urban runoff into the sewer system. In June 2002, Assembly Bill 1892 amended OC San's charter to formally allow the diversion and management of dry weather urban runoff flows.

Resolution No. 01-07, adopted March 28, 2001, declared that OC San will initially waive fees and charges associated with authorized discharges of dry weather urban runoff to the sewer system until the total volume of all runoff discharges exceeds four million gallons per day (MGD) based on a monthly average. For the first 12 years of the Urban Runoff Program, the average monthly averages remained less than the four MGD threshold thus avoiding user fee costs being assessed to the diversion permittees.

In 2012, OC San received a number of proposals seeking to establish additional diversions to address bacteria and selenium loading to the upper Newport Bay. The discharge from the additional proposed diversions combined with the existing diversion flows would eventually exceed the four MGD fee threshold. On June 26, 2013, the Board adopted Resolution No. 13-09 expanding the waiver of fees or charges on the treatment of dry weather urban runoff from 4 to 10 MGD. According to the Board, the change was necessary not only to protect the County's coastal resources, but also to provide an economic benefit to the local economy by helping to keep our beaches open.

The Dry Weather Urban Runoff Program is administered by OC San's Resource Protection Division, which issues a discharge permit for each of the diversion structures. The permit functions as a control mechanism that specifically prohibits storm runoff and authorizes discharge only during periods of dry weather. The permit also establishes specific discharge limits, pollutant monitoring, and flow metering requirements. In addition, OC San conducts quarterly sampling and analysis of the urban runoff discharges to ensure discharge limit compliance.

There are currently 21 active urban runoff diversion structures, three owned and operated by the County of Orange, 11 owned and operated by the City of Huntington Beach, three owned and operated by the City of Newport Beach, three owned and operated by the IRWD, and one owned and operated by PH Finance (present owner of the Pelican Hill Resort). On behalf of the Newport Bay Watershed Permittees, the City of Santa Ana is constructing an urban runoff diversion to reduce bacteria and selenium loading to the Newport Bay Watershed. The Santa Ana Delhi Channel Diversion is estimated to add 1.92 MGD to Plant 1 influent.

Since 1999, OC San has treated cumulatively over 10.7 billion gallons of dry-weather urban runoff that would otherwise have been discharged into the ocean without treatment. During FY 2022-23 the daily average urban runoff flow ranged between 1.38 and 3.07 MGD with a cumulative total diversion of 565 million gallons (MG). The diversion flows increased by 18 percent due to increased operating days that met qualifying conditions for urban runoff diversion. At the current operations and maintenance cost per million gallons (CMG) of \$1,972 (assuming BOD at 20 mg/L and TSS at 50 mg/L), assuming the commissioning of both the Santa Ana Delhi Channel Diversion the Arches Diversion near the beginning of FY 2025-26 and these facilities reach their full discharge potential (1.92 MGD and 0.2 MGD, respectively).

Groundwater Replenishment System

OC San has taken a multi-jurisdictional approach to planning for capital facilities because many of the methods for reducing or managing flows involve other jurisdictions. One such project is the Groundwater Replenishment System (the "GWRS").

In March 2001, OC San entered into an agreement with the Orange County Water Sanitation District (OCWD) to design and construct Phase I of the GWRS. The capital cost of this Phase was shared equally (50% shares) by each agency. The GWRS is a joint effort by the two agencies to provide reclaimed water for replenishment of the Orange County Groundwater Basin and to augment the seawater intrusion barrier. The GWRS became operational in January of 2008 with a production target of 70,000 acre-feet per year of potablewater.

The GWRS Initial Expansion, funded solely by OCWD, broke ground in January 2012 to increase potable water production to approximately 103,000 acre-feet per year. The GWRS Initial Expansion was completed in June 2015, resulting in purifying 100 percent of the treated wastewater from OC San's Fountain Valley Plant No. 1.

In 2016, OC San and the OCWD completed a \$2 million joint study to explore the possibility of using flows from OC San's Plant No. 2. The study identified an implementation plan to convey secondary effluent from OC San's Plant No. 2 in Huntington Beach using new and existing infrastructure to support the GWRS Final Expansion. The GWRS Final Expansion will be funded solely by the OCWD. OC San currently has two active projects supporting the GWRS Final Expansion. The costs of these projects will be reimbursed by the OCWD. The Final Expansion of the GWRS went online in 2023.

Fiscal Policies

Included within Section 3 – Pages 1 through 6 is a listing of OC San's Board Adopted Fiscal Policies.

These fiscal policies were established purpose of:

- Sustaining a financially viable organization;
- Having the flexibility to adapt to local and regional economic changes; and
- Maintaining and enhancing sound fiscal condition of OC San.

Included within OC San's fiscal policies are specific polices for Budgeting, Revenues, Expenses, Capital Improvements, Vehicles, Short-term Debt, Long-term Debt, Reserves, Investment, and Accounting, Auditing and Financial Reporting.

GFOA Best Practices and Advisories

Included in the budget within Section 3 – Pages 7 through 15 is a listing of accounting, auditing, financial reporting, cash management, budgetary and fiscal policy, debt management, retirement and benefit administration, and economic development and compliance planning practices recommended by the Government Finance Officers Association (GFOA) of the United States and Canada.

Included within this list of best financial practices for state and local governments is OC San's status as to whether we are in compliance or in progress towards compliance, or whether the practice is applicable to this agency. Out of the 199 practices identified, OC San is in compliance with 171, another 28 are not considered applicable to OC San.

DRAFT

OC San's Strategic Plan is intended to be an overarching plan based on sound decision making that provides direction on the work that OC San will take on during the next two-year budget cycle and what will be deferred. This Business Plan is the underlying foundation for the development of OC San's Budget.

During the process of developing the Business Plan, OC San's Executive Management Team reviewed the proposed work for the upcoming year, balanced it with the staffing and funding resources needed and either approved the plan or made reductions. Reductions in work or resource commitment for the coming year will be considered in light of the Level of Service that the agency is committed to and appropriate levels of risk.

Elements included in two year budget includes: (1) the Business Planning Process; (2) Strategic Goals, including the timeframe, milestones, and resources required for the completion of each step; (3) performance results pertaining to the Current and Projected Key Performance Indicators (Level of Services); (4) business accountability performance objectives and measures, that are aligned with the updated Strategic Plan (these are detailed for each division within the departments in Section 6 of this document); (5) Two-Year Staffing Plan; (6) Financial Model Update; (7) Risk Assessment & Mitigation Analysis; and (8) 2020-21 Asset Management Plan Update.

Business Plan Process

The framework for the Business Plan is developed as part of the process of updating the Strategic Plan. The process for updating the Strategic Plan requires the assistance from all levels of the organization, and includes updating the Mission Statement, Vision Statement and Core Values; and addresses the major objectives and critical challenges facing OC San now, in the next five years, and further into the future. This Strategic Plan also lays down the foundation for the development of the Business Plan as it addresses critical operations and construction issues, financial and budgeting challenges, and gives a clear and concise direction from the Board of Directors to staff, ratepayers, regulatory agencies, and the general public.

The Business Plan development process started with the categories and topics identified within the Strategic Plan. Staff from across the agency further defined these goals in terms of level of service, business risk exposure, capital and operational costs, staffing, and long-term financial impacts. The Business Plan identifies the required resources and prioritizes projects and goals, with recommendations for which goals should go forward for inclusion in OC San budget, and which should be deferred or dropped from consideration.

Strategic Goals

Over the next two years, OC San will begin and complete many activities central to the goals of the organization. In November 2023, OC San updated the Strategic Plan and, as part of the strategic planning process, outlined four broad categories:

Business Principles;

Environmental Stewardship;

Wastewater Management;

Workforce Environment;

These four categories contain fifteen policy areas with ongoing initiatives to achieve the goals of the plan and OC San.

Level of Service

The Levels of Services were developed with measurable outcomes, or key performance indicators, that OC San is committed to meeting. This Business Plan documents that the Levels of Service provided by OC San will require \$3.2 billion in identifiable capital improvements and millions in increased maintenance and operations costs over the next ten years.

OC San's Levels of Service have been updated in November 2023 to align with the Strategic Plan and showcase how initiatives are being implemented and monitored. OC San's Levels of Service are the commitment made to our rate payers, regulators, employees, and the Board of Directors on our operational efforts. The levels of service continue under the identified following goals:

OC San will protect public health and the environment.

OC San's effluent, solids, and biogas will be recycled.

OC San will be a good neighbor and will be responsive to its customers.

OC San will manage its assets to ensure reliability and security.

OC San will exercise sound financial management.

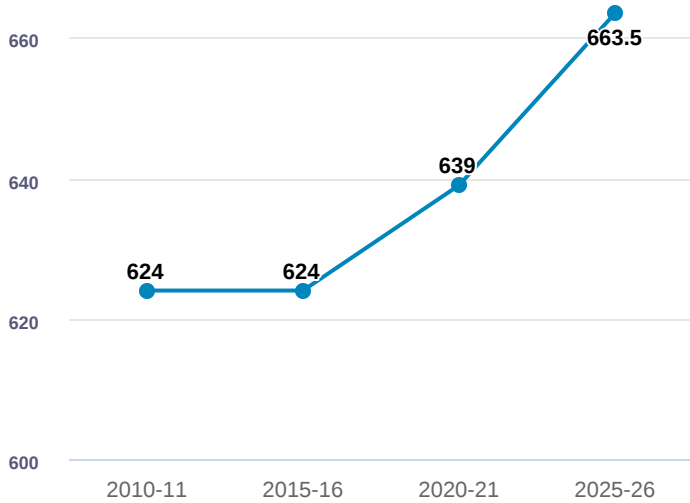
OC San will provide a safe, productive workplace.

These existing Levels of Service targets are continually under review.

Staffing Plan

A comprehensive review was completed on OC San's staffing levels for the next two fiscal years. This undertaking began with a review of OC San's vision, mission, goals, and objectives.

Authorized FTE Staffing



This analysis included review and assessment of each department and division within OC San with discreet duties and responsibilities.

The total FTE requirement has gradually increased over the last ten years, based on the needs of the agency over time. An increase of 663.50 FTEs over the next two FYs is proposed. This is well below the high FTE count of 678 in FY 1995-96. Staffing levels are proposed at minimum levels that are necessary to support the operation and maintenance of all facilities in an efficient manner to meet all compliance requirements. Staff has focused on the reallocation of existing resources in order to balance the needs within the business units of this agency to ensure that core business operations are met, levels of service are maintained, and that strategic initiative elements are accomplished.

The proposed two-year staffing plan contains a significant level of analysis on how existing resources can be utilized in consideration of the increasing demands placed on this agency and in support of the \$4.7 billion capital improvement program over the next ten years. A detailed breakdown on the proposed reallocation of FTEs can be found within the Appendix section of this budget.

Financial Model Update

OC San’s most recent regional rate study was completed in December 2022 by HDR Engineering. The purpose of the study was to update sewer service rates and to equitably distribute costs among utility customers and to support OC San’s regional rate structure over a five-year period from FY 2023-24 through FY 2027-28. Previously, OC San had completed regional rate studies in 2017, 2013, 2008, 2006, 2002 and 1999. The following two drivers necessitated that a rate study be completed in 2022, and be incorporated into the Business Plan:

The Necessity of Updating the Regional Sewer Service Fee and the Net Cost of Service Methodology for Industrial Rates - OC San provides regional sewage collection, treatment, and disposal services to approximately 550,000 customers located in central and northwest Orange County and collects fees for these services through a special assessment on the Orange County property tax bill. In addition, OC San also maintains, repairs, and replaces the local sewers for approximately 74 of the above 550,000. High strength dischargers, or industrial customers, pay sewer fees based upon a net cost of service. A rate study was required to determine the equitable rates for these three types of users.

Five-Year Proposition 218 Notice - OC San’s last California Proposition 218 Notice notifying rate payers of potential sewer rate increases over the past five-years had expired and a new 5-year Proposition 218 Notice approved by the Board and the justification of the new sewer service fee rates over the next five years needed to be supported by an updated sewer rate study.

In their Financial Model Update Report for OC San issued in December of 2022, HDR recommended that OC San:

Based on current operational and capital project assumptions, implement annual increases based on construction inflation, respectively, over a five-year period ending in FY 2024-25.

Increase to the unit costs to high strength discharges for FY 2024-25 and FY 2025-26, as follows:

Industrial Discharge Sewer Rates

	\$/ 1,000 Gallons	\$/ lbs. B.O.D.	\$/ lbs. T.S.S.
Unit Cost -FY 2024-25	\$1,754.41	\$0.74423	\$0.85592
Unit Cost -FY 2025-26	\$1,836.37	\$0.78555	\$0.89834
% Increase	4.7%	5.6%	5.0%

All recommendations from the December 2022 Financial Model Update Report were approved by the Board to ensure that the funding required for the additional capacity projects required for new users would be available at the time of construction.

Local sewer service fees are based on the Financial Model Update Report from April 2008 and remain at \$108 per single family residence.

It was determined, as a result of the new Master Plan, that future build-out is now projected to be less than what was anticipated in the previous master plan. OC San’s system currently has unused capacity that is available to serve future users. In addition, OC San will continue to maintain, improve, and expand the system with future capital improvements. Based upon this information, a hybrid approach (buy-in and future cost) to capacity charges was recommended.

Based on the CFCC portion of the rate study in 2022, CFCC and Supplemental CFCC fees are as follows for FY 2024-25 and FY 2025-26:

CFCC Rates

	Residential <u>CFCC</u>	Commercial/ <u>Industrial CFCC</u>
Unit Cost -FY 2024-25	\$6,354	\$1,659
Unit Cost -FY 2025-26	\$6,576	\$1,717
FY24-25% Increase	11.1%	11.1%
FY25-26% Increase	3.5%	3.5%

Supplemental CFCC Rates

	\$/ 1,000 <u>Gallons</u>	/ lbs. <u>B.O.D.</u>	\$/ lbs. <u>S.S.</u>
Unit Cost -FY 2024-25	\$2.39	\$0.55920	\$0.33917
Unit Cost -FY 2025-26	\$2.47	\$0.58000	\$0.35000
% Increase	3.5%	3.5%	3.5%

Risk Assessment Analysis

Many leading organizations are formally applying risk management processes to identify and manage risks across many aspects of their business. The formalization of risk management processes is a logical step towards increased accountability and transparency placed on the Board and OC San management.

Risk assessment and mitigation includes the following steps: Identify and assess strategic and organization-wide risks facing OC San;

Identify mitigation measures that OC San currently has in place;

Propose additional mitigation measures that OC San considers appropriate to manage; and

Develop an action plan of responsibilities and timeframes for follow-up.

The Risk Register is a compilation of the various risks facing OC San, as seen, and described biennially by the executive management team and the managers. Business Risk is defined as a threat that an event (action or inaction) will adversely affect OC San’s ability to achieve its business objectives and execute its strategies successfully.

Executive management and managers continue to review risks identified in the Risk Register and implement various ways to address those that might impact OC San. Each Risk Register Update contains solutions proposed by participants for the top risks, and each Risk Register Update also contains a section recording how OC San dealt with the risks that were spotted in the previous Risk Register Update.

Asset Management

OC San is committed to providing services for its rate payers to reliably meet our regulatory mandates and levels of service approved by the Board of Directors and will provide these services using sustainable engineering principles that result in the lowest responsible lifecycle cost with an acceptable level of risk. OC San installs, operates, maintains, refurbishes, and disposes of assets with lifecycles measured from years to decades, so an approach which balances long, medium, and short-term needs is necessary.

OC San’s Asset Management Program has evolved into a comprehensive decision-making framework that encompasses engineering planning, design, and construction of quality facilities; optimized operation; proper maintenance; and planned rehabilitation, replacement and refurbishment of assets that will meet OC San’s changing needs. This coordinated decision-making process will allow OC San to consistently meet mandated levels of service to the rate payers at the lowest lifecycle cost.

The ongoing improvement and maturation of the Asset Management Program has resulted in the annual publication of an Asset Management Plan which provides details on the program, asset condition summaries, and budgetary considerations. The plan evaluates the remaining useful life of assets by discipline within each of the major areas (Collection System, Reclamation Plant No. 1, and Reclamation Plant No. 2). An overarching trend identified by the Asset Management Program is an increasing need to focus on renewal expenditures as the average age of OC San’s assets continues to increase.

The Asset Management Plan is not only useful for documenting the current condition of OC San’s assets, but it also allows for the development of a more thoughtful 20-year CIP plan which considers which projects are necessary, when they are needed, and how best to accomplish them. The value of OC San’s assets and the 20-year CIP plan to sustain them are summarized in the following sections and described in more detail in the CIP Budget Request Summary section of this report.

Asset Valuation

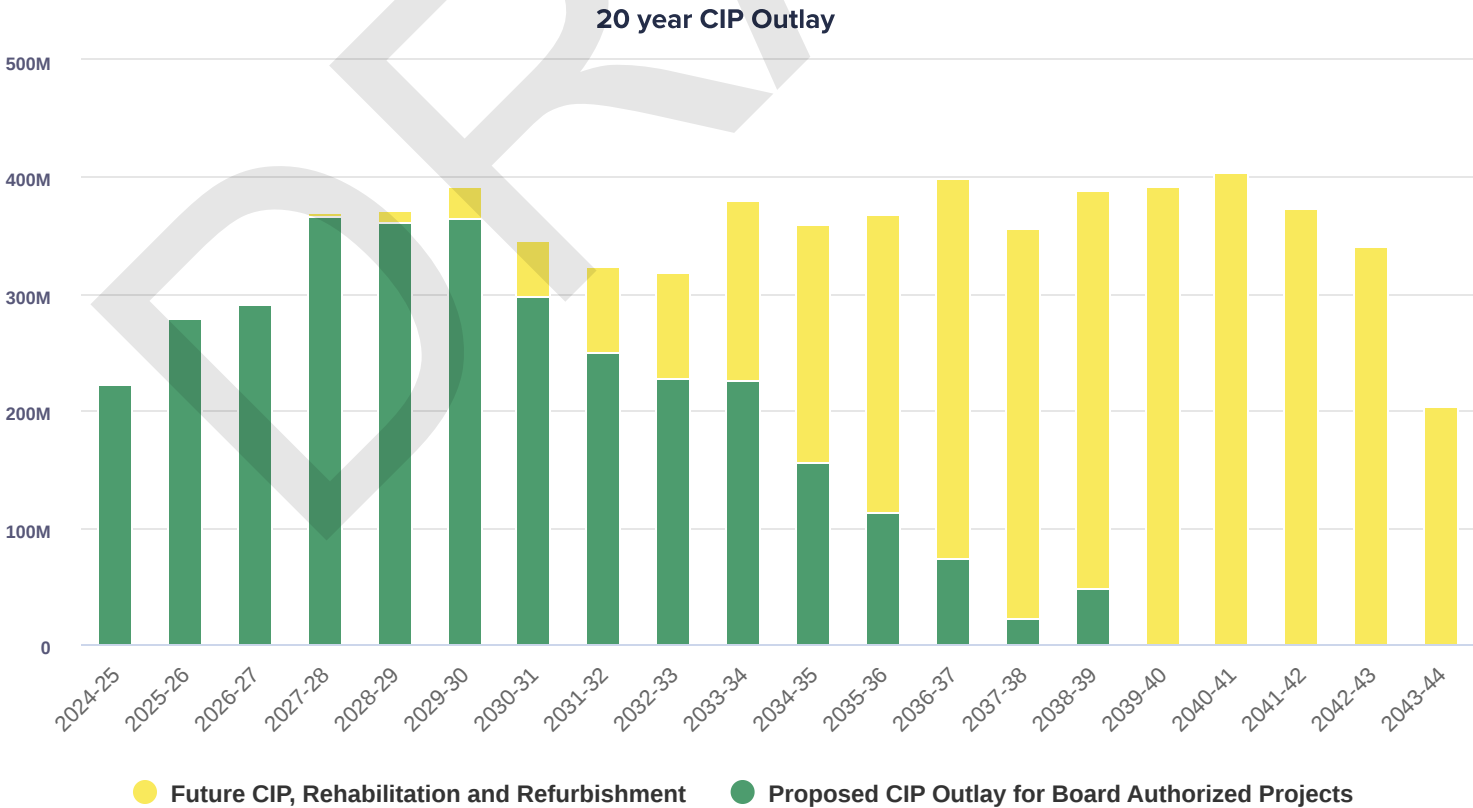
The replacement valuation for all of OC San’s assets has been updated in 2018 as part of the 2017 Facilities Master Plan project. The table below presents the current replacement and depreciated values of OC San’s assets. The replacement value represents the cost in 2018 dollars to completely rebuild all the assets to a new condition. The depreciated value is the book value of the assets based on their age, which is a prediction of their current condition.

Valuation	Plants	Collections	Total
<u>Replacement Value (in billions)</u>	\$9.39	\$4.59	\$13.98
<u>Depreciated Value (in billions)</u>	\$2.88	\$0.76	\$3.64

The estimated replacement value in FY 2024-25 is \$14.0 billion based on the Engineering News- Record Construction Cost Index (CCI) increase since the 2017 Facilities Master Plan.

Planned CIP Outlays

The following chart shows the 20-year CIP outlay which includes both current and projected future Capital Improvement Program projects. Additional information on the proposed CIP outlay for Board Authorized Projects is provided in the CIP Budget Request Summary section of this report. The second half of the 20-year CIP outlay is primarily comprised of future projects which are reevaluated and adjusted annually to reflect any new information available.



Infrastructure Asset Management

OC San manages and assesses collection system and reclamation plant assets to improve resilience and reliability while lowering lifecycle costs. This is accomplished through adaptive operation; coordination of maintenance and condition assessment; and planned capital investment. Staff will balance maintenance, refurbishment, and replacement strategies to maximize useful life, system availability, and efficiency.

Below is a summary of the infrastructure maintenance activities and associated capital projects for FY 2024-25 and FY 2025-26. Just as this section focuses on capital costs, OC San’s operational and maintenance costs for the Collection System, Reclamation Plant No. 1, and Reclamation Plant No. 2 are provided within Section 6.

Collection System

OC San’s collection system consists of more than 380 miles of sewers and 15 pump stations. The maintenance of all regional sewers is actively managed but only 230 miles of regional sewers are on a cleaning schedule as the largest sewers and force mains are designed to be self-cleaning based upon higher flows and natural scouring action.

Typical gravity sewer maintenance activities consist of: closed circuit television (CCTV) inspection, physical inspection, and cleaning operations. The cleaning frequencies are based on data from pipe inspections, CCTV work, process conditions, historical records, and industry best practices.

Pump station and metering station maintenance activities include operating the stations, maintaining electrical, mechanical, and civil components, and cleaning activities.

The collection system odors and corrosive gases are actively managed for nuisance odor mitigation and asset preservation.

Maintenance activities are based on established levels of service to ensure compliance with our permit required Sewer System Management Plan, which is designed to reduce spills, increase reliability, and ensure safety. The planned activities help extend the useful life of the assets and minimize the potential for issues to develop.

Budget information for maintenance is available in Section 6.

Collection System Capital Improvement Projects

OC San’s collections projects go through a planning and design process to ensure all elements of the project are thoroughly assessed. These projects typically renew or replace aging pipelines and pump stations; address odor issues; upgrade facilities to meet current codes and standards; and, in some instances, increase flow capacity due to growth in localized portions of our service area.

In FY 2024-25 a focus continues to be the replacement of three of OC San’s important pump stations. Project No. 3-67 recently started construction and Project No. 5-67 is anticipated to bid and move forward with construction within the fiscal year to replace Seal Beach Pump Station and Bay Bridge Pump Station, respectively. Project No. 1-23, Edinger Pump Station Replacement, is anticipated to begin the design phase in the coming fiscal year. The reliability of all of OC San’s pump stations are critical for preventing sewer spills; however, these three pump stations are a priority for replacement with an average age of 57 years since original installation. These projects are projected to spend a combined \$18 million in FY 2024-25.

Additionally, there will be a widespread effort to address mostly age-related condition issues throughout the collection system. Project No. 2-49, Taft Branch Improvements; Project No. 7-65, Gisler-Red Hill Interceptor and Baker Force Main Rehabilitation; and 7-68, MacArthur Force Main Improvements, are three good examples of this typical ongoing rehabilitation effort. All three projects will be in construction in the upcoming fiscal year and are projected to spend a combined \$35 million in FY 2024-25.

Reclamation Plant No. 1 and Reclamation Plant No. 2 Maintenance

The maintenance program is continually being optimized with a focus on predictive and preventative maintenance which identifies and addresses issues when they initially develop. This approach not only allows for a more planned and less disruptive maintenance program but is also more cost effective. Each year the maintenance divisions complete tens of thousands of these predictive and preventative maintenance tasks and repairs assets as needed.

Reclamation Plant No. 1 Capital Improvement Projects

These projects are intended to rehabilitate or reconstruct major components of our treatment process and support facilities to ensure reliable operations.

One of the largest projects at Plant No. 1 continues to be the Headworks Rehabilitation at Plant No. 1 (Project No. P1-105). The facility is over 30 years old, and a comprehensive refurbishment is required to ensure the continued reliable operation of the facility into the future. The project will rehabilitate systems including the metering and diversion structure, the bar screen building, the bin loading building, the main sewage pump station, the grit basins, the primary influent channels, the headworks odor control scrubbers, electrical power distribution systems, and control elements. This project is in construction and is projecting to spend \$41 million in FY 2024-25, with final completion scheduled in 2028.

Reclamation Plant No. 1 will be undergoing major overhauls of its primary and secondary treatment processes via Project P1-126, Primary Sedimentation Basins No. 3-5 Replacement at Plant No. 1, and Project P1-140, Activated Sludge-1 Rehabilitation at Plant No. 1. Both projects will be transitioning from preliminary design to design at the start of the upcoming fiscal year and are projecting to spend a combined \$10 million in FY 2024-25.

Reclamation Plant No. 2 and Outfall Capital Improvement Projects

These projects are intended to rehabilitate or reconstruct major components of our treatment process and support facilities to ensure compliance with regulatory permits, increase reliability, and improve safety.

One of the largest and longest duration active projects at Plant No. 2 is Project P2-98 (Primary Treatment Rehabilitation at Plant No. 2). This project is in construction and will renew the useful life of the 14 primary clarifiers and associated support facilities at Plant No. 2 via rehabilitation and replacement. These facilities date back to the late 1950's and need condition-based upgrades. The final phase of this project is under construction and is projecting to spend \$19 million in FY 2024-25, with completion scheduled in 2027.

Similar to the other areas, rehabilitation to address age-related condition issues will be a focus at Plant No. 2. Project P2-137, Digesters Rehabilitation at Plant No. 2; P2-128, Digester Replacement at Plant No. 2; and P2-136, Activated Sludge Aeration Basin Rehabilitation are good examples of this typical ongoing rehabilitation effort. The projects will be in construction, continuing design, and starting design, respectively, in the upcoming year and are projecting to spend a combined \$9 million in FY 2024-25.

There are also a number of projects providing a variety of improvements at Plant No. 2 including Project P2-127, Collections Yard Relocation and Warehouse Demolition at Plant No. 2; P2-128A, South Perimeter Wall and Soil Improvements at Plant No. 2; and P2-138, Operations and Maintenance Complex at Plant No. 2. The projects will be completing construction, starting construction, and continuing preliminary design, respectively, in the upcoming year and are projecting to spend a combined \$11 million in FY 2024-25.

While considering the outfall, Project No. J-137, Ocean Outfalls Rehabilitation, will begin preliminary design during FY 2024-25 and is projected to extend through FY 2032-33. This project will rehabilitate the existing long outfall, one of our most critical assets, and will also assess and make needed repairs to our short outfall so that both pipelines remain reliable.

ENVIRONMENTAL STEWARDSHIP	FY 2022-23 Results	Levels of Service Target
OC San will protect public health and the environment.		
Compliance with Ocean Discharge Permit	100%	100%
Dry weather urban runoff collected and treated	Up to 10 MGD	Up to 10 MGD
Major non-conformance audit findings	< 5 Per permit per audit	< 5 Per permit per audit
Respond to corrective actions within regulatory timeline for air, solids, and water compliance audits	100%	100%
Comply with Fleet Air Emission Regulations	100%	100%
Number of odor complaints under normal operations	< 5 per events per treatment plant < 12 per events for collection system	< 5 per events per treatment plant < 12 per events for collection system
Sanitary Sewer Spills per 100 miles	< 2.1	< 2.1
Compliance with core industrial pretreatment requirements	100%	100%
OC San's effluent, solids and biogas will be recycled.		
Provide specification effluent to Groundwater Replenishment System	100%	100%
Beneficially reuse biosolids during normal operations	100%	100%
WASTEWATER MANAGEMENT		
OC San will be a good neighbor and will be responsive to its customers.		
Respond to collection system spills within 1 hour of notification	100%	100%
Respond to odor complaints	Within 1 hour in plants Within 24-hours in collection system	Within 1 hour in plants Within 24-hours in collection system
Respond to public complaints or inquiries regarding construction within 24 hours	100%	100%
Respond to biosolids contractor violations within one week of violation notice	100%	100%
Respond to Public Records Act requests within the statutory requirements	100%	< = 10 days
Dig alert response within 48 hours	100%	100%

	FY 2022-23 Results	Levels of Service Target
OC San will manage its assets to ensure reliability and security.		
Cybersecurity event monitoring and incident handling, percent successful	95%	> 87%
Annual real property assessments/inspections	100%	25% of the properties
Annual Inspection, documentation, and evaluation of collection system	100% 100%	70 miles of sewers 880 manholes
BUSINESS PRINCIPLES		
OC San will exercise sound financial management.		
Annual user fees sufficient to cover 100% of O&M Budget	100%	100%
Collection, treatment, and disposal costs per million gallons	Within 10% of Budget	Within 10% of Budget
Maintain Credit Rating (Moody's, Fitch, S&P)	AAA	AAA
WORKPLACE ENVIRONMENT		
OC San will provide a safe, productive workplace.		
Employee injury incident rate per 100 employees	100%	< 4.4
Annual days away from work, restricted activity, or job transfer resulting from a work-related injury	Within 1 hour in plants	< 2.5
Annual training hours per employee	100%	45 hours

OC San Long-Term Planning

	Type of Planning Process	Description of Process	Budget Impacts
Update of the Strategic Plan	Maintaining a rolling two year, four-step management process that creates and maintains vision alignment between the Board of Directors, the staff, and the public we serve.	In November 2023, OC San’s Board approved a 2- Year Strategic Plan. It defines needs and feeds into Capital Planning. From there, budget development will be developed and executed.	The ongoing process adapts to changes and allows the budget to be reevaluated and refined.
Capital Master Planning and Asset Management	Develop and maintain a 20-year Capital Improvement Program (CIP) to meet the regulatory, environmental, health, and safety needs of a growing population.	In December 2017, the Board approved a new Facilities Master Plan that lays out a capital program to deliver and maintain the levels of service desired by the Board of Directors. This is validated and reinforced every year through Planning Studies and Asset Management.	The 2024 CIP Validation, includes an overall CIP budget of over \$6.4 billion for active and future projects.
Biosolids Management	Aggressively pursue biosolid disposal alternatives.	The study of biosolids options will include offsite and onsite facility, and new and established technologies.	Biosolids production decreased after IRWD discontinued sending biosolids.
Groundwater Replenishment System (GWRS)	Continue partnership with the Orange County Water District (OCWD) in support of the GWRS.	Maximize the use of treated effluent for water recycling by sending secondary effluent from Plant No. 2 to the GWRS.	OC San will continue executing CIP projects to support the Final Expansion of the GWRS.

Background Information and Description of Services

OC San is a public agency that operates one of the largest wastewater facilities in the United States of America. Originally formed in 1954 pursuant to the joint powers provision under the County Sanitation District Act of the California Health and Safety Code, OC San then consisted of independent special districts responsible for wastewater collection within their own geographical boundaries. These districts were co-participants in a Joint Agreement to provide for the joint construction, ownership, and operation of OC San's Joint Facilities for the treatment and recycling of wastewater.

On July 1, 1998, the nine-individual existing districts requested to be consolidated into one district by resolution of the Board of Supervisors of the County of Orange and special legislation.

OC San is governed by a Board of Directors made up of mayors or members of city councils, directors of independent special districts, and one member from the County Board of Supervisors. A variety of board committees, made up of members of the Board of Directors, consider topics for action by the Board and make recommendations to the Board.

OC San is responsible for collecting, treating, and safely disposing of approximately 185 million gallons of wastewater each day for an area covering 479 square miles in metropolitan (central and northwestern) Orange County. OC San's service area includes approximately 2.6 million residents and businesses, or approximately 81 percent of the County's total population.

Professional staff of 655.00 full-time equivalent employees supports OC San's around-the-clock operation. Staff is organized into six departments, including the General Manager's Office, Human Resources, Administrative Services, Environmental Services, Engineering, and Operations and Maintenance.

As working environmentalists, OC San's staff is regulated by many agencies, including the United States Environmental Protection Agency (U.S. EPA), California Regional Water Quality Control Board (CRWQCB), CalRecycle, the California Air Resources Board, and the South Coast Air Quality Management District (SCAQMD).

OC San operates and is regulated under a National Pollution Discharge Elimination System (NPDES) ocean discharge permit issued by the U.S. EPA and the Santa Ana Regional Water Quality Control Board. This permit was last renewed in August 2021. To maintain OC San's NPDES operating permit, OC San's plants must meet strict conditions set jointly by the regulators. OC San is actively engaged in discussion with the regulators during the renewal process.

OC San maintains and operates a large system of trunk sewers and pump stations in addition to the two modern treatment plants. The plants use chemical, physical and biological processes to produce a high-quality effluent. Chemicals used are either environmentally neutral or biodegradable.

The treated effluent from the Huntington Beach plant is pumped through a five-mile, 10-foot diameter ocean outfall pipe. The last mile of the outfall is a diffuser section that releases treated water through more than 500 portholes approximately four-and-a-half miles offshore.

In January 2008, the Orange County Water District (OCWD) and OC San began operation of the Groundwater Replenishment System (GWRS), a joint project by the two agencies to provide reclaimed water for percolation into the groundwater basin from most of the secondary effluent pumped from the Fountain Valley plant, or approximately 92,300 acre-feet per year.

In May 2015, OCWD completed the initial expansion of GWRS that provided an additional 33,000 acre-feet per year of reclaimed water; resulting in the purification of 100 percent of the treated wastewater produced at the Fountain Valley plant.

In November 2019, OCWD and OC San began construction on the final expansion of GWRS and was completed in 2023. The final expansion of GWRS provides an additional 36,400 acre-feet per year by utilizing reclaimed water produced at OC San's Huntington Beach plant.

Community Profile of the County of Orange

The County of Orange is bordered on the north by Los Angeles and San Bernardino counties, on the east by Riverside County, on the southeast by San Diego County, and on the west and southwest by the Pacific Ocean. Approximately 42 miles of ocean shoreline provide many beaches, marinas, and other recreational areas for use by residents and visitors.

The climate in the County is mild, with an average rainfall of 13 inches. The mean temperature ranges from a minimum of 47 degrees to a maximum of 82 degrees.

The County has become a tourist center in Southern California by offering a broad spectrum of recreational opportunities that is enhanced by the mild climate. Along the shoreline are five state beaches and parks, five municipal beaches and five county beaches. There are two small-craft docking facilities in Newport Harbor, one located in Sunset Beach and another in Dana Point.

Other major recreational and tourist facilities include Disneyland, Disney California Adventure, Knott's Berry Farm and Soak City, Mission San Juan Capistrano, and the Anaheim Convention Center. Also located within the County is Anaheim Stadium, home of the Los Angeles Angels of Anaheim of Major League Baseball, and the Honda Center, home of the Anaheim Ducks of the National Hockey League.

Economic Outlook

Orange County's forecasted total payroll employment increased 1.4 percent over the prior year, or the addition of 24,000 payroll jobs in 2023, following an increase of 5.3 percent in 2022. During this same time period, unemployment in Orange County increased from 3.2 percent to 3.9 percent while the unemployment in California as a whole increased from 4.1 percent to 5.1 percent. Of greater concern than the short-run effects of recessionary forces is the long-run impact of Orange County's deteriorating position in luring new

advanced worker establishments, which are an important indicator of generating high-value-added jobs.

On the residential property front, the lack of housing affordability is wreaking havoc on this all-important sector of Orange County's economy that calls for housing affordability in the County to reach its lowest level in history during the quarter ended June 2023. This affordability of 49.1 would suggest that median family income is less than half of what is necessary to purchase a median-priced home. During the second half of 2023, a decline in the 30-year mortgage rate to 5.8 percent by year-end will push affordability up to a still relatively low 60.3. While that's not enough to lead to a meaningful recovery in home sales, it suggests that the worst may be behind us. Another factor expected to help push up affordability is declining home prices. The average median home price in Orange County to decline from \$1,020,000 in 2022 to \$930,000 in 2023, a decline of 8.8 percent. Lower mortgage rates, as well as a limited supply of homes available for sale, will lead to stabilizing home prices. An important measure of future construction activity, residential permits, fell 13.2 percent in 2022. The total number of residential permits in Orange County is forecasted for a more moderate but continuing decline of 6.6 percent, which would push permit levels to about 6,000 units, roughly equal to that recorded during the COVID recession year of 2020.

Fiscal Policy Statement	Completed	In Progress	Comments
General Financial Goals			
To maintain a financially viable OC San that can maintain an appropriate level of wastewater treatment services.	√		
To maintain financial flexibility by adapting to local and regional economic changes	√		
To maintain and enhance the sound fiscal condition of OC San.	√		
To ensure that the value added by every program and activity within OC San is proportional to its cost; and to eliminate those programs and activities that do not contribute to OC San’s mission.	√		
To provide training opportunities to the greatest extent possible for available jobs within the organization for those employees working in programs or activities that have been reduced or eliminated.	√		
To provide employees with cross-training opportunities in order to achieve multi-tasking capabilities.	√		
Operating Budget Policies			
OC San will adopt a balanced budget by June 30 of each year.	√		
The budget will be used as a fiscal control device as well as a financial plan.	√		
Budget preparation and monitoring will be performed by each division within OC San, the organizational level of accountability and control.	√		
The Director of Finance will prepare a budget calendar no later than January of each year.	√		
An annual operating budget will be developed by conservatively projecting revenues and expenditures for the current and forthcoming fiscal years.	√		
During the annual budget development process, the existing programs will be thoroughly examined to assure removal or reduction of any services or programs that could be eliminated or reduced in cost.	√		
Current operating revenues will be sufficient to support current operating expenditures.	√		
Annual budgets including reserves will provide for adequate design, construction, maintenance and replacement of OC San capital facilities and equipment.	√		
OC San will maintain all physical assets at a level adequate to protect OC San’s capital investment and to minimize future maintenance and replacement costs.	√		

Fiscal Policy Statement	Completed	In Progress	Comments
<p>OC San will project equipment replacement and maintenance needs for the next five years and will update this projection each year. From this projection a maintenance and replacement schedule will be developed and followed.</p>	√		
<p>OC San will avoid budgetary and accounting procedures that balance the current budget at the expense of future budgets.</p>	√		
<p>OC San will forecast its expenditures and revenues for each of the next five years and will update this forecast at least annually.</p>	√		
<p>Revenue Policies</p>			
<p>Because revenues are sensitive to both local and regional economic conditions, revenue estimates adopted by the Board of Directors must be conservative.</p>	√		
<p>Staff will estimate annual revenues by an objective, analytical process that utilizes trend, judgmental, and statistical analysis as appropriate.</p>	√		
<p>Ad valorem property tax revenues of OC San will be first dedicated to debt service.</p>	√		
<p>Sewer Service User Fees will be projected for each of the next ten years and this projection will be updated annually.</p>	√		
<p>Expenditure Policies</p>			
<p>OC San will maintain a level of expenditures that provides for the health, safety and welfare of the residents of the community.</p>	√		
<p>OC San will set fees and user charges at a level that fully supports the total direct and indirect costs of operations, capital improvements, and debt service requirements not covered by reserves</p>	√		
<p>Capital Improvements Budget Policies</p>			
<p>OC San will make all capital improvements in accordance with an adopted and funded capital improvement program. The adopted capital improvement program will be based on need.</p>	√		
<p>OC San will develop an annual five-year plan for capital improvements, including design, development, implementation, and operating and maintenance costs.</p>	√		A 20-year CIP Plan is maintained by OC San.
<p>All capital improvement projects approved in the annual operating budget are approved at the budgeted amounts through the completion of the project. The Board of Directors approves both the individual project total budget and the projected cash outlays for all capital improvement projects for the current fiscal year.</p>	√		

Fiscal Policy Statement	Completed	In Progress	Comments
Staff will identify which capital projects may have a significant impact on on-going operating and maintenance costs and estimate the impact as the project is developed.	√		
Staff will identify the estimated on-going future Operating and Maintenance costs, as well as staffing requirements upon completion for each capital project proposal before it is submitted to the Board of Directors for approval.	√		
OC San will use intergovernmental assistance and other outside resources whenever possible to fund capital improvements providing that these improvements are consistent with the Capital Improvement Plan and OC San's priorities, and that the future operating and maintenance costs of these improvements have been included in the budget.	√		
Staff will coordinate development of the capital improvement budget with the development of the operating budget. All operations and maintenance resources required to implement the CIP have been considered and appropriately reflected in the operating budget for the year the CIP is to be implemented.	√		
Cost tracking for components of the capital improvement program will be updated quarterly to ensure project completion against budget and established time lines	√		
Asset Management Policy			
In order to provide for the systematic planning, acquisition, deployment, utilization control, and decommissioning of capital assets, the following policies have been established:			
The condition, performance, utilization, and cost of assets will be recorded to the major asset level.	√		
A detailed, planned maintenance program is in place to ensure that the assets, facilities and systems perform to their design criteria and meet their design lives.	√		
A system is in place to blend planned and unplanned activity to optimize the asset life cycle.	√		
Reliability Centered Maintenance techniques will be used to optimize the maintenance plans and to identify any alterations that are economically justified.	√		
Current levels of asset service including condition, function/size/type, reliability, and availability have been determined and documented.	√		

Fiscal Policy Statement	Completed	In Progress	Comments
The full economic cost is charged on all asset management activities.	√		
Planning Division and Asset Management maintains appropriate budget and funding strategies that match the needs of the business to ensure sustainability.	√		
Planning Division considers the real growth of OC San's service area and the way in which demands for service will change in the future, including population, unit demand, and changing regulatory requirements.	√		
Monitoring and reporting are performed on the condition, performance, and reliability of OC San's assets against design requirements, prescribed service levels and regulatory requirements.	√		Conditions and performance of assets are reported annually through the Asset Management Plan.
An assessment of the relative risks, costs and benefits is derived for all investments in capital works, maintenance, and operations.	√		
Asset management decisions take into account budgetary constraints and the funding needs of the whole organization considering their impact on rates.	√		
Necessary renewal projects and programs to sustain the existing levels of service and condition of assets, as identified through the best appropriate process, is approved ahead of new capital works and services.	√		
New capital assets for new works and services are approved only with the commitment of the recurrent (operations and maintenance) funding necessary to sustain the new works and services.	√		
Fleet Management Policy			
Vehicles and equipment will be operated, maintained, and appropriate to the assigned task to ensure the lowest total cost of ownership. The following policies have been established:	√		
Vehicles will be operated to ensure the highest utilization rate possible.			
Vehicles may be replaced when they are 7 years old or have accumulated 75,000 miles, or at the optimal replacement cycle per industry best practice. Vehicle utilization rates will assist in determining vehicle acquisition needs.	√		
Rightsizing of fleet will coincide with the budget preparation process biennially.	√		
Alternative fuels will be incorporated to remain regulatory compliant.	√		
Electric carts are to be utilized for in-plant use only.	√		

Fiscal Policy Statement	Completed	In Progress	Comments
Short-Term Debt Policies			
OC San may use short-term debt to cover temporary or emergency cash flow shortages. All short-term borrowing will be subject to Board approval by resolution.	√		
OC San may utilize Board approved intra-agency loans rather than outside debt instruments to meet short-term cash needs. Intra-agency loans will be permitted only if an analysis of the affected Revenue Areas indicates funds are available and the use of these funds will not impact current operations. The principal, along with interest at the prevailing rate as established by OC San's Treasurer, will be paid to the lending Revenue Area.	√		
Long-Term Debt Policies			
Proceeds from long-term debt will <u>not</u> be used for current on-going operations.	√		
Before any new debt is issued, the impact of debt service payments on total annual fixed costs will be analyzed.	√		
Develop and maintain a board adopted debt policy.	√		
Accumulated Funds & Reserve Policies			
A cash flow reserve will be established to fund operations, maintenance, and certificates of participation expenses for the first half of the fiscal year, prior to the receipt of the first installment of the property tax allocation and the sewer service user fees which are collected as a separate line item on the property tax bill. The level of this criterion will be established as the sum of an amount equal to six months operations and maintenance expenses and the total of the annual debt (COP) service payments due in August each year.	√		
An operating contingency reserve will be established to provide for non-recurring operating expenditures that were not anticipated when the annual budget was considered and adopted. The level of this criterion will be established at an amount equal to ten percent of the current fiscal year's annual operating budget.	√		
A capital improvement reserve will be maintained to fund annual increments of the capital improvement program. The target level for this criterion has been established at one half of the average annual cash outlay of the capital improvement program through the year 2034. Levels higher and lower than the target can be expected while the long-term financing and capital improvement programs are being finalized.	√		
A renewal/replacement reserve will be maintained to provide funding to replace or refurbish the current collection, treatment and recycling facilities at the end of their useful economic lives. The current replacement value of these facilities is estimated to be \$14 billion. The reserve criterion level had been established at \$75 million.	√		

Fiscal Policy Statement	Completed	In Progress	Comments
<p>Catastrophic loss, or self-insurance, reserves will be maintained for property damage including fire, flood, earthquake, and litigation, for general liability, and for workers' compensation. This reserve criterion is intended to work with purchased insurance policies, FEMA and State disaster reimbursements. Based on the plant infrastructure replacement value, the level of this criterion has been set to fund OC San's non-reimbursed costs, estimated to be \$100 million.</p>	√		
<p>A debt service reserve will be maintained at ten percent of the outstanding certificate of participation (COP) issues. Other debt service reserves are required to be under the control of a Trustee by the provisions of the COP issues. These funds are not available for the general needs of OC San and must be maintained at specified levels.</p>	√		
<p>Investment Policies</p>			
<p>OC San's Treasurer will annually submit an investment policy to the Board of Directors for review and adoption.</p>	√		
<p>The investment policy will emphasize safety and liquidity before yield.</p>	√		
<p>Accounting, Auditing, and Financial Reporting</p>			
<p>OC San's accounting and financial reporting systems will be maintained in conformance with generally accepted accounting principles and standards promulgated by the Governmental Accounting Standards Board.</p>	√		
<p>A capital asset system will be maintained to identify all OC San assets, their condition, historical cost, replacement value, and useful life.</p>	√		
<p>Quarterly financial reports will be submitted to the Board of Directors and will be made available to the public.</p>	√		
<p>Full disclosure will be provided in the general financial statements and bond representations.</p>	√		
<p>OC San will maintain a good credit rating in the financial community.</p>	√		<p>OC San's AAA rating was reaffirmed with the \$157.6 million 2024A Revenue Refunding debt issuance.</p>
<p>An annual audit will be performed by an independent public accounting firm with the subsequent issue of an official Annual Comprehensive Financial Report, including an audit opinion and a management letter.</p>	√		

GFOA Best Practices and Advisories	Compliance Met	Not Applicable	In Progress	Comments
Accounting and Financial Reporting Best Practices				
Auditor Committees	√			Administrative Committee serves as an audit committee.
Audit Procurement	√			
Internal Auditors	√			Administrative Committee directs internal audits.
Offering Statements and the Independent Auditor's Role	√			
Meeting and Exceeding Minimum GAAP Financial Reporting Requirements	√			
Policies and Procedures Documentation	√			
Control Over Items That Are Not Capitalized	√			
Capitalization Thresholds for Capital Assets	√			
Inventories of Tangible Capital Assets		√		
Municipal Solid Waste Management and Full-Cost Accounting		√		OC San does not provide solid waste services.
Measuring the Full Cost of Government Service	√			
Indirect Cost Allocation	√			
Disaster Recovery Cost Documentation	√			
Disaster Recovery for Technology	√			
Grants Administration	√			
Accounting for Leases			√	
Internal Control Deficiencies in Audits	√			
Internal Control Environment	√			
Internal Control for Grants	√			
Internal Control and Management Involvement	√			
Whistleblowing	√			
Nonauthoritative Considerations in the Preparation of an Annual Comprehensive Financial Report	√			
Website Posting of Financial Documents	√			
Meeting and Exceeding Minimum GAAP Financial Reporting Requirements	√			
Fund Accounting Applications	√			
Timely Financial Reporting	√			

<i>GFOA Best Practices and Advisories</i>	<i>Compliance Met</i>	<i>Not Applicable</i>	<i>In Progress</i>	<i>Comments</i>
Department Reports and Management's Discussion and Analysis	√			
Department Reports and Supplementary Information	√			
Popular Reporting of Financial Information	√			
Periodic Disclosure and the Annual Comprehensive Financial Report	√			
Budgetary Comparisons as Part of the Basic Financial Statements		√		Not required for proprietary fund types. Budget to actual comparisons included in unaudited quarterly financial reports.
Tax Abatement Transparency		√		OC San does not have tax abatement agreements.
Accounting and Financial Reporting for Fiduciary Activities		√		OC San does not have fiduciary activities.
Special Revenue Funds Used for Budgeting, but Not Financial Reporting		√		OC San does not have special revenue funds.
Securities Lending Transactions in Financial Statements		√		OC San does not have securities lending transactions.
Budgeting Best Practices				
Achieving a Structurally Balanced Budget	√			
Adopting Financial Policies	√			
Fund Balance Guidelines for the General Fund		√		OC San only has proprietary fund types - established a formal policy on the level of unrestricted net position.
Working Capital Targets for Enterprise Funds	√			
Establishment of Strategic Plans	√			
Long-Term Financial Planning	√			
Role of the Finance Officer in Supporting Fiscal Sustainability	√			
Establishing an Effective Grants Policy		√		
Establishing Government Charges and Fees	√			
Pricing Internal Services	√			

GFOA Best Practices and Advisories	Compliance Met	Not Applicable	In Progress	Comments
Evaluating Service Delivery Alternatives	√			
Financial Forecasting in the Budget Preparation Process	√			
Inflationary Indices in Budgeting	√			
The Use of Trend Data and Comparative Data for Financial Analysis	√			
Basis of Accounting versus Budgetary Basis		√		OC San does not use a budgetary basis of accounting.
Effective Budgeting of Salary and Wages	√			
Public Engagement in the Budget Process	√			
Role of the Finance Officer in Collective Bargaining	√			
Strategies for Managing Health-Care Costs	√			
Budget Monitoring	√			
Performance Measures	√			
Accurately Displaying Total Expenditures in Budget Presentations (Budget Consolidation)	√			
Capital Budget Presentation	√			
Departmental Presentation in the Operating Budget Document	√			
Making the Budget Document Easier to Understand	√			
The Statistical/Supplemental Section of the Budget Document	√			
Website Posting of Financial Documents	√			
Capital Planning and Infrastructure Best Practices				
Capital Asset Management	√			
Role of the Finance Director in Capital Asset Management	√			
Strategies for Establishing Capital Asset Renewal and Replacement Reserve Policies	√			
Capital Planning Policies	√			
Environmentally Responsible Practices in Capital Planning	√			
Coordinating Economic Development and Capital Planning	√			
Multi-Year Capital Planning	√			

GFOA Best Practices and Advisories	Compliance Met	Not Applicable	In Progress	Comments
Master Plans and Capital Improvement Planning	√			
Technology in Capital Planning and Management	√			
Communicating Capital Improvement Strategies	√			
Capital Budget Presentation	√			
Establishing an Economic Development Incentive Policy		√		OC San does not use economic development incentives.
Coordinating Economic Development and Capital Planning	√			
Role of the Finance Officer in Economic Development	√			
Creation, Implementation, and Evaluation of Tax Increment Financing		√		OC San does not utilize tax increment financing.
Evaluating And Selecting Economic Development Projects		√		OC San does not have economic development projects.
Negotiating Economic Development Agreements	√			
Administering Economic Development Agreements	√			
Monitoring Economic Development Performance	√			
Treasury and Investment Management Best Practices				
Investment Policy	√			
Investment Program for Public Funds	√			
Diversifying the Investment Portfolio	√			
Collateralizing Public Deposits	√			
Government Relationships with Securities Dealers	√			
Investment and Management of Bond Proceeds	√			
Mark-to-Market Reporting for Public Investment Portfolios	√			
Monitoring the Value of Securities in Repurchase Agreements	√			
Managing Market Risk in Investment Portfolios	√			
Using Benchmarks to Assess Portfolio Risk and Return	√			
Selection and Review of Investment Advisors	√			

<i>GFOA Best Practices and Advisories</i>	<i>Compliance Met</i>	<i>Not Applicable</i>	<i>In Progress</i>	<i>Comments</i>
Using Safekeeping and Third-Party Custodian Services	√			
Local Government Investment Pools	√			
Establishing a Policy for Repurchase Agreements	√			
Ensuring the Safety of Reverse Repurchase Agreements	√			
Using Commercial Paper in Investment Portfolios	√			
Use of Derivatives and Structured Investments by State and Local Governments for Non-Pension Fund Investment Portfolios		√		OC San investment policy does not allow derivative investments.
Securities Lending Programs for Non- Pension Fund Portfolios	√			
Receivables and Handling Receipts in the Treasury Office	√			
Payments Made by Governments	√			
Using Cash Forecasts for Treasury and Operations Liquidity	√			
Abstain from Using and INvesting in Cyryptocurrency for Government Operations	√			
Bank Account Fraud Prevention	√			
Payments Made by Governments	√			
Use of Lockbox Services			√	OC San does not have sufficient cash-related transactions to use lockbox services. The majority of revenues are collected on the property tax roll.
Accepting Payment Cards and Selection of Payment Card Service Providers	√			
Payment Consolidation Services	√			
Using Remote Deposit Capture	√			
Procurement of Financial Services	√			
Due Diligence on Bank and Treasury Management Providers	√			
Using Purchasing Cards to Streamline the Purchasing Process	√			
Revenue Control Policy	√			

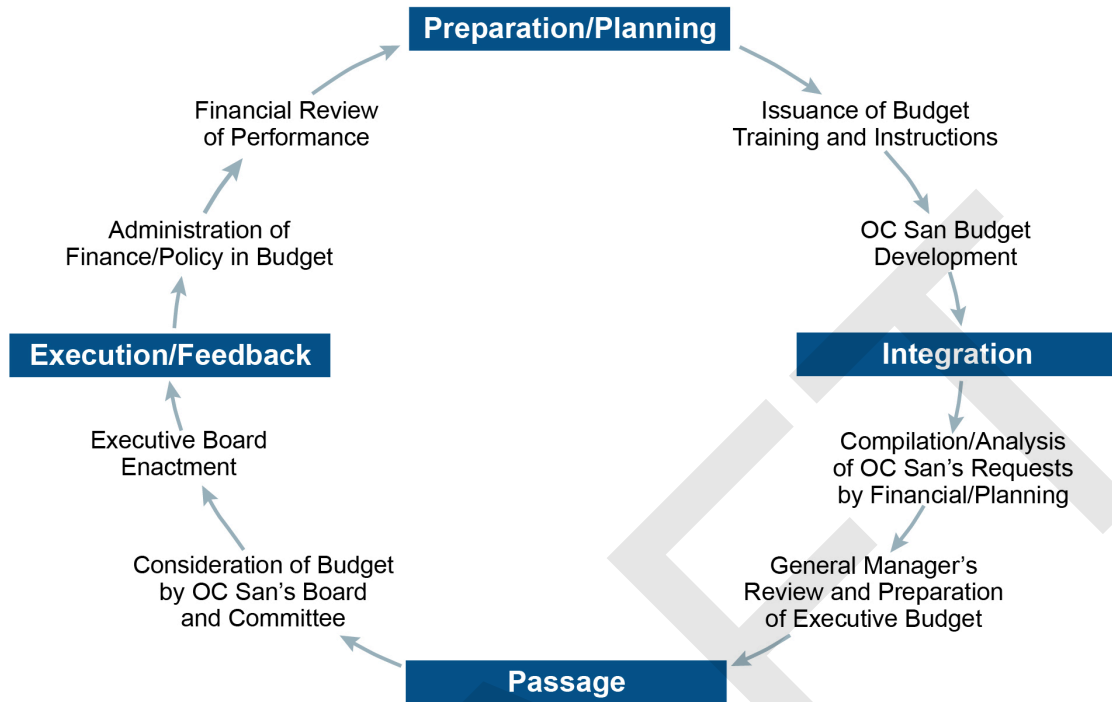
<i>GFOA Best Practices and Advisories</i>	<i>Compliance Met</i>	<i>Not Applicable</i>	<i>In Progress</i>	<i>Comments</i>
Using Mutual Funds for Cash Management Purposes	√			
Receivables and Handling Receipts in the Treasury Office	√			
Using Cash Forecasts for Treasury and Operations Liquidity	√			
Electronic Vendor Fraud	√			
Debt Management Best Practices				
Issuer's Role in Selection of Underwriter's Counsel	√			
Types of Legal Counsel	√			
Selecting and Managing Municipal Advisors	√			
Selecting Bond Counsel	√			
Selecting and Managing Underwriters for Negotiated Bond Sales	√			
Issuing Taxable Debt	√			
Bank Loans and Direct Placements	√			
Evaluating the Sale and Securitization of Property Tax Liens	√			
Using Variable Rate Debt Instruments	√			
Pension Obligation Bonds	√			
Use of Debt-Related Derivatives Products	√			
Refunding Municipal Bonds	√			
Debt Issuance Transaction Costs	√			
Expenses Charged by Underwriters in Negotiated Sales	√			
Issuing Taxable Debt	√			
Pricing Bonds in a Negotiated Sale	√			
Selecting and Managing the Method of Sale of Bonds	√			
Using Credit Rating Agencies	√			
Underwriter Disclaimers in Official Statements	√			
"ESG" Best Practice - "E" Environmental	√			
"ESG" Best Practice - "S" Social	√			
"ESG" Best Practice - "G" Governance	√			

<i>GFOA Best Practices and Advisories</i>	<i>Compliance Met</i>	<i>Not Applicable</i>	<i>In Progress</i>	<i>Comments</i>
Maintaining and Investor Relations Program	√			
Understanding Your Continuing Disclosure Responsibilities	√			
Using Technology for Disclosure	√			
Primary Market Disclosure	√			
Voluntary Disclosure	√			
Marketing Municipal Bonds as Green, Sustainable, Social, or Other Alternatively Designated Bonds	√			
Debt Management Policy	√			
Refunding Municipal Bonds	√			
Investment and Management of Bond Proceeds	√			
Post-Issuance Policies and Procedures	√			
Debt Service Payment Procedures	√			
Managing Build America and other Direct Subsidy Bonds	√			
<i>Pension and Benefit Administration Best Practices</i>				
Sustainable Pension Benefit Tiers	√			
Developing a Policy to Participate in Securities Litigation Class Actions	√			
Developing a Policy for Retirement Plan Design Options	√			
OPEB Governance and Administration	√			
Governance of Public Employee Postretirement Benefits Systems	√			
Preparing an Effective Summary Plan Description	√			
Educating Employees about the Adequacy of Retirement Benefits	√			
Selecting Third-Party Investment Professionals for Pension Fund Assets	√			
The Use of Early Retirement Incentives	√			
Deferred Retirement Option Plans	√			
In-Kind Asset Transfer to Defined Benefit Pension Plans	√			
Asset Allocation for Defined Benefit Plans	√			
Core Elements of a Funding Policy	√			

GFOA Best Practices and Advisories

<i>GFOA Best Practices and Advisories</i>	<i>Compliance Met</i>	<i>Not Applicable</i>	<i>In Progress</i>	<i>Comments</i>
Design Elements of Defined Benefit Retirement Plans	√			
Enhancing Reliability of Actuarial Valuations for Pension Plans	√			
Hybrid Retirement Plan Design	√			
Investment Fee Guidelines for External Management of Defined Benefit Plans	√			
Investment Policies for Defined Benefit Plans	√			
The Role of the Actuarial Valuation Report in Plan Funding	√			
Sustainable Funding Practices for Defined Benefit Pensions and Other Postemployment Benefits (OPEB)	√			
Pension Obligation Bonds	√			
Responsible Management and Design Practices for Defined Benefit Pension Plans	√			
Asset Allocation for Defined Contribution Plans		√		OC San does not have a defined contribution plan.
Defined Contribution Retirement Plan Design		√		
Hybrid Retirement Plan Design		√		
Monitoring and Disclosure of Fees for Defined Contribution Plans		√		
Participant Education Guidance for Defined Contribution Plans		√		
Defined Contribution Plan Fiduciary Responsibility		√		
Brokerage Window Options for Defined Contribution Plans		√		
Establishing and Administering an OPEB Trust		√		OC San does not have an OPEB trust fund. Pay-as-you-go method utilized.
OPEB Governance and Administration		√		
Ensuring Other Postemployment Benefits (OPEB) Sustainability	√			
Sustainable Funding Practices for Defined Benefit Pensions and Other Postemployment Benefits (OPEB)	√			
Core Elements of a Funding Policy	√			

<i>GFOA Best Practices and Advisories</i>	<i>Compliance Met</i>	<i>Not Applicable</i>	<i>In Progress</i>	<i>Comments</i>
Other Potemployment Benefits (OPEB) Bonds	√			
Communicating Health-Care Benefits to Employees and Retirees	√			
Strategic Health-Care Plan Design	√			
Comply with the Affordable Care Act	√			
Patient Protection and Affordable Care Act Compliance	√			
Investment Policies for Tax-Deferred Retirement Savings Plans		√		
Investment Policies for Defined Benefit Plans		√		
Investment Fee Guidelines for External Management of Defined Benefit Plans		√		
Selecting Third-Party Investment Professionals for Pension Fund Assets	√			
Commission Recapture Programs		√		
Procuring Actuarial Services	√			
Actuarial Audits	√			
Disclosures of Pension Funding Obligations in Official Statements	√			
<i>Risk Assessment Best Practices</i>				
Enterprise Risk Management	√			
Business Preparedness and Continuity Guidelines	√			
Disaster Preparedness	√			



Budget Process

Sixteen years ago, OC San prepared its first complete budget document covering two years instead of one. The next year a smaller budget update document was prepared to summarize revisions to the second year of the previously adopted two-year budget period. This two-year cycle approach to budget preparation is expected to continue for the indefinite future.

This change has not caused any modification to the previously established stages of the annual budget process except with regard to the level of detail which is provided. The timing of all stages of the budget process remains consistent from year to year. In the second year of a two-year cycle, however, the focus is on any changes that need to be made to the upcoming year's budget relative to what was previously submitted, reviewed, and approved for that budget during the prior year.

OC San's annual budget preparation process begins in January of each year and concludes in June upon its adoption. However, the entire budget process extends beyond one year and overlaps with the preceding budget and the subsequent budget. As shown in the chart above, the budget process consists of four major parts. These parts occur at various stages throughout the year as follows:

Preparation/Planning - takes place from January through March.

Integration - runs from March through May.

Passage - adoption of the budget usually occurs in June of each year.

Execution - starts from the first day of the budget year, July 1, through the entire budget year and beyond into November with the presentation of the annual audit report.

Key dates in this budget cycle are:

Budget Kick-off Meeting	- January 18
Department Budget Submissions	- February 15
Preliminary Budget Review	- March 4-8
General Manager Budget Review	- March 18-22
Presentation to Board Committees	- June 5 & 12
Public Hearing & Board Adoption	- June 26

Team Approach

As identified by one of the fiscal policies, the budget preparation process originates at the division level, the organizational level of accountability and control. Budget coordinators are established to represent each operating division. A comprehensive budget manual is prepared and used as the training manual during a training session with the budget coordinators.

After the initial divisional budgets are prepared, budget review sessions are scheduled for each division with the General Manager. It is during these sessions that all proposed staffing levels, programs, and line item expenses are justified. Next senior management representatives from each department analyze opportunities for consolidating programs and eliminating unnecessary requests. Guidance is also sought and utilized from OC San's committees on various issues that affect budget development.

The Process

The budget preparation process begins in January with the distribution of the budget manual, budget preparation training, and issuance of personnel budget and justification forms, and equipment budget forms to all of the Divisions.

In March, the Financial Management Division develops divisional level budgets based on the request forms received from the various divisions. These divisional budgets are then reviewed in mid-March by the General Manager along with the Department and Divisional managers for each program request and for new, additional, or reduced services, positions, and capital outlay.

The Capital Improvement Program requests are prepared from October through March and are reviewed by Engineering Department and Divisional managers prior to being submitted to the General Manager for review and evaluation as part of the budget process.

In determining recommended allocation levels, the General Manager takes into consideration the projected amount of available resources, direction provided by the Directors, OC San's fiscal policies, and how to best provide the most cost-effective and efficient service levels to the public. After a final review of the operating budgets by the General Manager, the proposed annual budgets are finalized in late May and then distributed to the Directors for consideration.

The General Manager presents the proposed budget to the various Directors' Committees for deliberations throughout the month of June. The proposed budget is scheduled for adoption, along with any revisions by the Board, at the Board of Directors meeting in June.

Level of Control and Amendments to the Budget

Budgetary control, the level at which expenses cannot legally exceed the appropriated amount, is exercised at the individual Department level. Administrative policies provide guidelines on budget transfers and the authorization necessary to implement transfers. Generally, there are two types of budget transfers:

1. Budget Adjustment

This is a transfer which does not change the total appropriated amount and does not require Board action. Depending on the budget category affected by the transfer, approval may be granted at the General Manager or Department Head level as follows:

Department Heads have discretion to reappropriate funds between certain line items within a division but may not exceed total appropriated amounts for each department. They also may transfer staff across divisional lines within their department. The General Manager and Board of Directors must approve additional capital outlay items. Funds appropriated for salaries and benefits may not be expended for any other purpose unless approved by the Board. The General Manager may transfer operating funds within and between divisions and departments. The General Manager may also transfer staff positions between departments.

2. Budget Amendment

This is an adjustment to the total appropriated amount, which was not included in the original budget. These supplemental appropriations require formal action by the Board of Directors. Types of modifications can be categorized as follows:

Prior year reserves or fund balances may be appropriated to fund items not previously included in the adopted budget.

Reserves/fund balances exceeding minimum amounts required by fiscal policy may be appropriated if it is determined to be in the best interest of OC San. Directors may also appropriate reserves in case of emergencies or unusual circumstances.

Transfers between Revenue Areas require formal action by the Board of Directors.

Unexpended appropriations automatically lapse at the end of the fiscal year and are included in the ending fund balances.

FY 2024-25 and FY 2025-26 Proposed Budget Assumptions

Economic Assumptions

Inflation for the Los Angeles-Long Beach-Anaheim Orange County has seen a percentage increase in consumer price index (CPI-U) of 2.8% for 2023.

A 3.0 percent inflation factor will also be used for FY 2025-26

Revenue Assumptions

Based upon the proposed Sewer Service Fee Rate Schedule to be approved by the Board in March 2023, the single-family residence (SFR) rate will increase by \$13 (3.6 percent) to \$371 in FY 2024-25, which is less than the projected CPI.

Note that each \$1 increase in the SFR rate generates approximately \$900,000 per year.

The capital facilities capacity charge (CFCC) fee captures only those infrastructure costs that relate to additional capacity. The proposed CFCC fee to be approved by the Board in March 2023 will increase by 11.6 percent for FY 2024-25. Other infrastructure costs such as improved treatment, rehabilitation, refurbishment, and replacement, will be supported through user fees.

Given the Facilities Master Plan adopted in December 2017, a rate study was completed in December 2022 to ensure that the CFCC fee methodology remains equitable and to confirm that an appropriate share of system costs would be recovered from new development.

Revenues will be budgeted to reflect little growth in Equivalent Dwelling Unit (EDU) connections that have remained flat over the past five years.

Revenues will be budgeted to reflect little growth in Equivalent Dwelling Unit (EDU) connections that have remained flat over the past five years.

Permit user rates for flow will increase by 4.7 percent, Biochemical Oxygen Demand (BOD) will increase by 5.6 percent and Total Suspended Solids (TSS) will increase by 5.0 percent for FY 2024-25 based upon the Rate Study completed in December 2022.

Annexation fees capture both the net current assets and the equivalent property tax allocations totaling \$4,235 per acre.

Annexable property in OC San's service area sphere is minimal; consequently, no FY 2024-25 income from annexation fees is anticipated.

Property tax revenues are preliminarily estimated to increase by approximately 7.8 percent from FY 2023-24 to \$117.6.

A 2.0 percent annual increase in Assessed Value is authorized by the state constitution and is included in the increases noted above. The additional increase in assessed value is from authorized increases to market value when property is sold at a higher value.

Earnings on the investment of OC San's operating cash and reserves will be budgeted at 2.0 percent of the average cash and investment balance projected for the fiscal year.

No additional debt issuance is scheduled for FY 2024-25.

Operating Assumptions

Operating expenses are expected to increase from the adopted FY 2023-24 budget of \$221.9 million.

Average daily flows are projected at 185 mgd for FY 2024-25 and FY 2025-26. The FY 2024-25 flow projection of 185 mgd consistent with the prior budget.

Employee/Staffing Assumptions

Staffing level is expected to increase in support of the Capital Improvement Program. The total FY 2023-24 authorized staffing level is 655.00 FTEs, excluding Management Discretion positions.

Vacant positions as of 12/31/23 are budgeted at 50 percent of step 1 for the remainder of FY 2023-24 and at 100 percent of step 2 for FY 2024-25.

New positions will be projected at 100 percent of step 1 for FY 2024-25.

A 4.0 percent vacancy factor on authorized positions has been budgeted for FY 2024-25. The actual vacancy factor is currently running at 10.4 percent, but is on a downward trend due to the streamlined recruitment processes now in place. This vacancy factor accounts for time spent for recruitment and turnover.

The Memorandums of Understanding (MOUs) for the OCEA, the Local 501, and the Supervisor and Professional (SPMT) groups expire on June 30, 2025. Anticipated salary adjustments will be included in the budget for all employee bargaining units.

Retirement costs for employees enrolled in Orange County Employees Retirement System (OCERS) Plan H (191 employees) are estimated at a rate of 13.36 percent of the employee's base salary for FY 2024-25, down from 13.47 percent in FY 2023-24. The rates for Plan H include OC San's pickup of 3.5 percent of employees' required contributions.

Employees enrolled in OCERS Plan B (52 employees) are estimated at a rate of 12.81 percent of the employee's base salary for FY 2024-25, down from 13.09 percent in FY 2023-24.

All employees hired on or after January 1, 2013, are enrolled in OCERS Plan U (365 employees) and are estimated at a rate of 9.97 percent for FY 2024-25, up from 9.82 percent in FY 2023-24. Interns are not enrolled in OCERS, so their retirement benefits are calculated at 6.2 percent (FICA rate).

Other employee benefits and insurances will be budgeted to increase in FY 2024-25 by moderate but yet to be determined amounts.

Materials, Supplies & Services Assumptions

The proposed operating budget will continue to reflect an emphasis on safety, security, and maintenance of plant assets and infrastructure.

An amount equal to one percent of the Operating materials and services budget will be a contingency for prior year re-appropriations. Since the current year's budget lapses on June 30, a contingency is needed in the succeeding budget year for goods or services ordered at the end of one budget year but not delivered until the following year.

An amount equal to one percent of the Operating materials and services budget will be the General Manager's contingency budget. These funds will be allocated to appropriate line items during the year after requests and justifications for unanticipated needs are approved by the General Manager.

Resource needs for strategic initiatives will be included in the budget.

Capital Improvement Program Assumptions

The FY 2024-25 and FY 2025-26 cash flow budget, based on the most current Validated Capital Improvement Program (CIP), is the target.

The baseline CIP cash flow for FY 2024-25 is \$253.5 million and for FY 2025-26 is \$317.3 million.

Continual evaluation of the CIP by the Asset Management Team may result in deferral or reduction of some projects and a resultant increase in O&M repair costs for materials and services, if the net cash flow impact is a decrease.

For the first six months of FY 2023-24, \$94.8 million of the \$272.2 million CIP budget, approximately 34.8 percent, was expended.

Debt Financing

OC San will issue new debt in the form of Certificates of Participation (COP) as needed to fund the CIP and to maintain reserves.

No additional debt issuance is scheduled for FY 2024-25 and FY 2025-26.

Debt will only be used for CIP and capital expenses, not for operating expenses.

Capital financing plans no longer include future borrowings over the next ten years as the approved user fee schedule is considered sufficient.

Borrowing is proposed only for facilities which do not add capacity and that are funded by all users for replacement, rehabilitation, and improved treatment.

Upon COP's becoming callable or maturing, a determination will be made as to the benefit of paying off the obligation or refinancing the debt.

Reserve Assumptions

The existing reserve policy is summarized as follows:

A cash flow criterion will be established to fund operations, maintenance and certificates of participation expenses for the first half of the fiscal year, prior to receipt of the first installment of the property tax allocation and sewer service user fees which are collected as a separate line item on the property tax bill. The level of this criterion will be established as the sum of an amount equal to six months operations and maintenance expenses and the total of the annual debt (COP) service payments due in August each year.

An operating contingency criterion will be established to provide for non-recurring expenditures that were not anticipated when the annual budget and sewer service fees were considered and adopted. The level of this criterion will be established at an amount equal to ten percent of the annual operating budget.

A capital improvement criterion will be maintained to fund annual increments of the capital improvement program. The long-term target is for one half of the capital improvement program to be funded from borrowing and for one half to be funded from current revenues and reserves. With this program in mind, the target level of this criterion has been established at one-half of the average annual capital improvement program over the next ten years.

A catastrophic loss, or self-insurance, criterion will be maintained for property damage including fire, flood, earthquake, and litigation, for general liability and for workers' compensation. This criterion is intended to work with purchased insurance policies, FEMA disaster reimbursements and State disaster reimbursements. The potential infrastructure loss from a major earthquake, of which OC San currently has limited outside insurance coverage of \$25 million, has been estimated to be as high as \$1.3 billion. The level of this criterion has been set at \$100 million should such a catastrophic event occur. This criterion amount will assist OC San with any short-term funding needs until Federal and State assistance becomes available.

Accumulated capital funds will be set aside for certain specific, short-term capital improvements as the need and availability arise.

A capital replacement/renewal criterion has been established to provide thirty percent of the funding to replace or refurbish the current collection, treatment and disposal facilities at the end of their useful economic lives.

Based on the Facilities Evaluation Report completed in December 2017, the current replacement value of these facilities is estimated to be \$3.85 billion for the collection facilities and \$7.75 billion for the treatment and disposal facilities. The criterion level has been established at \$75 million, which will be augmented by interest earnings and a small portion of the annual sewer user fee, in order to meet projected needs through the year 2030.

Provisions of the various certificates of participation (COP) issues require debt service reserves to be under the control of the Trustee for that issue. These reserve funds are not available for the general needs of OC San and must be maintained at specified levels. The current level of required COP service reserves is projected to be \$12.6 million.

Accumulated funds exceeding the levels specified by OC San policy will be maintained for future capital improvements and rate stabilization. These funds will be applied to future years' needs in order to maintain rates or to moderate annual fluctuations. There is no established target for this criterion.

Miscellaneous

The budget document will be in a bi-annual format with two, one-year budgets presented for FY 2024-25 and FY 2025-26.

The budget worksheets for operating costs will contain one column for FY 2024-25 and one column for FY 2025-26. The column will represent all collection, treatment, and disposal/reuse costs.

Accounting System and Budgetary Control

Fund Accounting & Proprietary Funds

The accounts of OC San are organized within one Enterprise Fund, a Proprietary Fund Type. OC San's Enterprise Fund is comprised of two Revenue Areas which are identified as Revenue Area 14 and the Consolidated Revenue Area (Revenue Area 15). Each Revenue Area includes a share of capital outlay activities, self-insurance activities, debt service activities, and operating activities. These activities are allocated to each Revenue Area based on sewage flows, location, or level of participation in specific programs.

Enterprise Funds are used to account for operations that are financed and operated in a manner similar to a private business enterprise, where the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis are financed or recovered through user charges.

Basis of Accounting

Basis of accounting refers to the point at which revenues and expenses are recognized in the accounts and reported in the financial statements. Enterprise funds are accounted for on the flow of economic resources measurement focus and use the accrual basis of accounting. In an enterprise fund, revenues are recognized when earned and expenses are recognized when incurred, regardless of the timing of related cash flows.

Budgetary Basis of Accounting

The operating budget for the Enterprise Fund is adopted on a basis consistent with generally accepted accounting principles. Except as noted in the following paragraph, the basis of accounting and the budgetary basis of accounting are the same. Budgeted amounts are as originally adopted and as further amended by Board action of OC San.

Although OC San does budget for capital improvement projects, the related capital outlays are recorded as increases in Property, Plant, and Equipment on the balance sheet of the Enterprise Fund. Similarly, OC San budgets for the retirement of debt. However, the principal payments on debt are recorded as reductions in the current portion of long-term debt on the balance sheet of the Enterprise Fund.

Internal Controls

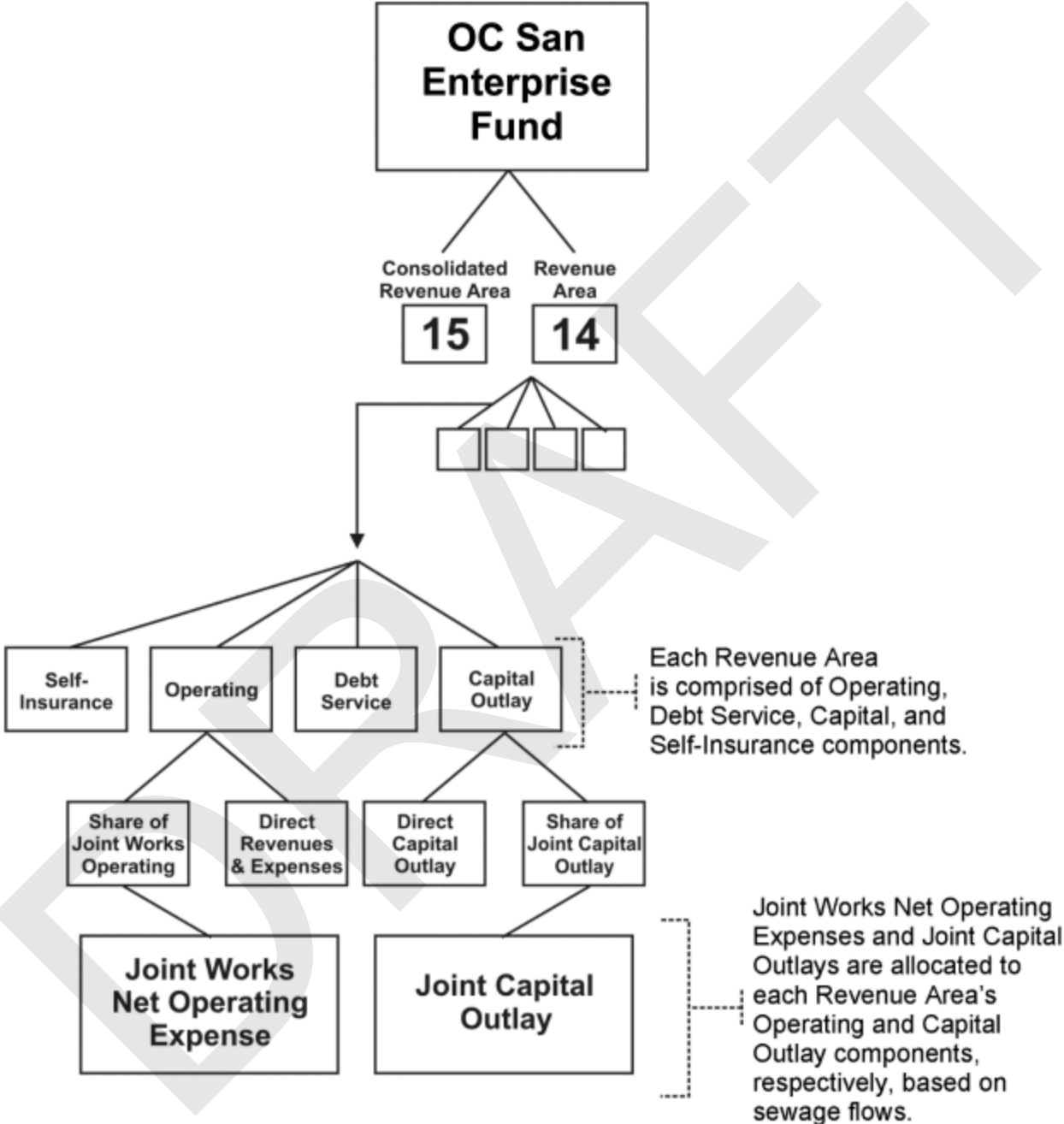
OC San is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the government are protected from loss, theft, or misuse and to ensure that adequate accounting data are compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles. The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that the cost of a control should not exceed the benefits likely to be derived and that the valuation of costs and benefits requires estimates and judgments by management.

Budgetary Control

Budgetary controls are maintained to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the Board of Directors. The budgetary level of control, the level at which operating expenses cannot legally exceed the appropriated amount, is exercised at the department level.

Orange County Sanitation District

Fund Structure Diagram

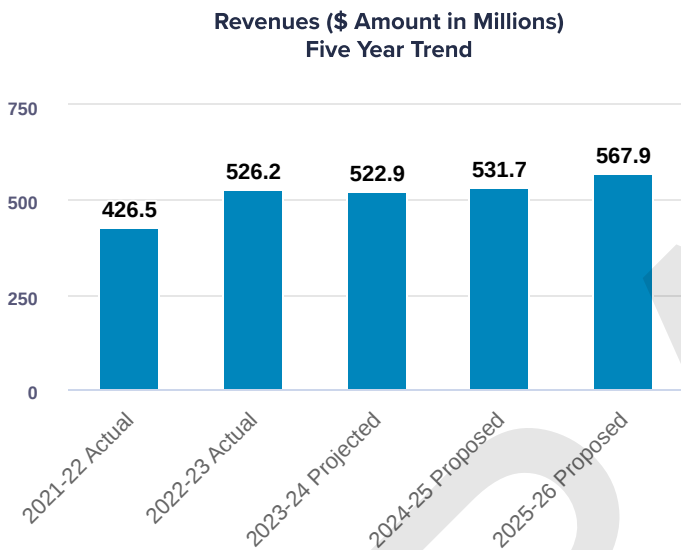


Revenue Sources

OC San has a variety of revenue sources available for operating and capital expenses. The major revenue sources are as follows:

- User Fees
- Property Taxes
- Industrial Waste Permit User Fees
- Interest Earnings
- Debt Proceeds

These sources have generally accounted for more than 90 percent of the total revenue to OC San. The following graph summarizes revenues from all sources for OC San over the past two fiscal years, the current year, and through the following two proposed budget years:



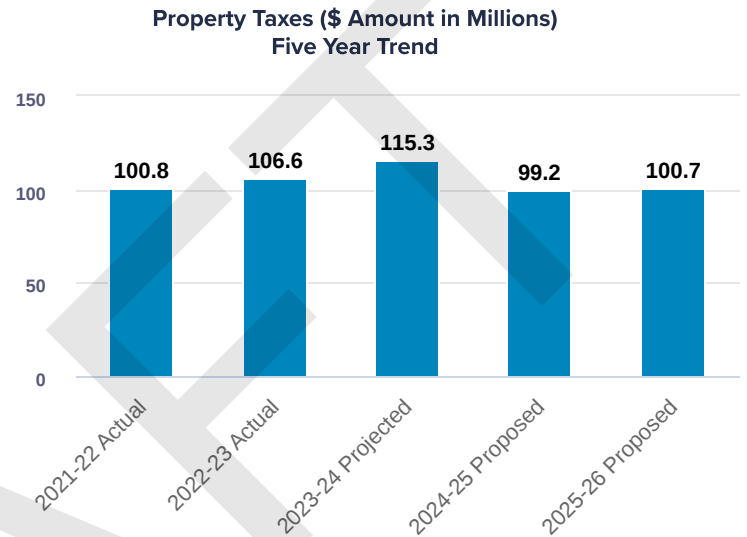
Total revenues decreased from \$526.2 million in FY 2022-23 to a projected \$522.9 million in FY 2023-24, or \$3.3 million.

In FY 2024-25, revenues are being proposed at \$531.7 million, an increase of \$8.8 million, or 1.7 percent over the prior year budget. This increase is primarily attributable to the increases of \$6.7 million in general user fees, and \$7.6 million in property taxes revenue.

In FY 2025-26, revenues are being proposed at \$576.9 million, an increase of \$45.2 million, or 8.5 percent over the prior year. This increase is primarily attributable to an increase in user fees that is expected to generate an additional \$11.2 million. Property tax revenue is expected to generate an additional increase of \$2.3 million, or another projected increase of 2.0 percent over the prior year.

Property Taxes

The County is permitted by State law (Proposition 13) to levy taxes at one percent of full market value (at time of purchase) and can increase the assessed value no more than two percent per year. OC San receives a share of this basic levy proportionate to the amount that was received in the 1976 to 1978 period less \$3.5 million, the amount that represents the State's permanent annual diversion from special districts to school districts that began in 1992-93.

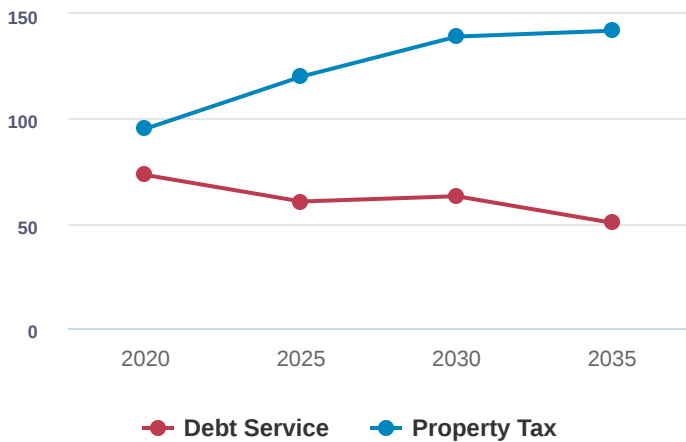


OC San's annual share of the one percent ad valorem property tax levy is first dedicated for the payment of COP debt service. The apportionment of the ad valorem tax is pursuant to the Revenue Program adopted in April 1979 to comply with regulations of the Environmental Protection Agency, the State Water Resources Control Board, and in accordance with COP documents and Board policy.

As shown in the graph above, property tax revenues increased from \$106.6 million in FY 2022-23 to a projected \$115.3 million in FY 2023-24, primarily due to the robust economy and strong housing and commercial property markets beginning. Property tax revenues are now being projected to increase 2.0 percent per year through FY 2025-26.

Historically OC San's property tax revenues exceeded OC San's debt service obligations. This trend should continue with debt service obligations leveling off and no new planned COP debt issuances.

Debt Service vs. Property Tax Receipts
(\$ Amount in Millions)



User Fees

User fees are ongoing fees for service paid by customers connected to the sewer system. A property owner, or user, does not pay user fees until connected to the sewer system and receiving services. Once connected, a user is responsible for their share of the system's costs, both fixed and variable, in proportion to the user's demand on the system.

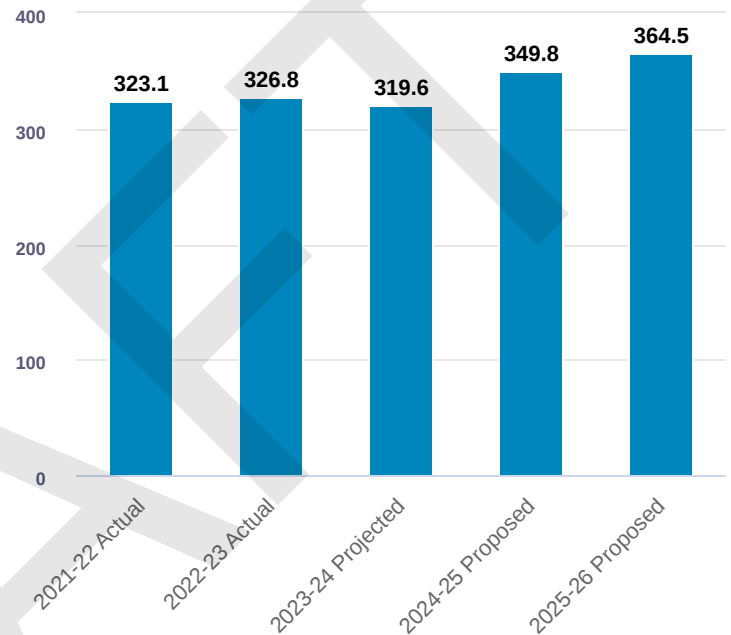
In addition, the Consolidated Revenue Area charges industrial and commercial user fees to customers discharging high-strength or high-volume wastes into the sewer systems. Revenue Area No. 14 needs are funded by IRWD. Previously OC San had been able to avoid or minimize user fee increases by reducing operational costs through reorganizing and streamlining agency operations. As a result of the capital improvement program expansion and the rehabilitation and refurbishment of existing facilities, annual increases in user fees are required.

In 2007, OC San staff conducted strategic planning workshops with the Board of Directors to layout a capital program to deliver the levels of service desired by the Board of Directors. These levels of service and resulting capital projects are included in OC San's Strategic Plan that were most recently updated in November 2023. The original effort was reinforced through the adoption of a new Master Plan in December 2017, a planning effort to define OC San's goals, responsibilities, and requirements over the next 20 years, and includes projections through the assumed "build-out" of OC San's service area to the year 2050. Incorporating the 2017 Master Plan into the CIP validation for FY 2024-25, the current CIP includes projects outlays of \$3.2 billion over the next ten years.

In March of 2023, following a Proposition 218 notice process, the Board approved sewer rate increases for each year over the next five years averaging approximately 3.5 percent a year. These increases are necessary to balance the funding of operating expenses and capital improvements with current revenues and existing debt, and to minimize the increase in rates over an extended period of time.

The impact of this five-year sewer fee schedule has increased the single family residence user fee rate, on average, 3.5 percent a year from \$358 in FY 2023-24 to \$371 in FY 2024-25. These rate increases by OC San are still well below the average annual sewer rate of \$523 being charged throughout the State according to the 2018 California Wastewater Charge Survey by the State Water Resources Control Board.

Net User Fees
(\$ Amount in Millions)



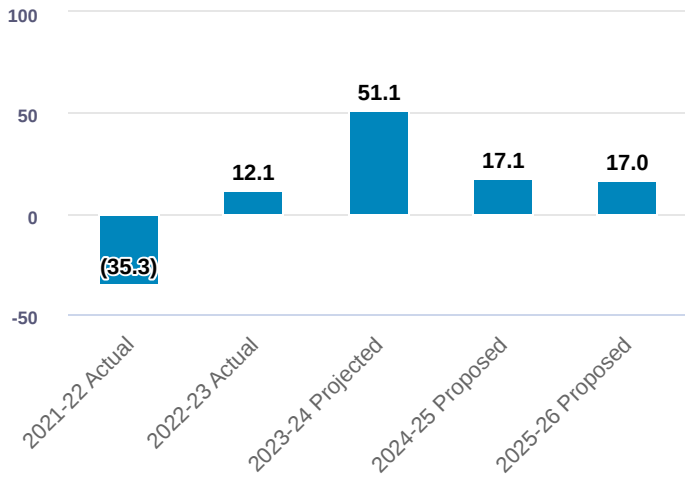
Interest Earnings

Interest earnings are generated from the investment of accumulated reserves consisting of a cash flow/contingency, a capital improvement, a capital replacement/refurbishment, and a self-insurance reserve, all projected to total \$861 million on July 1, 2024.

OC San's reserves are invested in accordance with OC San's investment policy and the State Government Code through an outside money manager, and an independent custodian bank.

Interest and investment earnings fluctuate from year to year based on the timing of CIP outlays and debt issuances, which impact the available balance in reserves for investing, and in the rise and fall of fixed-income investment market yields.

Interest Earnings
(\$ Amount in Millions)



As of April 30, 2024 OC San has received \$400,128,453 in tax and user fees from the County, or 97.1 percent of the total tax and user fee levy.

OC San’s investment policy is structured conservatively towards liquidity to avoid having to sell investments at a loss and having unrealized losses become realized losses. Total loss on investments were 3.5 percent in FY 2021-22 and 1.0 percent gain on investment in FY 2022-23. Interest and investment earnings are projected to be approximately 3.7 percent in FY 2023-24 due to the effects on the markets and economy.

OC San is proposing an interest earnings rate of 2.0 percent in both FY 2024-25 and FY 2025-26 to generate earnings of \$17.1 million and \$17.0 million, on annual average investment portfolio projections, with fiscal year end balances of \$867.0 billion and \$849.2 million in FY 2024-25 and FY 2025-26, respectively.

Debt Proceeds

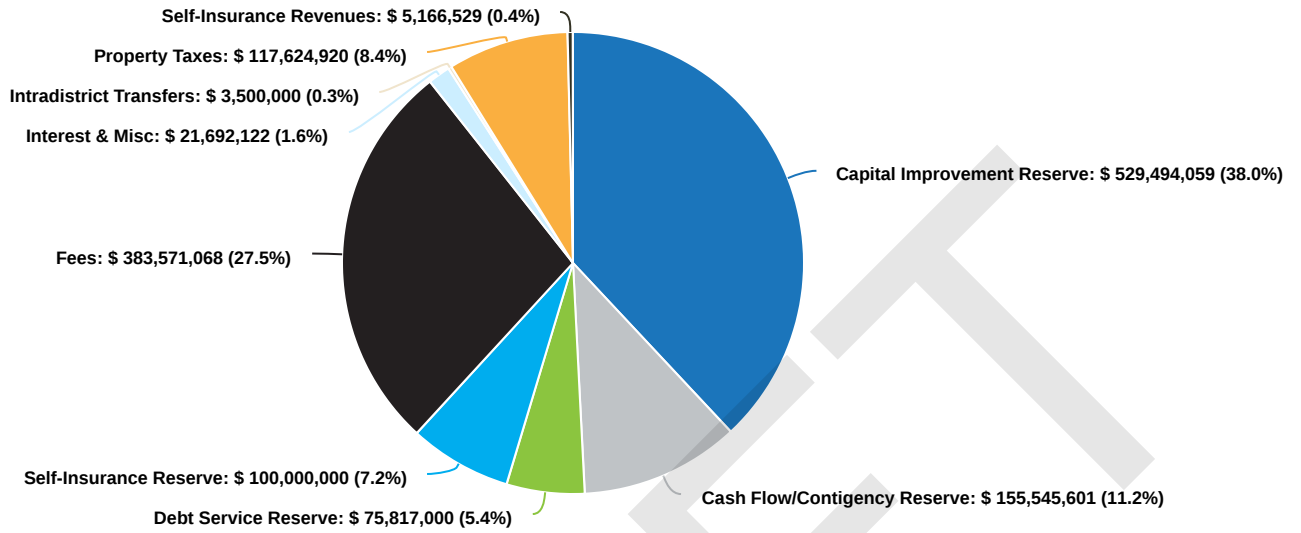
Over the next ten years, OC San is projecting an additional \$3.2 billion in future treatment plant and collection system capital refurbishments. In order to minimize annual sewer rate increases in the long- term, all of these refurbishments are being proposed to be funded from user fees with no issuances of new money debt issuances.

Teeter Plan

In June 1993, the County of Orange adopted the Teeter Plan pursuant to Sections 4701 through 4717 of the California Revenue and Taxation Code. The Teeter Plan is an alternative method of distribution of revenues from the secured property tax roll to local participating agencies.

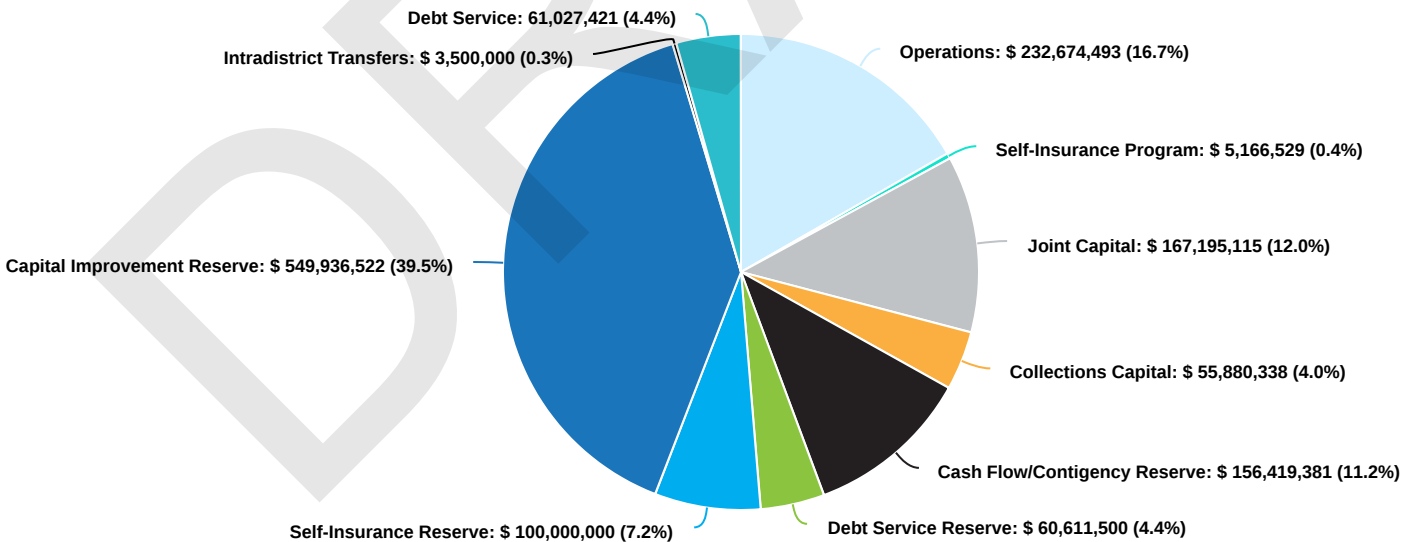
OC San participates in the Teeter Plan program and receives its full share of property tax and user fees from the secured roll, whether or not these taxes and user fees have been collected. The Teeter Plan provides OC San with stable and timely cash flow without the collection risk. The County, in exchange for assuming the collection risk, receives the delinquent taxes and user fees, penalties and interest for the defaulted properties when paid.

Where the Money Comes From - FY 2024-25



FY 2024-25 Total Funding Sources - \$ 1,392,411,299

Where the Money Goes - FY 2024-25



FY 2024-25 Total Funding Uses - \$ 1,392,411,299

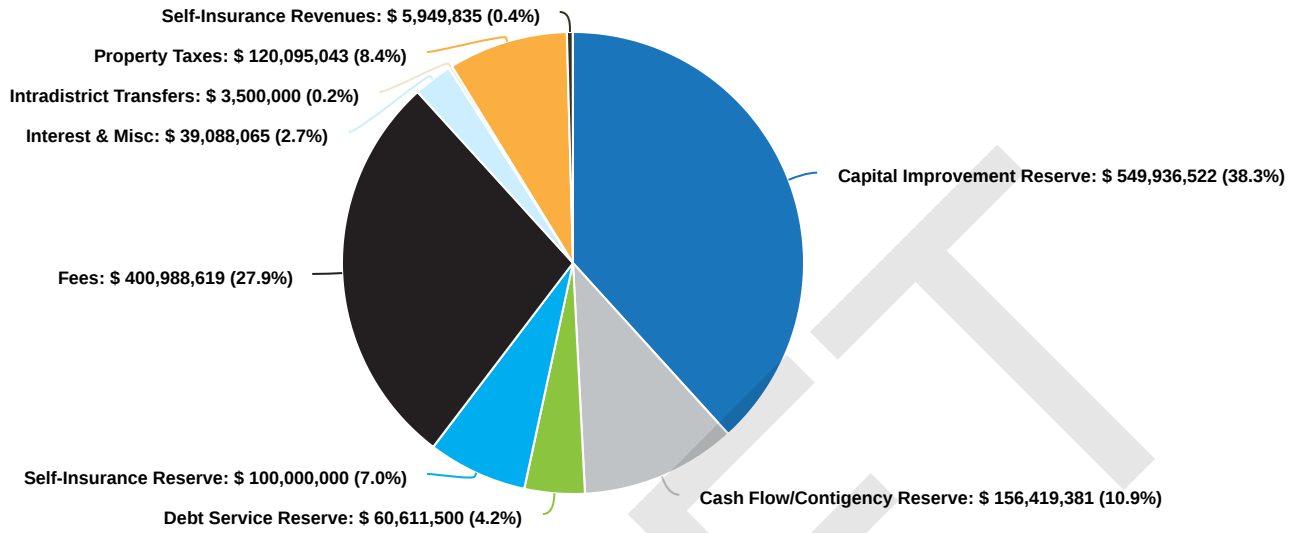
Funding Sources by Category FY 2024-25

	Consolidated Revenue Area	Revenue Area 14	Total Sources
Beginning Accum, Funds & Reserves	\$ 767,898,009	\$ 92,958,651	\$ 860,856,660
Service Fees	337,212,987	15,366,217	352,579,204
User Fees	15,506,269	-	15,506,269
Capital Facilities Capacity Charge	15,485,595	-	15,485,595
Capacity Rights	-	-	-
Debt Proceeds	-	-	-
Property Taxes	113,498,920	4,126,000	117,624,920
Intradistrict Transfers	3,500,000	-	3,500,000
Insurance In-Lieu Premiums	5,056,482	110,047	5,166,529
Interest and Other Revenue	12,244,769	9,447,353	21,692,122
Subtotal	502,505,022	29,049,617	531,554,639
Total Sources	\$ 1,270,403,031	\$ 122,008,268	\$ 1,392,411,299

Funding Uses by Category FY 2024-25

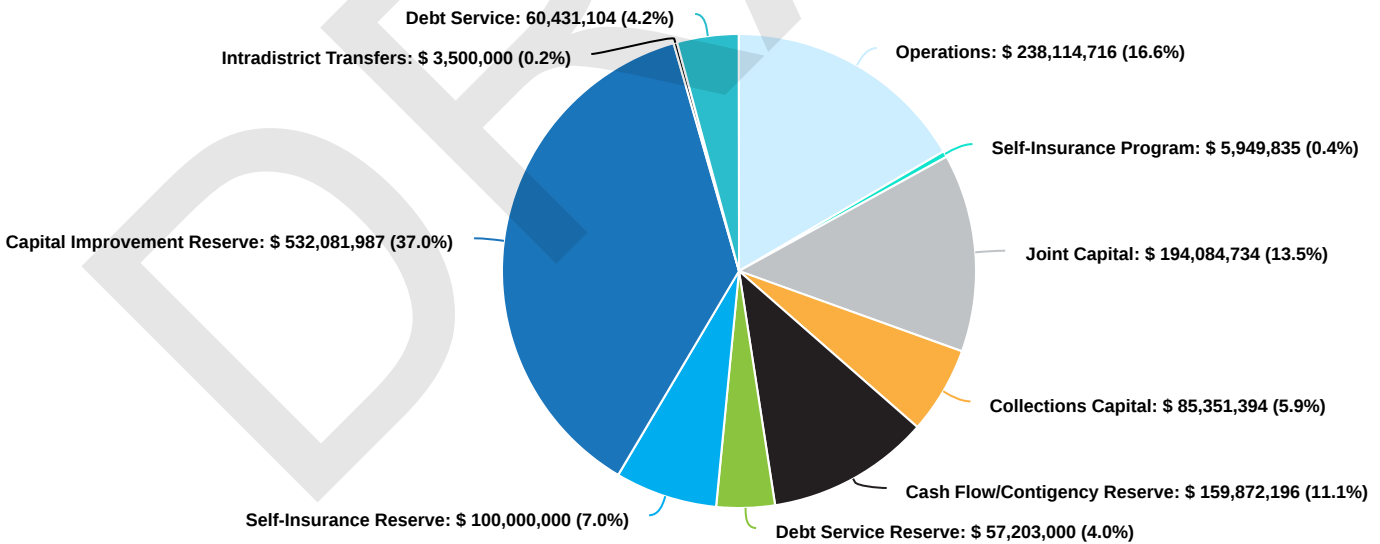
	Consolidated Revenue Area	Revenue Area 14	Total Sources
Directors' Fees	\$ 163,576	\$ 5,099	\$ 168,675
Salaries & Benefits	120,815,066	3,111,801	123,926,867
Administrative Expenses	2,626,643	67,654	2,694,297
Printing & Publications	388,197	9,999	398,196
Training & Meetings	1,939,444	49,954	1,989,398
Operating Materials and Supplies	30,430,218	783,783	31,214,001
Contractual Expenses	22,891,773	589,617	23,481,390
Professional Expenses	7,718,590	198,806	7,917,396
Research & Monitoring	2,082,125	53,629	2,135,754
Repairs & Maintenance	35,394,259	911,640	36,305,899
Utilities	15,727,290	405,084	16,132,374
Self-Insurance Requirements	5,056,482	110,047	5,166,529
Other Materials, Supplies, & Services	7,478,640	192,625	7,671,266
Cost Allocation	(20,824,645)	(536,375)	(21,361,020)
Joint Works Capital Improvement Program	162,797,883	4,397,232	167,195,115
Collection System Capital Improvement Prog.	55,880,338	-	55,880,338
Debt Service	61,027,421	-	61,027,421
Long Term Debt Reduction	-	-	-
Intradistrict Transfers	-	3,500,000	3,500,000
Joint Equity Sale to IRWD	-	-	-
Subtotal	511,593,301	13,850,595	525,443,895
Ending Accum. Funds & Reserves	758,809,730	108,157,673	866,967,404
Total Uses	\$ 1,270,403,031	\$ 122,008,268	\$ 1,392,411,299

Where the Money Comes From - FY 2025-26



FY 2025-26 Total Funding Sources - \$ 1,436,588,966

Where the Money Goes - FY 2025-26



FY 2025-26 Total Funding Uses - \$ 1,436,588,966

Funding Sources by Category FY 2025-26

	Consolidated Revenue Area	Revenue Area 14	Total Sources
Beginning Accum, Funds & Reserves	\$ 778,409,924	\$ 88,557,480	\$ 866,967,404
Service Fees	351,472,895	17,412,869	368,885,764
User Fees	16,090,855	-	16,090,855
Capital Facilities Capacity Charge	16,012,000	-	16,012,000
Capacity Rights	-	-	-
Debt Proceeds	-	-	-
Property Taxes	117,637,043	2,458,000	120,095,043
Intradistrict Transfers	3,500,000	-	3,500,000
Insurance In-Lieu Premiums	5,823,104	126,731	5,949,835
Interest and Other Revenue	27,587,296	11,500,769	39,088,065
Subtotal	538,123,193	31,498,369	569,621,562
Total Sources	\$ 1,316,533,117	\$ 120,055,849	\$ 1,436,588,966

Funding Uses by Category FY 2025-26

	Consolidated Revenue Area	Revenue Area 14	Total Sources
Directors' Fees	\$ 163,576	\$ 5,099	\$ 168,675
Salaries & Benefits	126,700,801	3,251,944	129,952,746
Administrative Expenses	2,667,897	68,475	2,736,372
Printing & Publications	384,855	9,878	394,733
Training & Meetings	1,898,682	48,732	1,947,414
Operating Materials and Supplies	31,011,284	795,946	31,807,230
Contractual Expenses	23,523,808	603,770	24,127,578
Professional Expenses	6,879,707	176,577	7,056,284
Research & Monitoring	1,972,022	50,615	2,022,637
Repairs & Maintenance	34,778,310	892,631	35,670,942
Utilities	16,025,457	411,315	16,436,772
Self-Insurance Requirements	5,823,104	126,731	5,949,835
Other Materials, Supplies, & Services	7,945,384	203,929	8,149,313
Cost Allocation	(21,796,543)	(559,437)	(22,355,980)
Joint Works Capital Improvement Program	188,980,305	5,104,429	194,084,734
Collection System Capital Improvement Prog.	85,351,394	-	85,351,394
Debt Service	60,431,104	-	60,431,104
Long Term Debt Reduction	-	-	-
Intradistrict Transfers	-	3,500,000	3,500,000
Joint Equity Sale to IRWD	-	-	-
Subtotal	572,741,150	14,690,633	587,431,783
Ending Accum. Funds & Reserves	743,791,968	105,365,215	849,157,183
Total Uses	\$ 1,316,533,117	\$ 120,055,849	\$ 1,436,588,966

Budget Resources

DESCRIPTION OR ACCOUNT TITLE	ACTUAL 2022-23	APPROVED 2023-24	PROJECTED 2023-24	PROPOSED 2024-25	PROPOSED 2025-26
BEGINNING ACCUM. FUNDS & RESERVES	\$ 984,036,047	\$ 962,616,702	\$ 1,040,000,000	\$ 860,856,660	\$ 866,967,404
<u>OPERATING REVENUES</u>					
General Sewer Service User Fees	309,972,780	322,149,324	304,644,000	334,282,867	348,428,145
Permitted User Fees	16,850,579	16,147,299	14,963,108	15,506,269	16,090,855
IRWD Assessments	2,356,070	12,563,605	9,063,644	8,067,337	8,265,619
SAWPA Assessments	2,964,136	2,945,000	3,080,817	3,018,000	3,138,000
Interest	12,065,909	14,109,000	51,074,000	17,133,000	17,046,000
Miscellaneous Receipts	3,646,752	23,723,305	(487,801)	4,559,122	22,042,065
Operating Revenue Subtotal	347,856,226	391,637,533	382,337,768	382,566,595	415,010,684
<u>NON - OPERATING REVENUES</u>					
Property Tax Allocation	106,564,064	115,850,120	115,318,549	99,170,060	100,717,440
Redevelopment Agency Pass Thru	18,903,266	-	-	18,454,860	19,377,603
Subtotal - Taxes	125,467,329	115,850,120	115,318,549	117,624,920	120,095,043
Capital Facilities Capacity Charge	23,440,100	18,533,000	14,919,485	15,485,595	16,012,000
Sale of Capacity Rights, SAWPA & SSBSD	-	-	-	-	-
Capital Assessment (IRWD)	5,110,831	-	-	7,211,000	9,054,000
Non - Operating Revenue Subtotal	28,550,931	18,533,000	14,919,485	22,696,595	25,066,000
<u>INTRADISTRICT REVENUES</u>					
Annual Intradistrict Joint Equity Purchase/Sale	10,909,575	3,500,000	-	3,500,000	3,500,000
<u>FINANCING REVENUES</u>					
Sale of Certificates of Participation	-	-	-	-	-
Financing Revenues Subtotal	-	-	-	-	-
<u>SELF INSURANCE REVENUES</u>					
Workers' Comp SFI	1,178,009	850,500	972,555	759,546	1,182,835
General Liability SFI	3,449,292	3,318,000	5,166,619	4,406,983	4,767,000
Subtotal - Self Insurance	4,627,301	4,168,500	6,139,174	5,166,529	5,949,835
Total Revenues	517,411,362	533,689,153	518,714,976	531,554,639	569,621,562
TOTAL AVAILABLE FUNDING	1,501,447,409	1,496,305,855	1,558,714,976	1,392,411,299	1,436,588,966

Budget Resources

DESCRIPTION OR ACCOUNT TITLE	ACTUAL 2022-23	APPROVED 2023-24	PROJECTED 2023-24	PROPOSED 2024-25	PROPOSED 2025-26
<u>OPERATING REQUIREMENTS</u>					
Directors' Fees	\$ 182,750	\$ 171,800	\$ 168,675	\$ 168,675	\$ 168,675
Salaries & Benefits	110,347,725	116,415,776	111,361,629	123,926,867	129,952,746
Administrative Expense	1,900,421	2,305,733	1,589,959	2,694,297	2,736,372
Printing & Publications	584,670	361,737	297,896	398,196	394,733
Training & Meetings	556,160	1,215,867	957,354	1,989,398	1,947,414
Operating Materials & Supplies	26,483,287	30,511,514	30,910,475	31,214,001	31,807,230
Contractual Expense	20,109,451	21,796,564	21,764,820	23,481,390	24,127,578
Professional Expense	6,219,750	7,583,166	5,244,720	7,917,396	7,056,284
Research & Monitoring	1,153,116	1,776,363	1,752,363	2,135,754	2,022,637
Repairs & Maintenance	31,764,506	35,500,413	35,129,503	36,305,899	35,670,942
Utilities	15,924,441	12,259,566	16,093,152	16,132,374	16,436,772
Other Materials, Supplies, & Services	4,139,339	7,137,456	7,114,531	7,671,266	8,149,313
Cost Allocation	(19,706,415)	(21,646,370)	(21,646,370)	(21,361,020)	(22,355,980)
Subtotal - Operating	199,659,200	215,389,585	210,738,707	232,674,493	238,114,716
<u>CAPITAL IMPROVEMENTS</u>					
Joint Works Capital Improvements	-	-	-	167,195,115	194,084,734
Collection System Capital Improvements	-	-	-	55,880,338	85,351,394
Annual Intradistrict Joint Equity Purchase/Sale	10,909,575	3,500,000	-	3,500,000	3,500,000
Subtotal - Capital Improvements	10,909,575	3,500,000	-	226,575,453	282,936,128
<u>FINANCING REQUIREMENTS</u>					
Certificate of Participation Service	68,611,384	68,611,384	68,611,384	61,027,421	60,431,104
Long Term Debt Reduction	-	-	-	-	-
Subtotal - Financing Requirements	68,611,384	68,611,384	68,611,384	61,027,421	60,431,104
<u>SELF INSURANCE REQUIREMENTS</u>					
Workers' Comp SFI	1,178,009	850,500	972,555	759,546	1,182,835
General Liability SFI	3,449,292	3,318,000	5,166,619	4,406,983	4,767,000
Subtotal - Self Insurance	4,627,301	4,168,500	6,139,174	5,166,529	5,949,835
TOTAL REQUIREMENTS	283,807,460	291,669,469	285,489,265	525,443,895	587,431,783
REVENUES OVER/UNDER REQUIREMENTS	233,603,902	242,019,684	233,225,711	6,110,744	(17,810,221)
ENDING ACCUMULATED FUNDS & RESERVES	1,217,639,949	1,204,636,386	1,273,225,711	866,967,404	849,157,183

BUDGET RESOURCES BY REVENUE AREA - FY 2024-25

DESCRIPTION OR ACCOUNT TITLE	Consolidated Revenue Area Proposed	Rev Area 14 Proposed	Total Proposed
BEGINNING ACCUM. FUNDS & RESERVES	\$ 767,898,009	\$ 92,958,651	\$ 860,856,660
<u>OPERATING REVENUES</u>			
General Sewer Service User Fees	334,282,867	-	334,282,867
Permitted User Fees	15,506,269	-	15,506,269
O & M Joint Operating Assessment Service Fees (IRWD)	-	8,067,337	8,067,337
O & M Collection System Assessment Service Fees (IRWD)	-	-	-
O & M Sludge Disposal Assessment Service Fees (IRWD)	-	-	-
SAWPA Assessments	2,930,120	87,880	3,018,000
Interest	15,204,000	1,929,000	17,133,000
Miscellaneous Receipts	(2,959,231)	7,518,353	4,559,122
Operating Revenue Subtotal	364,964,025	17,602,570	382,566,595
<u>NON - OPERATING REVENUES</u>			
Property Tax Allocation	95,691,060	3,479,000	99,170,060
Redevelopment Agency pass Thru	17,807,860	647,000	18,454,860
Subtotal-Taxes	113,498,920	4,126,000	117,624,920
Capital Facilities Capacity Charge	15,485,595	-	15,485,595
Sale of Capacity Rights, SAWPA & SSBSD	-	-	-
Capital Assessment (IRWD)	-	7,211,000	7,211,000
Non - Operating Revenue Subtotal	128,984,515	11,337,000	140,321,515
<u>INTRADISTRICT REVENUES</u>			
Annual Intradistrict Joint Equity Purchase/Sale	3,500,000	-	3,500,000
<u>FINANCING REVENUES</u>			
Sales of Certificates of Participation	-	-	-
Intradistrict Loans, Advances & Repayments	-	-	-
Financing Revenues Subtotal	-	-	-
<u>SELF INSURANCE REVENUES</u>			
Workers' Comp SFI	743,368	16,178	759,546
General Liability SFI	4,313,114	93,869	4,406,983
Subtotal - Self Insurance	5,056,482	110,047	5,166,529
Total Revenues	502,505,022	29,049,617	531,554,639
TOTAL AVAILABLE FUNDING	\$ 1,270,403,031	\$ 122,008,268	\$ 1,392,411,299

BUDGET RESOURCES BY REVENUE AREA - FY 2024-25

DESCRIPTION OR ACCOUNT TITLE	Consolidated Revenue Area Proposed	Rev Area 14 Proposed	Total Proposed
<u>OPERATING REQUIREMENTS</u>			
Directors' Fees	\$ 163,576	\$ 5,099	\$ 168,675
Salaries & Benefits	120,815,066	3,111,801	123,926,867
Administrative Expense	2,626,643	67,654	2,694,297
Printing & Publications	388,197	9,999	398,196
Training & Meetings	1,939,444	49,954	1,989,398
Operating Materials and Supplies	30,430,218	783,783	31,214,001
Contractual Expense	22,891,773	589,617	23,481,390
Professional Expense	7,718,590	198,806	7,917,396
Research & Monitoring	2,082,125	53,629	2,135,754
Repairs & Maintenance	35,394,259	911,640	36,305,899
Utilities	15,727,290	405,084	16,132,374
Other Materials, Supplies, & Services	7,478,640	192,625	7,671,266
Cost Allocation	(20,824,645)	(536,375)	(21,361,020)
Subtotal - Operating	226,831,177	5,843,316	232,674,493
<u>CAPITAL IMPROVEMENTS</u>			
Joint Works Capital Improvements	162,797,883	4,397,232	167,195,115
Collection System Capital Improvements	55,880,338	-	55,880,338
Annual Intradistrict Joint Equity Purchase/Sale	-	3,500,000	3,500,000
Subtotal - Capital Improvements	218,678,221	7,897,232	226,575,453
<u>FINANCING REQUIREMENTS</u>			
Certificate of Participation Service	61,027,421	-	61,027,421
Long Term Debt Reduction	-	-	-
Subtotal - Financing Requirements	61,027,421	-	61,027,421
<u>SELF INSURANCE REQUIREMENTS</u>			
Workers' Comp SFI	743,368	16,178	759,546
General Liability SFI	4,313,114	93,869	4,406,983
Subtotal - Self Insurance	5,056,482	110,047	5,166,529
<u>OTHER CASH OUTLAYS</u>			
Joint Equity Sale to IRWD	-	-	-
Subtotal - Other Cash Outlays	-	-	-
TOTAL REQUIREMENTS	511,593,301	13,850,595	525,443,895
REVENUES EXCEEDING REQUIREMENTS	(9,088,279)	15,199,022	6,110,744
ENDING ACCUMULATED FUNDS & RESERVES	\$ 758,809,730	\$ 108,157,673	\$ 866,967,404

BUDGET RESOURCES BY REVENUE AREA - FY 2025-26

DESCRIPTION OR ACCOUNT TITLE	Consolidated Revenue Area Proposed	Rev Area 14 Proposed	Total Proposed
BEGINNING ACCUM. FUNDS & Reserves	\$ 778,409,924	\$ 88,557,480	\$ 866,967,404
<u>OPERATING REVENUES</u>			
General Sewer Service User Fees	348,428,145	-	348,428,145
Permitted User Fees	16,090,855	-	16,090,855
O & M Joint Operating Assessment Service Fees (IRWD)	-	8,265,619	8,265,619
O & M Collection System Assessment Service Fees (IRWD)	-	-	-
O & M Sludge Disposal Assessment Service Fees (IRWD)	-	-	-
SAWPA Assessments	3,044,750	93,250	3,138,000
Interest	15,097,000	1,949,000	17,046,000
Miscellaneous Receipts	12,490,296	9,551,769	22,042,065
Operating Revenue Subtotal	395,151,046	19,859,638	415,010,684
<u>NON-OPERATING REVENUES</u>			
Property Tax Allocation	98,656,440	2,061,000	100,717,440
Redevelopment Agency pass Thru	18,980,603	397,000	19,377,603
Subtotal-Taxes	117,637,043	2,458,000	120,095,043
Capital Facilities Capacity Charge	16,012,000	-	16,012,000
Sale of Capacity Rights, SAWPA & SSBSD	-	-	-
Capital Assessment (IRWD)	-	9,054,000	9,054,000
Non - Operating Revenue Subtotal	133,649,043	11,512,000	145,161,043
<u>INTRADISTRICT REVENUES</u>			
Annual Intradistrict Joint Equity Purchase/Sale	3,500,000	-	3,500,000
<u>FINANCING REVENUES</u>			
Sales of Certificates of Participation	-	-	-
Intradistrict Loans, Advances & Repayments	-	-	-
Financing Revenues Subtotal	-	-	-
<u>SELF INSURANCE REVENUES</u>			
Workers' Comp SFI	1,157,641	25,194	1,182,835
General Liability SFI	4,665,463	101,537	4,767,000
Subtotal - Self Insurance	5,823,104	126,731	5,949,835
Total Revenues	538,123,193	31,498,369	569,621,562
TOTAL AVAILABLE FUNDING	\$ 1,316,533,117	\$ 120,055,849	\$ 1,436,588,966

BUDGET RESOURCES BY REVENUE AREA - FY 2025-26

DESCRIPTION OR ACCOUNT TITLE	Consolidated Revenue Area Proposed	Rev Area 14 Proposed	Total Proposed
<u>OPERATING REQUIREMENTS</u>			
Directors' Fees	\$ 163,576	\$ 5,099	\$ 168,675
Salaries & Benefits	126,700,801	3,251,944	129,952,746
Administrative Expense	2,667,897	68,475	2,736,372
Printing & Publications	384,855	9,878	394,733
Training & Meetings	1,898,682	48,732	1,947,414
Operating Materials and Supplies	31,011,284	795,946	31,807,230
Contractual Expense	23,523,808	603,770	24,127,578
Professional Expense	6,879,707	176,577	7,056,284
Research & Monitoring	1,972,022	50,615	2,022,637
Repairs & Maintenance	34,778,310	892,631	35,670,942
Utilities	16,025,457	411,315	16,436,772
Other Materials, Supplies, & Services	7,945,384	203,929	8,149,313
Cost Allocation	(21,796,543)	(559,437)	(22,355,980)
Subtotal - Operating	232,155,242	5,959,473	238,114,716
<u>CAPITAL IMPROVEMENTS</u>			
Joint Works Capital Improvements	188,980,305	5,104,429	194,084,734
Collection System Capital Improvements	85,351,394	-	85,351,394
Annual Intradistrict Joint Equity Purchase/Sale	-	3,500,000	3,500,000
Subtotal - Capital Improvements	274,331,700	8,604,429	282,936,128
<u>FINANCING REQUIREMENTS</u>			
Certificate of Participation Service	60,431,104	-	60,431,104
Long Term Debt Reduction	-	-	-
Subtotal - Financing Requirements	60,431,104	-	60,431,104
<u>SELF INSURANCE REQUIREMENTS</u>			
Workers' Comp SFI	1,157,641	25,194	1,182,835
General Liability SFI	4,665,463	101,537	4,767,000
Subtotal - Self Insurance	5,823,104	126,731	5,949,835
<u>OTHER CASH OUTLAYS</u>			
Joint Equity Sale to IRWD	-	-	-
Subtotal - Other Cash Outlays	-	-	-
TOTAL REQUIREMENTS	572,741,150	14,690,633	587,431,783
REVENUES EXCEEDING REQUIREMENTS	(34,617,957)	16,807,736	(17,810,221)
ENDING ACCUMULATED FUNDS & RESERVES	\$ 743,791,968	\$ 105,365,215	\$ 849,157,183

Projected Reserves at June 30, 2024 ,2025 and 2026

	Projected 6/30/24	Proposed 6/30/25	Proposed 6/30/26
Cash Flow Requirements			
Operating Expenses	\$ 115,998,000	\$ 119,057,358	\$ 122,629,078
COP Payments	16,347,601	13,550,552	12,717,302
Operating Contingencies	23,200,000	23,811,472	24,525,816
Capital Improvement Program	454,494,059	474,936,522	457,081,987
Catastrophe & Self Insurance	100,000,000	100,000,000	100,000,000
Subtotal	710,039,660	731,355,904	716,954,183
Capital Replacement & Refurbishment	75,000,000	75,000,000	75,000,000
COP Service Required Reserves	75,817,000	60,611,500	57,203,000
Total	\$ 860,856,660	\$ 866,967,404	\$ 849,157,183

Accumulated Funds and Reserves Policy

A cash flow criterion has been established at a level to fund operations, maintenance and certificate of participations expenses for the first half of the fiscal year, prior to the receipt of the first installment of the property tax allocation and the sewer service user fees which are collected as a separate line item on the property tax bill. The level of this criterion will be established as the sum of an amount equal to six months operations and maintenance expenses and the total of the annual debt (COP) service payments due in August each year.

An operating contingency criterion has been established to provide for non-recurring operating expenditures that were not anticipated when the annual budget was considered and adopted. The level of this criterion will be established at an amount equal to ten percent of the current fiscal year's annual operating budget.

A capital improvement criterion has been maintained to fund annual increments of the capital improvement program. The target level of this criterion has been established at one half of the average annual cash outlay of the capital improvement program through the year 2034. Levels higher and lower than the target can be expected while the long-term financing and capital improvement programs are being finalized.

A catastrophic loss or self-insurance criterion has been maintained for property damage including fire, flood, and earthquake, for general liability and for workers' compensation. This reserve criterion is intended to work with purchased insurance policies, FEMA, and State disaster reimbursements. Based on the plant infrastructure replacement value, the level of this criterion has been set to fund OC San's non-reimbursed costs, estimated to be \$100 million

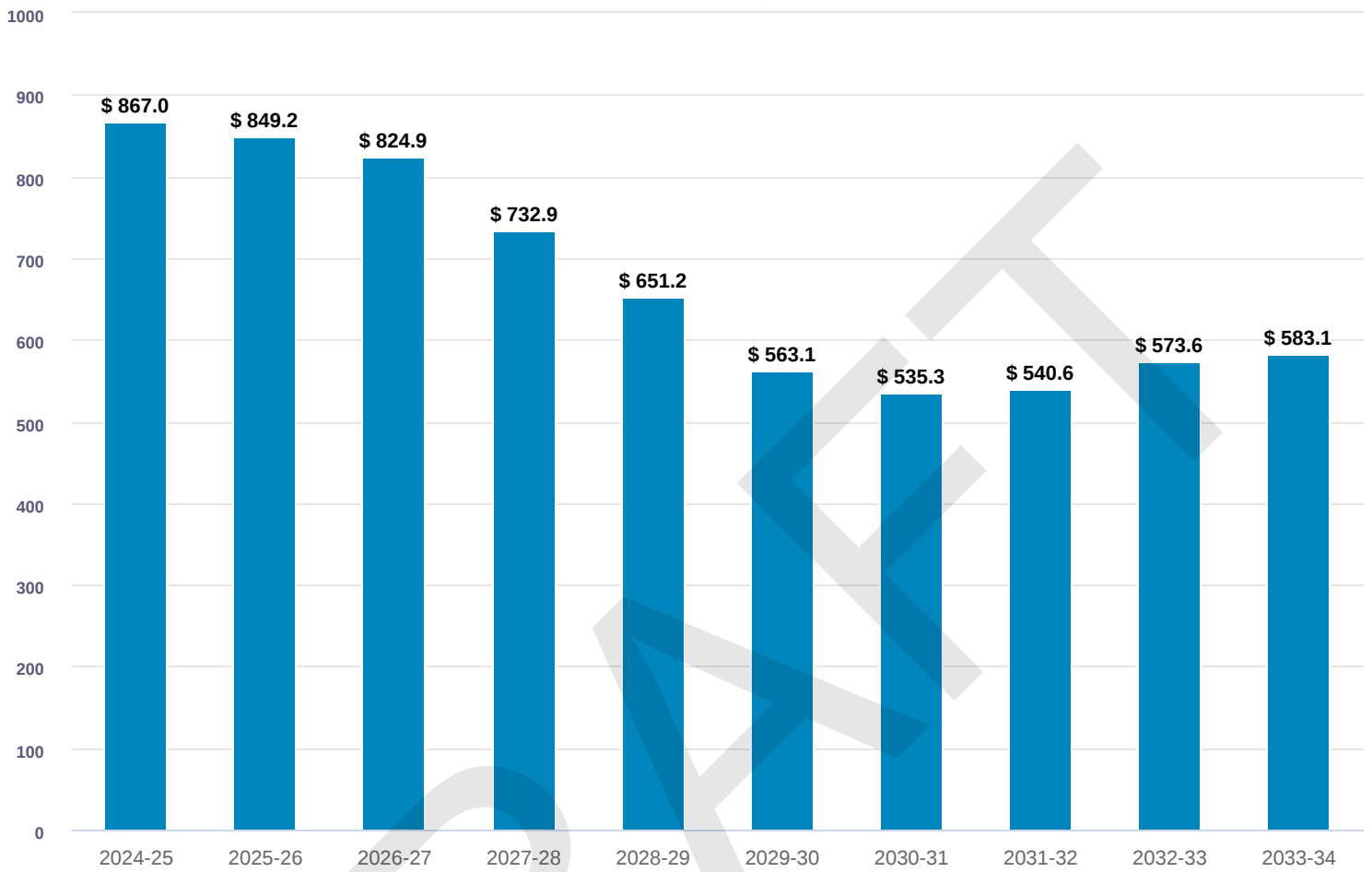
A capital replacement/renewal criterion policy has been established to provide funding to replace or refurbish the current collection, treatment, and recycling facilities at the end of their useful economic lives. The current replacement value of these facilities is estimated to be \$14 billion. The reserve criterion level had been established at \$75 million.

A debt service criterion policy has been established at ten percent of the outstanding certificate of participation (COP) issues. Other debt service reserves are required to be under the control of a Trustee by the provisions of the certificate of participation (COP) issues. These funds are not available for the general needs of OC San and must be maintained at specified levels.

Accumulated Funds exceeding the targets specified by OC San policy will be maintained for Capital Improvements and Rate Stabilization. These funds will be applied to future years' CIP needs due to the timing of the actual CIP outlays, in order to maintain rates or to moderate annual fluctuations.

This budget approves projects that will incur costs through 2034 and beyond. The reserves that are currently held are needed to fund projects starting in the FY 2024-25 and FY 2025-26 budget years.

Proposed Ending Reserves
(in millions)



Cash Flow Projection

Orange County Sanitation District Consolidated Cash Flow Projections

Ref	Description	Prelim. 24-25	Prelim. 25-26	Prelim. 26-27	Prelim. 27-28	Prelim. 28-29	Prelim. 29-30
	Revenues:						
1	General User Fees	334,282,867	348,428,145	360,777,442	375,081,033	389,466,900	404,883,280
2	Permitted User Fees	15,506,269	16,090,855	16,592,388	17,177,510	17,762,632	18,389,549
3	IRWD Assessments	15,278,337	17,319,619	17,777,732	20,495,062	20,794,257	21,582,069
4	SAWPA Assessments	3,018,000	3,138,000	3,273,515	3,371,721	3,472,872	3,577,058
5	Property Taxes	117,624,920	120,095,043	123,697,894	127,408,831	131,231,096	135,168,029
6	New COP Issues	-	-	-	-	-	-
7	Interest Revenues	17,133,000	17,046,000	16,575,088	15,424,191	13,704,608	12,022,969
8	Capital Facilities Capacity Charges	15,485,595	16,012,000	21,673,945	22,193,985	22,734,817	23,294,631
9	Other Revenues	13,225,651	31,491,900	18,391,000	18,702,000	19,022,000	19,348,000
10	Revenues	531,554,639	569,621,562	578,759,006	599,854,333	618,189,183	638,265,585
	Requirements:						
11	Oper & Mtce Exp	232,674,493	238,114,716	245,258,157	252,615,902	260,194,379	268,000,210
12	Capital Improvement Program (CIP)	253,494,833	317,348,173	330,912,341	416,282,180	410,661,598	415,398,176
13	Less: CIP Savings & Deferrals	(30,419,380)	(38,104,927)	(39,853,656)	(50,402,868)	(50,459,768)	(53,020,834)
14	Allocation for Future Rehabilitation	-	192,882	1,201,460	3,741,717	9,836,468	26,442,108
15	COP Debt Service	61,027,421	60,431,104	60,304,604	64,461,104	64,457,604	64,457,354
16	Reduction of Long-Term Liabilities	-	-	-	-	-	-
17	Other Requirements	8,666,529	9,449,835	5,166,529	5,166,529	5,166,529	5,166,529
18	Requirements	525,443,895	587,431,783	602,989,435	691,864,564	699,856,810	726,443,543
19	Revenues-Requirements:	6,110,744	(17,810,221)	(24,230,429)	(92,010,231)	(81,667,627)	(88,177,958)
	Accumulated Funds:						
20	Beginning of Year	860,856,660	866,967,404	849,157,183	824,926,754	732,916,522	651,248,895
21	End of Year	866,967,404	849,157,183	824,926,754	732,916,522	651,248,895	563,070,937
22	Consolidated Reserve Policy:	554,416,143	554,460,458	554,670,355	554,711,191	554,247,565	553,667,444
23	Over (Under) Reserve Policy:	312,551,261	294,696,725	270,256,399	178,205,331	97,001,330	9,403,493
	Sewer Service User Fees:						
24	Avg SFR Annual User Fee	\$ 371	\$ 385	\$ 397	\$ 411	\$ 425	\$ 440
25	Percentage Change	3.63%	3.77%	3.12%	3.53%	3.41%	3.53%
26	Equivalent Dwelling Units	933,377	936,177	938,986	941,803	944,628	947,462
27	SFR Connection Fee	\$ 6,354	\$ 6,576	\$ 6,806	\$ 7,044	\$ 7,291	\$ 7,546
28	Outstanding COPs	\$ 606,115,000	\$ 572,030,000	\$ 538,700,000	\$ 503,830,000	\$ 463,060,000	\$ 420,255,000
	Reserve Policy:						
29	50% Next Year Operating Expense	119,057,358	122,629,078	126,307,951	130,097,189	134,000,105	138,020,108
30	10% Next Year Operating Expense	23,811,472	24,525,816	25,261,590	26,019,438	26,800,021	27,604,022
31	100% Next Year AUG COP Svc.	13,550,552	12,717,302	11,845,552	10,826,302	9,756,177	8,632,552
32	50% Average Ten-Year CIP Balance	162,385,262	162,385,262	162,385,262	162,385,262	162,385,262	162,385,262
33	Debt Svc @ 10% Outstanding COP	60,611,500	57,203,000	53,870,000	50,383,000	46,306,000	42,025,500
34	Self Funded Insurance @ \$100M	100,000,000	100,000,000	100,000,000	100,000,000	100,000,000	100,000,000
35	Repl & Refurb	75,000,000	75,000,000	75,000,000	75,000,000	75,000,000	75,000,000
36	*Reserve Reduction	-	-	-	-	-	-
37	Total	554,416,143	554,460,458	554,670,355	554,711,191	554,247,565	553,667,444
	COP Ratios:						
38	Sr Lien Coverage, Min 1.25	4.64	5.22	5.17	5.04	5.20	5.38

Cash Flow Projection

Orange County Sanitation District Consolidated Cash Flow Projections

Ref	Description	Prelim. 30-31	Prelim. 31-32	Prelim. 32-33	Prelim. 33-34	10 - Year Total
	Revenues:					
1	General User Fees	471,276,528	420,388,320	436,936,005	453,578,818	3,995,099,338
2	Permitted User Fees	21,064,392	19,016,465	19,685,176	20,353,887	181,639,123
3	IRWD Assessments	21,394,647	20,213,363	19,652,885	19,554,379	194,062,352
4	SAWPA Assessments	4,026,011	3,684,370	3,794,901	3,908,748	35,265,196
5	Property Taxes	152,132,807	139,223,070	143,399,762	147,701,755	1,337,683,207
6	New COP Issues	-	-	-	-	-
7	Interest Revenues	11,452,406	10,874,775	10,652,389	11,032,115	135,917,541
8	Capital Facilities Capacity Charges	25,753,049	23,875,590	24,477,852	25,103,613	220,605,078
9	Other Revenues	20,378,000	19,683,000	20,026,000	20,378,000	200,645,551
10	Revenues	727,477,841	656,958,953	678,624,971	701,611,315	6,300,917,386
	Requirements:					
11	Oper & Mtce Exp	301,636,598	276,040,216	284,321,423	292,851,066	2,651,707,158
12	Capital Improvement Program (CIP)	257,681,841	339,289,395	283,179,715	259,436,100	3,283,684,352
13	Less: CIP Savings & Deferrals	(49,273,047)	(46,444,324)	(42,990,374)	(41,899,719)	(442,868,896)
14	Allocation for Future Rehabilitation	152,926,883	47,746,637	75,073,404	89,728,221	406,889,780
15	COP Debt Service	49,913,374	62,950,104	68,545,662	63,305,374	619,853,705
16	Reduction of Long-Term Liabilities	-	-	-	-	-
17	Other Requirements	5,166,529	5,166,529	5,166,529	5,166,529	59,448,596
18	Requirements	718,052,178	684,748,558	673,296,359	668,587,571	6,578,714,695
19	Revenues-Requirements:	9,425,663	(27,789,604)	5,328,612	33,023,744	(277,797,309)
	Accumulated Funds:					
20	Beginning of Year	573,633,688	563,070,937	535,281,333	540,609,945	6,998,669,320
21	End of Year	583,059,351	535,281,333	540,609,945	573,633,688	6,720,872,012
22	Consolidated Reserve Policy:	550,287,607	535,224,447	540,591,088	550,919,907	5,503,196,204
23	Over (Under) Reserve Policy:	32,771,744	56,886	18,857	22,713,781	1,217,675,807
	Sewer Service User Fees:					
24	Avg SFR Annual User Fee	\$ 504	\$ 455	\$ 471	\$ 487	
25	Percentage Change	3.49%	3.41%	3.52%	3.40%	
26	Equivalent Dwelling Units	958,882	950,304	953,155	956,014	
27	SFR Connection Fee	\$ 8,659	\$ 7,810	\$ 8,083	\$ 8,366	
28	Outstanding COPs	\$ 225,070,000	\$ 375,310,000	\$ 329,625,000	\$ 275,910,000	
	Reserve Policy:					
29	50% Next Year Operating Expense	155,342,848	142,160,711	146,425,533	150,818,299	
30	10% Next Year Operating Expense	31,068,570	28,432,142	29,285,107	30,163,660	
31	100% Next Year AUG COP Svc.	3,983,928	7,415,331	6,232,687	4,961,687	
32	50% Average Ten-Year CIP Balance	162,385,262	162,385,262	162,385,262	162,385,262	
33	Debt Svc @ 10% Outstanding COP	22,507,000	37,531,000	32,962,500	27,591,000	
34	Self Funded Insurance @ \$100M	100,000,000	100,000,000	100,000,000	100,000,000	
35	Repl & Refurb	75,000,000	75,000,000	75,000,000	75,000,000	
36	*Reserve Reduction	-	(17,700,000)	(11,700,000)	-	
37	Total	550,287,607	535,224,447	540,591,088	550,919,907	
	COP Ratios:					
38	Sr Lien Coverage, Min 1.25	8.02	5.67	5.40	6.06	

Operating Requirements

The net operating requirements budget finances the administrative, operations and maintenance, and program costs for collecting, treating, and recycling of wastewater. The departmental budgets are all completely funded by the operating fund. The net operating budget for FY 2024-25 is \$232.7 million and for FY 2025-26 is \$238.1 million.

Following are descriptions of the major factors that comprise the operating budget:

Regulatory Requirements

Many of OC San's activities are either required or regulated by environmental permits issued by federal, state, and local regulatory authorities. These authorities regulate effluent quality, air emissions, greenhouse gases, stormwater quality, biosolids and hazardous waste management, as well as extensive monitoring of all media. New and developing regulations also drive future capital and operating expenses.

Operating Chemicals

Chemicals are used for disinfection, coagulation, and odor control programs.

Coagulants: Coagulant chemicals are used to enhance primary treatment solids removal, solids dewatering, waste solids thickening, and to control hydrogen sulfide in the digesters.

Ferric chloride is an iron salt which is used with anionic polymer to increase the solids removal efficiencies in the primary treatment process and to control hydrogen sulfide levels in the digester gas as required by AQMD Rule 431.1.

Cationic polymer is added to digested sludge prior to thickening and dewatering to improve the sludge and water separation process. Cationic polymer is also added to the waste activated sludge dissolved air flotation thickeners to thicken the solids before digestion.

Odor Control: Under septic or anaerobic conditions, sulfate-reducing bacteria can flourish resulting in the accumulation of sulfides in the liquid phase. One of the sulfide forms present is hydrogen sulfide (H₂S). When released to the vapor phase, this creates the potential for both odor and corrosion problems in the collection system.

Sodium hydroxide is added in "shock doses" to the sewer trunklines for sulfide control. Sodium hydroxide is added over a period of 30 to 45 minutes at sufficient dosages to elevate the pH level. The high pH slug temporarily inactivates sulfate reducing bacteria and greatly reduces hydrogen sulfide generation.

The largest costs for collection system odor control are for ferrous chloride, magnesium hydroxide and calcium nitrate. These costs cover continuous treatment for odor control within five trunklines. The contractor(s) provide(s) leased equipment and on-going labor for services such as maintenance, remote monitoring of the chemical feed rates, optimization, and field sampling.

Sodium hypochlorite, caustic soda, and granular activated carbon are used in plant process scrubbers to treat foul air, comply with SCAQMD permits, and prevent odor complaints.

Residual management

These costs are for hauling and beneficial reuse of wastewater solids recovered during the treatment process. Solids treated through the digesters, called biosolids or treated sewage sludge, can be recycled offsite via composting (about 60 percent) or land application on farm fields (about 40 percent). Most of OC San's residuals management costs are for hauling about 21 truckloads (525 tons) of biosolids offsite every day. A smaller component of residuals management cost is non-recyclable grit and screenings waste and sewer debris that must be disposed of at a landfill.

Repair and Maintenance

Preventive maintenance and repair activities throughout OC San's expanded and upgraded treatment facilities and collection system continue to keep this budgetary category at a significant amount. This category includes contracted services, materials and supplies, and outsourced service agreements.

Utilities

The cost for utilities is a significant component of the operating budget. The largest utility cost incurred by OC San is the electricity that is purchased to supplement generated power to operate the plant processes. The central generation facilities produce approximately 60 percent of the electricity used for running the plants.

Operations Summary

Proposed Budget Comparisons by Department

Department and Division	2023-24 Revised Budget	2023-24 Projected	2024-25 Proposed	% Budget Change	2025-26 Proposed	% Budget Change
General Manager's Office						
General Management Admin	\$ 2,276,310	\$ 2,762,451	\$ 2,391,105	5.04%	\$ 2,507,271	4.86%
Department Subtotal	2,276,310	2,762,451	2,391,105	5.04%	2,507,271	4.86%
Administrative Services Department						
Administrative Services Admin	604,940	494,177	957,325	58.25%	1,006,067	5.09%
Consolidated Services	10,010,973	10,821,193	14,287,812	42.72%	15,534,235	8.72%
Financial Management	4,229,861	4,403,310	4,710,890	11.37%	4,957,114	5.23%
Contracts, Purch, & Materials Mgmt	5,171,811	4,622,356	5,359,090	3.62%	5,454,476	1.78%
Information Technology	15,695,175	14,821,374	15,991,712	1.89%	16,088,829	0.61%
Department Subtotal	35,712,760	35,162,410	41,306,827	15.66%	43,040,720	4.20%
Communications Department						
Communications Administration	-	-	320,274	-	275,362	-14.02%
Board Services	1,369,414	1,172,427	1,322,596	-3.42%	1,367,299	3.38%
Public Affairs	1,557,232	1,555,431	1,966,700	26.29%	1,972,808	0.31%
Department Subtotal	2,926,646	2,727,857	3,609,570	23.33%	3,615,469	0.16%
Human Resources Department						
Human Resources Administration	-	-	346,221	-	371,502	7.30%
Human Resources	4,790,970	4,326,763	4,501,044	(6.05%)	4,618,876	2.62%
Risk Management	5,448,050	4,234,890	3,298,191	(39.46%)	3,380,717	2.50%
Department Subtotal	10,239,020	8,561,653	8,145,456	(20.45%)	8,371,095	2.77%
Environmental Services Department						
Environmental Services Admin	5,719,939	5,227,909	1,340,931	(76.56%)	1,373,018	2.39%
Resource Protection	7,710,253	6,673,746	7,609,490	(1.31%)	7,921,299	4.10%
Environmental Lab and Ocean Monitoring	10,765,428	10,478,892	11,665,367	8.36%	11,908,090	2.08%
Environmental Compliance	-	-	5,029,310	-	5,028,261	(0.02%)
Department Subtotal	24,195,620	22,380,546	25,645,097	5.99%	26,230,669	2.28%
Engineering Department						
Engineering Admin	902,014	675,191	641,185	(28.92%)	660,357	2.99%
Planning	4,326,056	4,125,954	4,671,881	7.99%	4,835,430	3.50%
Project Management	4,552,810	4,603,623	4,864,814	6.85%	4,979,349	2.35%
Design	7,194,276	6,823,809	8,084,688	12.38%	8,319,574	2.91%
Construction Management	9,100,374	8,258,531	9,469,248	4.05%	9,870,216	4.23%
Department Subtotal	26,075,530	24,487,109	27,731,816	6.35%	28,664,926	3.36%
Operations & Maintenance Dept						
O & M Administration	715,080	340,805	626,574	(12.38%)	634,753	1.31%
Collection Facilities O&M	19,355,501	18,638,868	20,585,536	6.35%	19,731,150	(4.15%)
Fleet Services	2,571,697	2,447,625	2,696,486	4.85%	2,665,212	(1.16%)
Plant No. 1 Operations	40,589,667	42,048,213	43,831,773	7.99%	45,149,768	3.01%
Plant No. 2 Operations	20,232,053	20,697,424	21,902,872	8.26%	22,599,168	3.18%
Plant No. 1 Maintenance	31,699,895	29,860,351	32,610,822	2.87%	33,881,924	3.90%
Plant No. 2 Maintenance	20,446,176	22,269,764	22,951,578	12.25%	23,378,572	1.86%
Department Subtotal	135,610,069	136,303,050	145,205,640	7.08%	148,040,546	1.95%
Less: Cost Allocation	(21,646,370)	(20,051,629)	(21,361,020)	(1.318%)	(22,355,980)	4.658%
Net Operating Requirements	\$ 215,389,585	\$ 212,333,448	\$ 232,674,493	7.17%	\$ 238,114,716	2.53%

**Proposed Budget
Expense by Category**

Description	2023-24 Revised Budget	2023-24 Projected	2024-25 Proposed	% Budget Change to 2023-24	2025-26 Proposed	% Budget Change to 2024-25
Salaries, Wages & Benefits	\$ 116,587,576	\$ 111,530,304	\$ 124,095,542	6.44%	\$ 130,121,421	4.86%
Administrative Expenses	2,305,733	1,589,959	2,694,297	16.85%	2,736,372	1.56%
Printing & Publication	361,737	297,896	398,196	10.08%	394,733	(0.87%)
Training & Meetings	1,215,867	957,354	1,989,398	63.62%	1,947,414	(2.11%)
Operating Materials & Supplies	30,511,514	30,910,475	31,214,001	2.30%	31,807,230	1.90%
Contractual Services	21,796,564	21,764,820	23,481,390	7.73%	24,127,578	2.75%
Professional Services	7,583,166	5,244,720	7,917,396	4.41%	7,056,284	(10.88%)
Research & Monitoring	1,776,363	1,752,363	2,135,754	20.23%	2,022,637	(5.30%)
Repairs & Maintenance	35,500,413	35,129,503	36,305,899	2.27%	35,670,942	(1.75%)
Utilities	12,259,566	16,093,152	16,132,374	31.59%	16,436,772	1.89%
Other Materials, Supplies, and Svc	7,137,456	7,114,531	7,671,266	7.48%	8,149,313	6.23%
Cost Allocation	(21,646,370)	(20,051,629)	(21,361,020)	(1.32%)	(22,355,980)	4.66%
Net Operating Requirements	\$ 215,389,585	\$ 212,333,448	\$ 232,674,493	8.02%	\$ 238,114,716	2.34%
Cost to Collect, Treat & Dispose of 1 Million Gallons	\$ 3,189.78	\$ 3,035.11	\$ 3,445.75	4.55%	\$ 3,526.32	0.97%
Flow, Million Gallons	67,525	69,959	67,525	3.48%	67,525	-
Flow Per Day, MGD	185.00	191.67	185.00	4.55%	185.00	0.97%

Total Gallonage Flows, Million Gallons per Year (MG)

Revenue Area No.	2023-24 Projected Flow (MG)	Projected Increase (MG)	2024-25 Budgeted Flow (MG)	Percent of Total	2025-26 Budgeted Flow (MG)	Percent of Total
Consolidated RA	67,897	(2,413)	65,484	96.98%	65,504	97.01%
RA 14	2,062	(21)	2,041	3.02%	2,021	2.99%
Total	69,959	(2,434)	67,525	100.00%	67,525	100.00%

Average Daily Gallonage Flows, Million Gallons per Day (MGD)

Revenue Area No.	2023-24 Projected Flow (MGD)	Projected Increase (MGD)	2024-25 Budgeted Flow (MGD)	Percent of Total	2025-26 Budgeted Flow (MGD)	Percent of Total
Consolidated RA	186	(7)	179	96.98%	179	97.01%
RA 14	6	(0)	6	3.02%	6	2.99%
Total	192	(7)	185	100.00%	185	100.00%

FY 2024-25 Estimated Allocation of Total Costs to Revenue Areas

Revenue Area No.	Collection Costs	Treatment & Disposal Costs	Total Costs	Total Cost/MG
Consolidated RA	\$ 41,210,733	\$ 184,429,668	\$ 225,640,401	\$ 3,445.75
14 - O&M	1,948,567	5,085,525	7,034,092	3,445.75
Total	\$ 43,159,300	\$ 189,515,193	\$ 232,674,493	\$ 3,445.75

FY 2025-26 Estimated Allocation of Total Costs to Revenue Areas

Revenue Area No.	Collection Costs	Treatment & Disposal Costs	Total Costs	Total Cost/MG
Consolidated RA	\$ 41,487,640	\$ 189,500,504	\$ 230,988,143	\$ 3,526.32
14 - O&M	1,961,660	5,164,912	7,126,572	3,526.32
Total	\$ 43,449,300	\$ 194,665,416	\$ 238,114,716	\$ 3,526.32

**Proposed Budget
Net Operating Expense by Line Item**

Description	2023-24 Revised Budget	2023-24 Projected	2024-25 Proposed	% Budget Change to 2023-24	2025-26 Proposed	% Budget Change to 2024-25
<u>Salaries, Wages, & Benefits</u>						
<u>Salaries & Wages</u>						
Salaries & Wages	\$ 91,482,196	\$ 86,063,987	\$ 96,380,850	5.35%	\$ 100,733,402	4.52%
<u>Employee Benefits</u>						
Retirement	11,709,180	11,763,184	12,846,491	9.71%	13,413,069	4.41%
Group Insurances	10,975,600	10,940,382	12,009,427	9.42%	13,070,891	8.84%
Tuition & Certificate Reimb	95,700	82,541	84,192	(12.02%)	84,192	-
Edu.degrees Cert. & Lic.	601,300	639,180	632,326	5.16%	632,326	-
Uniform Rental	300,000	281,237	281,237	(6.25%)	281,237	-
Workers' Compensation	850,500	850,500	905,678	6.49%	950,961	5.00%
Unemployment Insurance	8,900	17,122	17,122	92.38%	17,122	-
EMT Supplemental Benefits	564,200	892,171	938,221	66.29%	938,221	-
Salaries, Wages, & Benefits	116,587,576	111,530,304	124,095,542	6.44%	130,121,421	4.86%
<u>Materials, Supplies, & Services</u>						
<u>Administrative Expenses</u>						
Memberships	665,560	586,868	706,626	6.17%	726,931	2.87%
Office Exp - Supplies	60,789	58,425	73,981	21.70%	72,528	(1.96%)
Postage	40,830	45,489	48,700	19.28%	53,700	10.27%
Books & Publications	38,478	17,306	33,240	(13.61%)	33,771	1.60%
Forms	626	1,944	2,000	219.49%	2,000	-
Small Computer Items	1,247,250	800,500	1,300,750	4.29%	1,336,891	2.78%
Minor Furniture & Fixtures	252,200	79,428	529,000	109.75%	510,551	(3.49%)
<u>Printing & Publication</u>						
Repro-In-House	181,787	159,808	202,993	11.67%	203,501	0.25%
Printing-Outside	29,400	14,457	42,203	43.55%	42,232	0.07%
Notices & Ads	150,500	123,631	153,000	1.66%	149,000	(2.61%)
Photo Processing	50	-	-	(100.00%)	-	-
<u>Meetings & Training</u>						
Meetings	144,947	133,624	160,985	11.06%	159,260	(1.07%)
Training	1,070,920	823,730	1,828,413	70.73%	1,788,154	(2.20%)

Operations Summary

Proposed Budget Net Operating Expense by Line Item (Continued)

Description	2023-24 Revised Budget	2023-24 Projected	2024-25 Proposed	% Budget Change to 2023-24	2025-26 Proposed	% Budget Change to 2024-25
<u>Operating Materials & Supplies</u>						
Chem. Coagulants	15,559,900	15,783,200	15,855,536	1.90%	16,331,487	3.00%
Odor Control	10,053,104	10,086,033	10,425,895	3.71%	10,475,062	0.47%
Disinfection	439,100	593,500	611,300	39.22%	629,100	2.91%
Chemicals - Cogen Op.	398,000	439,397	490,200	23.17%	499,800	1.96%
Miscellaneous Chemicals	202,000	-	-	(100.00%)	-	-
Odor & Corrosion Control	50,000	50,000	51,000	2.00%	52,020	2.00%
Gas, Diesel, & Oil	831,810	714,007	894,340	7.52%	920,395	2.91%
Tools	888,229	1,020,443	698,642	(21.34%)	663,750	(4.99%)
Safety Equipment/tools	937,714	973,230	1,007,568	7.45%	1,015,132	0.75%
Solv,Paint,Janitor Supplies	134,064	118,569	134,106	0.03%	142,118	5.97%
Lab Chemicals & Supplies	698,327	709,889	754,325	8.02%	767,465	1.74%
Misc. Operating Supplies	242,766	406,306	274,590	13.11%	293,801	7.00%
Property Tax Fees	76,500	15,900	16,500	(78.43%)	17,100	3.64%
<u>Contractual Services</u>						
Solids Removal	14,150,000	13,980,000	14,356,000	1.46%	14,774,000	2.91%
Other Waste Disp.	1,195,200	1,000,780	1,219,990	2.07%	1,245,403	2.08%
Groundskeeping	200,000	234,457	215,200	7.60%	220,900	2.65%
Janitorial	961,705	1,451,395	1,929,800	100.66%	2,004,320	3.86%
Outside Lab Services	392,000	390,591	434,000	10.71%	434,000	-
Oxygen Plant Oper	740,000	1,293,000	1,332,000	80.00%	1,372,000	3.00%
County Service Fee	534,345	402,300	410,300	(23.21%)	418,500	2.00%
Temporary Services	578,400	499,799	355,000	(38.62%)	305,000	(14.08%)
Security Services	2,342,414	1,706,266	2,487,100	6.18%	2,611,455	5.00%
Other	702,500	806,232	742,000	5.62%	742,000	-
<u>Professional Services</u>						
Legal	1,437,000	1,639,079	1,487,000	3.48%	1,487,000	-
Audit & Accounting	273,570	216,638	180,000	(34.20%)	230,000	27.78%
Engineering	1,740,000	1,520,940	1,698,150	(2.41%)	1,764,838	3.93%
Enviro Scientific Consult	870,000	420,000	1,091,500	25.46%	1,035,000	(5.18%)
Software Prgm Consult	723,000	459,607	976,100	35.01%	782,700	(19.81%)
Advocacy Efforts	205,000	210,000	278,600	35.90%	278,600	-
Industrial Hygiene Svcs	100,000	43,553	100,000	-	100,000	-
Labor Negotiation Svc	100,000	43,553	100,000	-	100,000	-
Other	2,167,596	712,901	2,024,046	(6.62%)	1,316,146	(34.97%)

Operations Summary

Proposed Budget Net Operating Expense by Line Item (Continued)

Description	2023-24 Revised Budget	2023-24 Projected	2024-25 Proposed	% Budget Change to 2023-24	2025-26 Proposed	% Budget Change to 2024-25
<u>Research & Monitoring</u>						
Environ. Monitoring	960,000	958,000	1,248,000	30.00%	1,118,000	(10.42%)
Air Quality Monitoring	220,000	220,000	300,000	36.36%	300,000	-
Research	596,363	574,363	587,754	(1.44%)	604,637	2.87%
<u>Repairs & Maintenance</u>						
Materials & Services	26,404,166	27,646,016	27,998,162	6.04%	27,249,135	(2.68%)
Service Maint. Agreements	9,096,247	7,483,487	8,307,737	(8.67%)	8,421,807	1.37%
<u>Utilities</u>						
Telephone	536,905	496,000	513,400	(4.38%)	531,400	3.51%
Diesel For Generators	937,714	973,230	1,007,568	7.45%	1,015,132	0.75%
Natural Gas	1,596,000	2,851,182	3,035,000	90.16%	3,037,000	0.07%
Power	9,063,223	11,345,932	11,266,947	24.32%	11,516,446	2.21%
Water	1,003,438	1,340,038	1,255,027	25.07%	1,286,926	2.54%
<u>Other Operating Costs</u>						
Outside Equip Rental	134,064	118,569	134,106	0.03%	142,118	5.97%
Insurance Premiums	698,327	709,889	754,325	8.02%	767,465	1.74%
Prop & Gen Liab Insurance	242,766	406,306	274,590	13.11%	293,801	7.00%
Freight	76,500	15,900	16,500	(78.43%)	17,100	3.64%
Misc. Operating Expense	14,150,000	13,980,000	14,356,000	1.46%	14,774,000	2.91%
Regulatory Operating Fees	200,000	234,457	215,200	7.60%	220,900	2.65%
Contingency	961,705	1,451,395	1,929,800	100.66%	2,004,320	3.86%
Prior year reappropriation	-	-	-	-	-	-
Loss on obsolete inventory	-	383.1	-	-	-	-
Other Non-Oper Expense	138,590	79,888	141,170	1.86%	141,170	-
Materials, Supplies, & Services	120,448,379	120,854,773	129,939,970	7.88%	130,349,275	0.31%
Total Operating Requirements	237,035,955	232,385,077	254,035,513	14.32%	260,470,696	5.17%
Less: Cost Allocation	(21,646,370)	(20,051,629)	(21,361,020)	(1.32%)	(22,355,980)	4.66%
Net Operating Requirements	\$ 215,389,585	\$ 212,333,448	\$ 232,674,493	0.13%	\$ 238,114,716	0.10%
Cost to Collect, Treat & Dispose of 1 Million Gallons	\$ 3,189.78	\$ 3,035.11	\$ 3,445.75	4.55%	\$ 3,526.32	0.97%
Flow, Million Gallons	67,525	69,959	67,525	3.48%	67,525	-
Flow Per Day, MGD	185.00	191.67	185.00	4.55%	185.00	0.97%

Notes to the 2024-25 and FY 2025-26 Operations Budget

Salaries, Wages & Benefits

Salaries & Wages: The proposed budget is set at 663.50 and 663.50 Full Time Equivalent (FTE) positions for FY 2024-25 and FY 2025-26, respectively. An increase in salaries and wages is attributable to anticipated salary and benefit adjustments for all employee bargaining units.

Retirement: The employees of OC San are members of the Orange County Employees Retirement System. Employees participate in one of three plans depending on hire date: Plan H (older), Plan B, or Plan U (newer, with a lower retirement benefit). The estimated employer's required contribution rate, based on employees' base salaries, has decreased for Plan H (191 employees) from 13.47 percent to 13.36 percent and Plan B (52 employees) from 13.09 percent to 12.81 percent, but increased for Plan U (365 employees) from 9.82 percent to 9.97 percent for FY 2024-25. The contribution rate for Plan H includes OC San's pickup of 3.5 percent of employees' required contributions.

Group Insurance: This includes OC San's share of employees' medical and dental insurance plans, and life and disability insurance premiums. It also includes the other post-employment benefits that OC San is obligated to pay for retirees. The group insurance budget approximates \$17,000 per employee.

Tuition & Certification Reimbursements: To encourage the self-development and training of employees, OC San has a tuition and certification reimbursement program. This appropriation is set at \$84,192.31 for both FY 2024-25 and FY 2025-26.

Development Pay: To further promote employee efforts that increase job knowledge, skills, and abilities, OC San has established this benefit for employees obtaining educational degrees and jobrelated certificates and licenses. The budget of \$632,326 for both FY 2024-25 and FY 2025-26 is based on estimated employee participation.

Uniforms: This budget projection is for uniforms provided to field and lab employees in accordance with employee MOUs.

Workers' Compensation: This item is used to maintain the level of accumulated reserves for workers' compensation self-insurance. The amount recommended is \$905,677.50 for FY 2024-25 and \$950,961.38 for FY 2025-26. The total estimated expenditures for the workers' compensation program are set forth in detail in the Self-Insurance section.

Unemployment Insurance: OC San is on an actual claims paid basis, which has historically resulted in an overall lower cost because of a favorable claims history. This appropriation is proposed at a level consistent with the prior year's actual costs.

Memberships

OC San has memberships in agencies, such as the National Association of Clean Water Agencies (NACWA), the National Water Research Institute (NWRI), the Water Environment Research Foundation (WERF), the California Association of Sanitation Agencies (CASA), the Southern California Alliance of Publicly Owned Treatment Works (SCAP), the Association of California Water Agencies (ACWA), and the Center for Demographic Research (CDR), and has a budget of \$706,626.00 for FY 2024-25 and \$726,931.00 for FY 2025-26.

Administrative Expenses

These accounts include supplies, postage, technical journals and publications, forms, small office equipment, and small computer items. The small equipment and computer items cost less than \$15,000 per item and exclude items that are capitalized.

Printing and Publication

The budget provides for in-house and outside reproduction costs and reflects an expanded management information system and administrative requirements as well as a continuing demand by the public and regulatory agencies for information. This group of accounts also includes costs for photo processing, advertisements, and notices.

Training & Meetings

This category includes ongoing technical and safety training and materials for staff, required training for computerized plant monitoring, and control systems training to allow for a more adaptive and flexible workforce. OC San continues to place an emphasis on safety, technical, leadership, and management training.

Operating Materials & Supplies

Chemical Coagulants: Chemical coagulants are used to enhance the primary treatment process by increasing the solids removal efficiencies and dewatering and thickening solids for disposal, and are used to control hydrogen sulfide levels in the digester gas.

The costs for these chemicals are expected to increase slightly due to increasing costs, usage is expected to remain stable over the next two budget years. The budgeted amounts for FY 2024-25 and FY 2025-26 are \$15.86 million and \$16.33 million, respectively, or an average increase of 2.45 percent over the FY 2023-24 budget.

Odor Control Chemicals: OC San uses sodium hydroxide (caustic soda), and bleach as the primary odor control chemicals within the treatment plants' foul air scrubbers. In addition, muriatic acid is an odor control chemical used for cleaning the scrubbers.

Ferrous chloride, magnesium hydroxide, calcium nitrate, and caustic soda are the primary odor control chemicals used within the collection system and work by reducing the generation of hydrogen sulfide in the trunklines. The chemical dosage and costs reflect the established performance level and affects the use of chemicals at the treatment plants.

The odor control budget is \$10.43 million for FY 2024-25 and \$10.48 million for FY 2025-26; an average increase of 2.09 percent from the previously approved budget, based on overall inflationary projections for these chemicals.

Disinfection Chemicals: Sodium Hypochlorite (bleach) is used at the treatment plants for the disinfection of plant water and the control of filamentous organisms in activated sludge in the secondary treatment process. OC San's bleach budgets for the purpose of disinfection are \$611,300 in FY 2024-25 and \$629,100 in FY 2025-26 or an average increase of 21.07 percent.

Sodium Bisulfite is used for dechlorination of outfall effluent at Plant No. 2, if required, to ensure that no residual chlorine is discharged into the ocean. The sodium bisulfite budgets are \$9,800 in FY 2024-25 and \$10,100 in FY 2025-26.

Gasoline, Oil and Fuel: This group of accounts includes gasoline, oil, and diesel fuel required to operate stationary treatment plant equipment as well as approximately 300 pieces of major mobile equipment such as cars, trucks, cranes, and generators. Also included in this group of accounts is the cost of fuel for the compressed natural gas station. The cost of the natural gas is partially recovered by selling the compressed natural gas as vehicle fuel to outside users. The volatility in price of gasoline and natural gas are the major impacts to these budgets.

Other Operating Materials & Supplies: This group of accounts is for miscellaneous items such as scrubber acids, activated carbon, solvents, cleaners, hardware, janitorial supplies, tools, safety equipment, laboratory supplies, and property taxes that are required to operate and maintain existing and expanding facilities. This group of accounts is expected to remain relatively the same during FY 2024-25 and FY 2025-26.

Contractual Services

The major component of this category is biosolids removal and transportation costs. Contracts have been executed with firms for agricultural reuse of residual solids and composting for biosolids disposal. The total costs budgeted for solids removal is \$14.36 million for FY 2024-25 and \$14.77 million for FY 2025-26. Even though solids have been dried above original targets due to the success of the centrifuges over the belt presses, increased costs in fuel and disposal contracts offset the savings from reduced tonnage being hauled away.

This category also includes appropriations for other waste removal, janitorial, groundskeeping and security services, county service fees, temporary employment services to level out periodic increases in staff workload, long-term leaves, and position vacancies, outside laboratory services, manhole rehabilitation, and industrial line and outfall inspection and cleaning services.

Professional Services

This group of accounts includes General Counsel, special labor counsel, engineering, advocacy efforts, audit and accounting services, software program consulting, and other technical consulting services.

Research and Monitoring

The costs in this category consist of contract services to carry out the extensive ocean monitoring program required by EPA Region IX under the provisions of OC San's NPDES permit, air quality monitoring costs, OC San's contribution to the Southern California Coastal Water Research Project (SCCWRP) being conducted under a joint powers agreement with other Southern California municipal dischargers, operating costs for OC San's ocean monitoring vessel, and provides for operational and ocean research and evaluation to develop optimum operating parameters in the treatment plants. Overall, this category of costs is expected to increase slightly from the need to outsource taxonomy and mooring services, resulting in FY 2024-25 and FY 2025-26 budgets of \$2.14 million and \$2.02 million, respectively.

Repairs and Maintenance

The majority of the materials and services budgets support the maintenance of the collection system and the treatment plants. This includes street overlays and manhole raising, manhole cover purchases, surveying services, easement improvements, equipment maintenance, and outsourced service contracts and maintenance agreements. The FY 2024-25 and FY 2025-26 budgets include repairs and maintenance costs totaling \$36.31 million and \$35.67 million, respectively.

Materials and services for FY 2024-25 and FY 2025-26 include siphon cleaning, manhole rehab and replacement services, digester cleaning, and materials and services to maintain OC San's fleet.

Service agreements for FY 2024-25 and FY 2025-26 include Information Technology maintenance, support, and licenses and disaster recovery and cybersecurity hardware and software, Operations & Maintenance service contracts for crane certification, engine monitoring systems, door and gate maintenance, scale, fire extinguisher, and fire sprinkler certification, uninterruptible power supply electrical maintenance, scaffolding, and tree trimming.

Utilities

The cost for utilities is a significant component of the operating budget. The overall cost for utilities is anticipated to be \$16.13 million and \$16.44 million for the FY 2024-25 and FY 2025-26 budgets, respectively.

Natural Gas: Natural gas is purchased to supplement the digester gas that is used to run the central generation facilities. The total natural gas budget is \$ 3.04 million for FY 2024-25 and \$3.04 million for FY 2025-26.

Electricity: Electricity is the largest utility cost incurred by OC San. Purchased electricity is used to run the plant processes, support buildings, and pump stations. OC San procures electricity under the Southern California Edison (SCE) Direct Access program from third party supplier, and SCE is paid only for delivering the electricity. This arrangement has allowed OC San to secured a fixed rate for the power and should result in savings long term. The estimated consumption and resulting costs for electrical energy purchased for the plant processes and support buildings are \$10.2 million and \$10.5 million for FY 2024-25 and FY 2025-26, respectively, excluding contingencies and electricity requirements of all outlying pump stations. This estimate includes normal operations of CenGen and assumes \$400,000 in savings due to battery utilization at Plant No. 1. The total budgeted amount for purchased electricity is \$11.27 million and \$11.52 million for the FY 2024-25 and FY 2025-26 budgets, respectively.

Other Operating Costs

Insurance Premiums: Other than the budget of \$754,325 for FY 2024-25 and \$767,465 for FY 2025-26 in the operating section to insure OC San's ocean vessel, the cost for general liability and property insurance premiums is budgeted entirely within the Self-Insurance section.

Property & General Liability In-Lieu Insurance

Premium: This item is used to maintain the level of accumulated reserves for property and general liability self-insurance. The recommended budgeted is \$4.4 million for FY 2024-25 and \$4.6 million for FY 2025-26. The total estimated expenditures for the insurance program are set forth in detail in the Self-Insurance section.

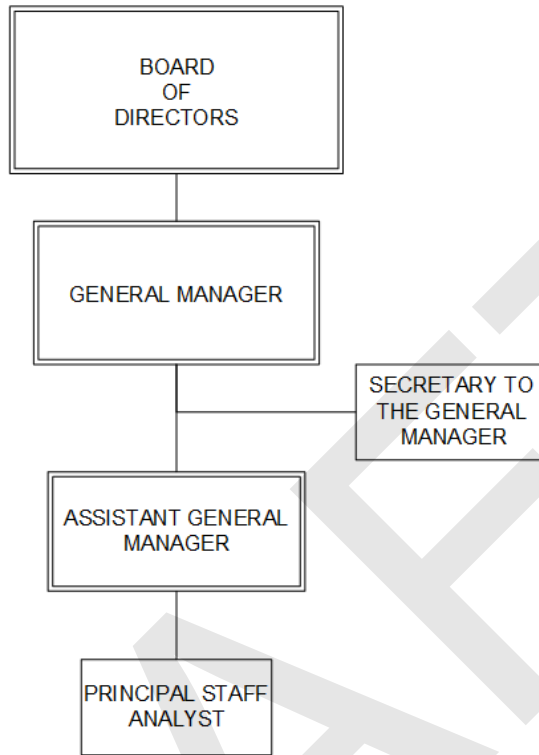
Other Operating & Non-Operating Expenses: Expenses not chargeable elsewhere, such as annual regulatory fees assessed by SCAQMD and SWRCB, freight, obsolete inventory write-off, and other miscellaneous items are recorded within these groups of accounts.

Cost Allocation

This represents direct labor and benefit charge-outs and materials, supplies, and services cost allocation to the capital projects where the related work is performed.

Net Operating Requirements

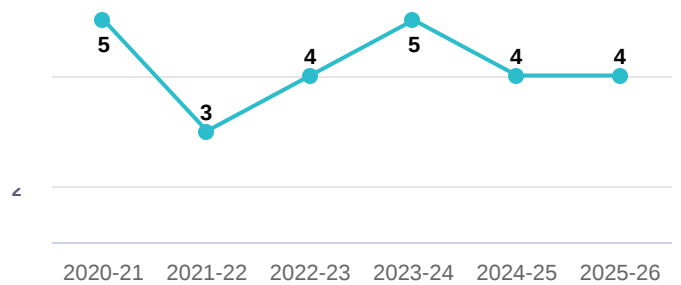
This line item represents the net salary, wages, benefits, materials, supplies, and services related to operating costs for collection, treatment, and disposal activities after charge-backs to CIP.



24-25 & 25-26 Authorized FTE Positions

Executive Managers	2
Supervisors / Professionals	1
Confidential	1
Total	4

Staffing Trends



Service Description

The mission of the General Manager's Administration Division is to work with the Board of Directors to establish standards, policies and procedures, and the overall goals and Strategic Plan of the agency. The Division reports OC San's progress in meeting the established goals to support the mission and provides general oversight of the agency's operations. The General Manager reports directly to the Board of Directors and provides general oversight to all agency and strategic planning.

2023-24 Performance Objectives

Create a new Two-Year Strategic Plan & Recommend for Board Adoption
Manage operating expenditures to within 96% to 100% of the approved budget
Ensure OC San does not exceed 655 FTEs
Create a new Work Plan for Fiscal Year 2023-24

2023-24 Performance Results

The Two-Year Strategic Plan was created and approved by the Board of Directors in November 2023
All planned expenditures were met
Current FTE count is 608
New Work Plan approved by the Board of Directors in July 2023

2024-25 & 2025-26 Performance Objectives

Create a new Work Plan for Fiscal Year 2024-25 and 2025-26.
Update Two-Year Strategic Plan & Recommend for Board Adoption in FY 2025-26.
Managing operating expenditures to within 96% to 100% of the approved budget.
Ensure OC San does not exceed authorized FTEs

Performance Measures

Summary	2022-23 Actual	2023-24 Projected	2024-25 Proposed	2025-26 Proposed	Justification
Create a new Strategic Plan	Achieved	Achieved	Planned	Planned	Board Approved
Operating expenditures	Achieved	Achieved	Planned	Planned	Board Approved
Do not exceed authorized FTEs	Achieved	Achieved	Planned	Planned	Board Approved
Create Work Plan	Achieved	Achieved	Planned	Planned	Board Approved

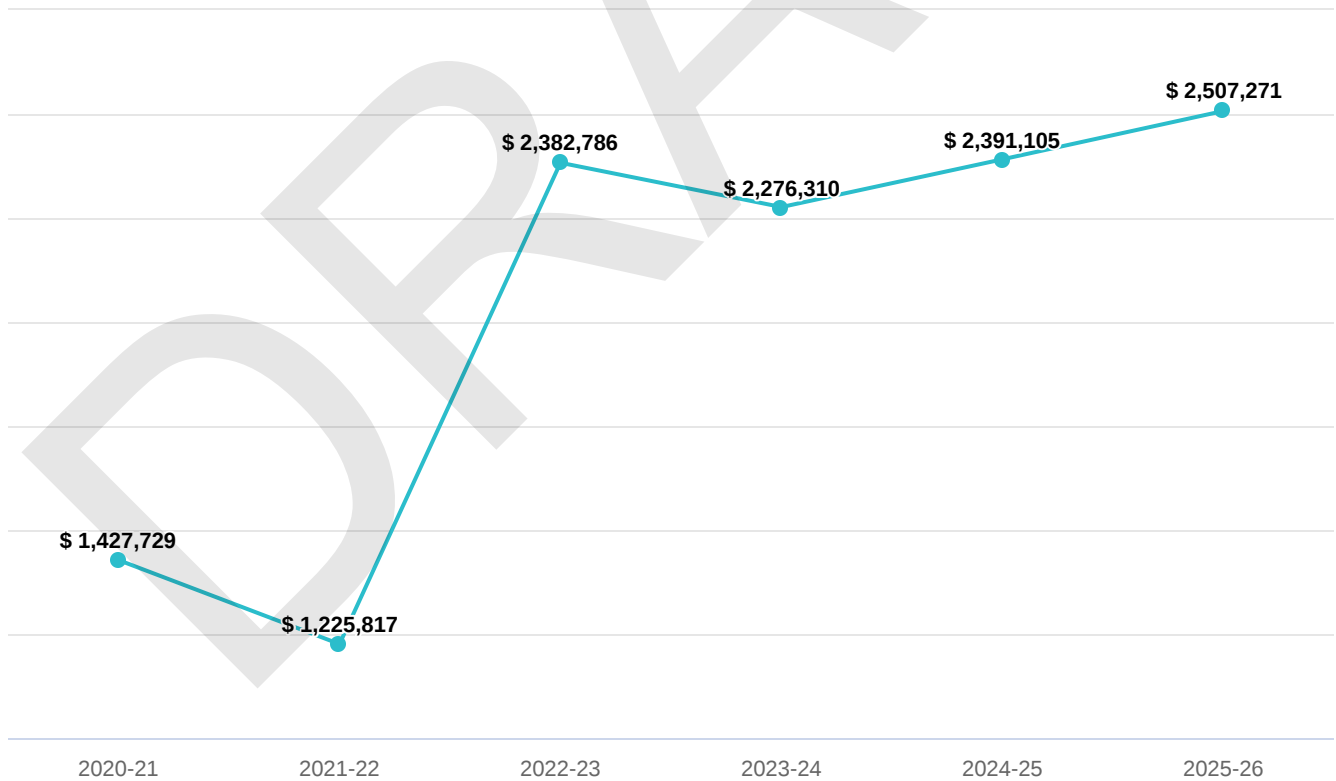
Budget Overview

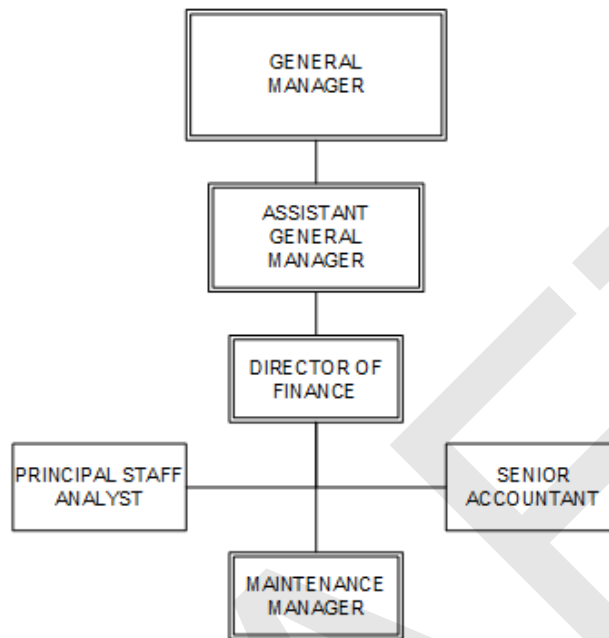
The FY 2024-25 & FY 2025-26 budgets for the General Management Administration Division reflect an increase of 5% and an increase of 5% over the prior year, respectively. The FY 2024-25 increase is primarily due to an increase in personnel expenses, training & meetings, and legal services. The FY 2025-26 increase is primarily due to personnel expenses, memberships and training & meetings.

2023-24 Adjusted Budget - Total Operating Requirements	\$ 2,276,310
Salaries for Position Changes:	
Transfer of Positions from/(to) Other Divisions	2
New or (decreased) FTE	(1)
Changes in Personnel Expenses:	
Other net salary adjustments (MOU-related, leave payoffs, vacancy, etc.)	(8,674)
Change in OCERS retirement costs	16,302
Change in group insurance costs	(30,347)
Other benefit cost adjustments	37,739
Other Cost Adjustments:	
Change in memberships	12,165
Change in training & meetings	61,510
Change in legal services	25,000
Aggregate change in Other Categories:	
Aggregate change in other materials, supplies, and services	1,100
2024-25 Proposed Budget - Total Operating Requirements	\$ 2,391,105
Changes in Personnel Expenses:	
Net salary adjustments (MOU-related, leave payoffs, vacancy, etc.)	74,331
Change in OCERS retirement costs	5,551
Change in group insurance costs	6,461
Other benefit cost adjustments	273
Other Cost Adjustments:	
Change in memberships	12,050
Change in training & meetings	18,500
Aggregate change in Other Categories:	
Aggregate change in other materials, supplies, and services	(1,000)
2025-26 Proposed Budget - Total Operating Requirements	\$ 2,507,271

Operating Expense by Category	2022-23 Actual	2023-24 Budget	2023-24 Projected	2024-25 Proposed	Budget % Change to 2023-24	2025-26 Proposed	Budget % Change to 2024-25
Personnel	\$ 1,813,527	\$ 1,657,860	\$ 1,878,408	\$ 1,672,880	0.91%	\$ 1,759,496	5.18%
Supplies	311,253	392,850	375,227	467,525	19.01%	497,075	6.32%
Professional & Contractual Services	257,884	225,000	508,515	250,000	11.11%	250,000	0.00%
Research & Monitoring	-	-	-	-	0.00%	-	0.00%
Repairs & Maintenance	-	-	-	-	0.00%	-	0.00%
Utilities	-	-	-	-	0.00%	-	0.00%
Other	122	600	300	700	16.67%	700	0.00%
Total	\$ 2,382,786	\$ 2,276,310	\$ 2,762,451	\$ 2,391,105	5.04%	\$ 2,507,271	4.86%

Expenditure Trends

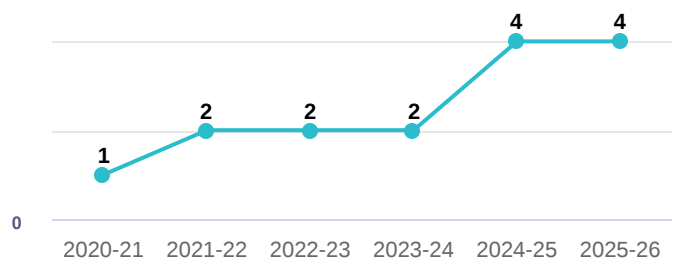




24-25 & 25-26 Authorized FTE Positions

Executive Managers	1
Managers	1
Supervisors / Professionals	2
Total	4

Staffing Trends



Administrative Services Administration

Service Description

The mission of the Administrative Services Administration Division is to oversee the functions of the Financial Management, Contracts, Purchasing, & Materials Management, and Information Technology Divisions. This oversight includes both day-to-day operations and strategic planning. The division is the departmental liaison with Executive Management, the Administration Committee, the Board of Directors, and other departments of OC San.

2023-24 Performance Objectives

Submittal of annual sewer service fees (SSF) within property parcel database to the County by August 8th.
All Treasury investments will be in compliance with the California State Government Code 100% of the time.
Coordinate and uphold solicitation schedules in support of planned projects and emergency procurements.

2023-24 Performance Results

Submittal completed in time for placement on secured property tax bills.
All Treasury investments in compliance 100% of the time.
Solicitation schedules upheld at 100% completion.

2024-25 & 2025-26 Performance Objectives

Submit annual sewer service fees (SSF) within property parcel database to the County by August 8th.
Comply with the California State Government Code 100% of the time with all treasury investments.
Coordinate and uphold solicitation schedules in support of planned projects and emergency procurements.

Performance Measures

Summary	2022-23 Actual	2023-24 Projected	2024-25 Proposed	2025-26 Proposed	Justification
Submit SSF to the County by August 8th.	Achieved	Planned	Planned	Planned	OC San Standards
Investment Compliance	Achieved	Planned	Planned	Planned	OC San Standards
Uphold Solicitation Schedules	Achieved	Planned	Planned	Planned	OC San Standards

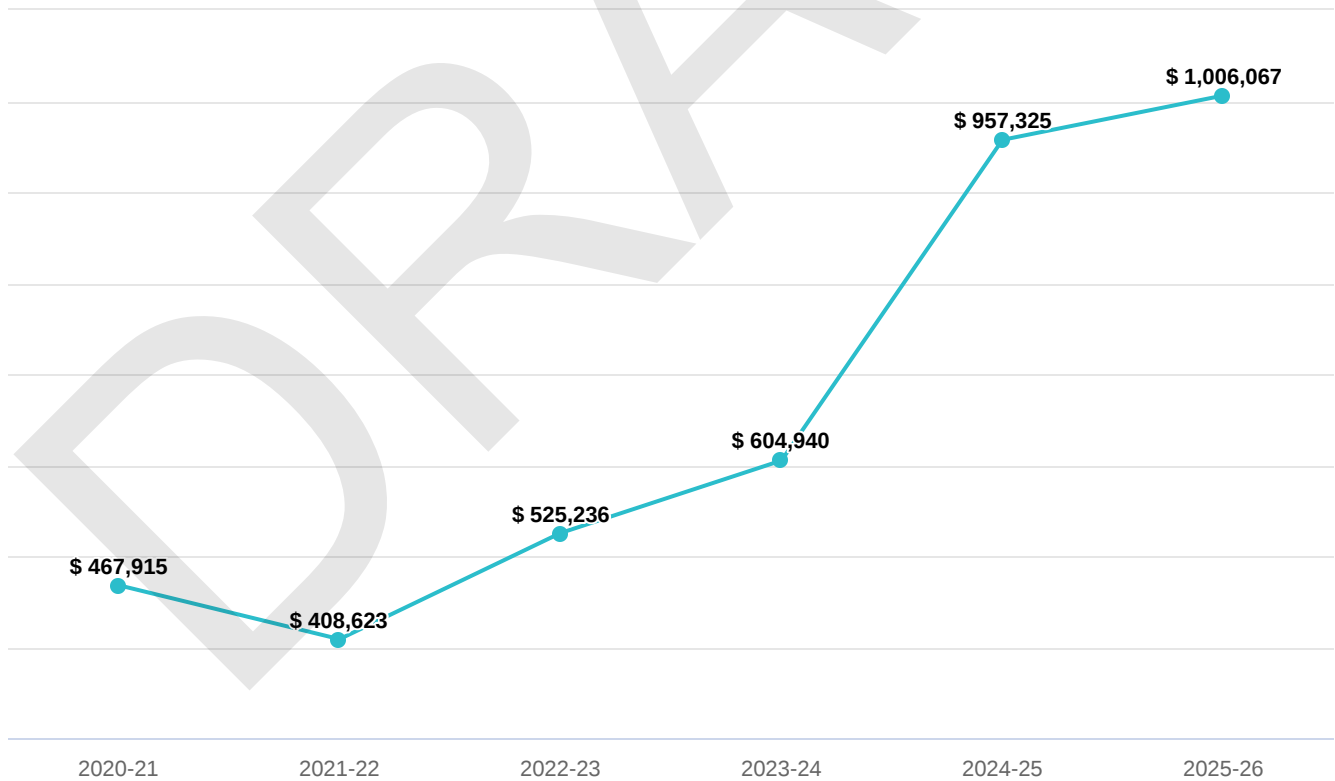
Budget Overview

The FY 2024-25 & FY 2025-26 budgets for the Administrative Services Administration & Consolidated Service Division reflect an increase of 58% and an increase of 5% over the prior year, respectively. The FY 2024-25 increase is primarily due to an increase in personnel expenses, training & meetings and legal services. The FY 2025-26 increase is primarily due to personnel expenses.

2023-24 Adjusted Budget - Total Operating Requirements	\$ 604,940
Salaries for Position Changes:	
Transfer of Positions from/(to) Other Divisions	3
New or (decreased) FTE	2
Changes in Personnel Expenses:	
Other net salary adjustments (MOU-related, leave payoffs, vacancy, etc.)	286,485
Change in OCERS retirement costs	28,456
Change in group insurance costs	38,661
Other benefit cost adjustments	(12,428)
Other Cost Adjustments:	
Change in trainings & meetings	5,620
Change in legal services	5,000
Aggregate change in Other Categories:	
Aggregate change in other materials, supplies, and services	591
2024-25 Proposed Budget - Total Operating Requirements	\$ 957,325
Changes in Personnel Expenses:	
Net salary adjustments (MOU-related, leave payoffs, vacancy, etc.)	39,855
Change in OCERS retirement costs	4,561
Change in group insurance costs	6,683
Other benefit cost adjustments	273
Other Cost Adjustments:	
Change in training & meetings	(2,630)
Aggregate change in Other Categories:	
Aggregate change in other materials, supplies, and services	-
2025-26 Proposed Budget - Total Operating Requirements	\$ 1,006,067

Operating Expense by Category	2022-23 Actual	2023-24 Budget	2023-24 Projected	2024-25 Proposed	Budget % Change to 2023-24	2025-26 Proposed	Budget % Change to 2024-25
Personnel	\$ 518,604	\$ 599,520	\$ 464,137	\$ 940,695	56.91%	\$ 992,067	5.46%
Supplies	216	380	-	6,470	1,602.63%	3,840	(40.65%)
Professional & Contractual Services	6,415	5,000	30,000	10,000	100.00%	10,000	0.00%
Research & Monitoring	-	-	-	-	0.00%	-	0.00%
Repairs & Maintenance	-	-	-	-	0.00%	-	0.00%
Utilities	-	-	-	-	0.00%	-	0.00%
Other	-	40	40	160	300.00%	160	0.00%
Total	\$ 525,236	\$ 604,940	\$ 494,177	\$ 957,325	58.25%	\$ 1,006,067	5.09%

Expenditure Trends



This division is a financial tracking division and is not staffed.

DRAFT

Service Description

The mission of the Consolidated Services Division is to centralize and streamline all common costs that support all staff, functions, and facilities at OC San. This division is a financial tracking division and is not staffed.

2023-24 Performance Objectives

Coordinate all common costs for OC San shared support services.

Manage the division's budget to within 96% to 100% of the approved budget.

2023-24 Performance Results

On track

Estimated to stay within budget.

2024-25 & 2025-26 Performance Objectives

Coordinate all common costs for OC San shared support services.

Manage the division's budget to within 96% to 100% of the approved budget

Performance Measures

Summary	2022-23 Actual	2023-24 Projected	2024-25 Proposed	2025-26 Proposed	Justification
Consolidate shared support costs	Achieved	Achieved	Expected	Expected	OC San Standards
Manage Budget	Achieved	Ongoing	96-100%	96-100%	OC San Standards

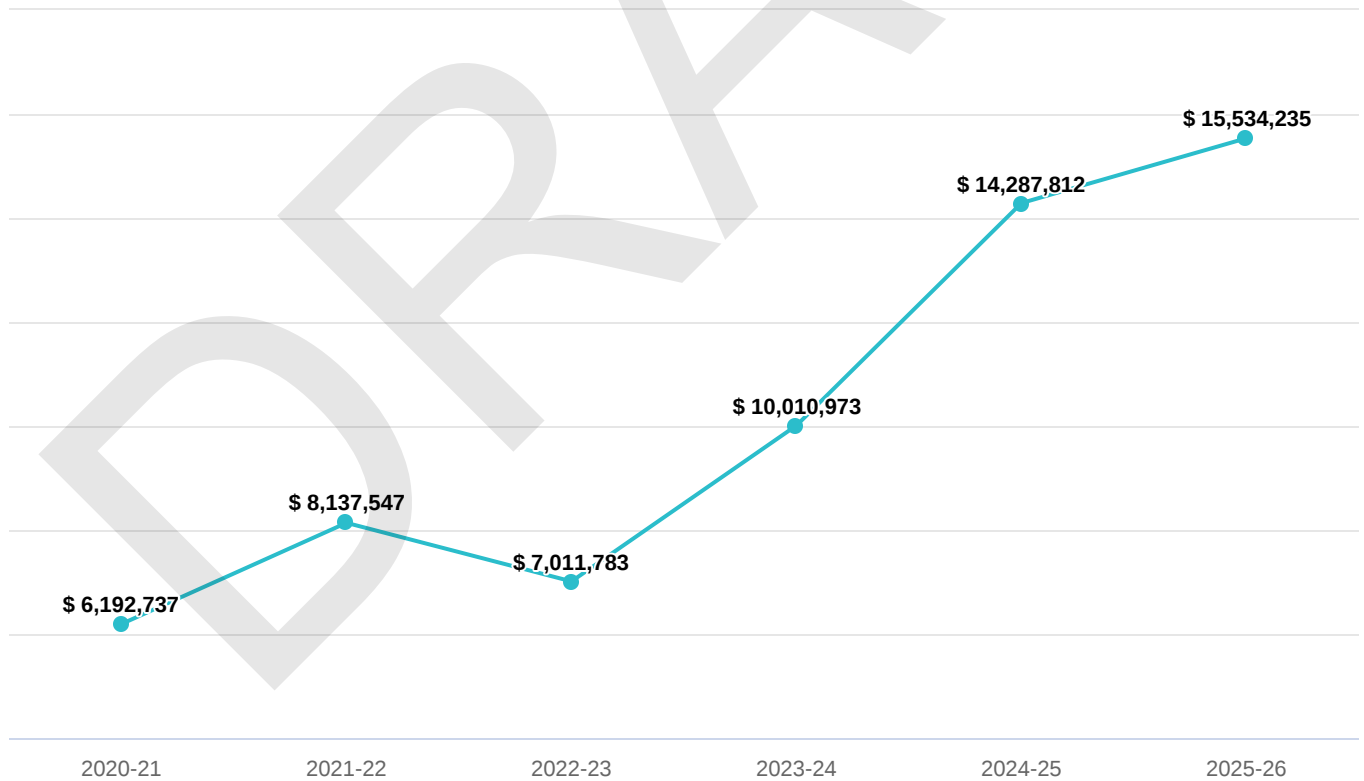
Budget Overview

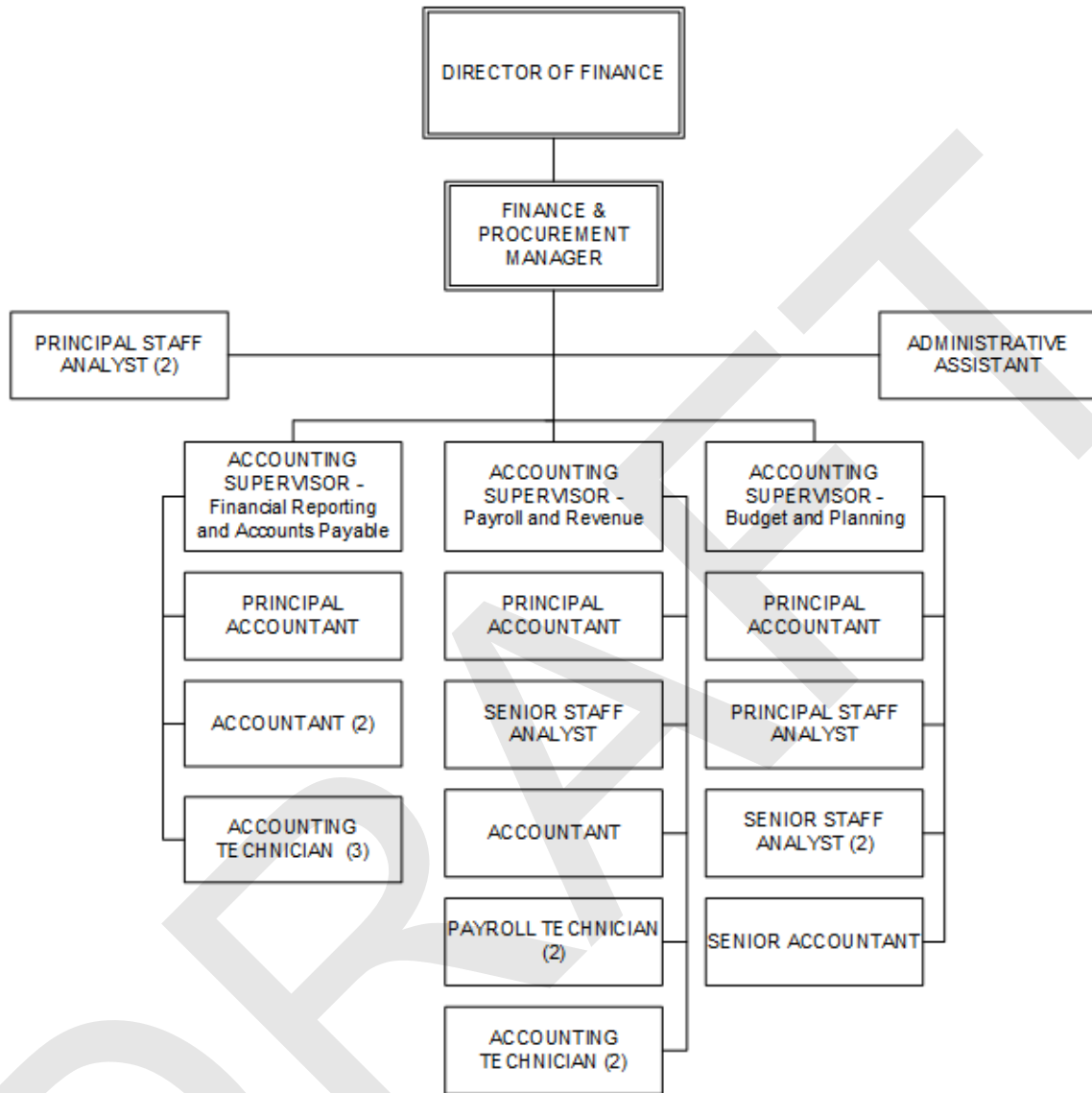
The FY 2024-25 & FY 2025-26 budgets for the Administrative Services Administration & Consolidated Service Division reflect an increase of 58% and an increase of 5% over the prior year, respectively. The FY 2024-25 increase is primarily due to an increase in security services and janitorial services. The FY 2025-26 increase is primarily due to training & meeting, contractual services and other operating expense.

2023-24 Adjusted Budget - Total Operating Requirements	\$ 10,010,973
Salaries for Position Changes:	
Transfer of Positions from/(to) Other Divisions	-
New or (decreased) FTE	-
Changes in Personnel Expenses:	
Other net salary adjustments (MOU-related, leave payoffs, vacancy, etc.)	(2,600)
Change in OCERS retirement costs	(104,404)
Change in group insurance costs	(100)
Other benefit cost adjustments	(18,764)
Other Cost Adjustments:	
Change in trainings & meetings	656,591
Change in operating materials & supplies	(15,450)
Change in contractual services	3,446,350
Change in other professional services	(15,300)
Change in utilities	151,895
Change in other operating expense	178,620
Aggregate change in Other Categories:	
Aggregate change in other materials, supplies, and services	\$589
2024-25 Proposed Budget - Total Operating Requirements	\$ 14,287,812
Changes in Personnel Expenses:	
Net salary adjustments (MOU-related, leave payoffs, vacancy, etc.)	-
Change in OCERS retirement costs	24,340
Change in group insurance costs	-
Other benefit cost adjustments	-
Other Cost Adjustments:	
Change in training & meetings	605,713
Change in contractual services	212,775
Change in utilities	30,400
Change in other operating expense	368,895
Aggregate change in Other Categories:	
Aggregate change in other materials, supplies, and services	28,640
2025-26 Proposed Budget - Total Operating Requirements	\$ 15,534,235

Operating Expense by Category	2022-23 Actual	2023-24 Budget	2023-24 Projected	2024-25 Proposed	Budget % Change to 2023-24	2025-26 Proposed	Budget % Change to 2024-25
Personnel	\$ 643,605	\$ 1,522,100	\$ 1,748,093	\$ 1,396,233	(8.27%)	\$ 1,420,573	1.74%
Supplies	15,384	144,450	128,900	785,591	443.85%	1,391,904	77.18%
Professional & Contractual Services	1,830,260	1,816,050	2,212,498	5,247,100	188.93%	5,463,575	4.13%
Research & Monitoring	-	-	-	-	0.00%	-	0.00%
Repairs & Maintenance	151,361	81,000	54,954	81,000	0.00%	81,000	0.00%
Utilities	1,946,172	1,521,905	1,716,281	1,673,800	9.98%	1,704,200	1.82%
Other	2,425,000	4,925,468	4,960,468	5,104,088	3.63%	5,472,983	7.23%
Total	\$ 7,011,783	\$ 10,010,973	\$ 10,821,193	\$ 14,287,812	42.72%	\$ 15,534,235	8.72%

Expenditure Trends

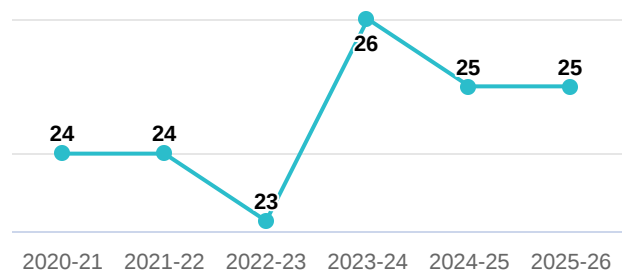




24-25 & 25-26 Authorized FTE Positions

Managers	1
Supervisors / Professionals	16
Administrative & Clerical	8
Total	25

Staffing Trends



Service Description

The mission of the Financial Management Division is to maintain financial oversight and administration of all OC San funds and accounts. The Financial Management Division is responsible for administering the treasury management and debt financing programs, the processing of cash receipts, accounts payable, accounts receivable, user fees, payroll, accounting for fixed assets, and coordinating the capital and operating budget process throughout OC San. The annual audit required by law and all financial reporting required of special districts by the State of California is coordinated and administered through this division.

2023-24 Performance Objectives

Issue monthly financial reports within 10 working days of the following month for 83% of the year.
No more than 30 invoices for payment outstanding longer than 30 days during the completion of any one accounts payable cycle 90% of the time.
The current backlog of rebate claims will be processed resulting in all claims being processed with 90 days of receipt.
Payroll processing will be completed on time 100% of the time and error free >99.5% of the time.
All debt service payments will be paid electronically, by the due dates, and error free 100% of the time.

2023-24 Performance Results

Goal was achieved.
No more than 30 invoices for payment outstanding longer than 30 days during the completion of any one accounts payable cycle 100% of the time.
Sewer service rebate claims were processed within 90 days approximately 70% of the time as a result of methodology changes and staff shortages during COVID.
Payroll was processed with an error-free rate of 100% on a bi-weekly and interim basis.
All debt service payments were paid electronically, by the due dates, and error free 100% of the time.

2024-25 & 2025-26 Performance Objectives

Issue monthly reports within 10 working days of the next month for 83% of the year.
No more than 30 invoices shall be outstanding more than 30 days 90% of the time.
Rebate claims to be processed < 90 days of receipt 90% of the time.
Payroll processing to be completed on time and error free >99.5% of the time.
Debt service payments will be paid on time electronically, and be error free.

Performance Measures

Summary	2022-23 Actual	2023-24 Projected	2024-25 Proposed	2025-26 Proposed	Justification
Financial Reports Issuance Standard	92%	92%	83%	83%	OC San Standards
Accounts Payable Standard	100%	100%	90%	90%	OC San Standards
Sewer Service Refund 90 Day Standard	100%	70%	90%	90%	OC San Standards
Payroll Error Free Standard	100%	100%	99.5%	99.5%	OC San Standards
Debt Service Payment Standard	100%	100%	100%	100%	OC San Standards

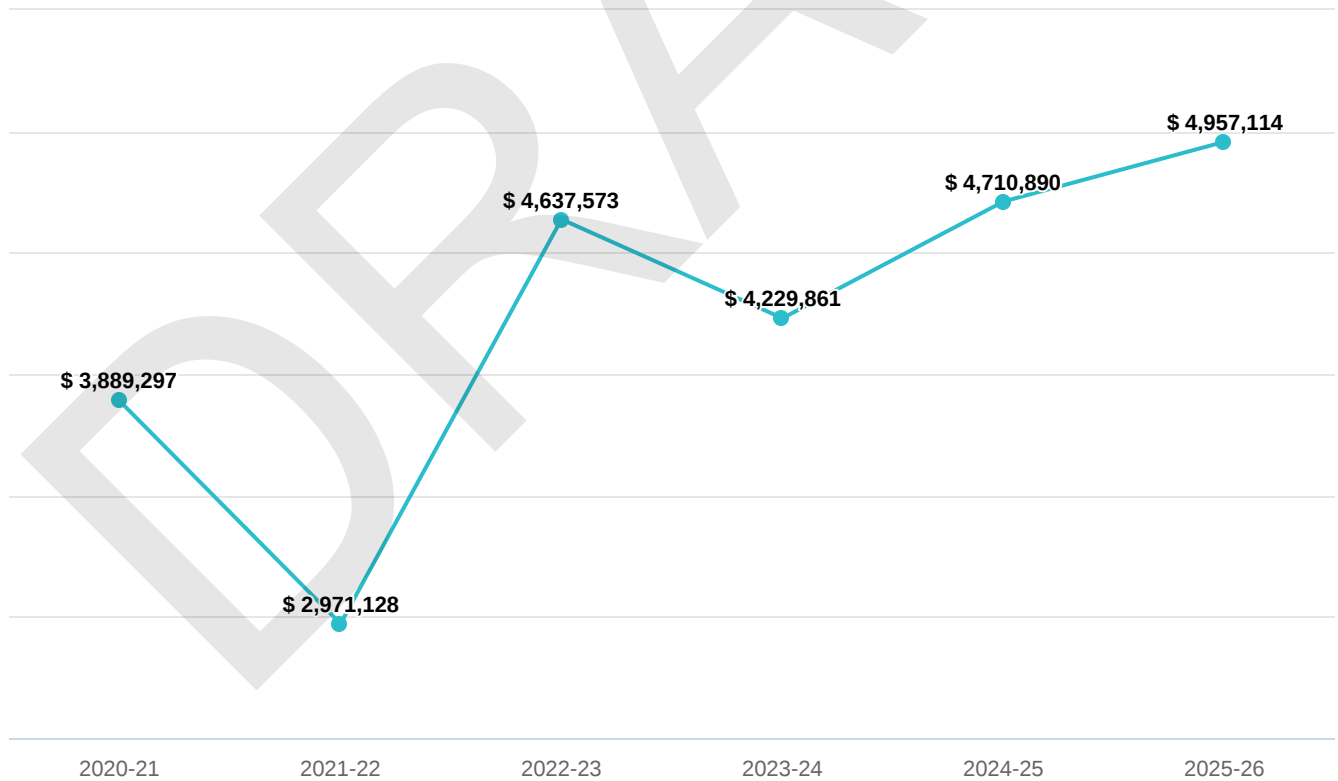
Budget Overview

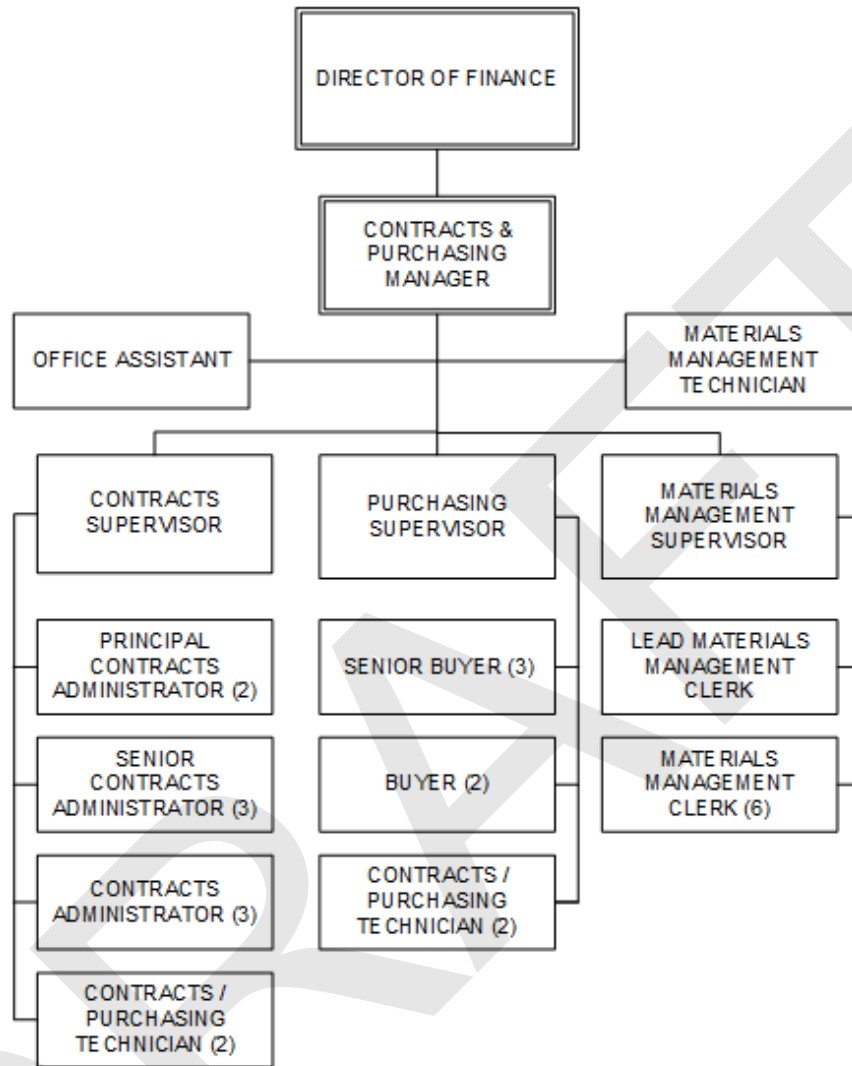
The FY 2024-25 & FY 2025-26 budgets for the Financial Management Division reflect an increase of 11% and an increase of 5% over the prior year, respectively. The FY 2024-25 increase is primarily due to an increase in personnel expenses, temporary services, and other contractual services. The FY 2025-26 increase is primarily due to personnel expenses.

2023-24 Adjusted Budget - Total Operating Requirements	\$ 4,229,861
Salaries for Position Changes:	
Transfer of Positions from/(to) Other Divisions	5
New or (decreased) FTE	(1)
Changes in Personnel Expenses:	
Other net salary adjustments (MOU-related, leave payoffs, vacancy, etc.)	314,044
Change in OCERS retirement costs	91,816
Change in group insurance costs	66,928
Other benefit cost adjustments	16,325
Other Cost Adjustments:	
Change in training & meetings	(13,945)
Change in temporary services	10,000
Change in other contractual services	5,000
Change in professional services	(5,500)
Aggregate change in Other Categories:	
Aggregate change in other materials, supplies, and services	(3,639)
2024-25 Proposed Budget - Total Operating Requirements	\$ 4,710,890
Changes in Personnel Expenses:	
Net salary adjustments (MOU-related, leave payoffs, vacancy, etc.)	191,944
Change in OCERS retirement costs	26,066
Change in group insurance costs	40,459
Other benefit cost adjustments	1,706
Other Cost Adjustments:	
Change in training & meetings	(13,950)
Aggregate change in Other Categories:	
Aggregate change in other materials, supplies, and services	(1)
2025-26 Proposed Budget - Total Operating Requirements	\$ 4,957,114

Operating Expense by Category	2022-23 Actual	2023-24 Budget	2023-24 Projected	2024-25 Proposed	Budget % Change to 2023-24	2025-26 Proposed	Budget % Change to 2024-25
Personnel	\$ 3,875,099	\$ 3,776,216	\$ 3,898,739	\$ 4,265,330	12.95%	\$ 4,525,504	6.10%
Supplies	30,317	57,187	51,887	39,600	(30.75%)	25,650	(35.23%)
Professional & Contractual Services	731,440	395,500	452,135	405,000	2.40%	405,000	0.00%
Research & Monitoring	-	-	-	-	0.00%	-	0.00%
Repairs & Maintenance	-	-	50	-	0.00%	-	0.00%
Utilities	-	-	-	-	0.00%	-	0.00%
Other	716	958	500	960	0.21%	960	0.00%
Total	\$ 4,637,573	\$ 4,229,861	\$ 4,403,310	\$ 4,710,890	11.37%	\$ 4,957,114	5.23%

Expenditure Trends

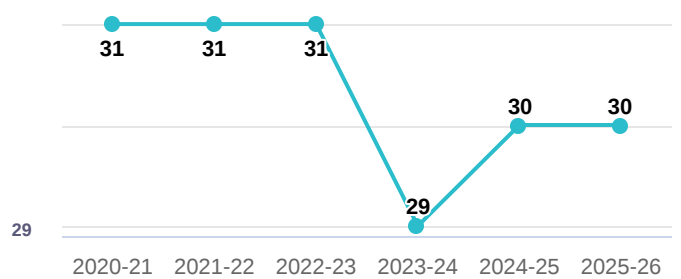




24-25 & 25-26 Authorized FTE Positions

Managers	1
Supervisors / Professionals	16
Administrative & Clerical	13
Total	30

Staffing Trends



Contracts, Purchasing, & Materials Management

Service Description

The Contracts, Purchasing and Materials Management Division’s goal is to provide equipment, services and information with the commitment to achieving the highest ethical, economic and progressive contracts and purchasing standards possible. The division is responsible for contract administration and procurement for all OC San departments. OC San’s warehouses receive, inventory and distribute supplies, materials and equipment to all departments in addition to inventory control analysis and surplus disposition.

2023-24 Performance Objectives

2023-24 Performance Results

Maintain the cycle count program and maintain a 97% accuracy rate or better.	Achieved.
Obtain the 2023 “Achievement of Excellence in Procurement” (AEP) award by meeting all National requirements.	AEP Award Received.
Conduct agency-wide procurement training.	In progress.
Review and track Certificates of Insurance for vendors and contractors.	In progress.

2024-25 & 2025-26 Performance Objectives

Maintain the cycle count program and maintain a 97% accuracy rate or better.
Obtain the annual “Achievement of Excellence in Procurement” (AEP) award by meeting all National requirements.
Conduct agency-wide procurement training.
Review and track Certificates of Insurance for vendors and contractors.

Performance Measures

Summary	2022-23 Actual	2023-24 Projected	2024-25 Proposed	2025-26 Proposed	Justification
Cycle Count	Achieved	Achieved	Achieve	Achieve	APICS Standard
AEP Award	Obtained	Obtain	Obtain	Obtain	Industry Standards
Procurement Training	Ongoing	Ongoing	Ongoing	Ongoing	Best Practices
Insurance Tracking	Achieved	Achieved	Achieve	Achieve	Contract Compliance

Contracts, Purchasing, & Materials Management

Budget Overview

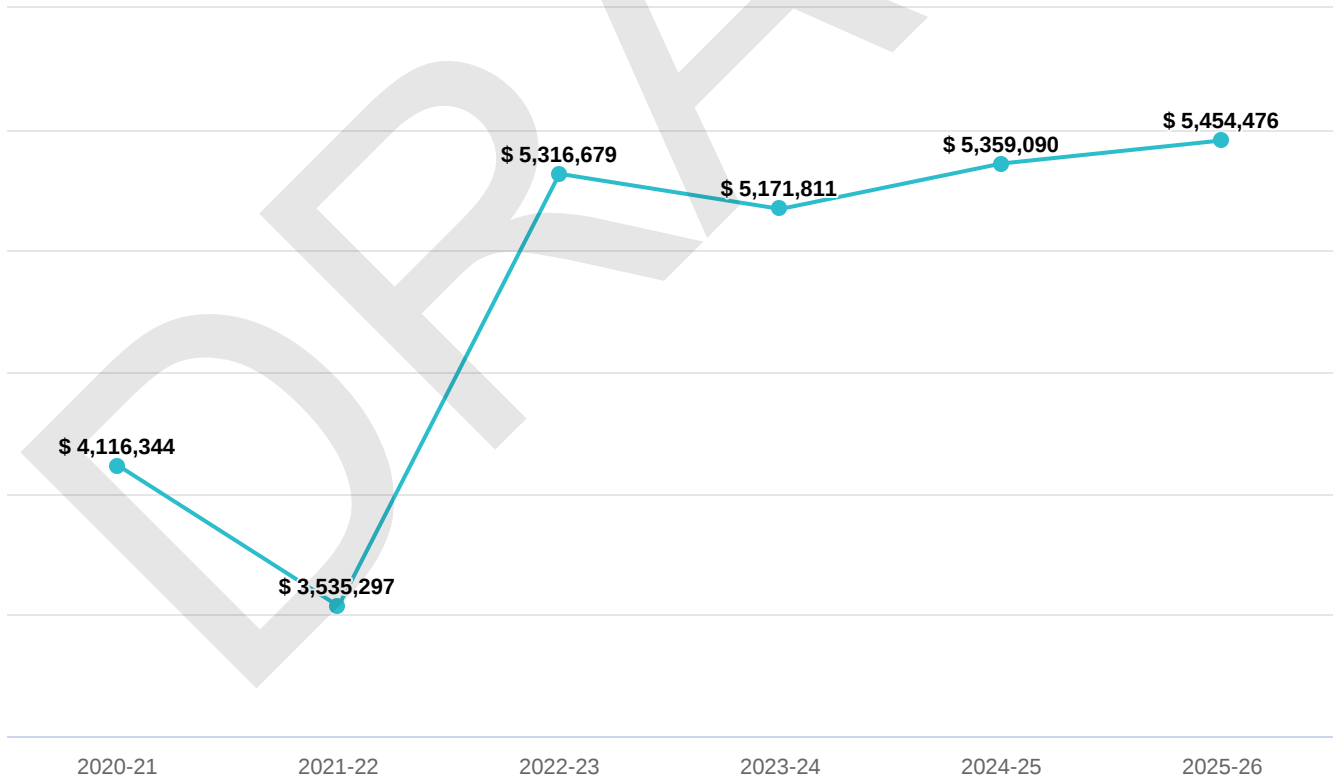
The FY 2024-25 & FY 2025-26 budgets for the Contracts, Purchases, & Materials Management Division reflect an increase of 4% and an increase of 2% over the prior year, respectively. The FY 2024-25 increase is primarily due to an increase in training & meetings, software program consulting and other professional services and partially offset by a decrease in personal expenses. The FY 2025-26 increase is primarily due to personnel expenses and partially offset by a decrease in other professional services.

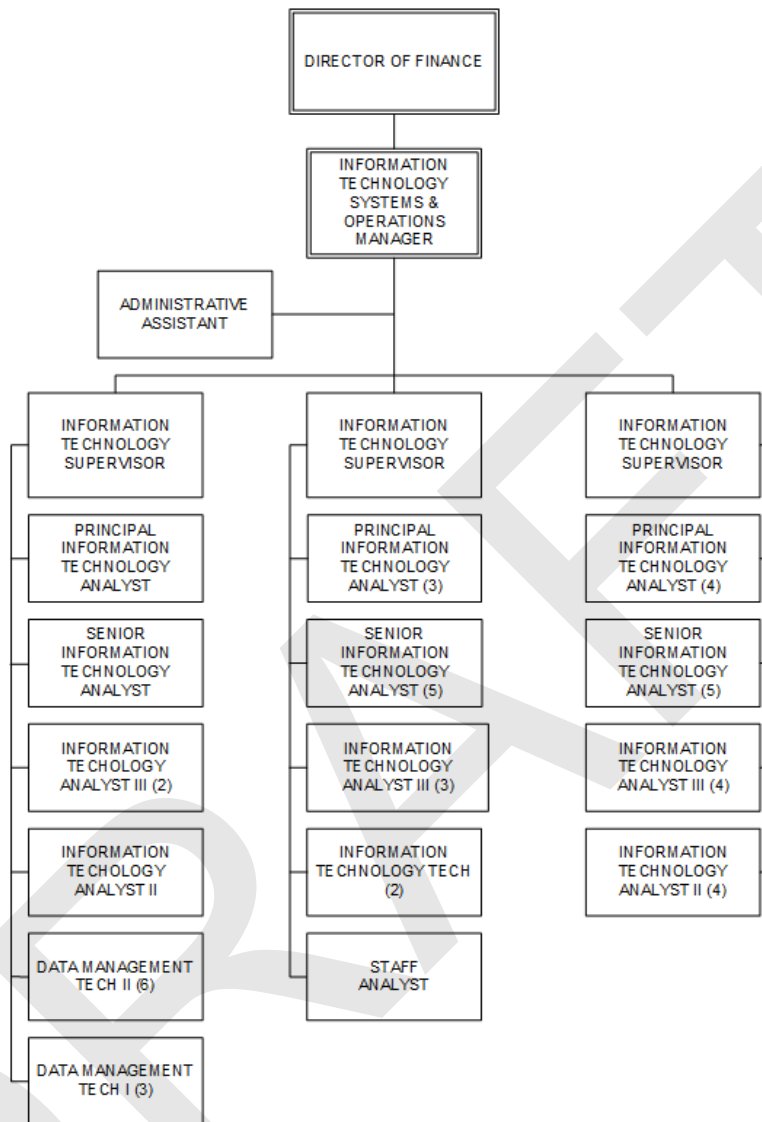
2023-24 Adjusted Budget - Total Operating Requirements	\$ 5,171,811
Salaries for Position Changes:	
Transfer of Positions from/(to) Other Divisions	2
New or (decreased) FTE	1
Changes in Personnel Expenses:	
Other net salary adjustments (MOU-related, leave payoffs, vacancy, etc.)	(78,475)
Change in OCERS retirement costs	25,165
Change in group insurance costs	24,911
Other benefit cost adjustments	14,405
Other Cost Adjustments:	
Change in minor furniture & fixtures	(10,000)
Change in training & meetings	10,923
Change in tools	(10,300)
Change in misc. operating supplies	(7,500)
Change in temporary services	(10,000)
Change in legal services	(25,000)
Change in software program consulting	7,000
Change in other professional services	250,000
Aggregate change in Other Categories:	
Aggregate change in other materials, supplies, and services	(3,850)
2024-25 Proposed Budget - Total Operating Requirements	\$ 5,359,090
Changes in Personnel Expenses:	
Net salary adjustments (MOU-related, leave payoffs, vacancy, etc.)	190,173
Change in OCERS retirement costs	25,757
Change in group insurance costs	47,883
Other benefit cost adjustments	2,047
Other Cost Adjustments:	
Change in training & meetings	(21,325)
Change in other professional services	(150,000)
Aggregate change in Other Categories:	
Aggregate change in other materials, supplies, and services	851
2025-26 Proposed Budget - Total Operating Requirements	\$ 5,454,476

Contracts, Purchasing, & Materials Management

Operating Expense by Category	2022-23 Actual	2023-24 Budget	2023-24 Projected	2024-25 Proposed	Budget % Change to 2023-24	2025-26 Proposed	Budget % Change to 2024-25
Personnel	\$ 4,931,960	\$ 4,869,174	\$ 4,411,600	\$ 4,855,180	(0.29%)	\$ 5,121,041	5.48%
Supplies	135,076	127,997	104,016	106,710	(16.63%)	86,235	(19.19%)
Professional & Contractual Services	60,189	143,000	75,000	365,000	155.24%	215,000	(41.10%)
Research & Monitoring	-	-	-	-	0.00%	-	0.00%
Repairs & Maintenance	2,187	21,000	21,000	21,000	0.00%	21,000	0.00%
Utilities	-	-	-	-	0.00%	-	0.00%
Other	187,267	10,640	10,740	11,200	5.26%	11,200	0.00%
Total	\$ 5,316,679	\$ 5,171,811	\$ 4,622,356	\$ 5,359,090	3.62%	\$ 5,454,476	1.78%

Expenditure Trends

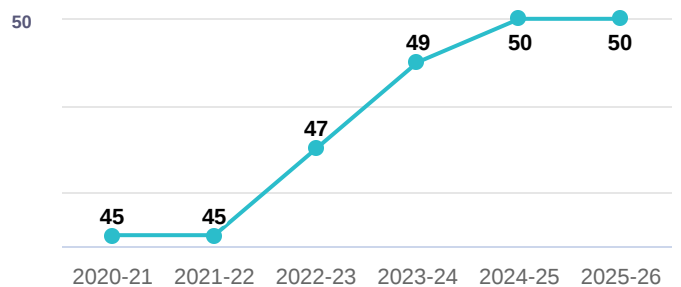




24-25 & 25-26 Authorized FTE Positions

Managers	1
Supervisors / Professionals	37
Administrative & Clerical	1
Technical Services	11
Total	50

Staffing Trends



Service Description

Information Technology provides support to OC San users of related assets/services, developing and implementing solutions that best meet organizational needs. IT procures/manages hardware/software and provides end user support in computer and telecom installations, moves and changes. IT is responsible for the design, installation, maintenance, troubleshooting and upgrades of enterprise applications, networking infrastructure components, back-end computer systems, wireless connectivity, plant radio, public address/fire systems, cyber security infrastructure, reprographics and copy center. IT works closely with departments to provide systems analysis, design, custom programming, system implementation/integration, database/data warehousing and support.

2023-24 Performance Objectives

2023-24 Performance Results

Replace obsolete desktop, mobile and server computers.	Replaced 20% of computer inventory.
Maintain Safety Scorecard above 90%.	The Safety Scorecard is at 100%.
Cyber Security Awareness/Protection - better the industry average by 15%.	OC San's phish-prone percentage has decreased and is 2.2% better than industry average.
Replace 30% of obsolete network infrastructure for OC San's office computing.	Replaced 35% of network infrastructure.
Manage Operating Budget between 96% and 100% of approved budget.	Currently spent 84% of approved budget.

2024-25 & 2025-26 Performance Objectives

Replace obsolete desktop, mobile and server computers.
Maintain a Safety Scorecard above 95% for overall score.
Cyber Security Awareness/Protection – phishing campaign effectiveness, targeting % above the industry average
Replace obsolete network infrastructure for OC San's office computing.
Maintain a Service Desk score above 90%.

Performance Measures

Summary	2022-23 Actual	2023-24 Projected	2024-25 Proposed	2025-26 Proposed	Justification
Replace Obsolete Desktop/Mobile/Server Computers	15%	20%	20%	20%	WS 5/LT 3 years
Maintain a Safety scorecard above 95% overall	100%	100%	95%	95%	OC San Standards
Cyber Security Awareness/Protection	1.5%	2%	< 2%	<2%	GM Workplan
Replace Obsolete Network Infrastructure, Office	15%	35%	25%	25%	system availability
Manage Operating Budget	81%	84%	Ongoing	Ongoing	OC San Standards

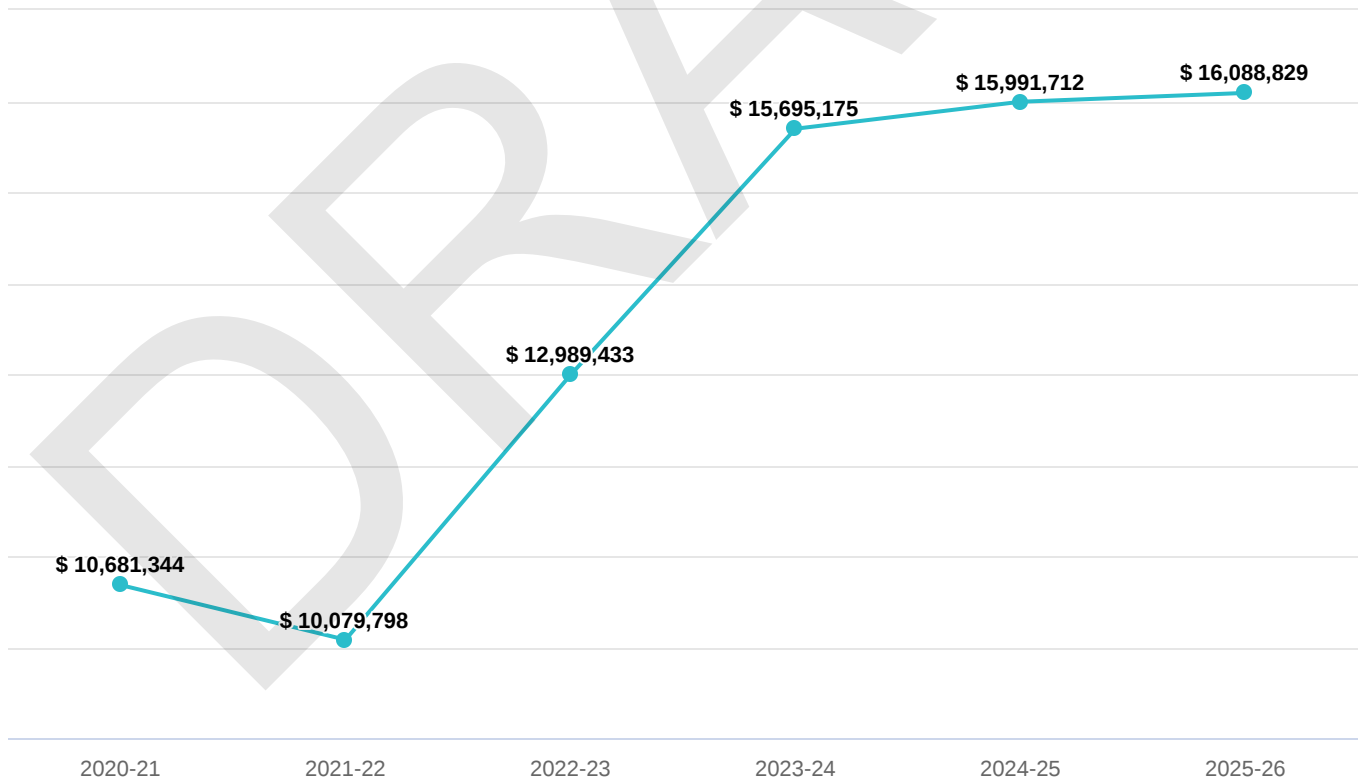
Budget Overview

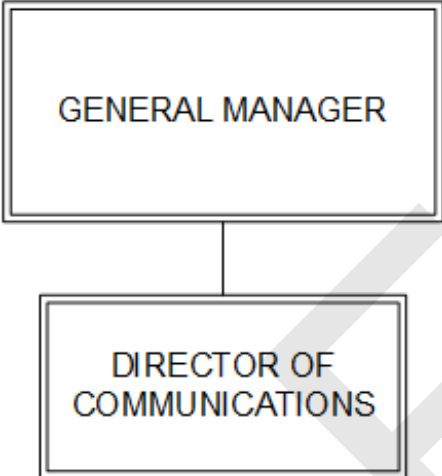
The FY 2024-25 & FY 2025-26 budgets for the Information Technology Division reflect an increase of 2% and an increase of 1% over the prior year, respectively. The FY 2024-25 increase is primarily due to an increase in personal expenses and partially offset by a decrease in service maintenance agreements. The FY 2025-26 increase is primarily due to personnel expenses and partially offset by a decrease in software program consulting, other professional services, and repairs and maintenance services.

2023-24 Adjusted Budget - Total Operating Requirements	\$ 15,695,175
Salaries for Position Changes:	
Transfer of Positions from/(to) Other Divisions	-
New or (decreased) FTE	1
Changes in Personnel Expenses:	
Other net salary adjustments (MOU-related, leave payoffs, vacancy, etc.)	635,137
Change in OCERS retirement costs	126,249
Change in group insurance costs	118,809
Other benefit cost adjustments	34,207
Other Cost Adjustments:	
Change in small computer items	45,000
Change in printing & publications	15,000
Change in trainings & meetings	(8,625)
Change in temporary services	(80,000)
Change in software program consulting	90,100
Change in repairs & maintenance services	180,000
Change in service maintenance agreements	(864,965)
Aggregate change in Other Categories:	
Aggregate change in other materials, supplies, and services	5,625
2024-25 Proposed Budget - Total Operating Requirements	\$ 15,991,712
Changes in Personnel Expenses:	
Net salary adjustments (MOU-related, leave payoffs, vacancy, etc.)	344,601
Change in OCERS retirement costs	46,836
Change in group insurance costs	80,357
Other benefit cost adjustments	3,413
Other Cost Adjustments:	
Change in small computer items	36,141
Change in software program consulting	(107,400)
Change in other professional services	(150,000)
Change in repairs & maintenance services	(220,000)
Change in service maintenance agreements	59,920
Aggregate change in Other Categories:	
Aggregate change in other materials, supplies, and services	3,249
2025-26 Proposed Budget - Total Operating Requirements	\$ 16,088,829

Operating Expense by Category	2022-23 Actual	2023-24 Budget	2023-24 Projected	2024-25 Proposed	Budget % Change to 2023-24	2025-26 Proposed	Budget % Change to 2024-25
Personnel	\$ 8,654,072	\$ 8,674,390	\$ 8,748,631	\$ 9,588,792	10.54%	\$ 10,063,998	4.96%
Supplies	1,004,622	1,606,780	989,258	1,662,720	3.48%	1,702,111	2.37%
Professional & Contractual Services	475,904	810,000	463,958	820,100	1.25%	562,700	(31.39%)
Research & Monitoring	-	-	-	-	0.00%	-	0.00%
Repairs & Maintenance	2,835,441	4,576,665	4,618,239	3,891,700	(14.97%)	3,731,620	(4.11%)
Utilities	-	-	-	-	0.00%	-	0.00%
Other	19,395	27,340	1,288	28,400	3.88%	28,400	0.00%
Total	\$ 12,989,433	\$ 15,695,175	\$ 14,821,374	\$ 15,991,712	1.89%	\$ 16,088,829	0.61%

Expenditure Trends

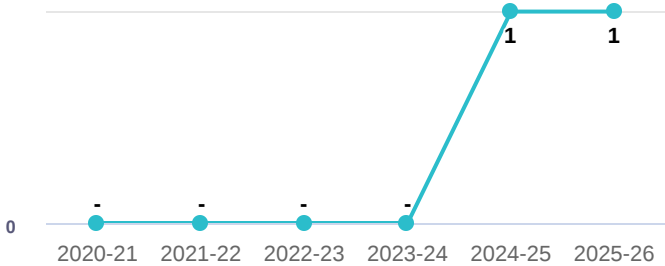




24-25 & 25-26 Authorized FTE Positions

Executive Managers	1
Total	1

Staffing Trends



Service Description

The Communications Administrative Division is designed to streamline communication and enhance transparency between government entities, the public, and our employees. We specialize in meeting management, public records, and crafting clear and engaging messages that convey important information, policies, and initiatives to our stakeholders. Our team works diligently to ensure that our agency actions are understood and accessible, fostering trust and accountability within both our internal and external communities.

2023-24 Performance Objectives

2023-24 Performance Results

Maintain the Special District Leadership Foundation (SLDF) District Transparency Certificate of Excellence.	Achieved.
Respond to 95% of public records requests within ten business days	Achieved 100% success rate.
Provide information to Board of Directors through the General Manager’s monthly report and the new Board Member orientation.	Achieved.
Provide services and implement programs that meet communication needs of OC San’s audiences by reaching a minimum of 25,000 people per year, and 500 pieces of ...	Estimated to be complete by the end of FY 23-24.
Proactive engagement in legislative advocacy efforts that could impact OC San and the wastewater industry through the implementation of a Legislative and Regulatory Affairs Plan.	Achieved 100% success rate.

2024-25 & 2025-26 Performance Objectives

Maintain the Special District Leadership Foundation (SLDF) District Transparency Certificate of Excellence.
Respond to 100 percent of public records requests within ten business days
Provide information to Board of Directors through the General Manager’s monthly report and new Board Member orientation.
Provide services and programs for OC San’s audience by reaching 25,000 people per year and 500 pieces of communications.
Proactive engagement in legislative advocacy efforts that could impact OC San and the wastewater industry.

Performance Measures

Summary	2022-23 Actual	2023-24 Projected	2024-25 Proposed	2025-26 Proposed	Justification
Maintain the SLDF Transparency Certificate	N/A	N/A	100%	100%	OC San Standards
Respond to 95% PRAs within ten business days	N/A	N/A	100%	100%	OC San Standards
Board of Directors and GM Support	N/A	N/A	Achieve	Achieve	OC San Standards
Legislative Advocacy	N/A	N/A	Achieve	Achieve	OC San Standards
Manage Budget	N/A	N/A	100%	100%	OC San Standards

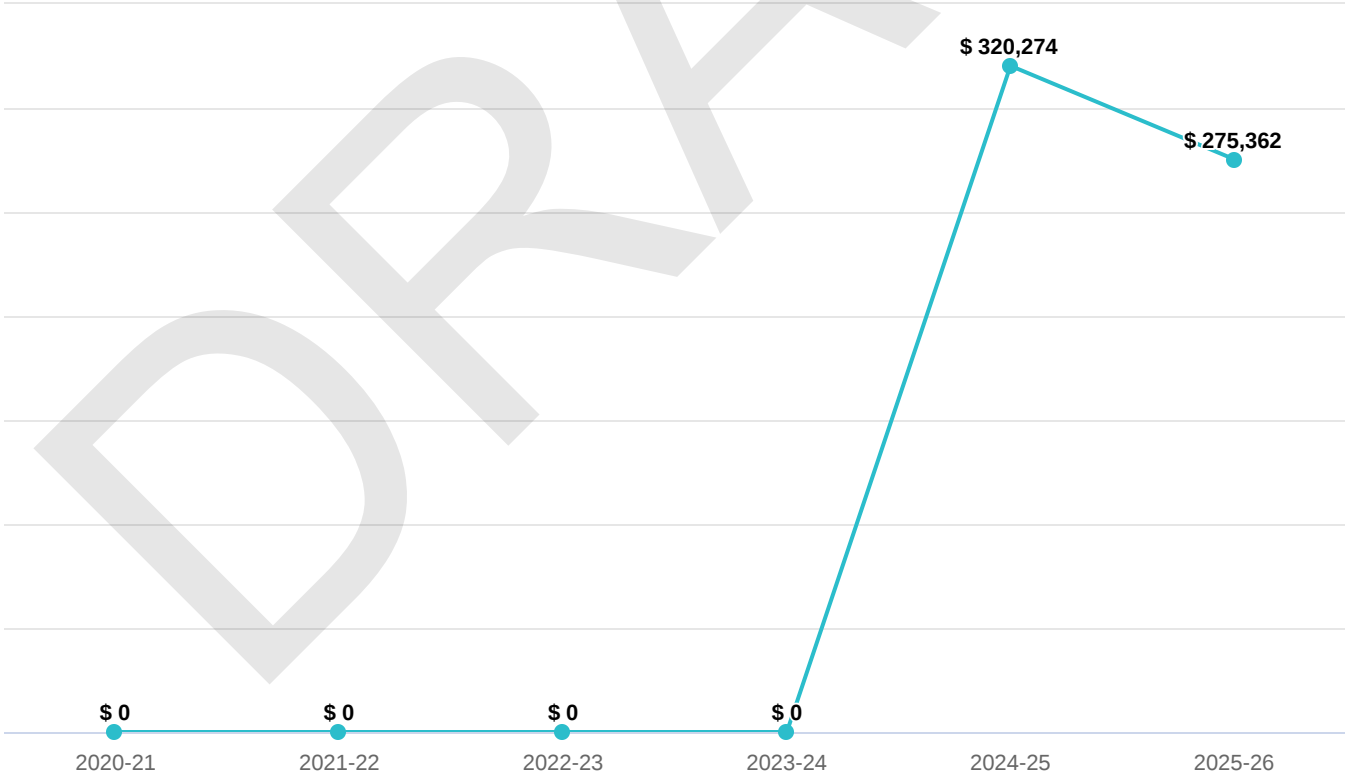
Budget Overview

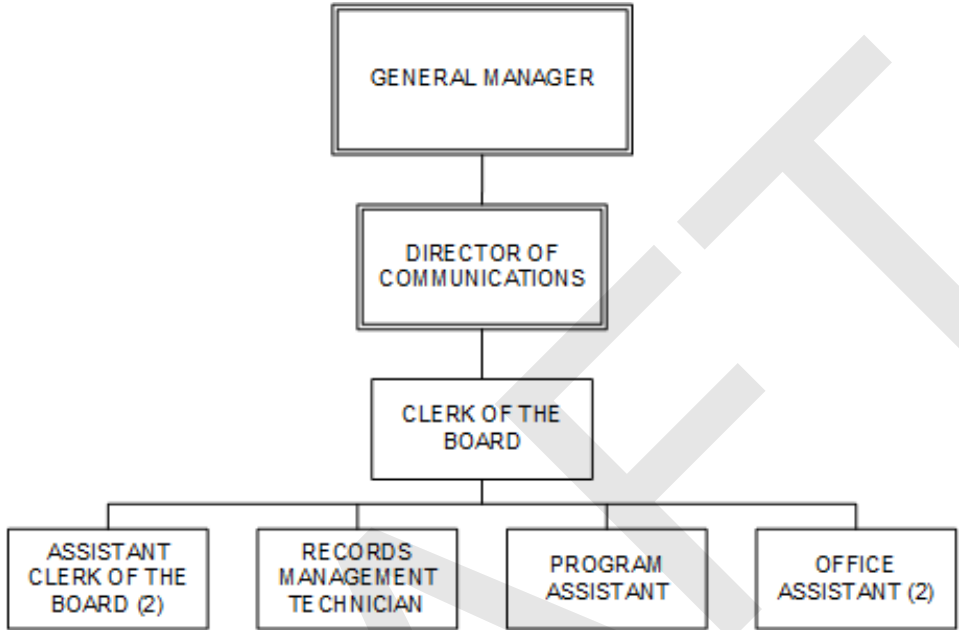
The FY 2024-25 & FY 2025-26 budgets for the new Communications Administration Division reflect an increase of - and a decrease of (14%) over the prior year, respectively. As a new Division, the FY 2024-25 budget commences the first year of the budget cycle. The FY 2025-26 decrease is primarily due to a decrease in other professional services.

2023-24 Adjusted Budget - Total Operating Requirements	-
Salaries for Position Changes:	
Transfer of Positions from/(to) Other Divisions	1
New or (decreased) FTE	1
Changes in Personnel Expenses:	
Other net salary adjustments (MOU-related, leave payoffs, vacancy, etc.)	190,306
Change in OCERS retirement costs	32,548
Change in group insurance costs	18,912
Other benefit cost adjustments	10,107
Other Cost Adjustments:	
Change in training & meetings	3,400
Change in other professional services	65,000
Aggregate change in Other Categories:	
Aggregate change in other materials, supplies, and services	1
2024-25 Proposed Budget - Total Operating Requirements	\$ 320,274
Changes in Personnel Expenses:	
Net salary adjustments (MOU-related, leave payoffs, vacancy, etc.)	15,649
Change in OCERS retirement costs	2,638
Change in group insurance costs	1,732
Other benefit cost adjustments	68
Other Cost Adjustments:	
Change in other professional services	(65,000)
Aggregate change in Other Categories:	
Aggregate change in other materials, supplies, and services	1
2025-26 Proposed Budget - Total Operating Requirements	\$ 275,362

Operating Expense by Category	2022-23 Actual	2023-24 Budget	2023-24 Projected	2024-25 Proposed	Budget % Change to 2023-24	2025-26 Proposed	Budget % Change to 2024-25
Personnel	-	-	-	\$ 251,874	0.00%	\$ 271,962	7.98%
Supplies	-	-	-	3,400	0.00%	3,400	0.00%
Professional & Contractual Services	-	-	-	65,000	0.00%	-	(100.00%)
Research & Monitoring	-	-	-	-	0.00%	-	0.00%
Repairs & Maintenance	-	-	-	-	0.00%	-	0.00%
Utilities	-	-	-	-	0.00%	-	0.00%
Other	-	-	-	-	0.00%	-	0.00%
Total	-	-	-	\$ 320,274	0.00%	\$ 275,362	(14.02%)

Expenditure Trends

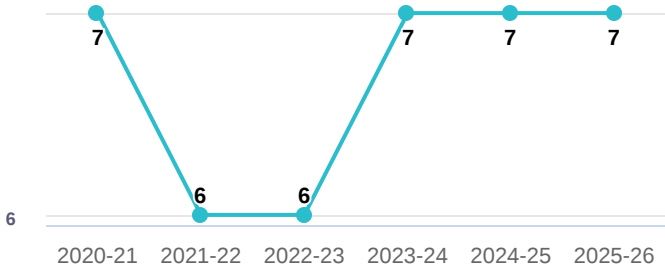




24-25 & 25-26 Authorized FTE Positions

Supervisors / Professionals	1
Administrative & Clerical	4
Confidential	2
Total	7

Staffing Trends



Service Description

The mission of the Board Services Division is to provide exceptional customer service and support to the Board of Directors, OC San Staff and the general public through the Clerk of the Board’s office. The Clerk’s office promotes public trust and ensures transparency by: accurately recording and preserving the legislative actions of OC San; safeguarding the vital, historic and permanent records of OC San as their official custodian; preparing and publishing agendas and notices in accordance with legal requirements; receiving and responding to requests for records, acts as filing officer for Statement of Economic Interest filings; receiving and processing summons, subpoenas and complaints filed against OC San; and maintaining rosters of the Board of Directors, appointed committees and historical events.

2023-24 Performance Objectives

2023-24 Performance Results

Mail Board agenda packages six calendar days prior to Committee and Board meetings, 100% of the time.	Achieved 100% success rate.
Maintain accurate records of official actions taken by the Board of Directors and post those actions to website by 5:00 p.m. the day following a meeting.	Achieved 100% success rate.
Respond to 95% of Public Records Requests within 7 business days.	Achieved 100% success rate.
Maintain legal compliance with various federal, state and local laws (Brown Act, Political Reform Act, etc.)	Achieved 100% success rate.
Maintain OC San Transparency Certificate of Excellence (SDLF).	Achieved 100% success rate.

2024-25 & 2025-26 Performance Objectives

Publish Board agenda packages six calendar days prior to Committee & Board meetings unless authorized by the GM.
Maintain & post records of official actions taken by the Board of Directors to website by 5:00 pm the day after meeting.
Maintain legal compliance with various federal, state and local laws (Brown Act, Political Reform Act, etc.).
Respond to 95 % of public records requests within 7 business days.
Maintain OC San Transparency Certificate of Excellence (SDLF).

Performance Measures

Summary	2022-23 Actual	2023-24 Projected	2024-25 Proposed	2025-26 Proposed	Justification
Board Agenda Packages	Achieved	Achieved	Sustain	Sustain	OC San Standards
Maintain & Post accurate records of Board actions	Achieved	Achieved	Sustain	Sustain	Legal Compliance
Public requests response within 7 business days	Achieved	Achieved	Sustain	Sustain	OC San Standards
Maintain Legal Compliance	Achieved	Achieved	Sustain	Sustain	Legal Compliance
Maintain OC San Transparency Certificate	Achieved	Achieved	Sustain	Sustain	OC San Standards

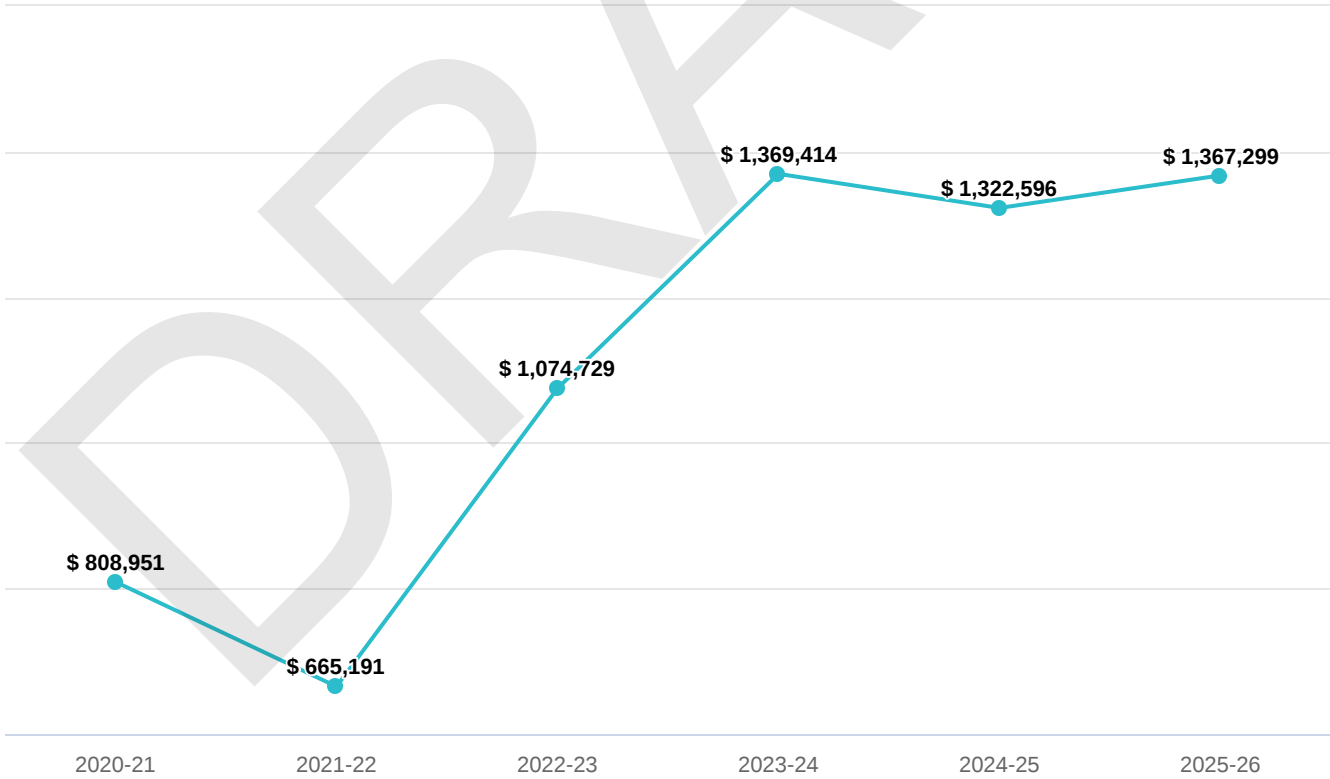
Budget Overview

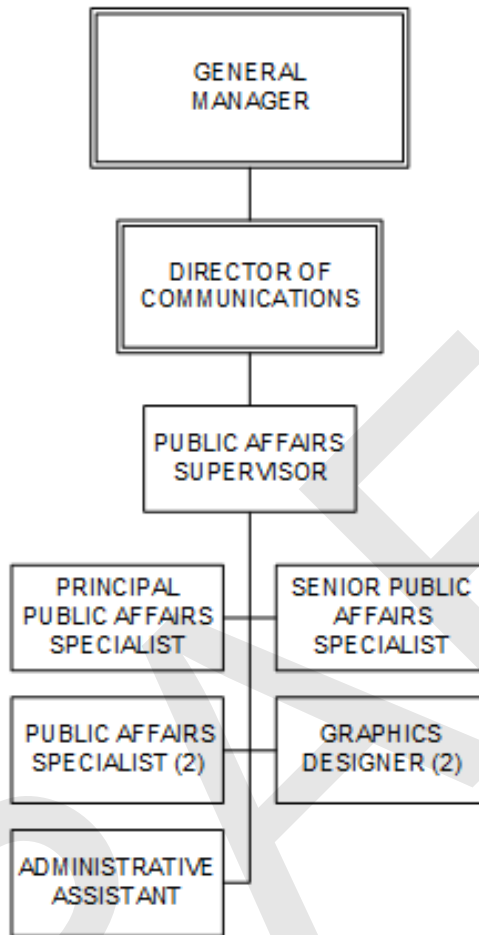
The FY 2024-25 & FY 2025-26 budgets for the Board Services Division reflect a decrease of (3%) and an increase of 3% over the prior year, respectively. The FY 2024-25 decrease is primarily due to an decrease in books & publications, notices and ads, other professional services and personnel expenses. The FY 2025-26 increase is primarily due to personnel expenses and postage.

2023-24 Adjusted Budget - Total Operating Requirements	\$ 1,369,414
Salaries for Position Changes:	
Transfer of Positions from/(to) Other Divisions	7
New or (decreased) FTE	-
Changes in Personnel Expenses:	
Other net salary adjustments (MOU-related, leave payoffs, vacancy, etc.)	(7,640)
Change in OCERS retirement costs	(5,578)
Change in group insurance costs	8,997
Other benefit cost adjustments	937
Other Cost Adjustments:	
Change in postage	8,000
Change in books & publications	(5,000)
Change in notices and ads	(4,000)
Change in other professional services	(75,000)
Change in misc. operating expenses	31,656
Aggregate change in Other Categories:	
Aggregate change in other materials, supplies, and services	810
2024-25 Proposed Budget - Total Operating Requirements	\$ 1,322,596
Changes in Personnel Expenses:	
Net salary adjustments (MOU-related, leave payoffs, vacancy, etc.)	30,253
Change in OCERS retirement costs	3,311
Change in group insurance costs	10,986
Other benefit cost adjustments	478
Other Cost Adjustments:	
Change in postage	5,000
Change in training & meetings	(6,370)
Aggregate change in Other Categories:	
Aggregate change in other materials, supplies, and services	1,045
2025-26 Proposed Budget - Total Operating Requirements	\$ 1,367,299

Operating Expense by Category	2022-23 Actual	2023-24 Budget	2023-24 Projected	2024-25 Proposed	Budget % Change to 2023-24	2025-26 Proposed	Budget % Change to 2024-25
Personnel	\$ 899,314	\$ 1,003,110	\$ 901,075	\$ 999,826	(0.33%)	\$ 1,044,854	4.50%
Supplies	75,283	112,840	111,231	112,490	(0.31%)	112,165	(0.29%)
Professional & Contractual Services	43,903	185,000	60,000	110,000	(40.54%)	110,000	0.00%
Research & Monitoring	-	-	-	-	0.00%	-	0.00%
Repairs & Maintenance	-	-	-	-	0.00%	-	0.00%
Utilities	-	-	-	-	0.00%	-	0.00%
Other	56,228	68,464	100,120	100,280	46.47%	100,280	0.00%
Total	\$ 1,074,729	\$ 1,369,414	\$ 1,172,427	\$ 1,322,596	(3.42%)	\$ 1,367,299	3.38%

Expenditure Trends

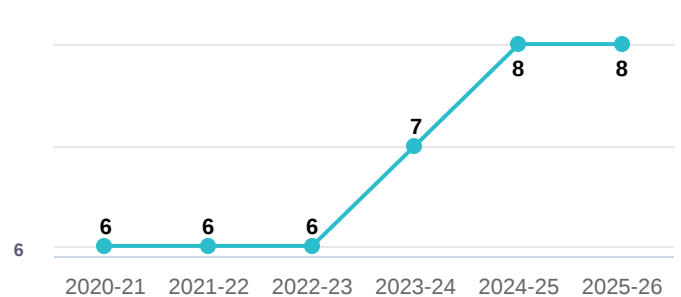




24-25 & 25-26 Authorized FTE Positions

Supervisors / Professionals	5
Administrative & Clerical	3
Total	8

Staffing Trends



Service Description

The Public Affairs Division provides services and implements programs to meet the communications and legislative needs of both internal and external audiences for the Orange County Sanitation District. The division plans and implements internal and external communications, media relations, community relations, community education and outreach, corporate identity program, collateral material and graphics development, presentation development, crisis communications and legislative affairs. The goal is to create a comprehensive communications program that promotes clear and transparent communications with all identified audiences and to promote the understanding of OC San’s mission to protect public health and the environment.

2023-24 Performance Objectives

Provide services and implement programs that meet the communications needs of OC San’s internal audiences by producing a minimum of 500 internal communication pieces.
Provide services and implement programs that meet communications needs of OC San’s external audiences by reaching a minimum of 25,000 people.
Support General Manager activities and provide information to Board of Directors through the General Manager’s monthly report, monthly city/agency specific briefing reports.
Proactive engagement in legislative advocacy efforts that could impact OC San and the industry.

2023-24 Performance Results

At mid-year, this goal has already been met. To date, almost 700 pieces of internal communication pieces have been produced.
To date, OC San has reached over 19,000 people via printed and electronic communication pieces, as well as tours, events, and speaking engagements.
Prepared monthly talking points for the Board Members and General Manager, the General Manager’s Monthly Report, and reports on division efforts to the Steering Committee.
To date are monitoring 26 State bills, taking position on eight with Governor signing four of them. At the Federal level monitoring 10 bills, have taken position on three of them.

2024-25 & 2025-26 Performance Objectives

Provide services and programs to meet communications needs of internal audiences by producing 500 communication pieces.
Provide services and implement programs to meet communication needs of external audiences by reaching 25,000 people.
Support General Manager activities & provide information to Board through reports and agency specific briefing reports.
Proactive engagement in legislative advocacy efforts that could impact OC San and the industry.

Performance Measures

Summary	2022-23 Actual	2023-24 Projected	2024-25 Proposed	2025-26 Proposed	Justification
Internal Services and Programs	Achieved	Achieved	Planned	Planned	Division Workplan
External Services and Programs	Achieved	Ongoing	Planned	Planned	Strategic Plan
Board of Directors and General Manager Support	Achieved	Ongoing	Planned	Planned	GM Workplan
Legislative Advocacy	Achieved	Ongoing	Planned	Planned	Strategic Plan

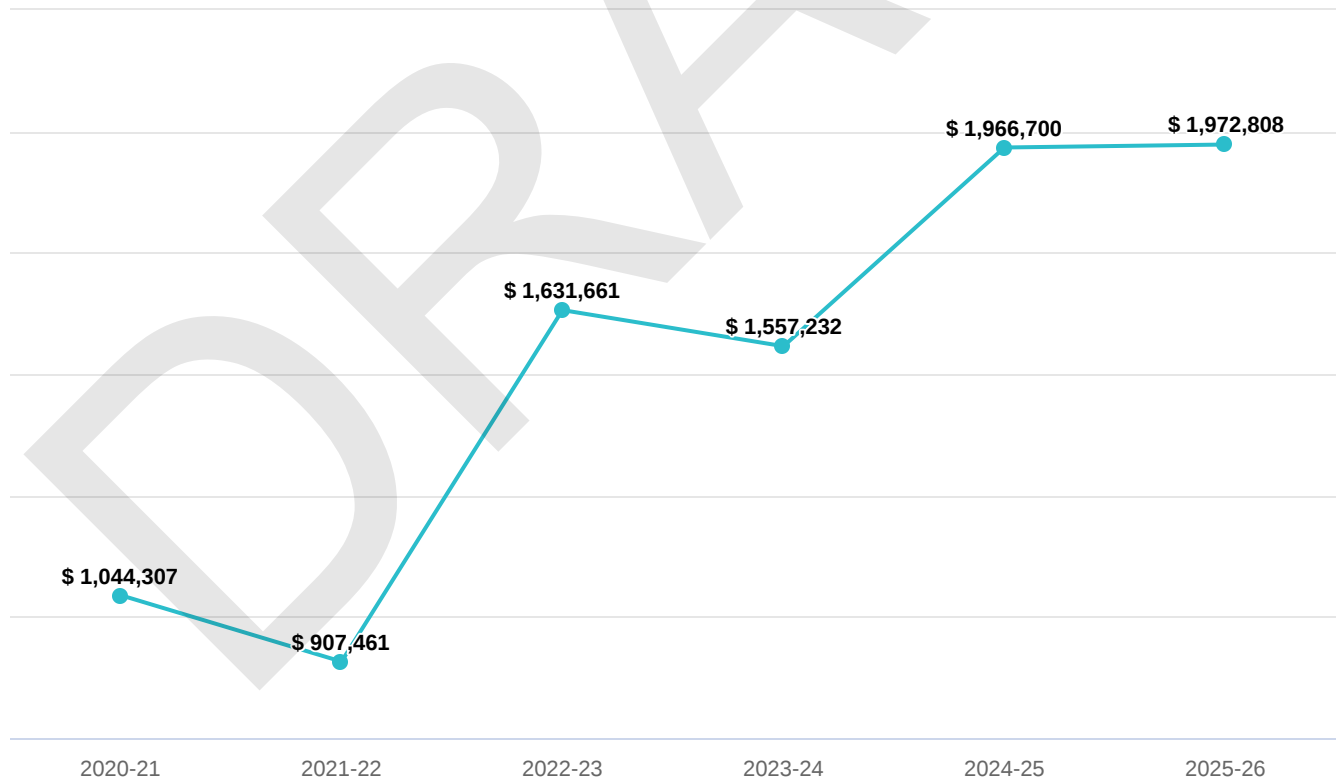
Budget Overview

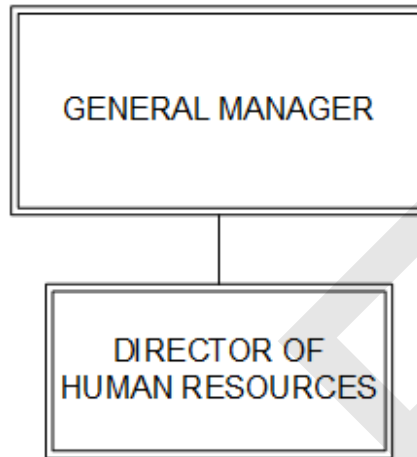
The FY 2024-25 & FY 2025-26 budgets for the Public Affairs Division reflect an increase of 26% and an increase of - over the prior year, respectively. The FY 2024-25 increase is primarily due to an increase in personnel expenses and miscellaneous operating expenses. The FY 2025-26 increase is primarily due to personnel expenses and partially offset by a decrease in training & meetings and other professional services.

2023-24 Adjusted Budget - Total Operating Requirements	\$ 1,557,232
Salaries for Position Changes:	
Transfer of Positions from/(to) Other Divisions	11
New or (decreased) FTE	1
Changes in Personnel Expenses:	
Other net salary adjustments (MOU-related, leave payoffs, vacancy, etc.)	259,901
Change in OCERS retirement costs	40,416
Change in group insurance costs	68,119
Other benefit cost adjustments	3,772
Other Cost Adjustments:	
Change in training & meetings	(6,400)
Change in operating materials & supplies	3,300
Change in other professional services	2,500
Change in misc. operating expense	37,150
Aggregate change in Other Categories:	
Aggregate change in other materials, supplies, and services	710
2024-25 Proposed Budget - Total Operating Requirements	\$ 1,966,700
Changes in Personnel Expenses:	
Net salary adjustments (MOU-related, leave payoffs, vacancy, etc.)	41,785
Change in OCERS retirement costs	5,177
Change in group insurance costs	12,651
Other benefit cost adjustments	546
Other Cost Adjustments:	
Change in training & meetings	(15,550)
Change in other professional services	(45,000)
Change in misc. operating expense	5,000
Aggregate change in Other Categories:	
Aggregate change in other materials, supplies, and services	1,499
2025-26 Proposed Budget - Total Operating Requirements	\$ 1,972,808

Operating Expense by Category	2022-23 Actual	2023-24 Budget	2023-24 Projected	2024-25 Proposed	Budget % Change to 2023-24	2025-26 Proposed	Budget % Change to 2024-25
Personnel	\$ 988,488	\$ 951,052	\$ 973,091	\$ 1,323,260	39.14%	\$ 1,383,418	4.55%
Supplies	344,245	70,690	68,990	68,080	(3.69%)	54,030	(20.64%)
Professional & Contractual Services	204,478	382,500	335,000	385,000	0.65%	340,000	(11.69%)
Research & Monitoring	-	-	-	-	0.00%	-	0.00%
Repairs & Maintenance	(52)	-	-	-	0.00%	-	0.00%
Utilities	-	-	-	-	0.00%	-	0.00%
Other	94,503	152,990	178,350	190,360	24.43%	195,360	2.63%
Total	\$ 1,631,661	\$ 1,557,232	\$ 1,555,431	\$ 1,966,700	26.29%	\$ 1,972,808	0.31%

Expenditure Trends

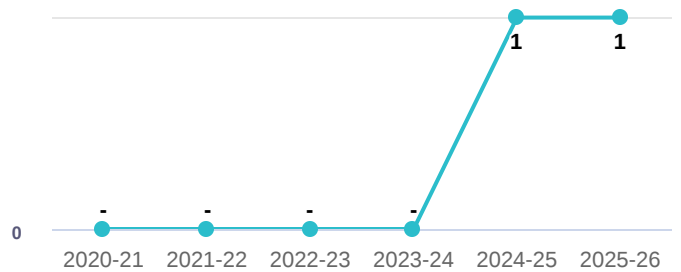




24-25 & 25-26 Authorized FTE Positions

Executive Managers	1
Total	1

Staffing Trends



Service Description

Human Resources Administration provides leadership, support, and oversight in managing the varied and complex functions of the Department. The Director provides counsel and expertise on organizational initiatives, and works closely with staff to accomplish OC San's Strategic Plan and departmental goals.

2023-24 Performance Objectives

Maintain legal and regulatory compliance.
Ensure reporting divisions achieve 90% of individual performance objectives.
Manage the department's budget to within 96% to 100% of the approved budget.

2023-24 Performance Results

Ongoing
On track.
Estimated to stay within budget.

2024-25 & 2025-26 Performance Objectives

Legal and regulatory compliance
Ensure reporting divisions achieve 90% of individual performance objectives.
Manage the department's budget to within 96% to 100% of the approved budget.

Performance Measures

Summary	2022-23 Actual	2023-24 Projected	2024-25 Proposed	2025-26 Proposed	Justification
Legal and Regulatory compliance	Achieved	Ongoing	Achieve	Achieve	OC San Standards
Department Performance Objectives	>90%	>90%	>90%	>90%	OC San Standards
Manage Budget	Achieved	Ongoing	96-100%	96-100%	OC San Standards

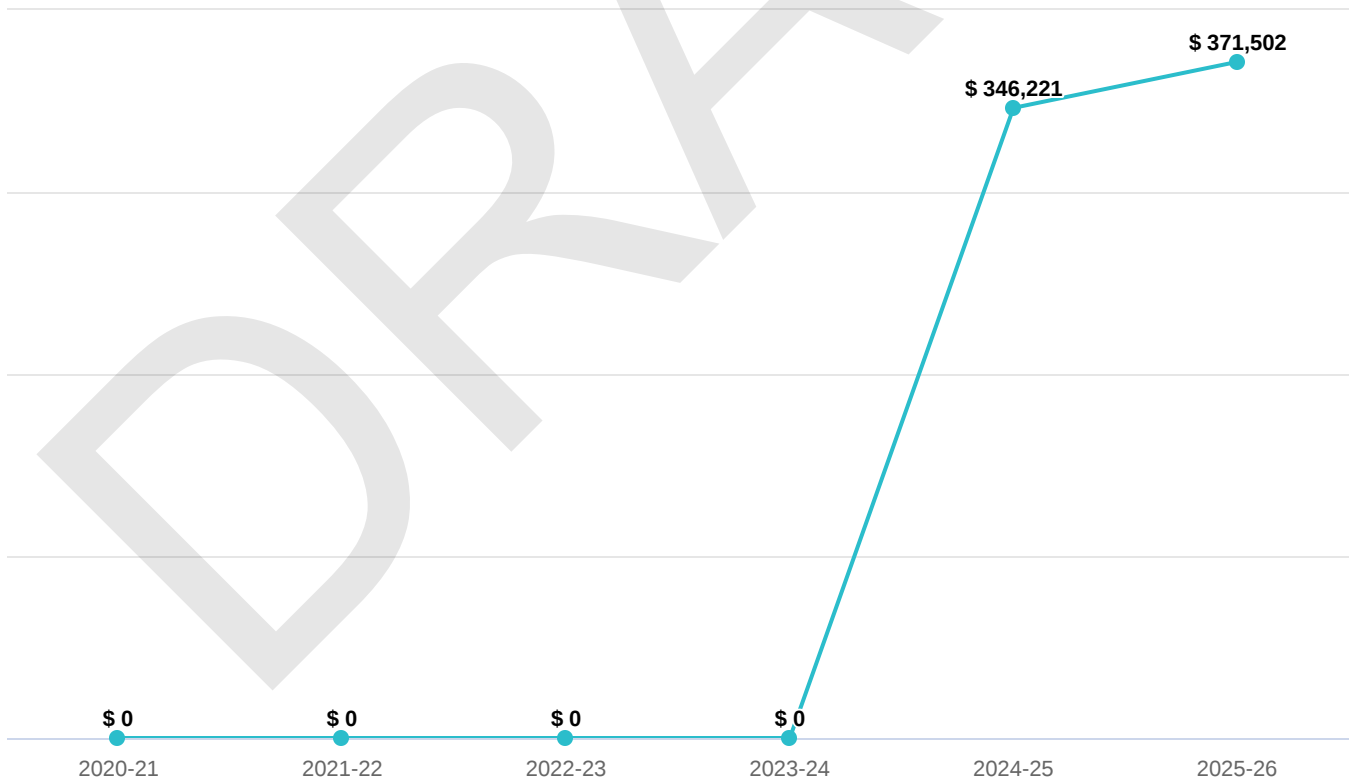
Budget Overview

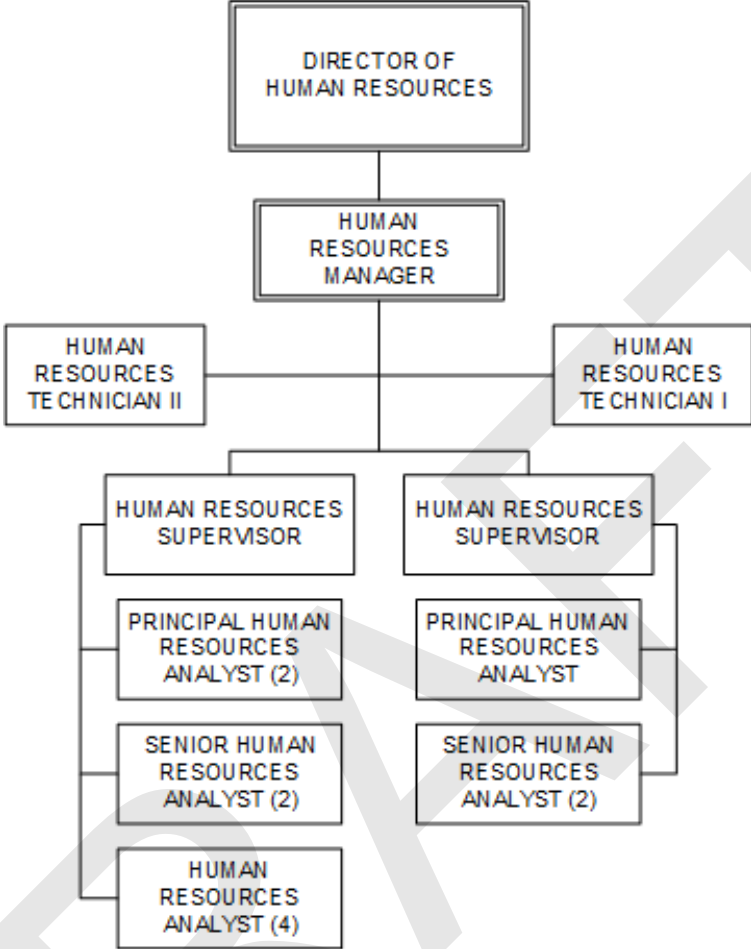
The FY 2024-25 & FY 2025-26 budgets for the new Human Resources Administration Division reflect an increase of - and an increase of 7% over the prior year, respectively. As a new Division, the FY 2024-25 budget commences the first year of the budget cycle. The FY 2025-26 increase is primarily due to personnel expenses.

2023-24 Adjusted Budget - Total Operating Requirements	-
Salaries for Position Changes:	
Transfer of Positions from/(to) Other Divisions	1
New or (decreased) FTE	1
Changes in Personnel Expenses:	
Other net salary adjustments (MOU-related, leave payoffs, vacancy, etc.)	266,789
Change in OCERS retirement costs	45,992
Change in group insurance costs	20,021
Other benefit cost adjustments	7,365
Other Cost Adjustments:	
Change in memberships	730
Change in training & meetings	5,323
Aggregate change in Other Categories:	
Aggregate change in other materials, supplies, and services	1
2024-25 Proposed Budget - Total Operating Requirements	\$ 346,221
Changes in Personnel Expenses:	
Net salary adjustments (MOU-related, leave payoffs, vacancy, etc.)	21,943
Change in OCERS retirement costs	3,700
Change in group insurance costs	1,823
Other benefit cost adjustments	68
Other Cost Adjustments:	
Change in training & meetings	(2,253)
Aggregate change in Other Categories:	
Aggregate change in other materials, supplies, and services	-
2025-26 Proposed Budget - Total Operating Requirements	\$ 371,502

Operating Expense by Category	2022-23 Actual	2023-24 Budget	2023-24 Projected	2024-25 Proposed	Budget % Change to 2023-24	2025-26 Proposed	Budget % Change to 2024-25
Personnel	-	-	-	\$ 340,168	0.00%	\$ 367,702	8.09%
Supplies	-	-	-	6,053	0.00%	3,800	(37.22%)
Professional & Contractual Services	-	-	-	-	0.00%	-	0.00%
Research & Monitoring	-	-	-	-	0.00%	-	0.00%
Repairs & Maintenance	-	-	-	-	0.00%	-	0.00%
Utilities	-	-	-	-	0.00%	-	0.00%
Other	-	-	-	-	0.00%	-	0.00%
Total	-	-	-	\$ 346,221	0.00%	\$ 371,502	7.30%

Expenditure Trends

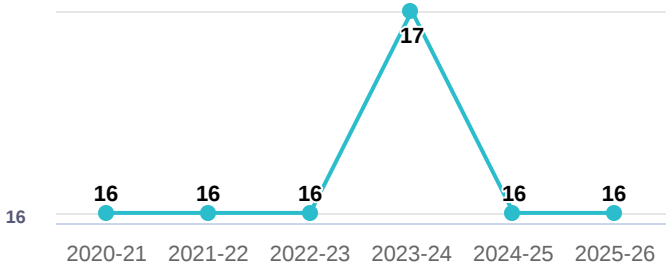




24-25 & 25-26 Authorized FTE Positions

Managers	1
Supervisors / Professionals	13
Administrative & Clerical	2
Total	16

Staffing Trends



Service Description

Human Resources serves as a strategic partner to departments on employment matters and organizational programs. The division ensures compliance with labor and employment law, and oversees programs and services designed to attract, develop, motivate and retain a high performing workforce that meet the needs of the organization. The team provides highly responsive services to employees in recruitment and selection, classification and compensation, benefits, training, employee and labor relations, leave administration, performance management and employee recognition. Additionally, the division is responsible for implementing policies and procedures, and providing highly responsive and professional consultation on human resources matters.

2023-24 Performance Objectives

2023-24 Performance Results

Complete all labor negotiations with all units by 6/30/22 and implement the changes effective FY 22/23 and through the end of the approved contract duration	Completed
Expand OC San U training offerings to outside agencies to two per year, and continue to offer one employee training session per month for OC San employees	Completed and ongoing
Evaluate and determine agency needs for a centralized training program by 6/30/2022 and implement the changes effective FY 22/23	Completed and ongoing
Meet the training level of service of 45 hours per employee	Ongoing
Manage the department's budget to be within 96% to 100% of the approved budget	On track

2024-25 & 2025-26 Performance Objectives

Complete labor negotiations with all bargaining units by 6/30/25
Fully implement the Centralized Training Program by FY 25/26
Meet the training level of service of 40-45 hours per employee

Performance Measures

Summary	2022-23 Actual	2023-24 Projected	2024-25 Proposed	2025-26 Proposed	Justification
Approved Labor Contracts	Achieved	Sustain	Sustain	Planned	Division Workplan
Workforce Planning/Workforce Development	Achieved	Sustain	Sustain	Sustain	Strategic Plan
Training Level of Service		Ongoing	Sustain	Sustain	Level of Services

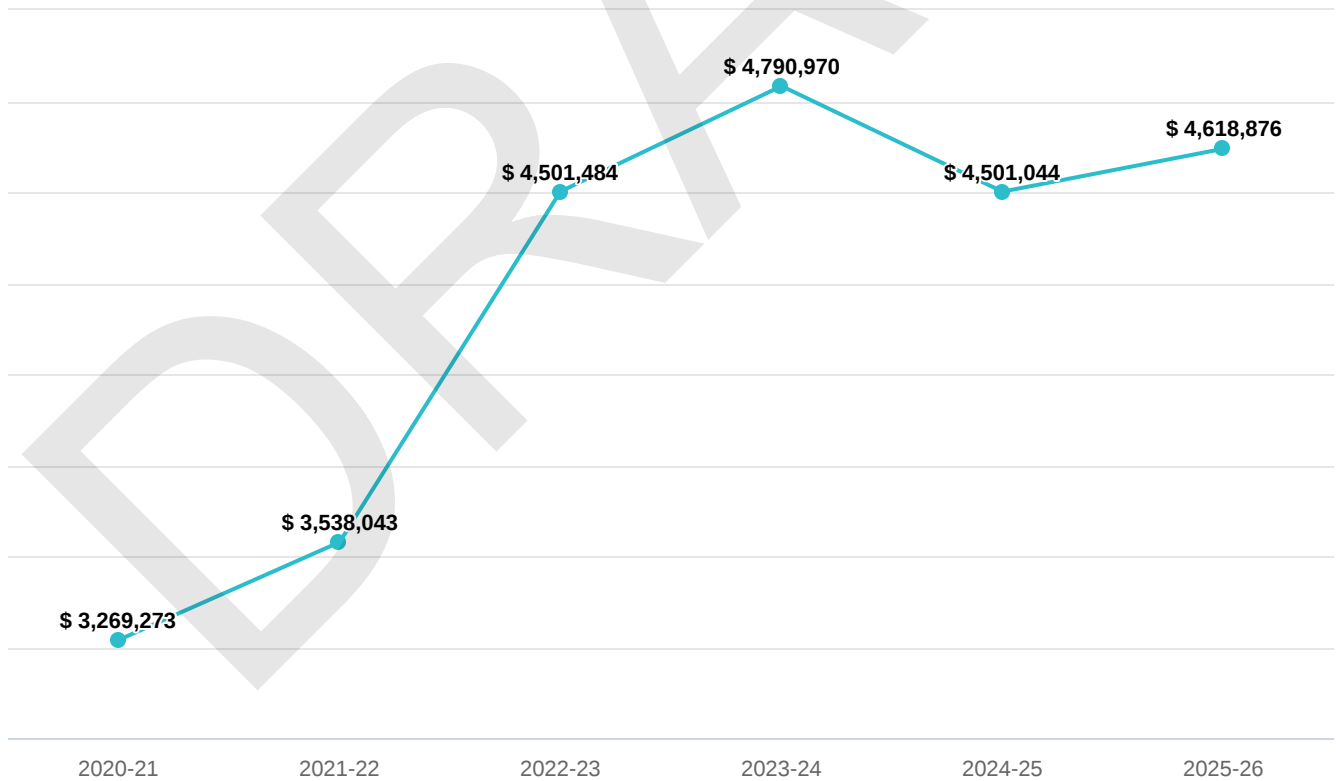
Budget Overview

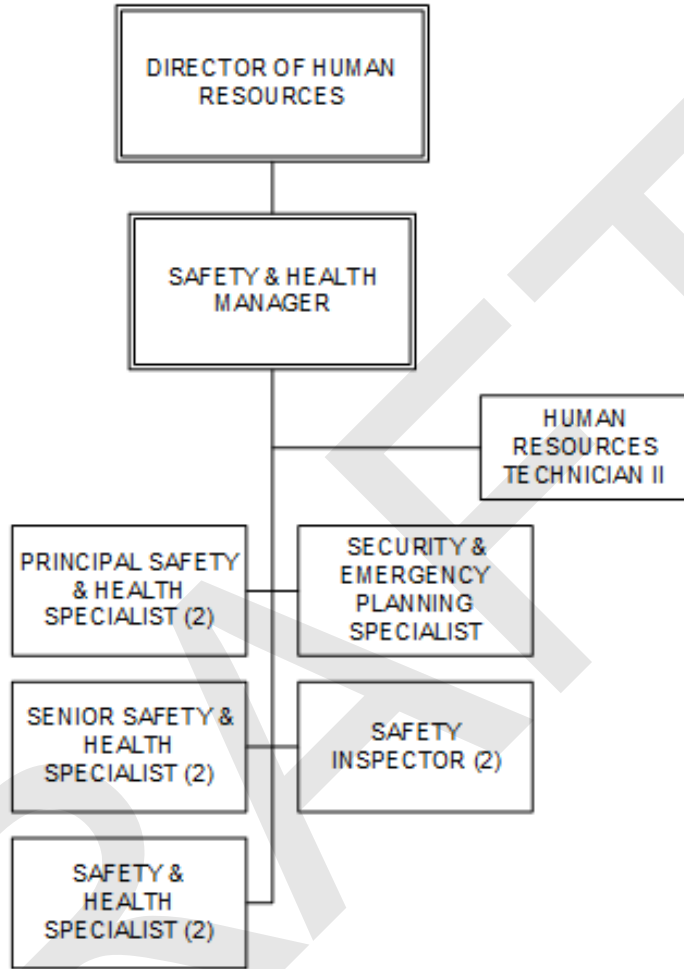
The FY 2024-25 & FY 2025-26 budgets for the Human Resources Administration Division reflect a decrease of (6%) and an increase of 3% over the prior year, respectively. The FY 2024-25 decrease is primarily due to an increase in personnel expenses, training & meetings, other contractual services and other professional services. The FY 2025-26 increase is primarily due to personnel expenses and partially offset by a decrease in training & meetings and labor negotiation services.

2023-24 Adjusted Budget - Total Operating Requirements	\$ 4,790,970
Salaries for Position Changes:	
Transfer of Positions from/(to) Other Divisions	19
New or (decreased) FTE	(1)
Changes in Personnel Expenses:	
Other net salary adjustments (MOU-related, leave payoffs, vacancy, etc.)	(263,498)
Change in OCERS retirement costs	13,091
Change in group insurance costs	924
Other benefit cost adjustments	(6,680)
Other Cost Adjustments:	
Change in notices & ads	5,000
Change in training & meetings	(30,951)
Change in other contractual services	(20,000)
Change in legal services	50,000
Change in labor negotiation services	20,000
Change in other professional services	(48,000)
Change in other non-operating expenses	(6,160)
Aggregate change in Other Categories:	
Aggregate change in other materials, supplies, and services	3,652
2024-25 Proposed Budget - Total Operating Requirements	\$ 4,501,044
Changes in Personnel Expenses:	
Net salary adjustments (MOU-related, leave payoffs, vacancy, etc.)	126,374
Change in OCERS retirement costs	20,519
Change in group insurance costs	25,881
Other benefit cost adjustments	1,092
Other Cost Adjustments:	
Change in training & meetings	(36,034)
Change in labor negotiation services	(20,000)
Aggregate change in Other Categories:	
Aggregate change in other materials, supplies, and services	-
2025-26 Proposed Budget - Total Operating Requirements	\$ 4,618,876

Operating Expense by Category	2022-23 Actual	2023-24 Budget	2023-24 Projected	2024-25 Proposed	Budget % Change to 2023-24	2025-26 Proposed	Budget % Change to 2024-25
Personnel	\$ 3,166,162	\$ 3,343,920	\$ 3,243,581	\$ 3,087,757	(7.66%)	\$ 3,261,623	5.63%
Supplies	94,745	169,060	63,796	141,457	(16.33%)	105,423	(25.47%)
Professional & Contractual Services	1,209,637	1,158,500	954,536	1,160,500	0.17%	1,140,500	(1.72%)
Research & Monitoring	-	-	-	-	0.00%	-	0.00%
Repairs & Maintenance	-	-	-	-	0.00%	-	0.00%
Utilities	-	-	-	-	0.00%	-	0.00%
Other	30,940	119,490	64,851	111,330	(6.83%)	111,330	0.00%
Total	\$ 4,501,484	\$ 4,790,970	\$ 4,326,763	\$ 4,501,044	(6.05%)	\$ 4,618,876	2.62%

Expenditure Trends

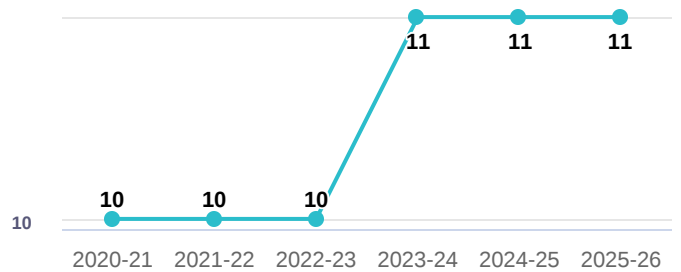




24-25 & 25-26 Authorized FTE Positions

Managers	1
Supervisors / Professionals	7
Administrative & Clerical	2
Confidential	1
Total	11

Staffing Trends



Service Description

Risk Management ensures regulatory compliance and safeguards the wellbeing of employees, contractors and visitors through comprehensive safety and health programs. The division is responsible for the identification of potential or known hazards, safety training, incident investigations, construction contractor oversight, facility inspections and audits, and industrial hygiene assessments to mitigate risk and workplace accidents and injuries. Other responsibilities include physical security and emergency management services including surveillance of critical infrastructure and emergency response and recovery efforts.

2023-24 Performance Objectives

2023-24 Performance Results

Provide Safety Training & Orientations	Ongoing
Develop and implement Job Safety Analyses (JSAs)	Ongoing
Evaluate and monitor the Safety & Health Program	Ongoing
Implement Physical Security Plan	Ongoing
Emergency Management	Ongoing

2024-25 & 2025-26 Performance Objectives

Ensure 100% completion of Safety Training and Contractor Safety Orientations.
Develop, implement, and update Job Safety Analyses for high-risk work activities.
Evaluate the Safety & Health Program through third party audits, periodic inspections, and key performance indicators.
Implementation of Physical Security Plans on new designs and renovation projects.
Prepare and conduct routine Emergency Response Exercises; provide and monitor emergency response training.

Performance Measures

Summary	2022-23 Actual	2023-24 Projected	2024-25 Proposed	2025-26 Proposed	Justification
Safety Training & Orientations	Achieved	Ongoing	Planned	Planned	Legal Compliance
Job Safety Analyses	Achieved	Ongoing	Planned	Planned	Legal Compliance
Safety & Health Program	Achieved	Ongoing	Planned	Planned	Strategic Plan
Physical Security Plan	Achieved	Ongoing	Planned	Planned	Strategic Plan
Emergency Management	Achieved	Ongoing	Planned	Planned	Strategic Plan

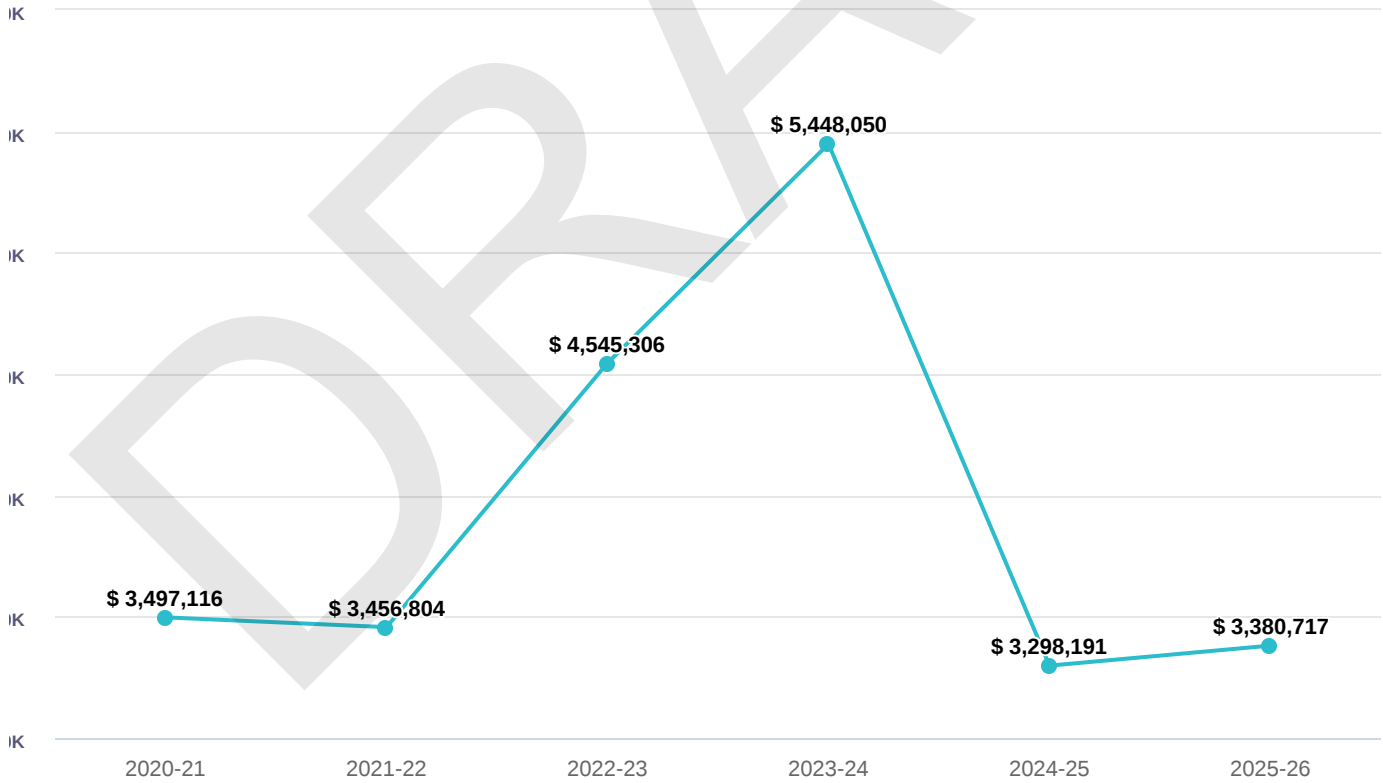
Budget Overview

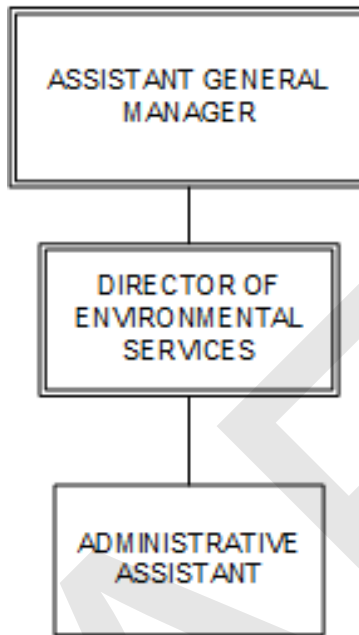
The FY 2024-25 & FY 2025-26 budgets for the Risk Management/Safety/Security Division reflect a decrease of (39%) and an increase of 3% over the prior year, respectively. The FY 2024-25 decrease is primarily due to a decrease in security services and training & meetings. The FY 2025-26 increase is primarily due to personnel expenses.

2023-24 Adjusted Budget - Total Operating Requirements	\$ 5,448,050
Salaries for Position Changes:	
Transfer of Positions from/(to) Other Divisions	14
New or (decreased) FTE	-
Changes in Personnel Expenses:	
Other net salary adjustments (MOU-related, leave payoffs, vacancy, etc.)	216,363
Change in OCERS retirement costs	23,308
Change in group insurance costs	31,921
Other benefit cost adjustments	7,180
Other Cost Adjustments:	
Change in office expense & supplies	11,500
Change in printing & publications	12,450
Change in training & meetings	(196,330)
Change in security services	(2,342,414)
Change in other contractual services	54,500
Change in repairs & maintenance services	21,500
Change in regulatory operating fees	4,000
Change in outside laboratory services	2,000
Aggregate change in Other Categories:	
Aggregate change in other materials, supplies, and services	4,163
2024-25 Proposed Budget - Total Operating Requirements	\$ 3,298,191
Changes in Personnel Expenses:	
Net salary adjustments (MOU-related, leave payoffs, vacancy, etc.)	74,379
Change in OCERS retirement costs	7,822
Change in group insurance costs	17,693
Other benefit cost adjustments	751
Other Cost Adjustments:	
Change in trainings & meetings	(20,500)
Aggregate change in Other Categories:	
Aggregate change in other materials, supplies, and services	\$2,381
2025-26 Proposed Budget - Total Operating Requirements	\$ 3,380,717

Operating Expense by Category	2022-23 Actual	2023-24 Budget	2023-24 Projected	2024-25 Proposed	Budget % Change to 2023-24	2025-26 Proposed	Budget % Change to 2024-25
Personnel	\$ 1,603,697	\$ 1,650,420	\$ 1,568,918	\$ 1,929,191	16.89%	\$ 2,029,837	5.22%
Supplies	765,355	588,750	514,747	420,034	(28.66%)	401,914	(4.31%)
Professional & Contractual Services	2,120,042	3,146,610	2,110,722	860,696	(72.65%)	860,696	0.00%
Research & Monitoring	-	-	-	-	0.00%	-	0.00%
Repairs & Maintenance	9,586	15,550	12,275	37,550	141.48%	37,550	0.00%
Utilities	-	-	-	-	0.00%	-	0.00%
Other	46,626	46,720	28,228	50,720	8.56%	50,720	0.00%
Total	\$ 4,545,306	\$ 5,448,050	\$ 4,234,890	\$ 3,298,191	(39.46%)	\$ 3,380,717	2.50%

Expenditure Trends

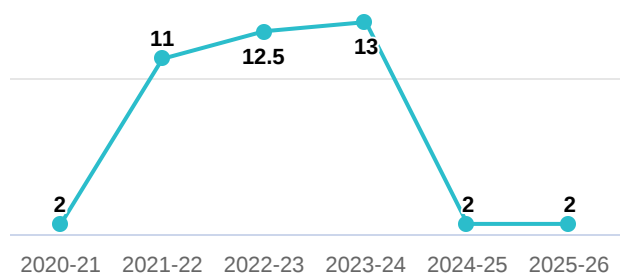




24-25 & 25-26 Authorized FTE Positions

Executive Managers	1
Administrative & Clerical	1
Total	2

Staffing Trends



Service Description

Environmental Services Administration provides leadership, support, and management oversight for the Department to accomplish OC San’s Strategic Plan and departmental annual goals. The team actively advocates for responsible and pragmatic environmental regulations relevant to wastewater treatment and resource recovery.

2023-24 Performance Objectives

Manage operating expenditures to within 96% to 100% of the approved budget.

Ensure that reporting divisions achieve 90% of individual performance objectives.

2023-24 Performance Results

On track

On track

2024-25 & 2025-26 Performance Objectives

Manage operating expenditures to within 96% to 100% of the approved budget.

Ensure that reporting divisions achieve 90% of individual performance objectives.

Performance Measures

Summary	2022-23 Actual	2023-24 Projected	2024-25 Proposed	2025-26 Proposed	Justification
Manage Budget	Achieved	Ongoing	Planned	Planned	Board Approved
Department Performance Objectives	Achieved	Ongoing	Planned	Planned	OC San Standards

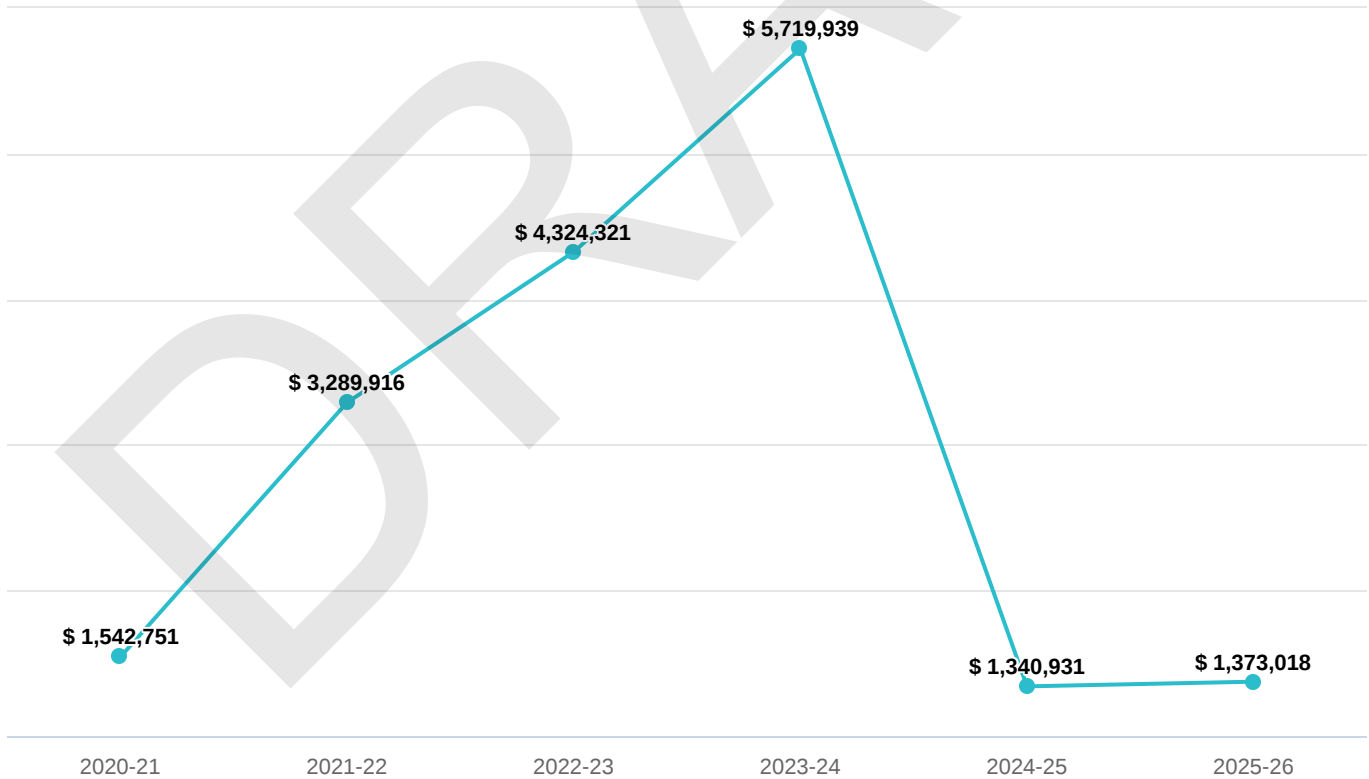
Budget Overview

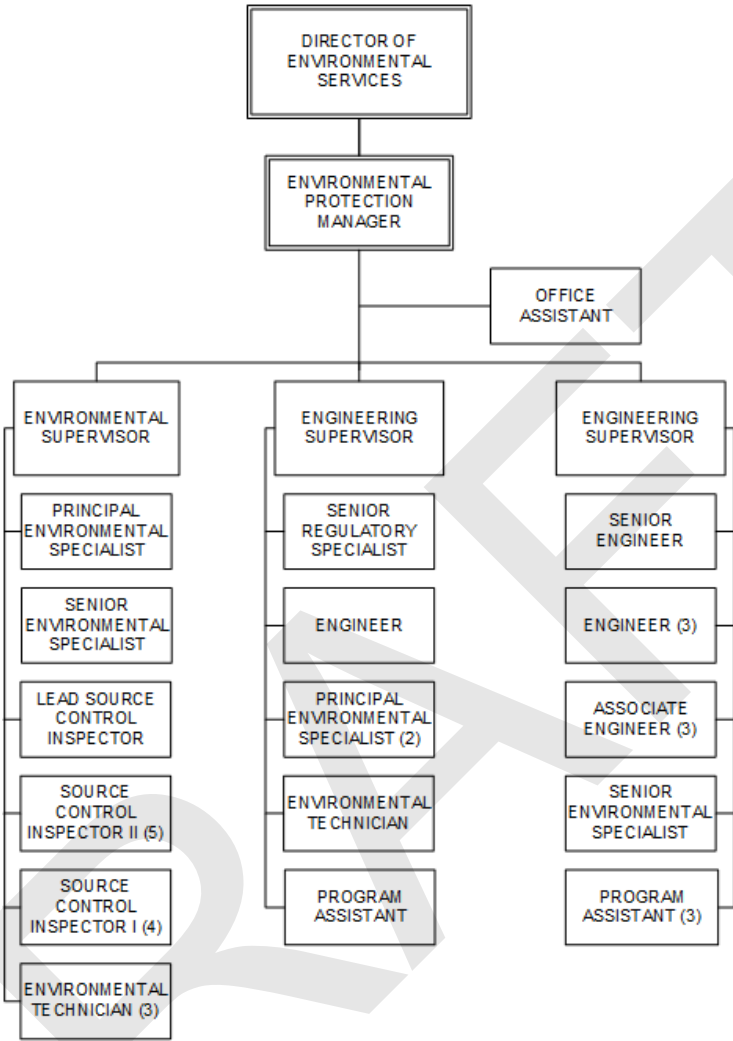
The FY 2024-25 & FY 2025-26 budgets for the Environmental Services Division reflect a decrease of (77%) and an increase of 2% over the prior year, respectively. The FY 2024-25 increase is primarily due to a decrease in personnel expenses, environmental scientific consulting, other professional services, research & monitoring and regulatory operating fees. The FY 2025-26 increase is primarily due to personnel expenses and research & monitoring.

2023-24 Adjusted Budget - Total Operating Requirements	\$ 5,719,939
Salaries for Position Changes:	
Transfer of Positions from/(to) Other Divisions	12
New or (decreased) FTE	(11)
Changes in Personnel Expenses:	
Other net salary adjustments (MOU-related, leave payoffs, vacancy, etc.)	(1,581,905)
Change in OCERS retirement costs	(167,490)
Change in group insurance costs	(176,445)
Other benefit cost adjustments	(39,170)
Other Cost Adjustments:	
Change in trainings & meetings	(88,875)
Change in professional services-auditing	(103,570)
Change in legal services	(60,000)
Change in environmental scientific consulting	(210,000)
Change in advocacy efforts	10,000
Change in other professional services	(250,000)
Change in research & monitoring	(203,609)
Change in regulatory operating fees	(1,500,000)
Change in temporary services	5,000
Aggregate change in Other Categories:	
Aggregate change in other materials, supplies, and services	2,944
2024-25 Proposed Budget - Total Operating Requirements	\$ 1,340,931
Changes in Personnel Expenses:	
Net salary adjustments (MOU-related, leave payoffs, vacancy, etc.)	11,522
Change in OCERS retirement costs	2,695
Change in group insurance costs	3,250
Other benefit cost adjustments	137
Other Cost Adjustments:	
Change in training & meetings	(2,400)
Change in research & monitoring	16,883
Aggregate change in Other Categories:	
Aggregate change in other materials, supplies, and services	-
2025-26 Proposed Budget - Total Operating Requirements	\$ 1,373,018

Operating Expense by Category	2022-23 Actual	2023-24 Budget	2023-24 Projected	2024-25 Proposed	Budget % Change to 2023-24	2025-26 Proposed	Budget % Change to 2024-25
Personnel	\$ 2,359,312	\$ 2,565,366	\$ 2,348,950	\$ 600,357	(76.60%)	\$ 617,961	2.93%
Supplies	123,058	209,380	209,739	112,740	(46.16%)	110,340	(2.13%)
Professional & Contractual Services	247,611	678,570	402,224	65,000	(90.42%)	65,000	0.00%
Research & Monitoring	557,181	766,363	766,363	562,754	(26.57%)	579,637	3.00%
Repairs & Maintenance	-	-	-	-	0.00%	-	0.00%
Utilities	-	-	-	-	0.00%	-	0.00%
Other	1,037,159	1,500,260	1,500,633	80	(99.99%)	80	0.00%
Total	\$ 4,324,321	\$ 5,719,939	\$ 5,227,909	\$ 1,340,931	(76.56%)	\$ 1,373,018	2.39%

Expenditure Trends

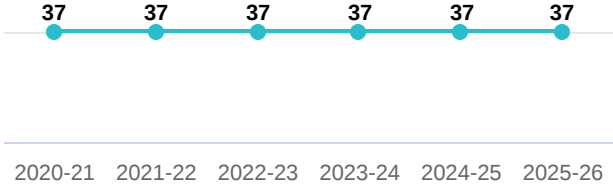




24-25 & 25-26 Authorized FTE Positions

Managers	1
Supervisors / Professionals	17
Administrative & Clerical	5
Technical Services	14
Total	37

Staffing Trends



Service Description

Resource Protection provides local enforcement of federal pretreatment regulations and ensures continuous improvement in OC San's enhanced source control program to sustain water reclamation and beneficial biosolids reuse. The division conducts its industrial and enhanced source control activities in a cost effective and legally defensible manner to protect OC San's assets, employees, public health, and the environment.

2023-24 Performance Objectives

2023-24 Performance Results

Meet 100% of regulatory deadlines for required pretreatment program reports.	To date, 100% compliance.
Implement Ordinance terms and conditions, enforcing prohibitions (e.g., stormwater, slug discharges, etc.).	To date, 100% compliance.
Issue and renew 100% of the industrial wastewater permits prior to the expiration date.	To date, staff issued and renewed 100% of the industrial wastewater permits prior to the expiration dates.
Complete all assigned inspections and monitoring of Class I industrial permit holders.	To date, staff completed all assigned inspections and monitoring of Class I industrial permit holders.
Support of GWRS, special projects and routine monitoring requirements.	Staff is supporting GWRS, special projects, and routine monitoring requirements.

2024-25 & 2025-26 Performance Objectives

Ensure the division's expenditures are managed to within 5% of proposed budget.
Meet 100% of regulatory deadlines for required pretreatment program reports.
Implement Ordinance terms and conditions, enforcing prohibitions (e.g., stormwater, slug discharges, etc.).
Issue and renew 100% of the regular industrial wastewater discharge permits on time.
Complete all required inspections and monitoring of Class I industrial permittees.

Performance Measures

Summary	2022-23 Actual	2023-24 Projected	2024-25 Proposed	2025-26 Proposed	Justification
Manage Division Budget	86%	85%	100%	100%	OC San Standards
Meet 100% of Regulatory Deadlines (Reports)	100%	100%	100%	100%	Permit Requirements
Implement Ordinance	100%	100%	100%	100%	Permit Requirements
Industrial Permit Issuance/Renewal	100%	100%	100%	100%	Permit Requirements
Inspections/Monitoring	100%	100%	100%	100%	Joint Agreement

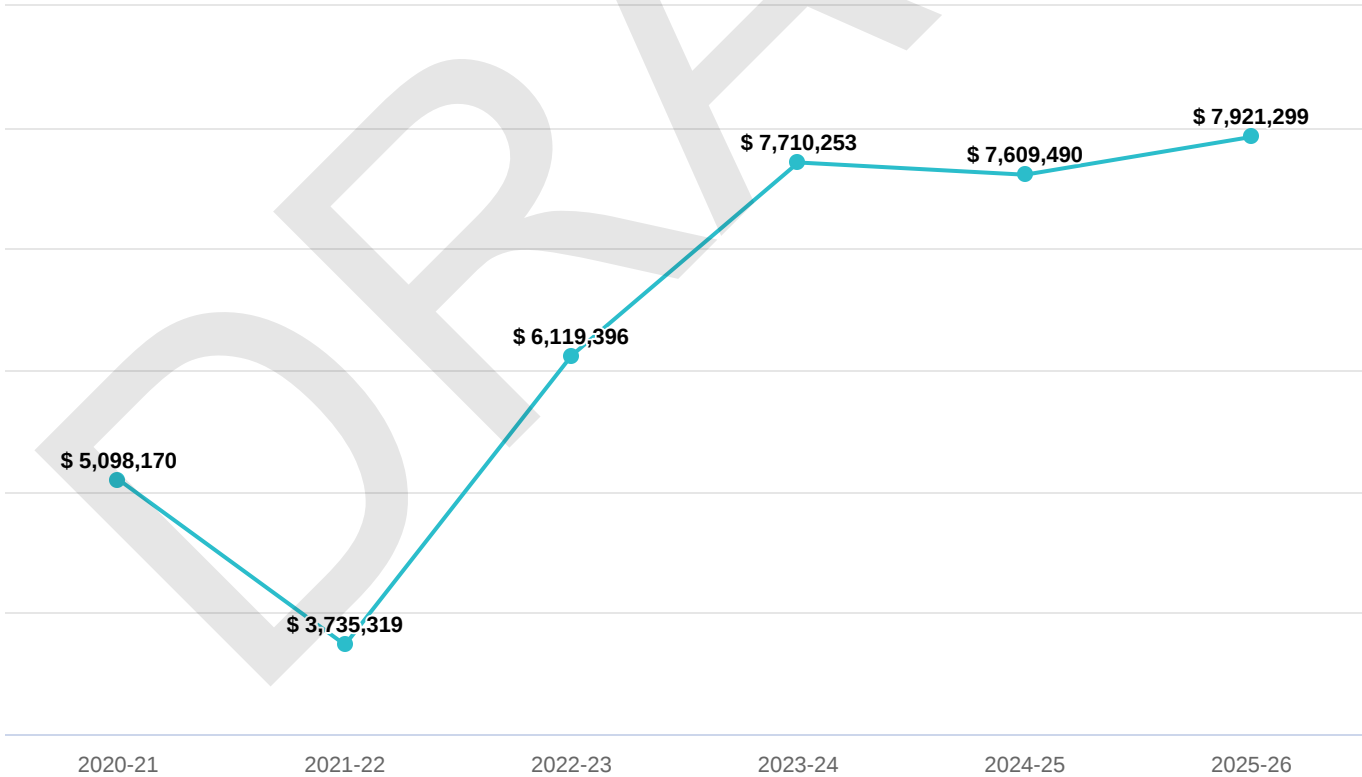
Budget Overview

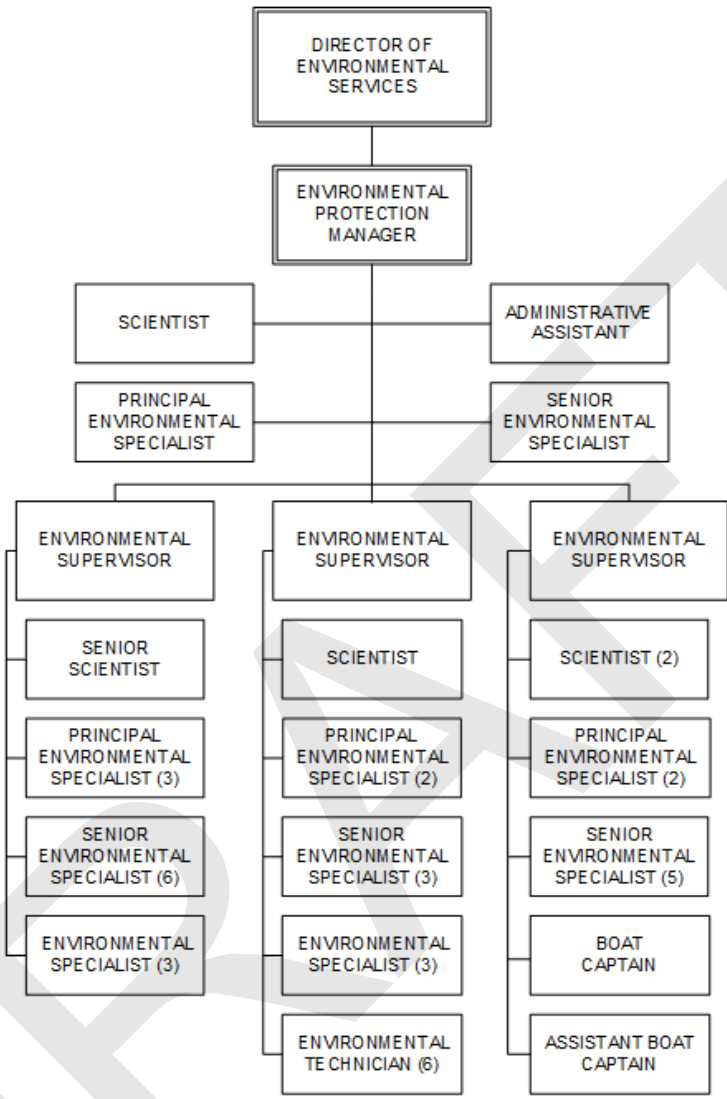
The FY 2024-25 & FY 2025-26 budgets for the Resource Protection Division reflect a decrease of (1%) and an increase of 4% over the prior year, respectively. The FY 2024-25 decrease is primarily due to an decrease in tools and temporary services. The FY 2025-26 increase is primarily due to personnel expenses.

2023-24 Adjusted Budget - Total Operating Requirements	\$ 7,710,253
Salaries for Position Changes:	
Transfer of Positions from/(to) Other Divisions	-
New or (decreased) FTE	-
Changes in Personnel Expenses:	
Other net salary adjustments (MOU-related, leave payoffs, vacancy, etc.)	(77,669)
Change in OCERS retirement costs	33,954
Change in group insurance costs	45,268
Other benefit cost adjustments	14,283
Other Cost Adjustments:	
Change in trainings & meetings	(7,960)
Change in tools	(145,929)
Change in safety equipment & tools	(18,000)
Change in laboratory chemicals & supplies	7,000
Change in temporary services	(100,000)
Change in environmental scientific consulting	145,000
Aggregate change in Other Categories:	
Aggregate change in other materials, supplies, and services	3,290
2024-25 Proposed Budget - Total Operating Requirements	\$ 7,609,490
Changes in Personnel Expenses:	
Net salary adjustments (MOU-related, leave payoffs, vacancy, etc.)	230,314
Change in OCERS retirement costs	27,955
Change in group insurance costs	59,260
Other benefit cost adjustments	2,525
Other Cost Adjustments:	
Change in trainings & meetings	(21,930)
Change in safety equipment & tools	5,000
Change in solvents, painting, & janitorial	2,500
Change in laboratory supplies	3,000
Aggregate change in Other Categories:	
Aggregate change in other materials, supplies, and services	3,185
2025-26 Proposed Budget - Total Operating Requirements	\$ 7,921,299

Operating Expense by Category	2022-23 Actual	2023-24 Budget	2023-24 Projected	2024-25 Proposed	Budget % Change to 2023-24	2025-26 Proposed	Budget % Change to 2024-25
Personnel	\$ 5,665,459	\$ 6,346,594	\$ 5,709,034	\$ 6,362,430	0.25%	\$ 6,682,484	5.03%
Supplies	245,378	398,719	399,772	232,300	(41.74%)	222,055	(4.41%)
Professional & Contractual Services	189,414	927,000	527,000	972,000	4.85%	972,000	0.00%
Research & Monitoring	6,000	25,000	25,000	25,000	0.00%	25,000	0.00%
Repairs & Maintenance	12,820	12,000	12,000	16,000	33.33%	18,000	12.50%
Utilities	-	-	-	-	0.00%	-	0.00%
Other	325	940	940	1,760	87.23%	1,760	0.00%
Total	\$ 6,119,396	\$ 7,710,253	\$ 6,673,746	\$ 7,609,490	(1.31%)	\$ 7,921,299	4.10%

Expenditure Trends

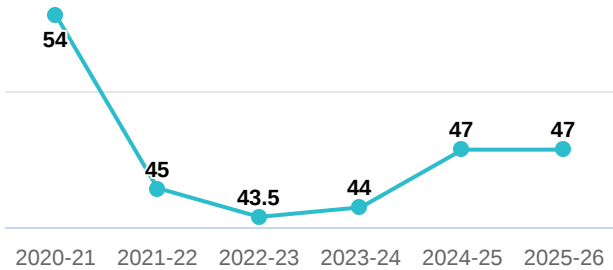




24-25 & 25-26 Authorized FTE Positions

Managers	1
Supervisors / Professionals	39
Administrative & Clerical	1
Technical Services	6
Total	47

Staffing Trends



Service Description

Environmental Laboratory and Ocean Monitoring provides sampling, ocean and treatment process monitoring, laboratory analysis, and oceanographic research services to OC San’s operations and to protect receiving water quality. The division is responsible for collaborating with OC San’s coastal monitoring partners and advancing analytical innovation in key regulatory areas such as compounds of emerging concern and toxic air contaminants.

2023-24 Performance Objectives

2023-24 Performance Results

Continued efficiency improvement as measured by internal standards and industry benchmarking with regional laboratories.	On Track
Successful performance on proficiency test standards to maintain lab accreditations	On Track
Manage Budget	On track to meet goal of 96-100%
Support of GWRS, special projects, and routine monitoring requirements	On Track
Meet all NPDES Permit requirements	On Track

2024-25 & 2025-26 Performance Objectives

Continue efficiency improvements.
Successful performance on proficiency test standards (95-100%).
Manage operating expenditures to 96% to 100% of the approved budget.
Support GWRS, special projects, and routine monitoring requirements.
Meet all NPDES Permit requirements.

Performance Measures

Summary	2022-23 Actual	2023-24 Projected	2024-25 Proposed	2025-26 Proposed	Justification
Laboratory Productivity	Achieved	Ongoing	Sustain	Sustain	OC San Standards
Lab Accreditation	Achieved	Ongoing	Sustain	Sustain	Lab Accreditation
Manage Budget	Achieved	Ongoing	Sustain	Sustain	OC San Standards
Support initiatives and projects	Achieved	Ongoing	Sustain	Sustain	OC San Standards
Permit compliance	Achieved	Ongoing	Sustain	Sustain	Permit Requirements

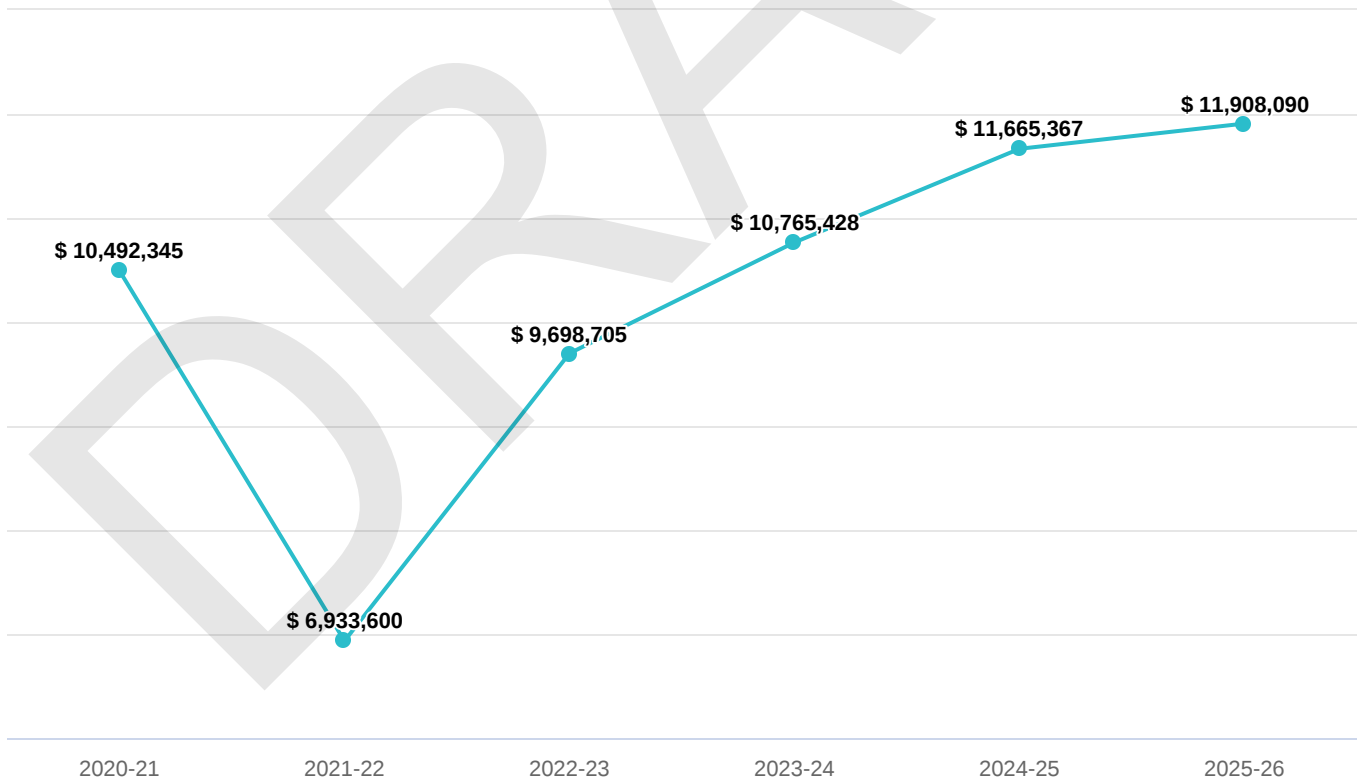
Budget Overview

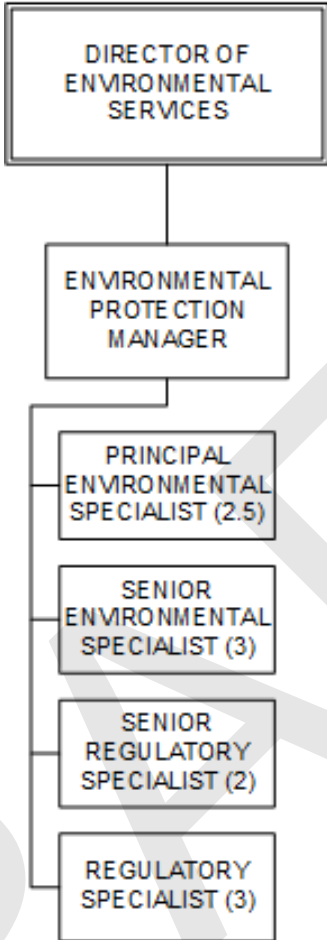
The FY 2024-25 & FY 2025-26 budgets for the Laboratory, Monitoring & Compliance Division reflect an increase of 8% and an increase of 2% over the prior year, respectively. The FY 2024-25 increase is primarily due to an increase in personnel expenses and environmental research & monitoring. The FY 2025-26 increase is primarily due to personnel expenses and partially offset by a decrease in environmental research & monitoring, environmental scientific consulting and temporary services.

2023-24 Adjusted Budget - Total Operating Requirements	\$ 10,765,428
Salaries for Position Changes:	
Transfer of Positions from/(to) Other Divisions	-
New or (decreased) FTE	3
Changes in Personnel Expenses:	
Other net salary adjustments (MOU-related, leave payoffs, vacancy, etc.)	336,362
Change in OCERS retirement costs	81,819
Change in group insurance costs	99,393
Other benefit cost adjustments	35,805
Other Cost Adjustments:	
Change in trainings & meetings	(27,185)
Change in gas, diesel, & oil expenses	16,000
Change in laboratory chemicals & supplies	30,000
Change in outside laboratory services	40,000
Change in temporary services	(66,400)
Change in environmental research & monitoring	263,000
Change in repairs & maintenance expenses	60,000
Change in regulatory operating fees	15,000
Change in administrative expenses	7,185
Aggregate change in Other Categories:	
Aggregate change in other materials, supplies, and services	8,960
2024-25 Proposed Budget - Total Operating Requirements	\$ 11,665,367
Changes in Personnel Expenses:	
Net salary adjustments (MOU-related, leave payoffs, vacancy, etc.)	273,107
Change in OCERS retirement costs	35,436
Change in group insurance costs	74,893
Other benefit cost adjustments	3,208
Other Cost Adjustments:	
Change in gas, diesel, & oil expenses	10,000
Change in laboratory chemicals & supplies	10,000
Change in temporary services	(50,000)
Change in environmental scientific consulting	(48,000)
Change in environmental research & monitoring	(130,000)
Change in repairs & maintenance expenses	60,000
Change in regulatory operating fees	10,000
Aggregate change in Other Categories:	
Aggregate change in other materials, supplies, and services	(5,921)
2025-26 Proposed Budget - Total Operating Requirements	\$ 11,908,090

Operating Expense by Category	2022-23 Actual	2023-24 Budget	2023-24 Projected	2024-25 Proposed	Budget % Change to 2023-24	2025-26 Proposed	Budget % Change to 2024-25
Personnel	\$ 7,425,747	\$ 7,903,928	\$ 7,621,935	\$ 8,457,307	7.00%	\$ 8,843,950	4.57%
Supplies	751,512	732,960	754,265	765,260	4.41%	779,340	1.84%
Professional & Contractual Services	367,856	586,400	584,552	560,000	(4.50%)	462,000	(17.50%)
Research & Monitoring	589,813	985,000	961,000	1,248,000	26.70%	1,118,000	(10.42%)
Repairs & Maintenance	441,000	420,000	420,000	480,000	14.29%	540,000	12.50%
Utilities	-	-	-	-	0.00%	-	0.00%
Other	122,776	137,140	137,140	154,800	12.88%	164,800	6.46%
Total	\$ 9,698,705	\$ 10,765,428	\$ 10,478,892	\$ 11,665,367	8.36%	\$ 11,908,090	2.08%

Expenditure Trends

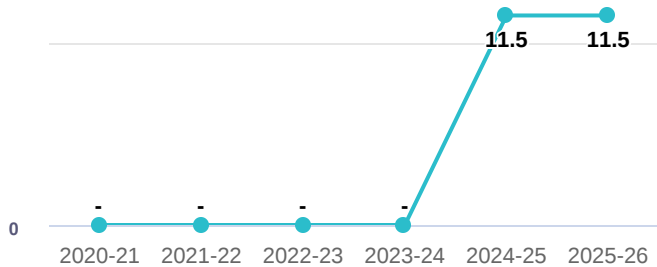




24-25 & 25-26 Authorized FTE Positions

Managers	1
Supervisors / Professionals	10.5
Total	11.5

Staffing Trends



Service Description

Environmental Compliance group is tasked with ensuring adherence to environmental regulations and permit conditions for ocean discharge, air emissions, and biosolids/solids management. The team actively advocates for responsible and pragmatic environmental regulations relevant to wastewater treatment and resource recovery.

2023-24 Performance Objectives

2023-24 Performance Results

Manage Budget	Achieved
Department Performance Objectives	Achieved
Compliance Reporting Requirements	Achieved
Audit Environmental Permits: Quarterly, semi annual, annual, every 2 years	Achieved

2024-25 & 2025-26 Performance Objectives

Ensure all environmental compliance reporting requirements are met on or before required submission date 100% of time.

Audit all major environmental permits within adopted audit schedule: quarterly, semiannual, annual, every 2 years.

Performance Measures

Summary	2022-23 Actual	2023-24 Projected	2024-25 Proposed	2025-26 Proposed	Justification
Compliance Reporting Requirements	Achieved	Ongoing	Planned	Planned	Permit Requirements
Audit Environmental Permits	Achieved	Ongoing	Planned	Planned	Permit Requirements

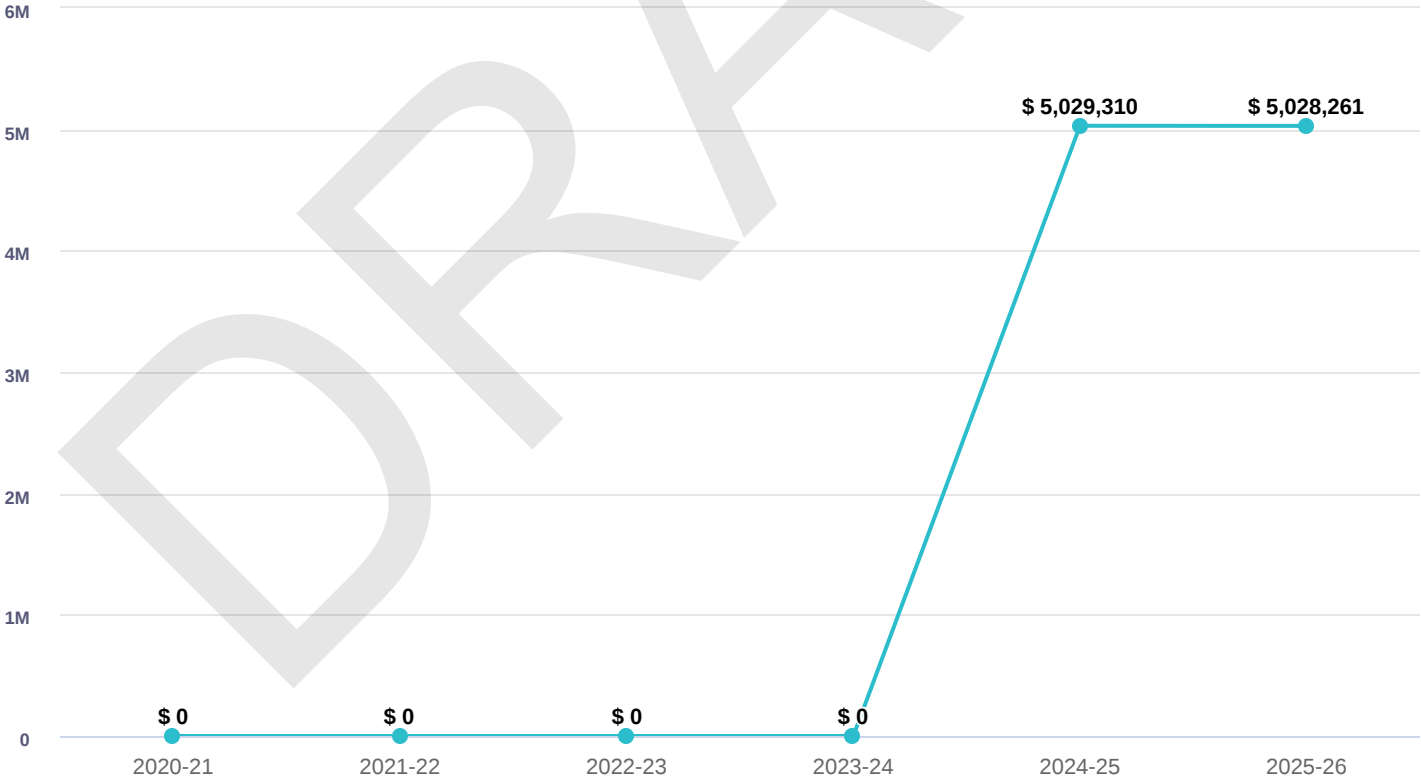
Budget Overview

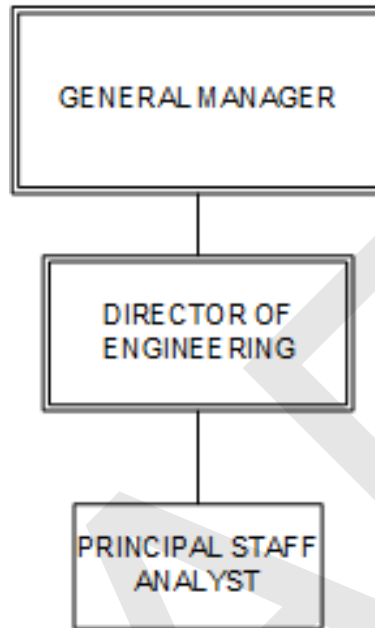
The FY 2024-25 & FY 2025-26 budgets for the new Environmental Compliance Division reflect an increase of - and an increase of - over the prior year, respectively. As a new Division, the FY 2024-25 budget commences the first fiscal year of the budget cycle. The FY 2025-26 slight decrease is primarily due to other professional services and is partially offset due to increases in personnel expenses, other professional services-auditing, and regulatory operating fees.

2023-24 Adjusted Budget - Total Operating Requirements	-
Salaries for Position Changes:	
Transfer of Positions from/(to) Other Divisions	12
New or (decreased) FTE	11.5
Changes in Personnel Expenses:	
Other net salary adjustments (MOU-related, leave payoffs, vacancy, etc.)	1,776,834
Change in OCERS retirement costs	250,208
Change in group insurance costs	211,216
Other benefit cost adjustments	49,926
Other Cost Adjustments:	
Change in training & meetings	16,125
Change in legal services	60,000
Change in professional services-auditing	20,000
Change in environmental scientific consulting	286,500
Change in advocacy efforts	63,600
Change in other professional services	250,000
Change in air quality monitoring	300,000
Change in regulatory operating fees	1,733,610
Aggregate change in Other Categories:	
Aggregate change in other materials, supplies, and services	(11,291)
2024-25 Proposed Budget - Total Operating Requirements	\$ 5,029,310
Changes in Personnel Expenses:	
Net salary adjustments (MOU-related, leave payoffs, vacancy, etc.)	84,091
Change in OCERS retirement costs	11,284
Change in group insurance costs	18,527
Other benefit cost adjustments	785
Other Cost Adjustments:	
Change in professional services-auditing	50,000
Change in environmental scientific consulting	(8,500)
Change in other professional services	(250,000)
Change in regulatory operating fees	92,763
Aggregate change in Other Categories:	
Aggregate change in other materials, supplies, and services	1
2025-26 Proposed Budget - Total Operating Requirements	\$ 5,028,261

Operating Expense by Category	2022-23 Actual	2023-24 Budget	2023-24 Projected	2024-25 Proposed	Budget % Change to 2023-24	2025-26 Proposed	Budget % Change to 2024-25
Personnel	-	-	-	\$ 2,288,185	0.00%	\$ 2,402,873	5.01%
Supplies	-	-	-	21,935	0.00%	21,935	0.00%
Professional & Contractual Services	-	-	-	685,100	0.00%	476,600	(30.43%)
Research & Monitoring	-	-	-	300,000	0.00%	300,000	0.00%
Repairs & Maintenance	-	-	-	-	0.00%	-	0.00%
Utilities	-	-	-	-	0.00%	-	0.00%
Other	-	-	-	1,734,090	0.00%	1,826,853	5.35%
Total	-	-	-	\$ 5,029,310	0.00%	\$ 5,028,261	(0.02%)

Expenditure Trends

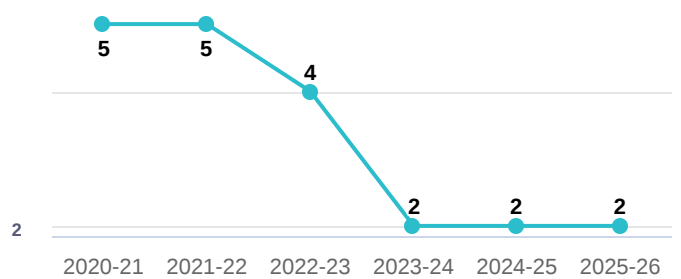




24-25 & 25-26 Authorized FTE Positions

Executive Managers	1
Supervisors / Professionals	1
Total	2

Staffing Trends



Service Description

The mission statement of the Engineering Department is to deliver world class engineering projects through skilled staff, technical excellence, proactive project planning, efficient project delivery, effective communication, and critical thinking.

2023-24 Performance Objectives

Ensure expenditures are managed to 90-100% of the proposed budget.

Ensure reporting divisions achieve 90% of individual performance objectives.

2023-24 Performance Results

Projected to be 87%.

Projected to be 97%.

2024-25 & 2025-26 Performance Objectives

Ensure the division's operational expenditures are managed to 90-100% of the proposed budget.

Ensure reporting divisions achieve 90% of individual performance objectives.

Performance Measures

Summary	2022-23 Actual	2023-24 Projected	2024-25 Proposed	2025-26 Proposed	Justification
Manage division budget	100%	100%	90-100%	90-100%	Division Workplan
Division performance objectives	97%	97%	90%	90%	Division Workplan

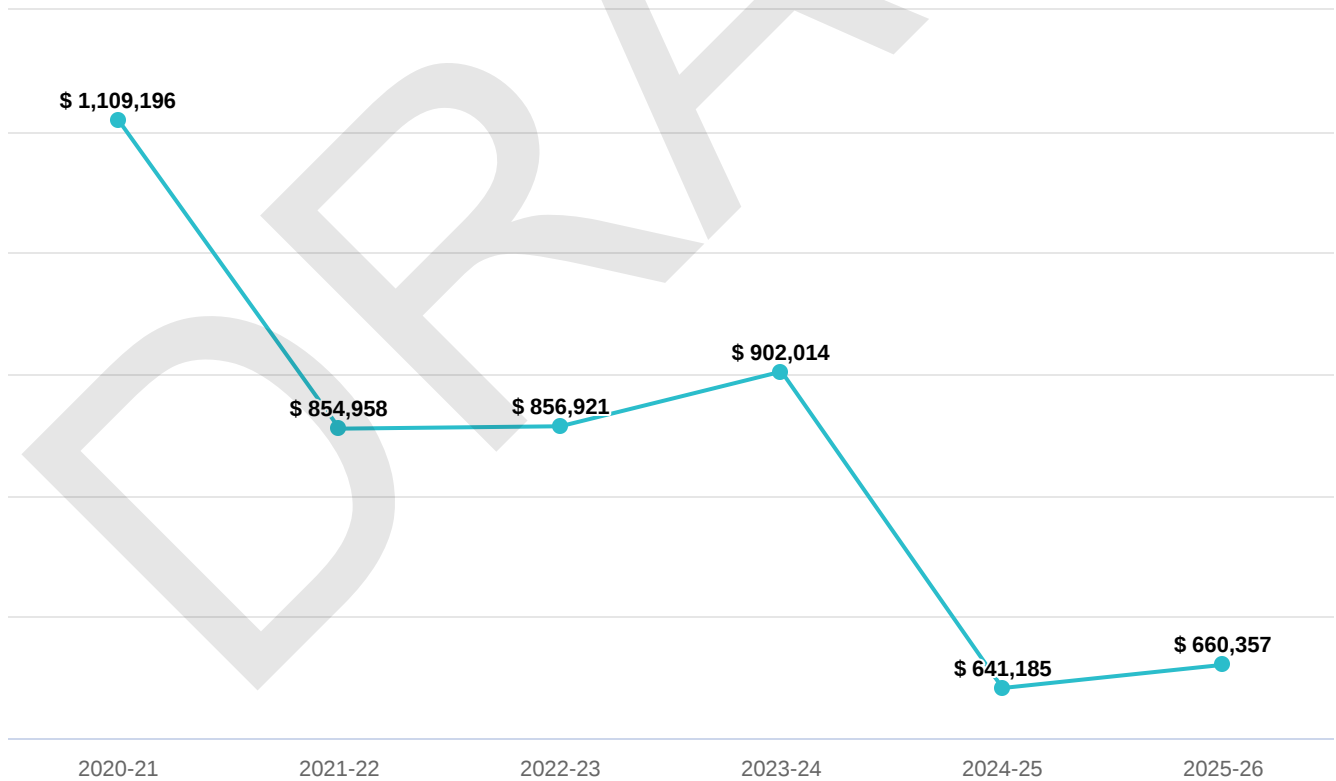
Budget Overview

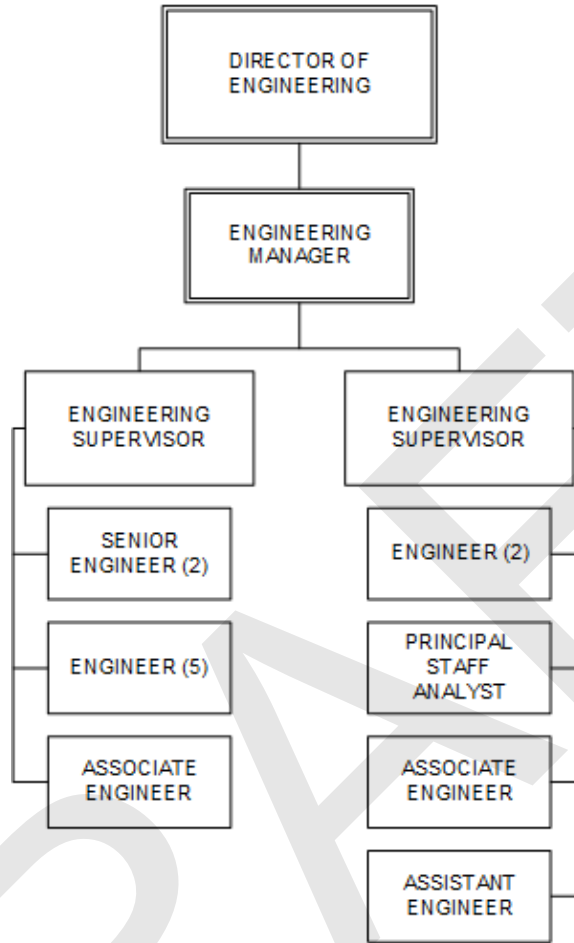
The FY 2024-25 & FY 2025-26 budgets for the Engineering Administration Division reflect a decrease of (29%) and an increase of 3% over the prior year, respectively. The FY 2024-25 decrease is primarily due to a decrease in personnel expenses. The FY 2025-26 increase is primarily due to personnel expenses.

2023-24 Adjusted Budget - Total Operating Requirements	\$ 902,014
Salaries for Position Changes:	
Transfer of Positions from/(to) Other Divisions	-
New or (decreased) FTE	-
Changes in Personnel Expenses:	
Other net salary adjustments (MOU-related, leave payoffs, vacancy, etc.)	(229,532)
Change in OCERS retirement costs	4,031
Change in group insurance costs	(31,220)
Other benefit cost adjustments	(4,828)
Other Cost Adjustments:	
Change in trainings & meetings	1,000
Aggregate change in Other Categories:	
Aggregate change in other materials, supplies, and services	(280)
2024-25 Proposed Budget - Total Operating Requirements	\$ 641,185
Changes in Personnel Expenses:	
Net salary adjustments (MOU-related, leave payoffs, vacancy, etc.)	10,933
Change in OCERS retirement costs	4,689
Change in group insurance costs	3,413
Other benefit cost adjustments	137
Other Cost Adjustments:	
No other significant cost changes	
Aggregate change in Other Categories:	
Aggregate change in other materials, supplies, and services	-
2025-26 Proposed Budget - Total Operating Requirements	\$ 660,357

Operating Expense by Category	2022-23 Actual	2023-24 Budget	2023-24 Projected	2024-25 Proposed	Budget % Change to 2023-24	2025-26 Proposed	Budget % Change to 2024-25
Personnel	\$ 852,470	\$ 900,704	\$ 673,081	\$ 639,155	(29.04%)	\$ 658,327	3.00%
Supplies	4,451	1,250	2,050	1,950	56.00%	1,950	0.00%
Professional & Contractual Services	-	-	-	-	0.00%	-	0.00%
Research & Monitoring	-	-	-	-	0.00%	-	0.00%
Repairs & Maintenance	-	-	-	-	0.00%	-	0.00%
Utilities	-	-	-	-	0.00%	-	0.00%
Other	-	60	60	80	33.33%	80	0.00%
Total	\$ 856,921	\$ 902,014	\$ 675,191	\$ 641,185	(28.92%)	\$ 660,357	2.99%

Expenditure Trends

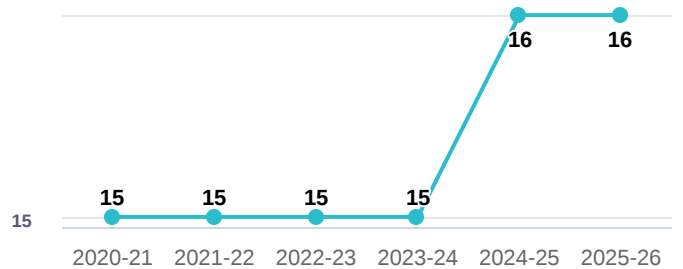




24-25 & 25-26 Authorized FTE Positions

Managers	1
Supervisors / Professionals	15
Total	16

Staffing Trends



Service Description

The mission of the division is to provide asset management and maintain a long-term Capital Improvement Program (CIP) to ensure availability of adequate, reliable, and cost-effective infrastructure, while protecting the environment and addressing growth within our service area. The Planning Division also establishes partnerships with the public and private sectors to resolve complex issues; has a mission to research new technologies and treatment processes; and reviews and processes connection permits; utility requests, annexations, and inter-agency agreements in an expeditious manner to best serve the public.

2023-24 Performance Objectives

Ensure the division's expenditure are managed to 90-100% of proposed budget.
Expend 85-100% of budgeted annual net CIP outlay.
Respond to 100% of environmental correspondence within 45 days.
Complete utility requests within 5 business days.

2023-24 Performance Results

Projected to be 88%.
Projected to be 87%.
Achieved.
Achieved.

2024-25 & 2025-26 Performance Objectives

Ensure the division's operational expenditures are managed to 90-100% of proposed budget.
Review all environmental correspondence within 45 days.
Respond to utility requests within five business days of receipt.

Performance Measures

Summary	2022-23 Actual	2023-24 Projected	2024-25 Proposed	2025-26 Proposed	Justification
Manage division budget	76%	88%	90-100%	90-100%	Division Workplan
Review environmental correspondence	100%	100%	100%	100%	Division Workplan
Respond to utility requests	100%	100%	100%	100%	Division Workplan

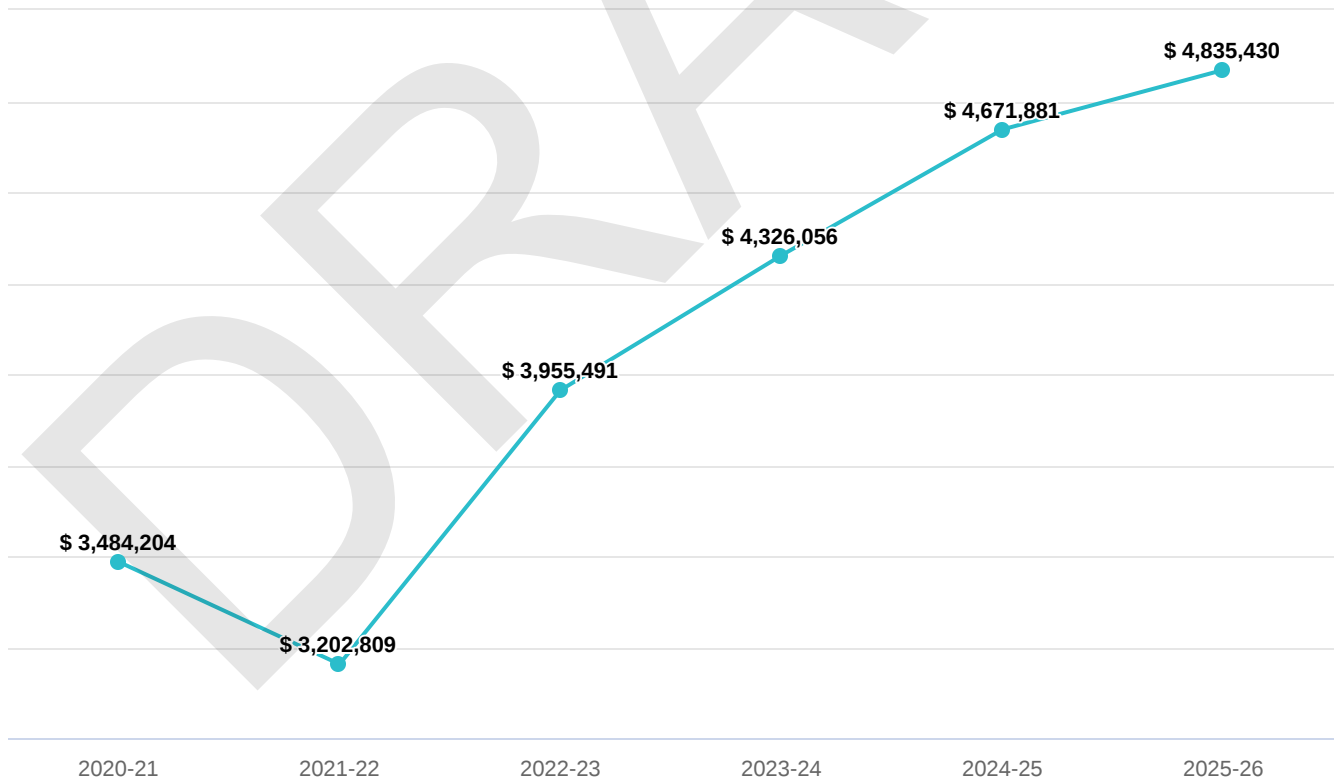
Budget Overview

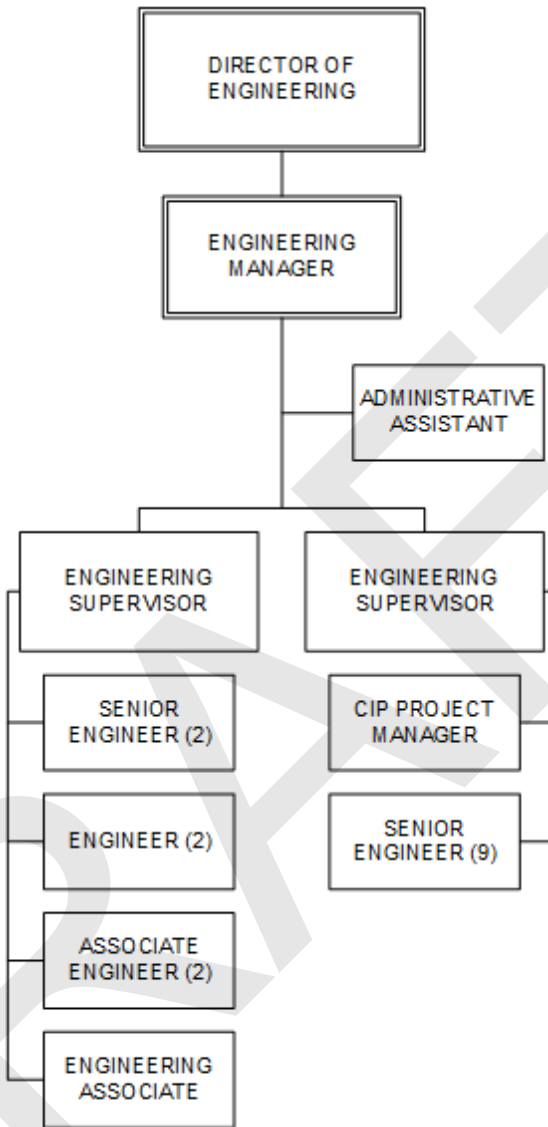
The FY 2024-25 & FY 2025-26 budgets for the Planning Division reflect an increase of 8% and an increase of 4% over the prior year, respectively. The FY 2024-25 increase is primarily due to an increase in personnel expenses, memberships and training & meetings. The FY 2025-26 increase is primarily due to personnel expenses.

2023-24 Adjusted Budget - Total Operating Requirements	\$ 4,326,056
Salaries for Position Changes:	
Transfer of Positions from/(to) Other Divisions	-
New or (decreased) FTE	1
Changes in Personnel Expenses:	
Other net salary adjustments (MOU-related, leave payoffs, vacancy, etc.)	243,785
Change in OCERS retirement costs	31,490
Change in group insurance costs	39,394
Other benefit cost adjustments	8,186
Other Cost Adjustments:	
Change in memberships	10,300
Change in training & meetings	13,460
Aggregate change in Other Categories:	
Aggregate change in other materials, supplies, and services	(790)
2024-25 Proposed Budget - Total Operating Requirements	\$ 4,671,881
Changes in Personnel Expenses:	
Net salary adjustments (MOU-related, leave payoffs, vacancy, etc.)	133,926
Change in OCERS retirement costs	14,670
Change in group insurance costs	26,111
Other benefit cost adjustments	1,092
Other Cost Adjustments:	
Change in training & meetings	(13,250)
Aggregate change in Other Categories:	
Aggregate change in other materials, supplies, and services	1,000
2025-26 Proposed Budget - Total Operating Requirements	\$ 4,835,430

Operating Expense by Category	2022-23 Actual	2023-24 Budget	2023-24 Projected	2024-25 Proposed	Budget % Change to 2023-24	2025-26 Proposed	Budget % Change to 2024-25
Personnel	\$ 2,908,359	\$ 2,997,436	\$ 2,963,637	\$ 3,320,291	10.77%	\$ 3,496,090	5.29%
Supplies	150,804	108,170	110,016	130,950	21.06%	118,700	(9.35%)
Professional & Contractual Services	886,745	1,220,000	1,052,000	1,220,000	0.00%	1,220,000	0.00%
Research & Monitoring	-	-	-	-	0.00%	-	0.00%
Repairs & Maintenance	23	-	1	-	0.00%	-	0.00%
Utilities	-	-	-	-	0.00%	-	0.00%
Other	9,561	450	300	640	42.22%	640	0.00%
Total	\$ 3,955,491	\$ 4,326,056	\$ 4,125,954	\$ 4,671,881	7.99%	\$ 4,835,430	3.50%

Expenditure Trends

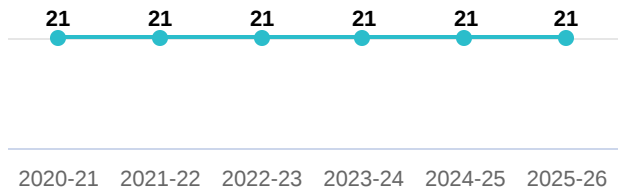




24-25 & 25-26 Authorized FTE Positions

Managers	1
Supervisors / Professionals	18
Administrative & Clerical	2
Total	21

Staffing Trends



Service Description

The mission of the division is to timely deliver high quality, reliable and cost-effective projects to enable OC San to meet all treatment and regulatory goals.

2023-24 Performance Objectives

Ensure the division's operational expenditures are managed to 90-100% of proposed budget.
Expend 85-105% of budgeted net CIP outlay.
Maintain or improve CIP program non-construction cost for active projects at 35% or less.

2023-24 Performance Results

Projected to be 69%.
Projected to be 87%.
Projected to be 32%.

2024-25 & 2025-26 Performance Objectives

Ensure the division's operational expenditures are managed to 90-100% of proposed budget.
Expend 90-105% of the budgeted annual net CIP outlay.
Maintain or improve CIP program non-construction cost for active projects at 35% or less.

Performance Measures

Summary	2022-23 Actual	2023-24 Projected	2024-25 Proposed	2025-26 Proposed	Justification
Manage division budget	105%	69%	90-100%	90-100%	Division Workplan
Net CIP outlay	84%	87%	90-105%	90-105%	Division Workplan
Non-construction costs	34%	32%	< 35%	< 35%	Division Workplan

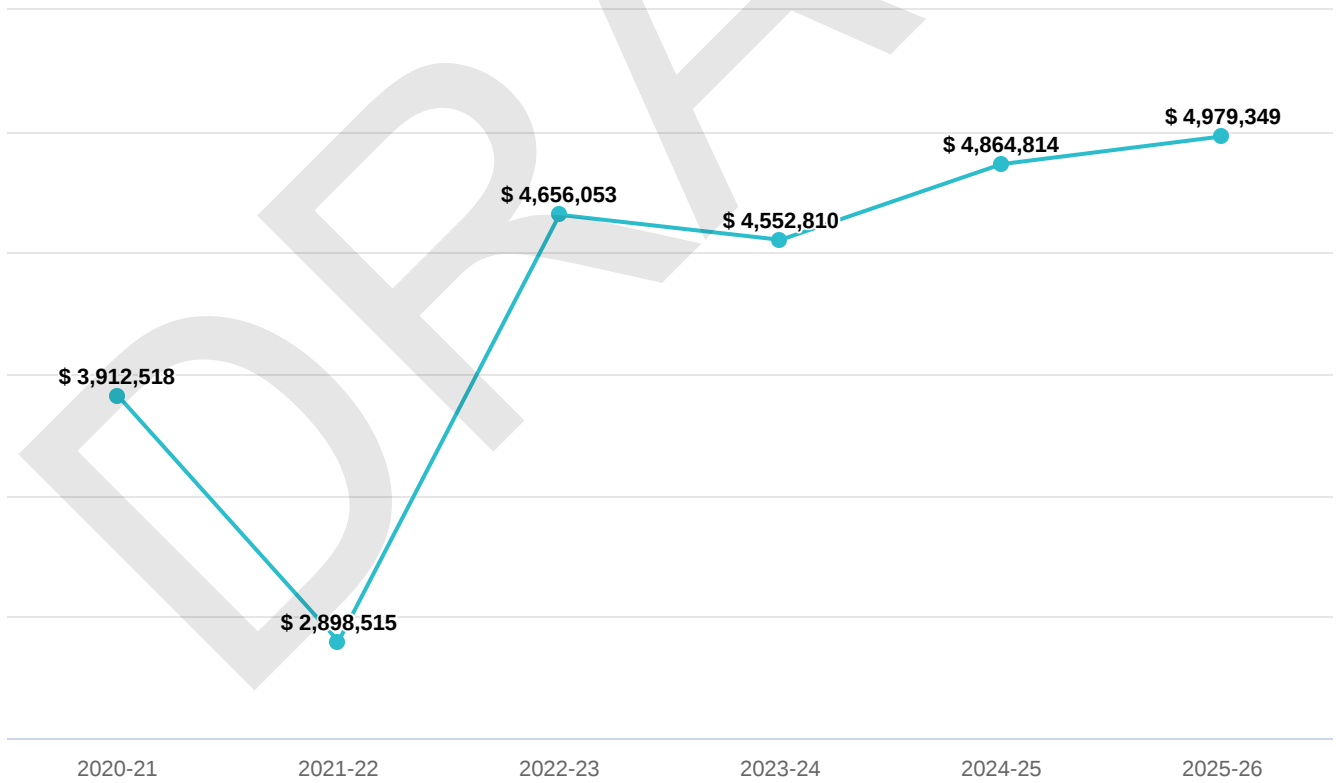
Budget Overview

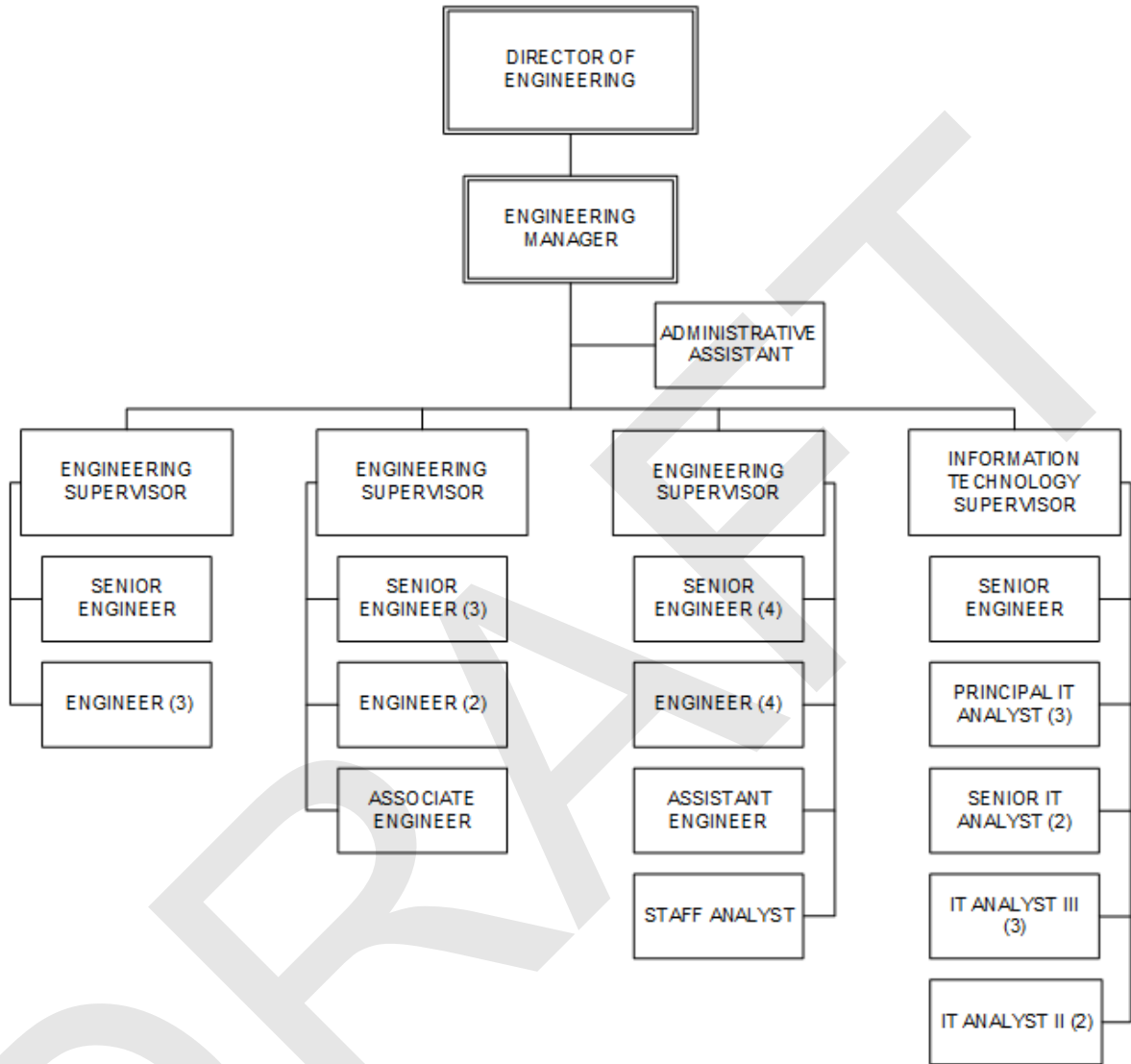
The FY 2024-25 & FY 2025-26 budgets for the Project Management Office Division reflect an increase of 7% and an increase of 2% over the prior year, respectively. The FY 2024-25 increase is primarily due to an increase in personnel expenses, training & meetings and other professional services. The FY 2025-26 increase is primarily due to personnel expenses.

2023-24 Adjusted Budget - Total Operating Requirements	\$ 4,552,810
Salaries for Position Changes:	
Transfer of Positions from/(to) Other Divisions	-
New or (decreased) FTE	-
Changes in Personnel Expenses:	
Other net salary adjustments (MOU-related, leave payoffs, vacancy, etc.)	156,769
Change in OCERS retirement costs	49,525
Change in group insurance costs	28,725
Other benefit cost adjustments	13,388
Other Cost Adjustments:	
Change in training & meetings	14,700
Change in other professional services	50,000
Aggregate change in Other Categories:	
Aggregate change in other materials, supplies, and services	(1,103)
2024-25 Proposed Budget - Total Operating Requirements	\$ 4,864,814
Changes in Personnel Expenses:	
Net salary adjustments (MOU-related, leave payoffs, vacancy, etc.)	126,195
Change in OCERS retirement costs	19,268
Change in group insurance costs	33,538
Other benefit cost adjustments	1,433
Other Cost Adjustments:	
Change in training & meetings	(15,900)
Change in other professional services	(50,000)
Aggregate change in Other Categories:	
Aggregate change in other materials, supplies, and services	1
2025-26 Proposed Budget - Total Operating Requirements	\$ 4,979,349

Operating Expense by Category	2022-23 Actual	2023-24 Budget	2023-24 Projected	2024-25 Proposed	Budget % Change to 2023-24	2025-26 Proposed	Budget % Change to 2024-25
Personnel	\$ 4,640,658	\$ 4,540,790	\$ 4,595,081	\$ 4,789,196	5.47%	\$ 4,969,631	3.77%
Supplies	8,405	11,600	8,122	24,778	113.60%	8,878	(64.17%)
Professional & Contractual Services	6,496	-	-	50,000	0.00%	-	(100.00%)
Research & Monitoring	-	-	-	-	0.00%	-	0.00%
Repairs & Maintenance	26	-	-	-	0.00%	-	0.00%
Utilities	-	-	-	-	0.00%	-	0.00%
Other	468	420	420	840	100.00%	840	0.00%
Total	\$ 4,656,053	\$ 4,552,810	\$ 4,603,623	\$ 4,864,814	6.85%	\$ 4,979,349	2.35%

Expenditure Trends

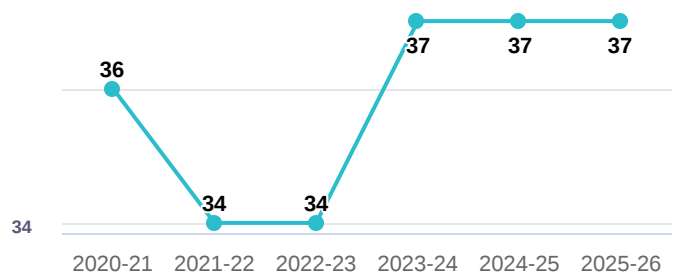




24-25 & 25-26 Authorized FTE Positions

Managers	1
Supervisors / Professionals	35
Administrative & Clerical	1
Total	37

Staffing Trends



Service Description

The mission of the division is to ensure that all projects are designed to be maintainable, operable, reliable, and affordable at optimum lifecycle costs in accordance with OC San’s Engineering Design Guidelines and industry standards and codes. This division provides construction support services and oversees commissioning to ensure projects conform with the contract documents. The division also provides control systems that are highly reliable, safe, secure, and available to monitor, record, control, and operate our facilities.

2023-24 Performance Objectives

Ensure the division's expenditures are managed to 90-100% of proposed budget.
Update 12 standards and design guidelines.
Ensure mission critical real-time control systems are online and available > 99.9%.
Complete control system programming prior to functional acceptance testing.

2023-24 Performance Results

Projected to be 91%.
Expected to update 19 standards and guidelines.
Expected to be >99.9%.
Expected to be 100%.

2024-25 & 2025-26 Performance Objectives

Ensure the division's operational expenditures are managed to 90-100% of proposed budget.
Update 12 standards and design guidelines.
Ensure mission critical real-time control systems are online and available greater than 99.9% (8hr/yr of unplanned downtime).
Complete control system programming prior to functional acceptance testing.

Performance Measures

Summary	2022-23 Actual	2023-24 Projected	2024-25 Proposed	2025-26 Proposed	Justification
Manage division budget	66%	91%	90-100%	90-100%	Division Workplan
Update standards and guidelines	15	19	12	12	Division Workplan
Control systems availability	100%	>99.9%	>99.9%	>99.9%	Division Workplan
Complete control system programming	100%	100%	>98%	>98%	Division Workplan

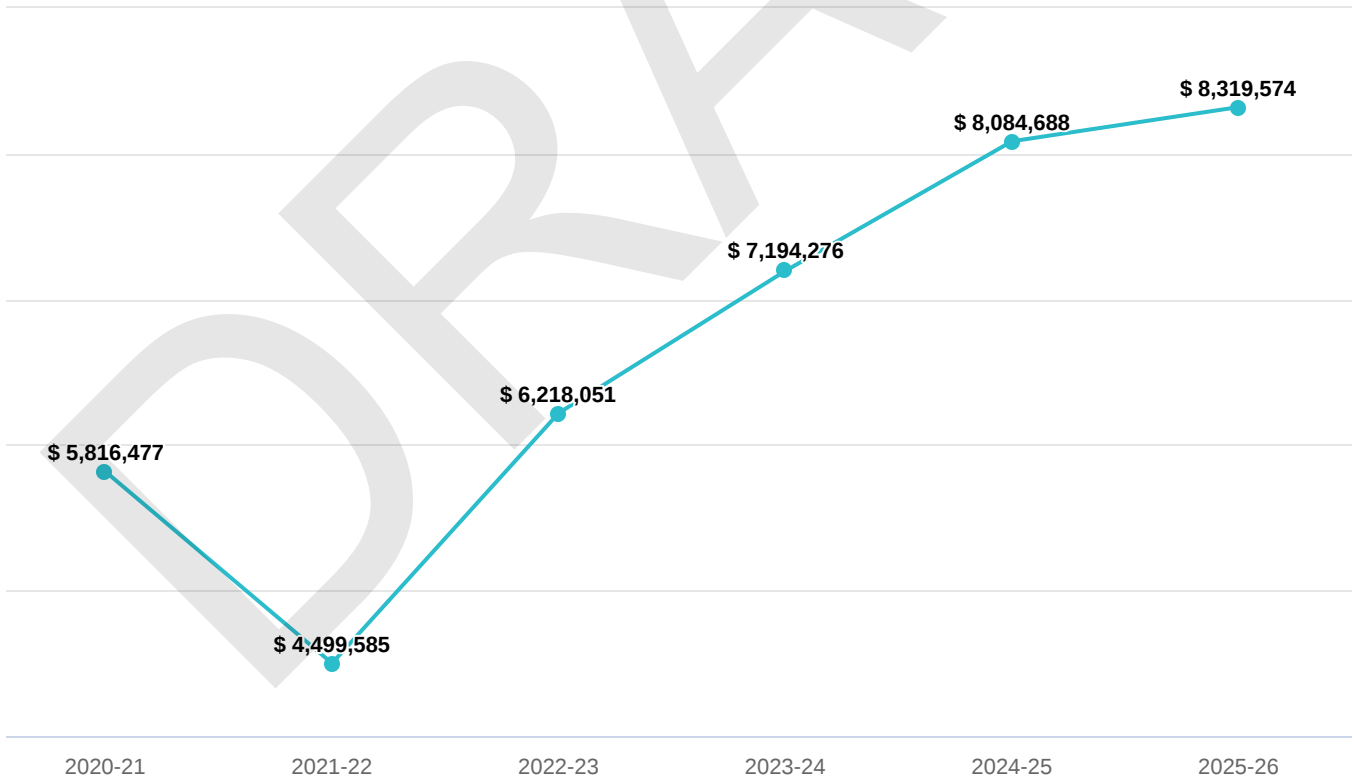
Budget Overview

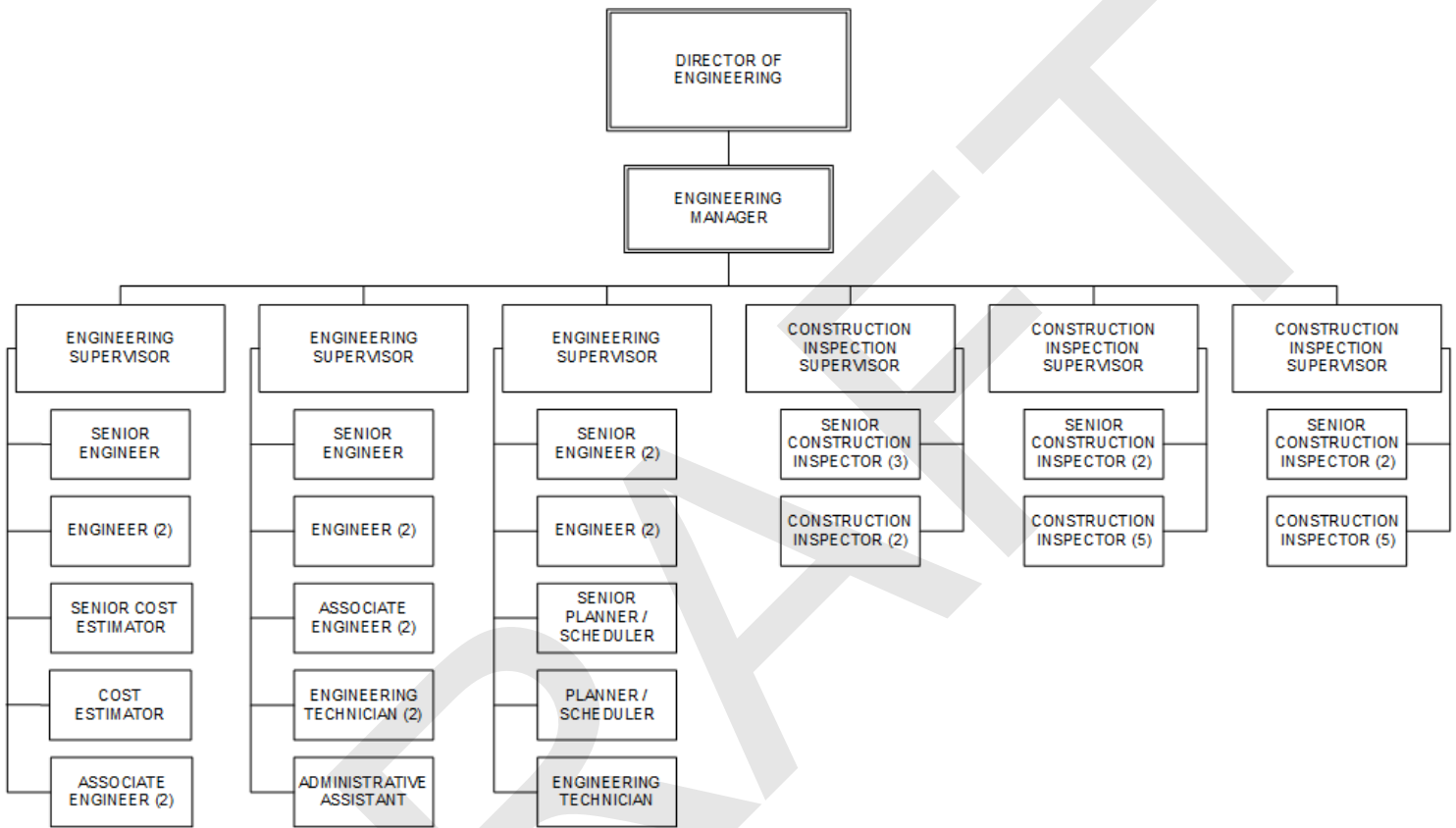
The FY 2024-25 & FY 2025-26 budgets for the Design Division reflect an increase of 12% and an increase of 3% over the prior year, respectively. The FY 2024-25 increase is primarily due to an increase in personnel expenses, engineering services and software program consulting. The FY 2025-26 increase is primarily due to personnel expenses.

2023-24 Adjusted Budget - Total Operating Requirements	\$ 7,194,276
Salaries for Position Changes:	
Transfer of Positions from/(to) Other Divisions	-
New or (decreased) FTE	-
Changes in Personnel Expenses:	
Other net salary adjustments (MOU-related, leave payoffs, vacancy, etc.)	509,841
Change in OCERS retirement costs	90,525
Change in group insurance costs	97,245
Other benefit cost adjustments	37,170
Other Cost Adjustments:	
Change in training & meetings	(42,950)
Change in engineering services	40,000
Change in software program consulting	156,000
Aggregate change in Other Categories:	
Aggregate change in other materials, supplies, and services	2,581
2024-25 Proposed Budget - Total Operating Requirements	\$ 8,084,688
Changes in Personnel Expenses:	
Net salary adjustments (MOU-related, leave payoffs, vacancy, etc.)	235,134
Change in OCERS retirement costs	35,915
Change in group insurance costs	59,712
Other benefit cost adjustments	2,525
Other Cost Adjustments:	
Change in training & meetings	(9,900)
Change in software program consulting	(86,000)
Aggregate change in Other Categories:	
Aggregate change in other materials, supplies, and services	(2,500)
2025-26 Proposed Budget - Total Operating Requirements	\$ 8,319,574

Operating Expense by Category	2022-23 Actual	2023-24 Budget	2023-24 Projected	2024-25 Proposed	Budget % Change to 2023-24	2025-26 Proposed	Budget % Change to 2024-25
Personnel	\$ 6,028,496	\$ 6,944,686	\$ 6,577,178	\$ 7,679,468	10.58%	\$ 8,012,754	4.34%
Supplies	30,511	72,410	70,450	32,280	(55.42%)	19,880	(38.41%)
Professional & Contractual Services	154,554	175,000	175,000	371,000	112.00%	285,000	(23.18%)
Research & Monitoring	-	-	-	-	0.00%	-	0.00%
Repairs & Maintenance	1,499	1,000	500	500	(50.00%)	500	0.00%
Utilities	-	-	-	-	0.00%	-	0.00%
Other	2,991	1,180	681	1,440	22.03%	1,440	0.00%
Total	\$ 6,218,051	\$ 7,194,276	\$ 6,823,809	\$ 8,084,688	12.38%	\$ 8,319,574	2.91%

Expenditure Trends

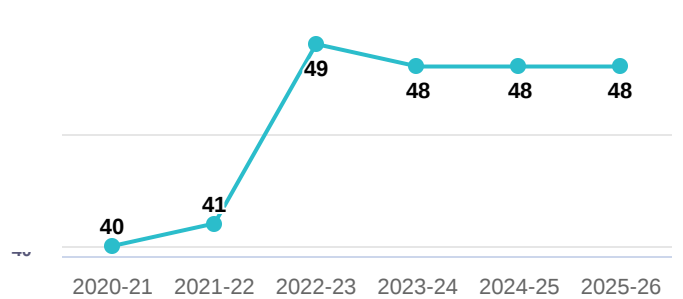




24-25 & 25-26 Authorized FTE Positions

Managers	1
Supervisors / Professionals	24
Administrative & Clerical	23
Total	48

Staffing Trends



Service Description

The mission of the division is to ensure projects are safely constructed in accordance with all applicable codes and standards and are fully inspected to be compliant with the contract documents while minimizing impacts to operations, maintenance, local agencies, and the public.

2023-24 Performance Objectives

2023-24 Performance Results

Ensure the division's budget expenditures are managed to 90-100% of proposed budget.	Projected to be 101%.
Respond to public complaints or inquiries within 1 day.	Responses within 1 day.
Reduce program change order performance towards 5.5% goal.	5.93% as of December 31, 2023.
No employee injuries resulting in lost workdays on construction projects.	No injuries resulting in lost workdays.
No spills or odor incidents related to construction projects.	No spills or odor incidents.

2024-25 & 2025-26 Performance Objectives

Ensure the division's operational expenditures are managed to 90-100% of proposed budget.
Maintain a Change Order Management Plan goal of 10% for Collections projects.
Maintain a Change Order Management Plan goal of 5% for Plant projects.
No spills or odor incidents related to construction projects.

Performance Measures

Summary	2022-23 Actual	2023-24 Projected	2024-25 Proposed	2025-26 Proposed	Justification
Manage division budget	86%	101%	90-100%	90-100%	Division Workplan
Collections change order rate	9.65%	9.65%	10%	10%	Division Workplan
Plant change order rate	4.85%	4.85%	5%	5%	Division Workplan
No spills or odor incidents	0	0	0	0	Levels of Service

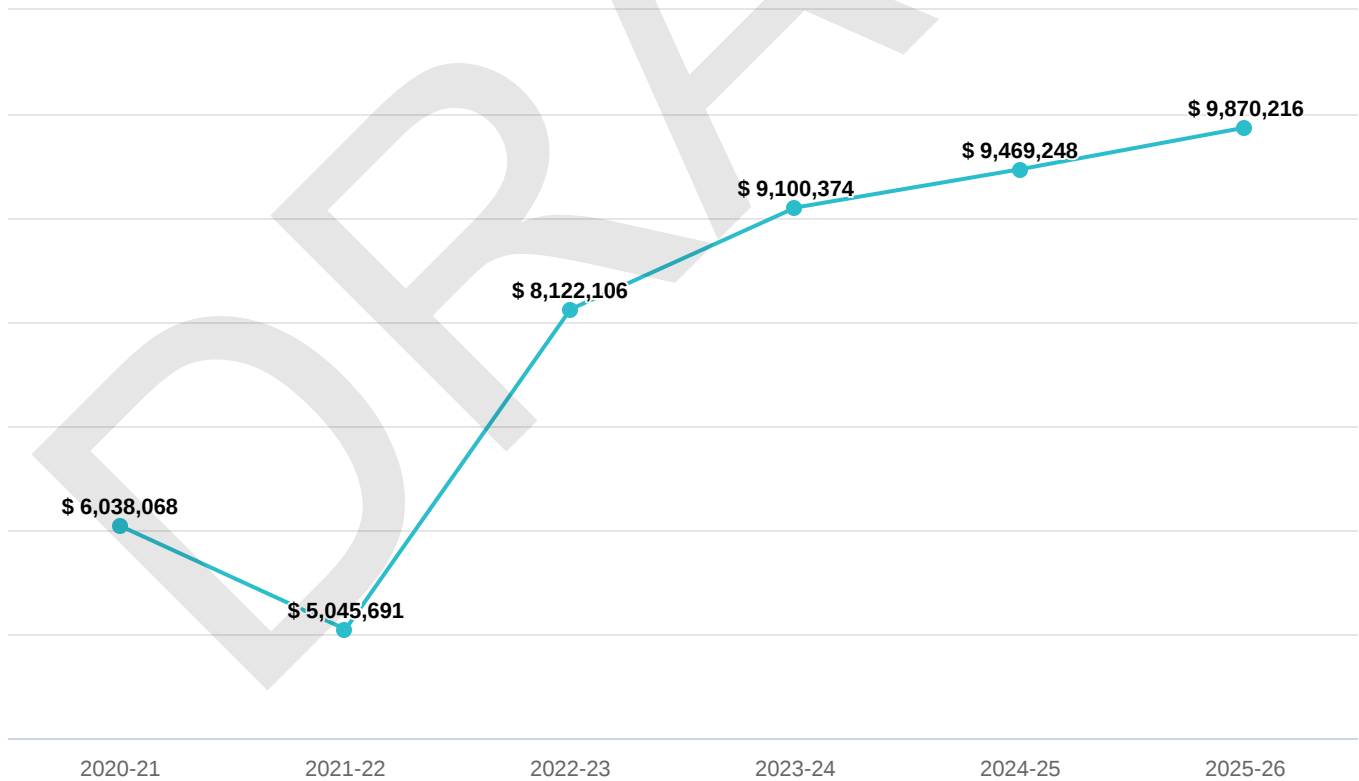
Budget Overview

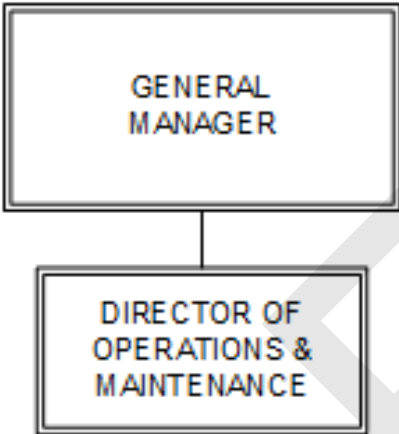
The FY 2024-25 & FY 2025-26 budgets for the Construction Management Division reflect an increase of 4% and an increase of 4% over the prior year, respectively. The FY 2024-25 increase is primarily due to an increase in personnel expenses and training & meetings. The FY 2025-26 increase is primarily due to personnel expenses.

2023-24 Adjusted Budget - Total Operating Requirements	\$ 9,100,374
Salaries for Position Changes:	
Transfer of Positions from/(to) Other Divisions	-
New or (decreased) FTE	-
Changes in Personnel Expenses:	
Other net salary adjustments (MOU-related, leave payoffs, vacancy, etc.)	187,706
Change in OCERS retirement costs	80,522
Change in group insurance costs	47,765
Other benefit cost adjustments	8,857
Other Cost Adjustments:	
Change in administrative expenses	5,239
Change in printing & publications	5,900
Change in training & meetings	29,475
Aggregate change in Other Categories:	
Aggregate change in other materials, supplies, and services	3,410
2024-25 Proposed Budget - Total Operating Requirements	\$ 9,469,248
Changes in Personnel Expenses:	
Net salary adjustments (MOU-related, leave payoffs, vacancy, etc.)	321,348
Change in OCERS retirement costs	38,369
Change in group insurance costs	77,011
Other benefit cost adjustments	3,276
Other Cost Adjustments:	
Change in postage	(5,160)
Change in notices & ads	(5,000)
Change in training & meetings	(28,075)
Aggregate change in Other Categories:	
Aggregate change in other materials, supplies, and services	(801)
2025-26 Proposed Budget - Total Operating Requirements	\$ 9,870,216

Operating Expense by Category	2022-23 Actual	2023-24 Budget	2023-24 Projected	2024-25 Proposed	Budget % Change to 2023-24	2025-26 Proposed	Budget % Change to 2024-25
Personnel	\$ 8,074,203	\$ 9,031,474	\$ 8,189,185	\$ 9,356,324	3.60%	\$ 9,796,327	4.70%
Supplies	47,034	67,520	62,966	110,764	64.05%	71,729	(35.24%)
Professional & Contractual Services	-	-	5,000	-	0.00%	-	0.00%
Research & Monitoring	-	-	-	-	0.00%	-	0.00%
Repairs & Maintenance	146	400	400	200	(50.00%)	200	0.00%
Utilities	-	-	-	-	0.00%	-	0.00%
Other	723	980	980	1,960	100.00%	1,960	0.00%
Total	\$ 8,122,106	\$ 9,100,374	\$ 8,258,531	\$ 9,469,248	4.05%	\$ 9,870,216	4.23%

Expenditure Trends



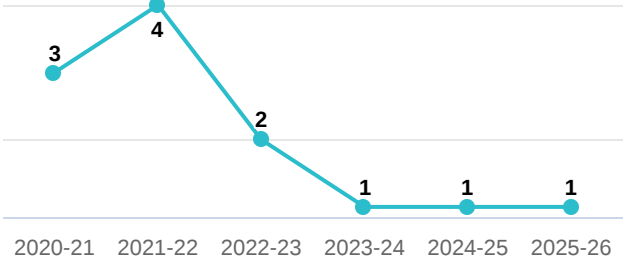


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24-25 & 25-26 Authorized FTE Positions

Executive Managers	1
Total	1

Staffing Trends



Operations and Maintenance Administration

Service Description

The mission of the Operations and Maintenance Administration Division is to provide leadership and support, as well as management oversight and development of the department. Rate payer owned facilities and assets managed by the O&M Divisions have a replacement value that exceeds \$11 billion. The Director, as a member of the Executive Management Team, provides counsel and expertise in developing the necessary strategies to maintain alignment with OC San’s Strategic Plan, Levels of Service, and annual divisional work plans. The Director and staff also proactively network with OC San member cities, sewer agencies and regional regulators on operational issues.

2023-24 Performance Objectives

Achieve 100% compliance with water, solids, air, and energy permits and regulatory requirements.

Achieve 100% compliance level of 90 - 100% of the Levels of Service targets.

Manage operating expenditures to within 96 - 100% of approved budget for the Department.

2023-24 Performance Results

Achieved 100% compliance with water, solids, air, and energy permits and regulatory requirements.

Achieved 100% compliance level of 90 - 100% of the Levels of Service targets.

Managed operating expenditures to 100% of approved budget for the Department.

2024-25 & 2025-26 Performance Objectives

Achieve 100% compliance with water, solids, air, and energy permits and regulatory requirements.

Achieve 100% compliance level of 90 - 100% of the Levels of Service targets.

Manage operating expenditures to within 96 - 100% of approved budget for the Department.

Performance Measures

Summary	2022-23 Actual	2023-24 Projected	2024-25 Proposed	2025-26 Proposed	Justification
Compliance with Permits & Regulatory Requirements	Achieved	Achieved	Planned	Planned	OC San Standards
Levels of Service Compliance	Achieved	Achieved	Planned	Planned	Strategic Plan
Manage Budget	Achieved	Achieved	Planned	Planned	Board Approved

Operations and Maintenance Administration

Budget Overview

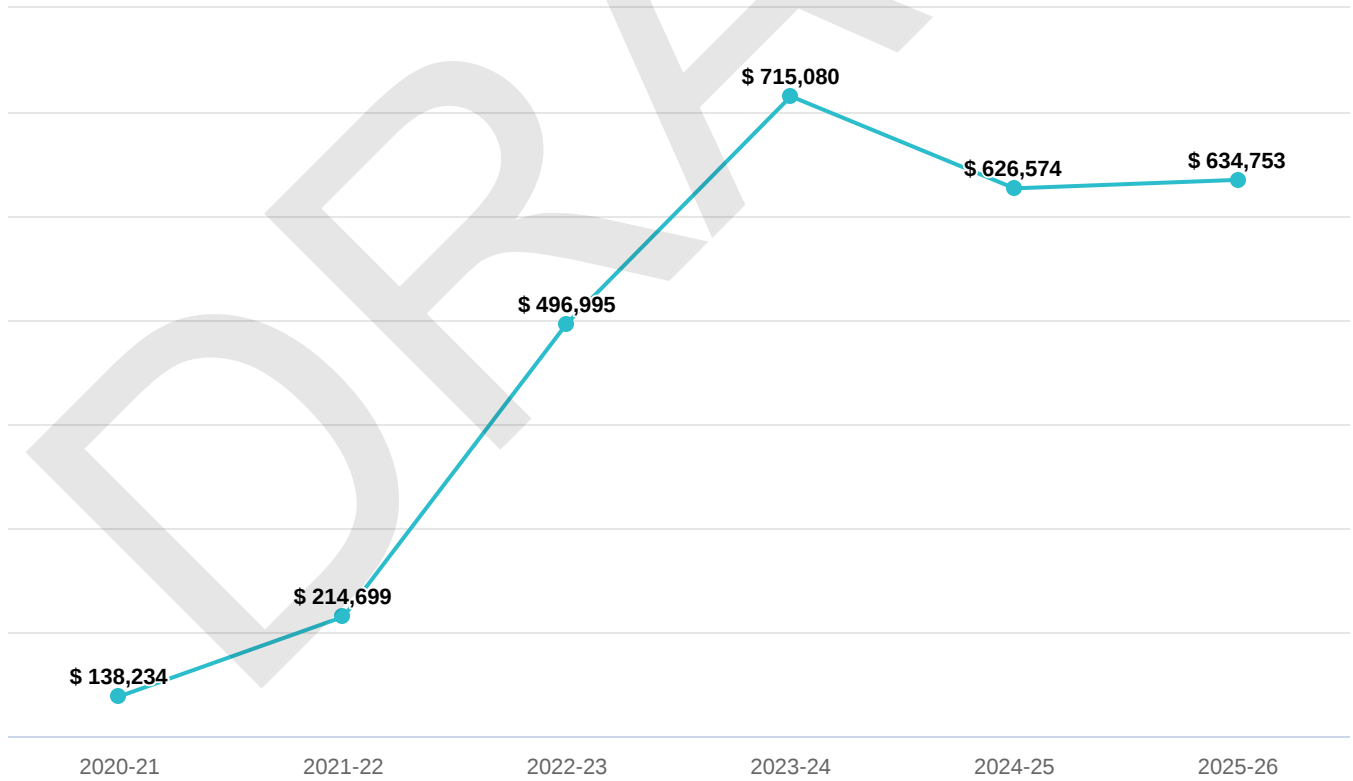
The FY 2024-25 & FY 2025-26 budgets for the Operations and Maintenance Division reflect a decrease of (12%) and an increase of 1% over the prior year, respectively. The FY 2024-25 decrease is primarily due to a decrease in personnel expenses, temporary services and legal services. The FY 2025-26 increase is primarily due to personnel expenses.

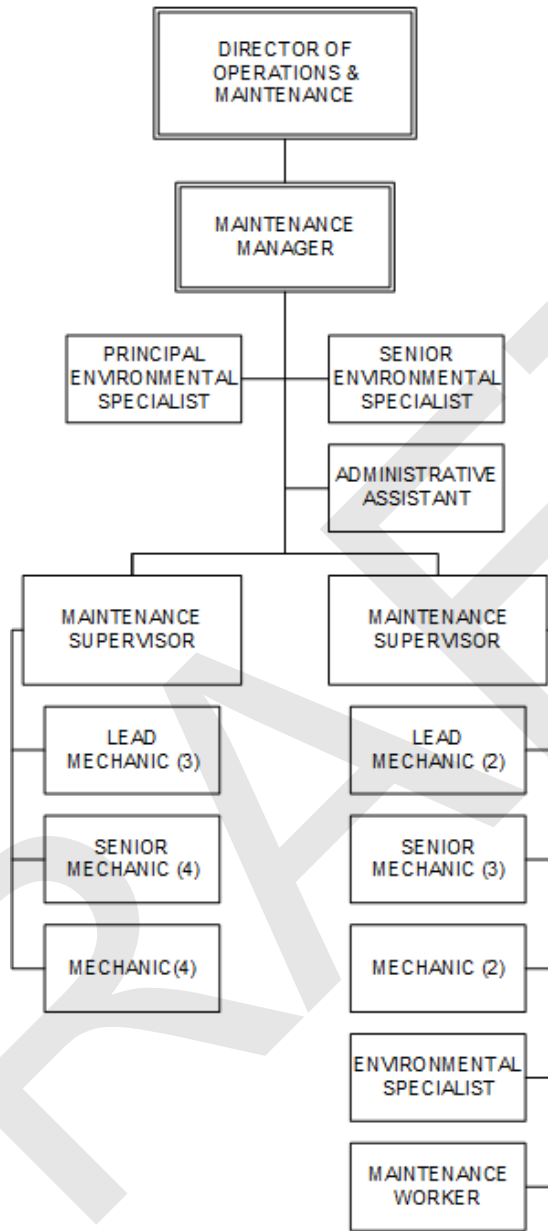
2023-24 Adjusted Budget - Total Operating Requirements	\$ 715,080
Salaries for Position Changes:	
Transfer of Positions from/(to) Other Divisions	-
New or (decreased) FTE	-
Changes in Personnel Expenses:	
Other net salary adjustments (MOU-related, leave payoffs, vacancy, etc.)	16,631
Change in OCERS retirement costs	9,556
Change in group insurance costs	(24,454)
Other benefit cost adjustments	(4,435)
Other Cost Adjustments:	
Change in temporary services	(82,000)
Change in legal services	(5,000)
Aggregate change in Other Categories:	
Aggregate change in other materials, supplies, and services	1,196
2024-25 Proposed Budget - Total Operating Requirements	\$ 626,574
Changes in Personnel Expenses:	
Net salary adjustments (MOU-related, leave payoffs, vacancy, etc.)	3,863
Change in OCERS retirement costs	2,525
Change in group insurance costs	1,722
Other benefit cost adjustments	68
Other Cost Adjustments:	
No other significant cost changes	
Aggregate change in Other Categories:	
Aggregate change in other materials, supplies, and services	1
2025-26 Proposed Budget - Total Operating Requirements	\$ 634,753

Operations and Maintenance Administration

Operating Expense by Category	2022-23 Actual	2023-24 Budget	2023-24 Projected	2024-25 Proposed	Budget % Change to 2023-24	2025-26 Proposed	Budget % Change to 2024-25
Personnel	\$ 492,610	\$ 619,780	\$ 337,201	\$ 617,078	(0.44%)	\$ 625,257	1.33%
Supplies	1,747	3,160	63	2,416	(23.54%)	2,416	0.00%
Professional & Contractual Services	2,506	92,000	3,541	7,000	(92.39%)	7,000	0.00%
Research & Monitoring	-	-	-	-	0.00%	-	0.00%
Repairs & Maintenance	-	-	-	-	0.00%	-	0.00%
Utilities	-	-	-	-	0.00%	-	0.00%
Other	132	140	-	80	(42.86%)	80	0.00%
Total	\$ 496,995	\$ 715,080	\$ 340,805	\$ 626,574	(12.38%)	\$ 634,753	1.31%

Expenditure Trends

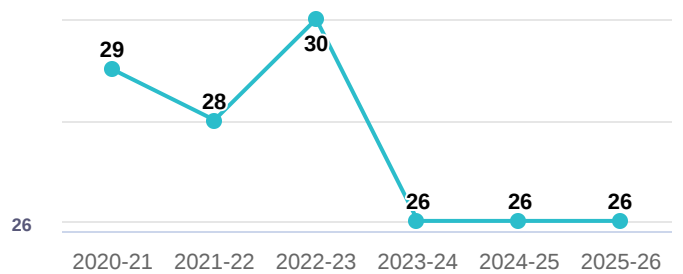




24-25 & 25-26 Authorized FTE Positions

Managers	1
Supervisors / Professionals	5
Operations & Maintenance	19
Administrative & Clerical	1
Total	26

Staffing Trends



Collections Facilities Operations and Maintenance

Service Description

The mission of OC San Collections Division is to safely, reliably, and cost effectively operate and maintain the Collections Systems to meet all regulatory requirements for the land, air, and water environments of Orange County and the 2.6 million residents we serve. To perform maintenance and cleaning of gravity sewer lines, pump stations, for reliable operation and to ensure that odor and corrosion control of the regional collection system are managed appropriately.

2023-24 Performance Objectives

Achieve 100% compliance with water, solids, air, and energy permits and regulatory requirements.
Achieve 100% compliance level of 90 - 100% of the Levels of Service targets.
Manage operating expenditures to within 96 - 100% of approved budget.
Achieve greater than 95% compliance with the safety scorecard

2023-24 Performance Results

Achieved 100% compliance with water, solids, air, and energy permits and regulatory requirements.
Achieved 100% compliance level of 90 - 100% of the Levels of Service targets.
Managed operating expenditures to 90% of approved budget.
Achieved 100% compliance with the safety scorecard.

2024-25 & 2025-26 Performance Objectives

Achieve 100% compliance with water, solids, air, and energy permits and regulatory requirements.
Achieve 100% compliance level of 90 - 100% of the Levels of Service targets.
Manage operating expenditures to within 96 - 100% of approved budget.
Achieve greater than 95% compliance with the safety scorecard

Performance Measures

Summary	2022-23 Actual	2023-24 Projected	2024-25 Proposed	2025-26 Proposed	Justification
Compliance with Permit...	Achieved	Ongoing	Planned	Planned	Permit Requirements
Levels of Service	Achieved	Ongoing	Planned	Planned	OC San Standards
Manage Budget	Achieved	Ongoing	Planned	Planned	Division Workplan
Compliance with Safet...	Achieved	Ongoing	Planned	Planned	OC San Standards

Collections Facilities Operations and Maintenance

Budget Overview

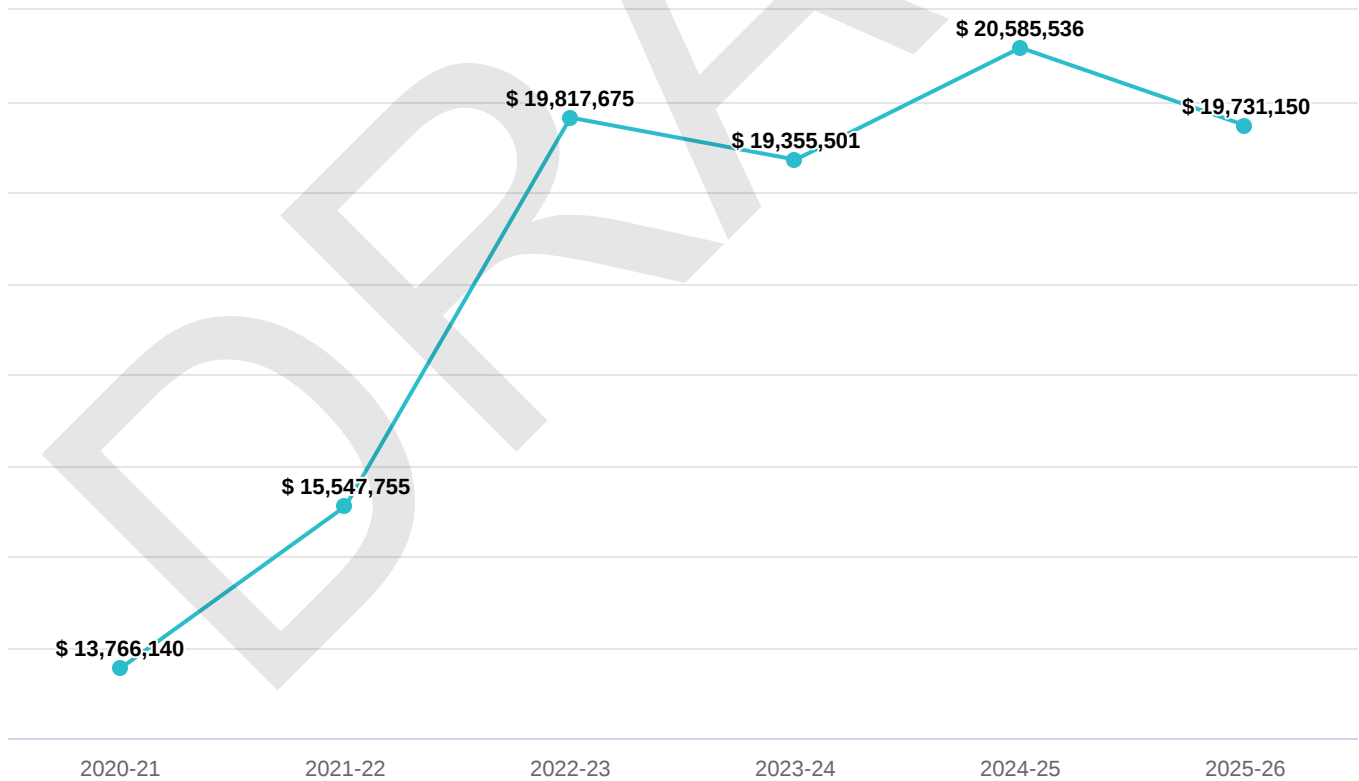
The FY 2024-25 & FY 2025-26 budgets for the Collection Facilities and Maintenance Division reflect an increase of 6% and a decrease of (4%) over the prior year, respectively. The FY 2024-25 increase is primarily due to an increase in odor control, repairs & maintenance and utilities. The FY 2025-26 decrease is primarily due to training & meetings, tools and repairs & maintenance.

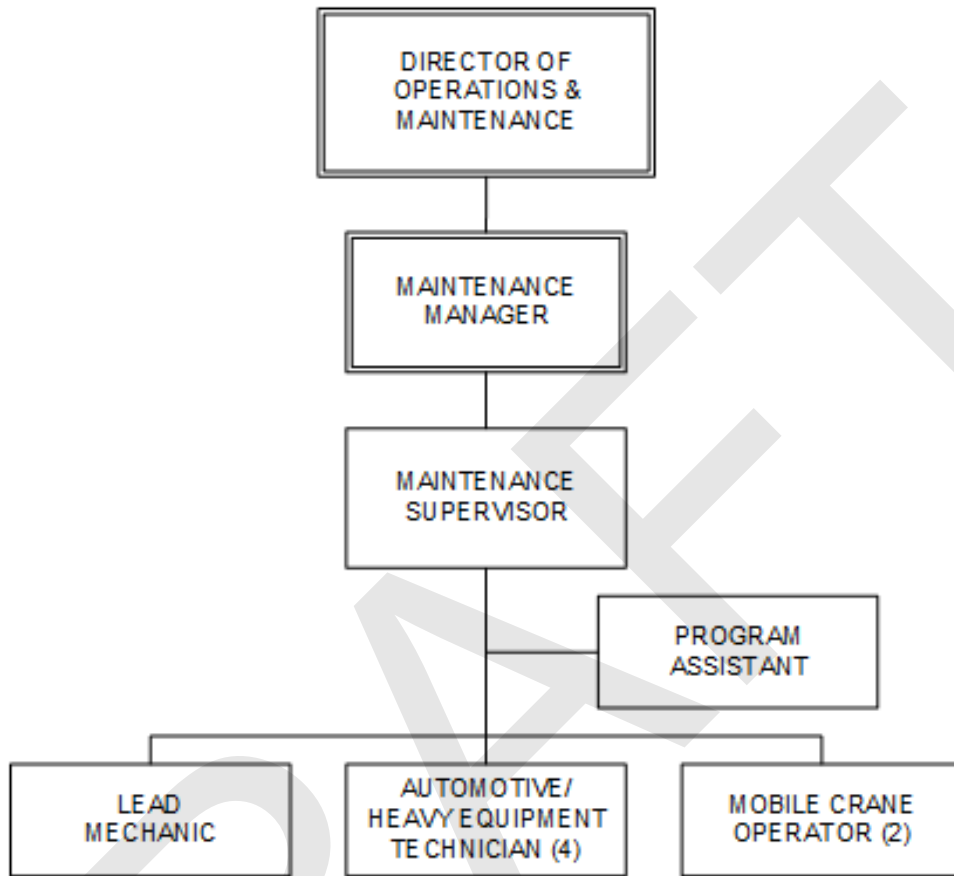
2023-24 Adjusted Budget - Total Operating Requirements	\$ 19,355,501
Salaries for Position Changes:	
Transfer of Positions from/(to) Other Divisions	-
New or (decreased) FTE	-
Changes in Personnel Expenses:	
Other net salary adjustments (MOU-related, leave payoffs, vacancy, etc.)	(291,733)
Change in OCERS retirement costs	(22,935)
Change in group insurance costs	(48,188)
Other benefit cost adjustments	5,295
Other Cost Adjustments:	
Change in small computer items	9,500
Change in training & meetings	(9,360)
Change in odor control	172,784
Change in tools	18,592
Change in professional services	11,900
Change in repairs & maintenance	1,074,676
Change in utilities	302,213
Aggregate change in Other Categories:	
Aggregate change in other materials, supplies, and services	7,291
2024-25 Proposed Budget - Total Operating Requirements	\$ 20,585,536
Changes in Personnel Expenses:	
Net salary adjustments (MOU-related, leave payoffs, vacancy, etc.)	123,552
Change in OCERS retirement costs	15,450
Change in group insurance costs	40,754
Other benefit cost adjustments	1,775
Other Cost Adjustments:	
Change in training & meetings	(1,845)
Change in tools	(60,592)
Change in repairs & maintenance	(1,001,024)
Change in utilities	19,998
Aggregate change in Other Categories:	
Aggregate change in other materials, supplies, and services	7,546
2025-26 Proposed Budget - Total Operating Requirements	\$ 19,731,150

Collections Facilities Operations and Maintenance

Operating Expense by Category	2022-23 Actual	2023-24 Budget	2023-24 Projected	2024-25 Proposed	Budget % Change to 2023-24	2025-26 Proposed	Budget % Change to 2024-25
Personnel	\$ 4,863,893	\$ 4,875,278	\$ 4,562,277	\$ 4,517,716	(7.33%)	\$ 4,699,246	4.02%
Supplies	6,230,312	8,981,118	8,968,852	9,177,525	2.19%	9,119,306	(0.63%)
Professional & Contractual Services	217,896	125,000	140,000	136,900	9.52%	138,838	1.42%
Research & Monitoring	-	-	-	-	0.00%	-	0.00%
Repairs & Maintenance	7,244,470	4,556,768	3,868,775	5,631,444	23.58%	4,630,420	(17.78%)
Utilities	1,225,541	747,661	1,029,288	1,049,874	40.42%	1,069,872	1.90%
Other	35,563	69,676	69,676	72,078	3.45%	73,467	1.93%
Total	\$ 19,817,675	\$ 19,355,501	\$ 18,638,868	\$ 20,585,536	6.35%	\$ 19,731,150	(4.15%)

Expenditure Trends

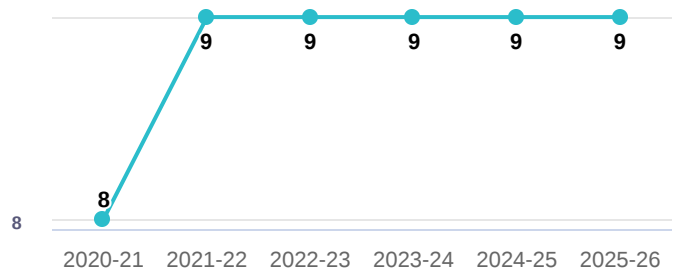




24-25 & 25-26 Authorized FTE Positions

Supervisors / Professionals	1
Operations & Maintenance	7
Administrative & Clerical	1
Total	9

Staffing Trends



Service Description

Maintenance of OC San's fleet of vehicles and mobile equipment. Logistics and crane support for O&M.

2023-24 Performance Objectives

Achieve 100% compliance with water, solids, air, and energy permits and regulatory requirements.
Achieve 100% compliance level of 90 - 100% of the Levels of Service targets.
Achieved 100% compliance level of 90 - 100% of the Levels of Service targets.
Managed operating expenditures to 90% of approved budget.

2023-24 Performance Results

"Achieved 100% compliance with water, solids, air, and energy permits and regulatory requirements. "
Achieved 100% compliance level of 90 - 100% of the Levels of Service targets.
Managed operating expenditures to 90% of approved budget.
Achieved 100% compliance with the safety scorecard.

2024-25 & 2025-26 Performance Objectives

Achieve 100% compliance with water, solids, air, and energy permits and regulatory requirements.
Achieve 100% compliance level of 90 - 100% of the Levels of Service targets.
Manage operating expenditures to within 96 - 100% of approved budget.
Achieve greater than 95% compliance with the safety scorecard

Performance Measures

Summary	2022-23 Actual	2023-24 Projected	2024-25 Proposed	2025-26 Proposed	Justification
Compliance with Permits & Regulatory Requirements	Achieved	Ongoing	Planned	Planned	Permit Requirements
Compliance with Safety Scorecard	Achieved	Ongoing	Planned	Planned	Industry Standards
Levels of Service	Achieved	Ongoing	Planned	Planned	Board Approved
Manage Budget	Achieved	Ongoing	Planned	Planned	Division Workplan

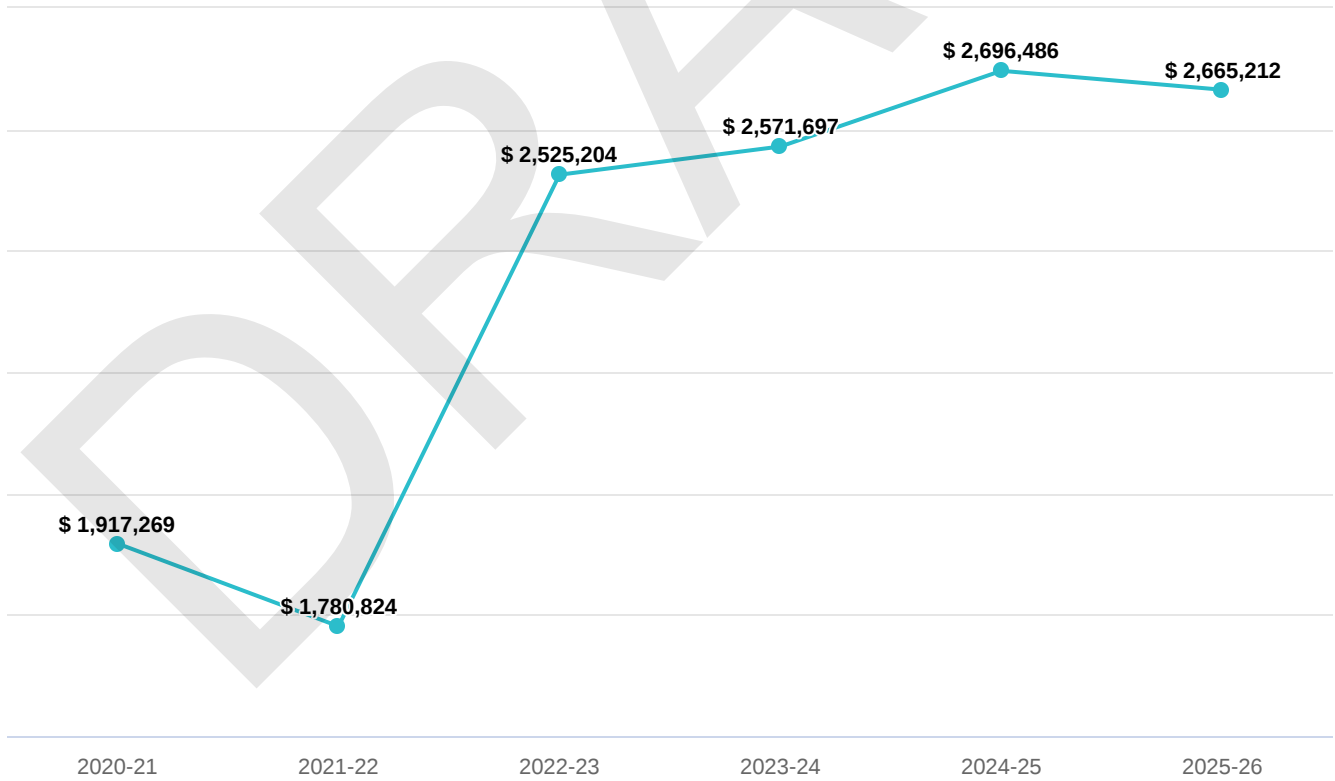
Budget Overview

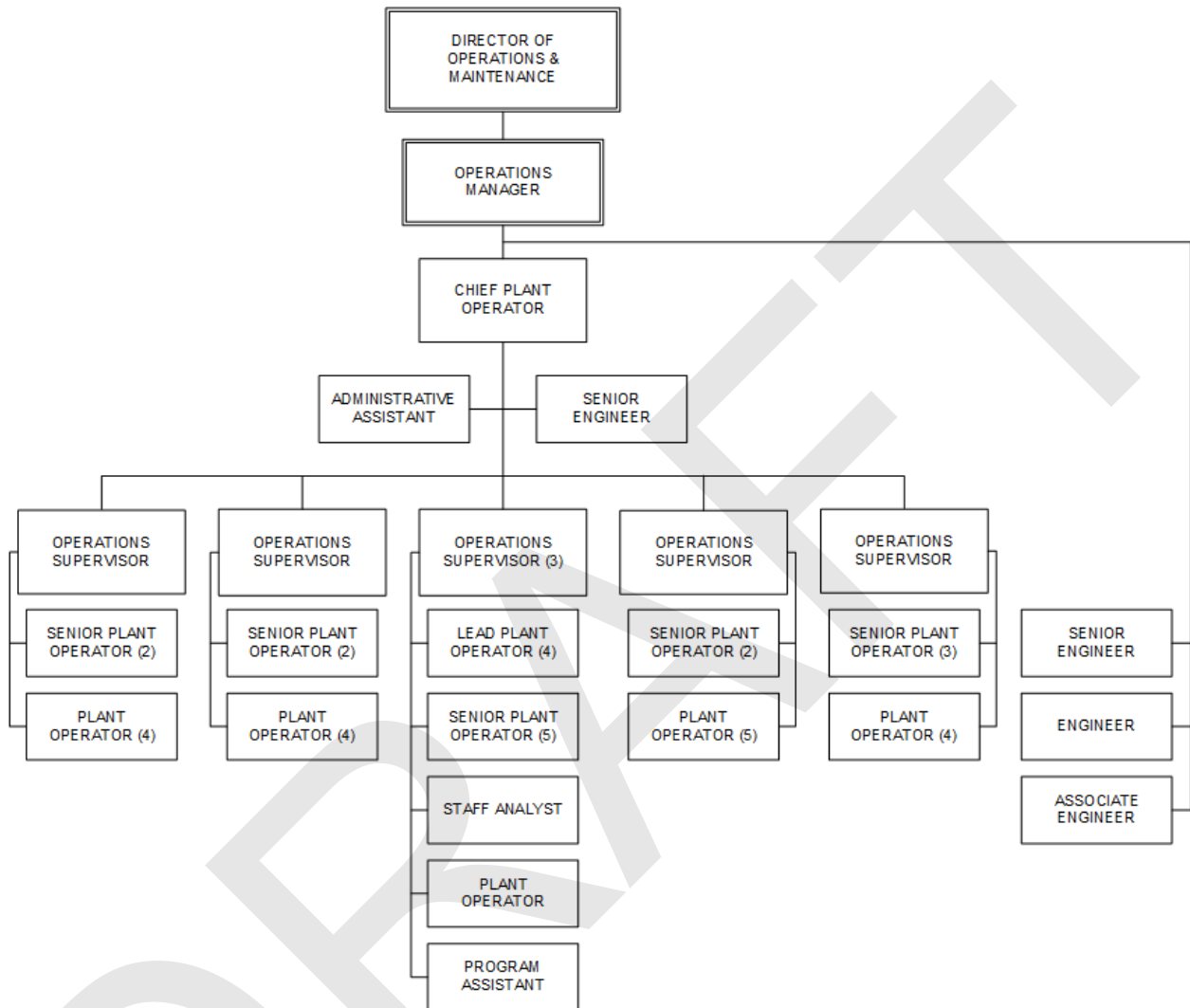
The FY 2024-25 & FY 2025-26 budgets for the Fleet Services Division reflect an increase of 5% and a decrease of (1%) over the prior year, respectively. The FY 2024-25 increase is primarily due to an increase in personnel expenses and repairs & maintenance. The FY 2025-26 decrease is primarily due to repairs & maintenance and partially offset by an increase in personnel expenses.

2023-24 Adjusted Budget - Total Operating Requirements	\$ 2,571,697
Salaries for Position Changes:	
Transfer of Positions from/(to) Other Divisions	-
New or (decreased) FTE	-
Changes in Personnel Expenses:	
Other net salary adjustments (MOU-related, leave payoffs, vacancy, etc.)	41,103
Change in OCERS retirement costs	(5,540)
Change in group insurance costs	12,299
Other benefit cost adjustments	4,803
Other Cost Adjustments:	
Change in training & meetings	4,995
Change in gas, diesel & oil	14,090
Change in tools	(64,000)
Change in repairs & maintenance	110,258
Change in utilities	2,000
Aggregate change in Other Categories:	
Aggregate change in other materials, supplies, and services	4,781
2024-25 Proposed Budget - Total Operating Requirements	\$ 2,696,486
Changes in Personnel Expenses:	
Net salary adjustments (MOU-related, leave payoffs, vacancy, etc.)	45,758
Change in OCERS retirement costs	5,045
Change in group insurance costs	14,170
Other benefit cost adjustments	614
Other Cost Adjustments:	
Change in training & meetings	(2,600)
Change in gas, diesel & oil	5,000
Change in repairs & maintenance	(100,000)
Aggregate change in Other Categories:	
Aggregate change in other materials, supplies, and services	739
2025-26 Proposed Budget - Total Operating Requirements	\$ 2,665,212

Operating Expense by Category	2022-23 Actual	2023-24 Budget	2023-24 Projected	2024-25 Proposed	Budget % Change to 2023-24	2025-26 Proposed	Budget % Change to 2024-25
Personnel	\$ 1,352,697	\$ 1,333,408	\$ 1,409,179	\$ 1,386,074	3.95%	\$ 1,451,660	4.73%
Supplies	528,909	463,520	427,267	422,835	(8.78%)	424,575	0.41%
Professional & Contractual Services	7,000	15,400	4,500	15,350	(0.32%)	13,750	(10.42%)
Research & Monitoring	-	-	-	-	0.00%	-	0.00%
Repairs & Maintenance	593,738	648,669	520,000	758,927	17.00%	658,927	(13.18%)
Utilities	14,548	60,000	60,000	62,000	3.33%	65,000	4.84%
Other	28,313	50,700	26,679	51,300	1.18%	51,300	0.00%
Total	\$ 2,525,204	\$ 2,571,697	\$ 2,447,625	\$ 2,696,486	4.85%	\$ 2,665,212	(1.16%)

Expenditure Trends

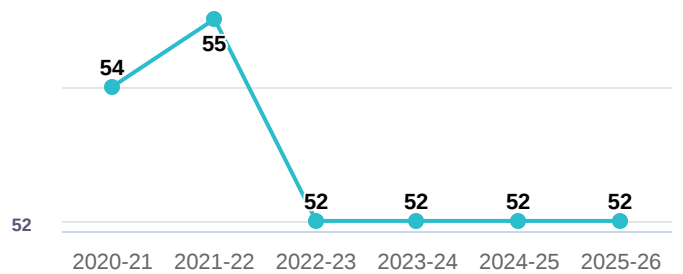




24-25 & 25-26 Authorized FTE Positions

Managers	1
Supervisors / Professionals	13
Operations & Maintenance	36
Administrative & Clerical	2
Total	52

Staffing Trends



Service Description

The mission of Plant No. 1 Operations Division is to safely, reliably, and cost effectively operate the plant to meet all regulatory requirements for the land, air, and water environments of Orange County and the 2.6 million residents we serve.

2023-24 Performance Objectives

Achieve 100% compliance with water, solids, air, and energy permits and regulatory requirements.
Achieve 100% compliance level of 90 to 100% of the Levels of Service targets.
Manage operating expenditures to within 96 to 100% of approved budget.
Achieve greater than 90% compliance with the safety scorecard.

2023-24 Performance Results

Achieved zero enforceable compliance actions for water, solids, and air requirements.
Achieved 100% compliance level of the Levels of Service targets.
Managed operating expenditures to 100% of approved budget.
Achieved 100% compliance with the safety scorecard.

2024-25 & 2025-26 Performance Objectives

Achieve zero enforceable compliance actions for water, solids, and air requirements.
Achieve 100% compliance level of 90 to 100% of the Levels of Service targets.
Manage operating expenditures to within 96 to 100% of approved budget.
Achieve greater than 90% compliance with the safety scorecard.

Performance Measures

Summary	2022-23 Actual	2023-24 Projected	2024-25 Proposed	2025-26 Proposed	Justification
Compliance with Permits & Regulatory Requirements	Title V ...	Title V ...	Ongoing	Ongoing	Permit Requirements
Levels of Service Compliance	Achieved	Achieved	Ongoing	Ongoing	Strategic Plan
Manage Budget	Achieved	Achieved	Ongoing	Ongoing	OC San Standards
Compliance with Safety Scorecard	Achieved	Achieved	Ongoing	Ongoing	OC San Standards

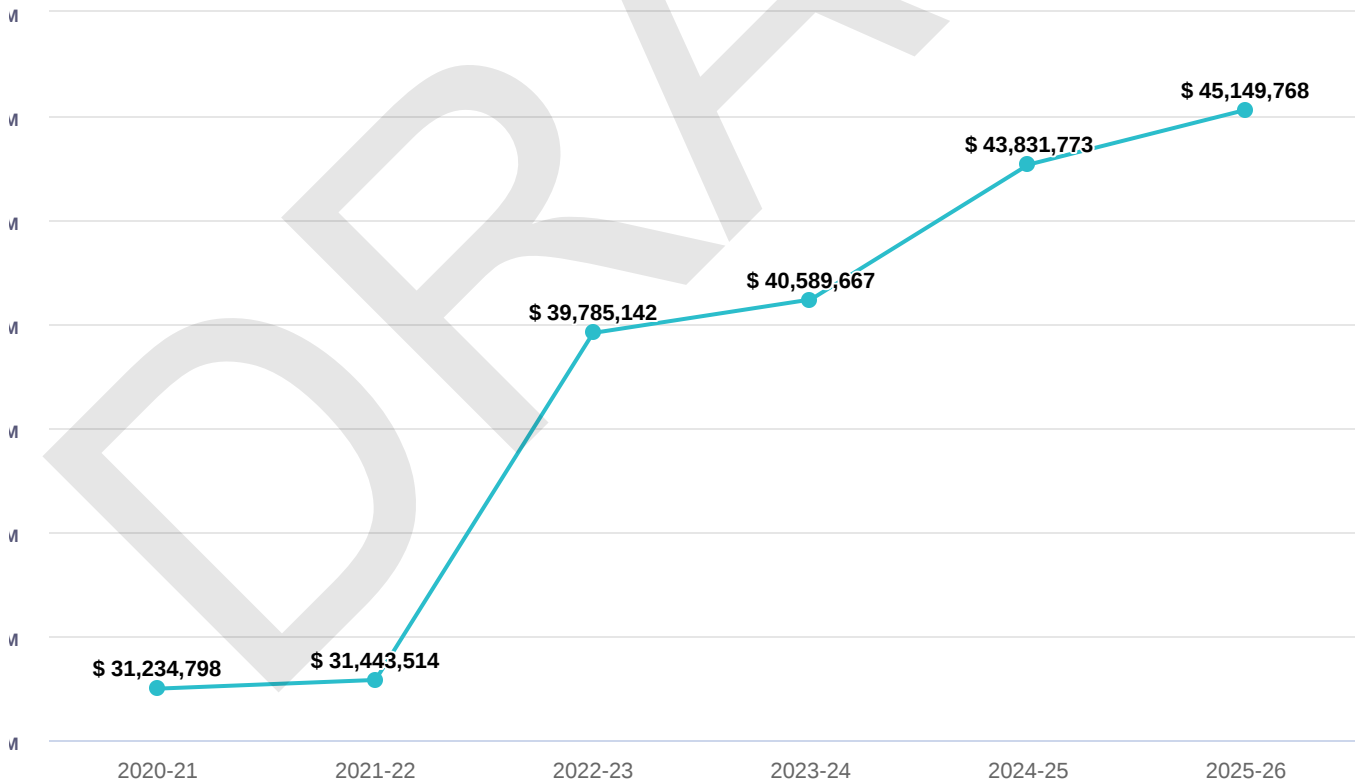
Budget Overview

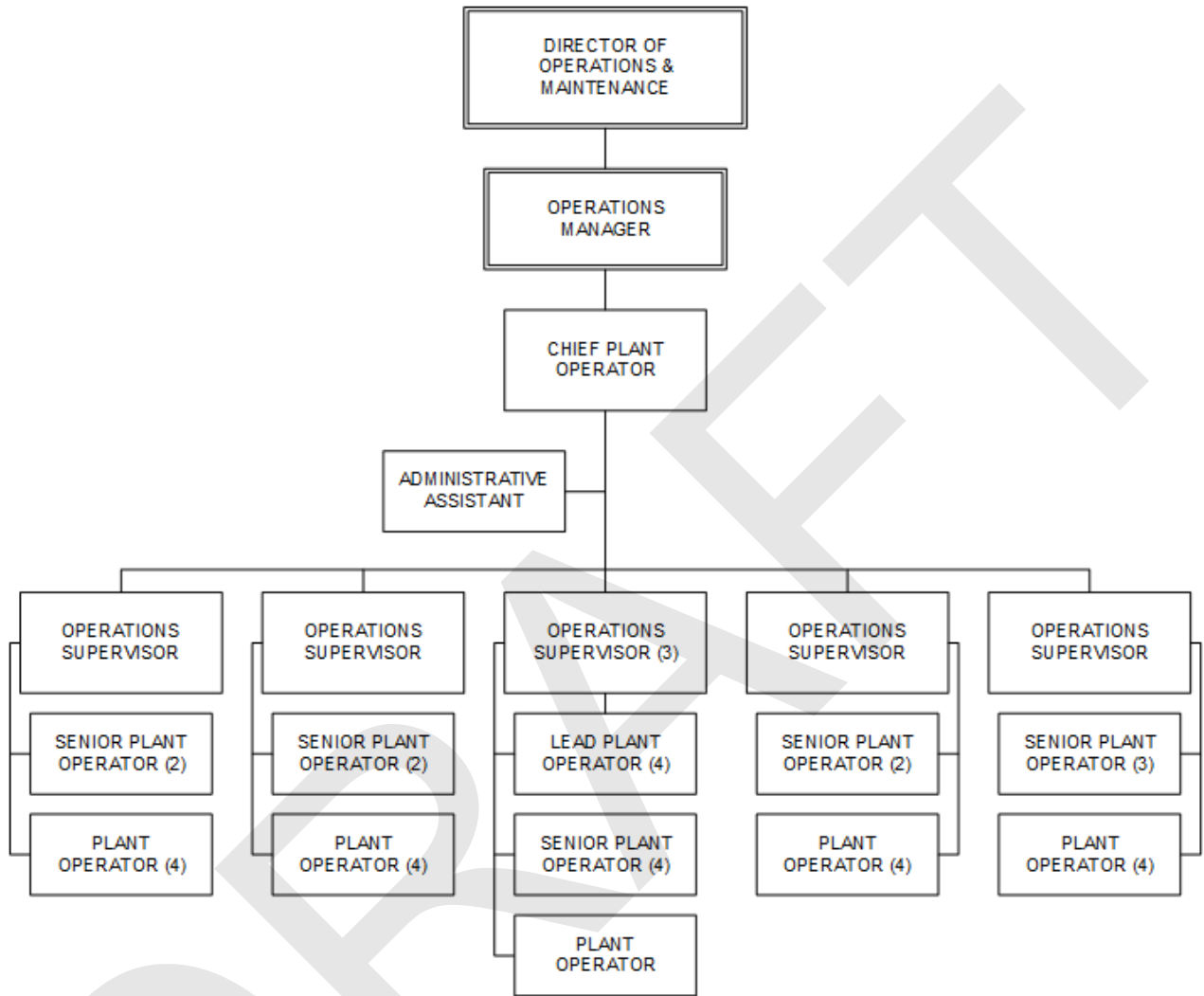
The FY 2024-25 & FY 2025-26 budgets for the Plant No. 1 Operations Division reflect an increase of 8% and an increase of 3% over the prior year, respectively. The FY 2024-25 increase is primarily due to an increase in odor control, disinfection, repairs & maintenance and utilities. The FY 2025-26 increase is primarily due to personnel expenses, chemical coagulants, solids removal and utilities.

2023-24 Adjusted Budget - Total Operating Requirements	\$ 40,589,667
Salaries for Position Changes:	
Transfer of Positions from/(to) Other Divisions	1
New or (decreased) FTE	-
Changes in Personnel Expenses:	
Other net salary adjustments (MOU-related, leave payoffs, vacancy, etc.)	(191,691)
Change in OCERS retirement costs	11,246
Change in group insurance costs	56,293
Other benefit cost adjustments	17,792
Other Cost Adjustments:	
Change in training & meetings	12,200
Change in chemical coagulants	(118,743)
Change in odor control	108,380
Change in disinfection	177,200
Change in chemicals - cogen	42,000
Change in misc. chemicals	(202,000)
Change in solids removal	(149,000)
Change in repairs & maintenance	117,920
Change in utilities	3,324,200
Aggregate change in Other Categories:	
Aggregate change in other materials, supplies, and services	36,509
2024-25 Proposed Budget - Total Operating Requirements	\$ 43,831,773
Changes in Personnel Expenses:	
Net salary adjustments (MOU-related, leave payoffs, vacancy, etc.)	327,695
Change in OCERS retirement costs	32,891
Change in group insurance costs	82,508
Other benefit cost adjustments	3,549
Other Cost Adjustments:	
Change in minor furniture & fixtures	(28,500)
Change in training & meetings	(14,400)
Change in chemical coagulants	333,335
Change in odor control	26,468
Change in disinfection	12,000
Change in solids removal	279,000
Change in grit & screenings disposal	15,048
Change in utilities	248,400
Aggregate change in Other Categories:	
Aggregate change in other materials, supplies, and services	1
2025-26 Proposed Budget - Total Operating Requirements	\$ 45,149,768

Operating Expense by Category	2022-23 Actual	2023-24 Budget	2023-24 Projected	2024-25 Proposed	Budget % Change to 2023-24	2025-26 Proposed	Budget % Change to 2024-25
Personnel	\$ 8,557,381	\$ 9,439,762	\$ 8,179,640	\$ 9,333,403	(1.13%)	\$ 9,780,047	4.79%
Supplies	11,502,066	12,614,505	12,458,843	12,644,540	0.24%	12,973,443	2.60%
Professional & Contractual Services	9,975,785	10,274,000	9,894,000	10,147,610	(1.23%)	10,441,658	2.90%
Research & Monitoring	-	-	-	-	0.00%	-	0.00%
Repairs & Maintenance	71,068	120,000	35,000	237,920	98.27%	237,920	0.00%
Utilities	9,676,782	8,137,900	11,477,230	11,462,100	40.85%	11,710,500	2.17%
Other	2,058	3,500	3,500	6,200	77.14%	6,200	0.00%
Total	\$ 39,785,142	\$ 40,589,667	\$ 42,048,213	\$ 43,831,773	7.99%	\$ 45,149,768	3.01%

Expenditure Trends

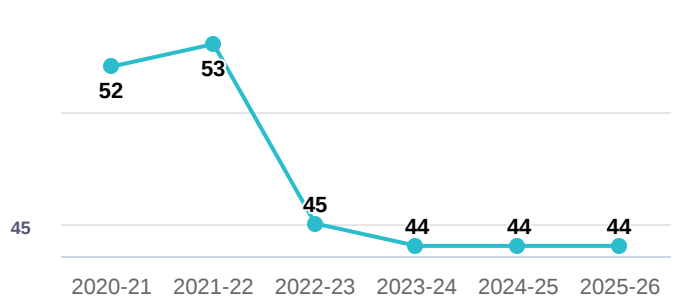




24-25 & 25-26 Authorized FTE Positions

Supervisors / Professionals	8
Operations & Maintenance	35
Administrative & Clerical	1
Total	44

Staffing Trends



Service Description

The mission of Plant No. 2 Operations Division is to safely, reliably, and cost effectively operate the plant to meet all regulatory requirements for the land, air, and water environments of Orange County and the 2.6 million residents we serve.

2023-24 Performance Objectives

Achieve 100% compliance with water, solids, air, and energy permits and regulatory requirements.
Achieve 100% compliance level of 90 to 100% of the Levels of Service targets.
Manage operating expenditures to within 96 to 100% of approved budget.
Achieve greater than 90% compliance with the safety scorecard.

2023-24 Performance Results

Achieved zero enforceable compliance actions for water, solids, and air requirements.
Achieved overall 100% compliance level of the Levels of Service targets.
Managed operating expenditures to 97% of approved budget.
Achieved 100% compliance with the safety scorecard.

2024-25 & 2025-26 Performance Objectives

Achieve zero enforceable compliance actions for water, solids, and air requirements.
Achieve 100% compliance level of 90 to 100% of the Levels of Service targets.
Manage operating expenditures to within 96 to 100% of approved budget.
Achieve greater than 90% compliance with the safety scorecard.

Performance Measures

Summary	2022-23 Actual	2023-24 Projected	2024-25 Proposed	2025-26 Proposed	Justification
Compliance with Permits & Regulatory Requirements	Title V ...	Title V ...	Ongoing	Ongoing	Permit Requirements
Levels of Service Compliance	Achieved	Achieved	Ongoing	Ongoing	Strategic Plan
Manage Budget	Achieved	Achieved	Ongoing	Ongoing	OC San Standards
Compliance with Safety Scorecard	Achieved	Achieved	Ongoing	Ongoing	OC San Standards

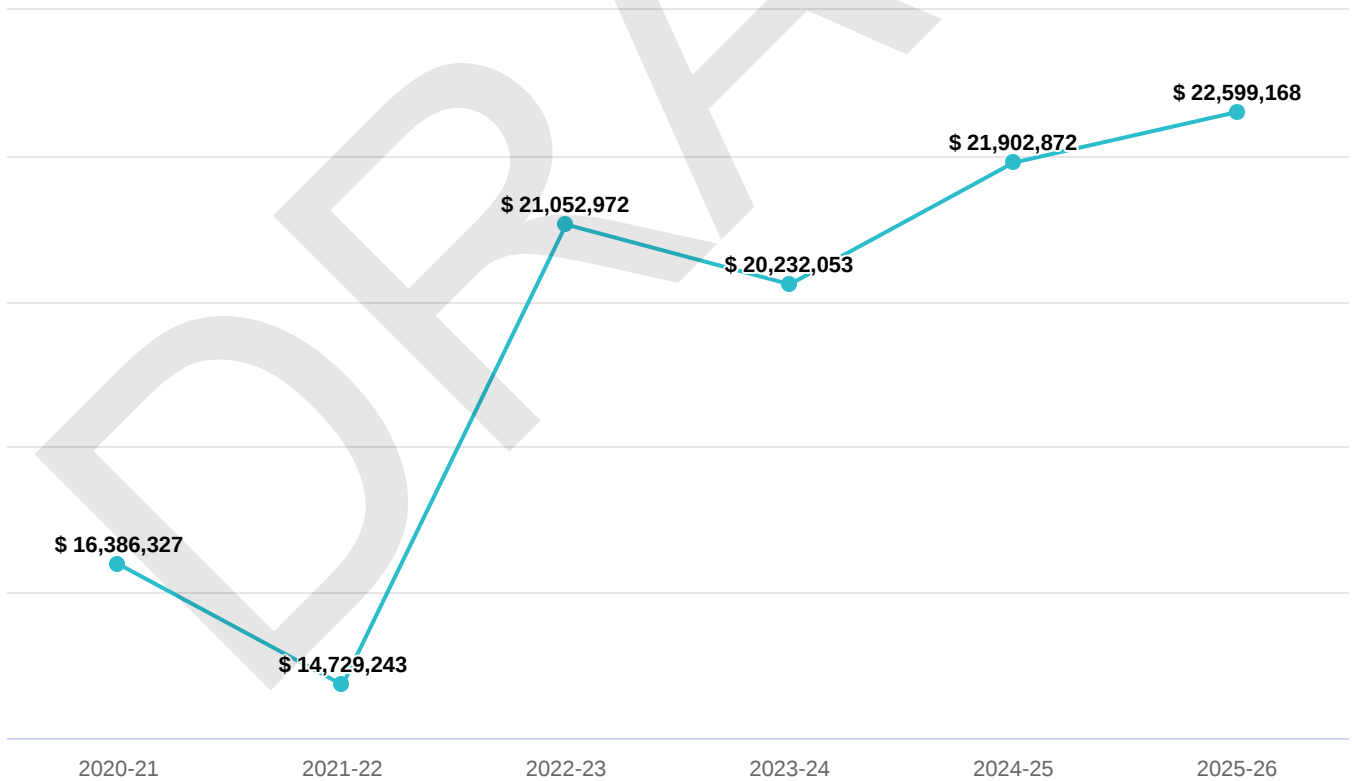
Budget Overview

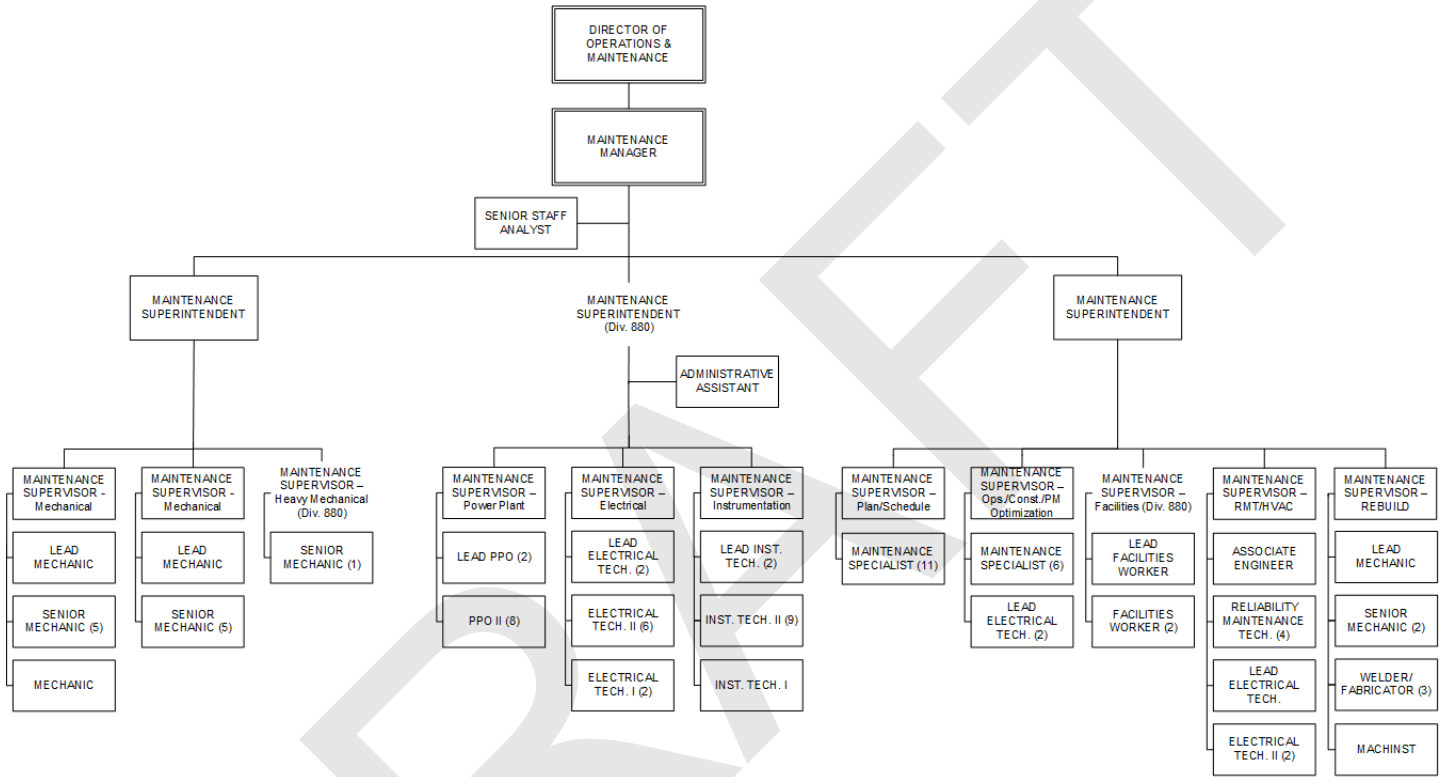
The FY 2024-25 & FY 2025-26 budgets for the Plant No. 2 Operations Division reflect an increase of 8% and an increase of 3% over the prior year, respectively. The FY 2024-25 increase is primarily due to an increase in chemical coagulants, solids removal and oxygen plant operations. The FY 2025-26 increase is primarily due to personnel expenses, chemical coagulants, solids removal.

2023-24 Adjusted Budget - Total Operating Requirements	\$ 20,232,053
Salaries for Position Changes:	
Transfer of Positions from/(to) Other Divisions	1
New or (decreased) FTE	-
Changes in Personnel Expenses:	
Other net salary adjustments (MOU-related, leave payoffs, vacancy, etc.)	(66,905)
Change in OCERS retirement costs	100,995
Change in group insurance costs	36,853
Other benefit cost adjustments	11,241
Other Cost Adjustments:	
Change in training & meetings	11,500
Change in operating materials & supplies	32,200
Change in chemical coagulants	414,379
Change in odor control	91,627
Change in chemicals - cogen	25,000
Change in solids removal	355,000
Change in oxygen plant operations	592,000
Change in utilities	92,500
Aggregate change in Other Categories:	
Aggregate change in other materials, supplies, and services	-25,571
2024-25 Proposed Budget - Total Operating Requirements	\$ 21,902,872
Changes in Personnel Expenses:	
Net salary adjustments (MOU-related, leave payoffs, vacancy, etc.)	245,722
Change in OCERS retirement costs	32,086
Change in group insurance costs	69,504
Other benefit cost adjustments	3,003
Other Cost Adjustments:	
Change in training & meetings	(13,100)
Change in chemical coagulants	142,616
Change in odor control	22,700
Change in disinfection	5,800
Change in solids removal	139,000
Change in grit & screenings disposal	6,365
Change in oxygen plant operations	40,000
Aggregate change in Other Categories:	
Aggregate change in other materials, supplies, and services	2,600
2025-26 Proposed Budget - Total Operating Requirements	\$ 22,599,168

Operating Expense by Category	2022-23 Actual	2023-24 Budget	2023-24 Projected	2024-25 Proposed	Budget % Change to 2023-24	2025-26 Proposed	Budget % Change to 2024-25
Personnel	\$ 7,317,743	\$ 7,705,478	\$ 7,045,678	\$ 7,787,663	1.07%	\$ 8,137,978	4.50%
Supplies	5,312,821	5,297,975	5,636,894	5,838,749	10.21%	5,996,765	2.71%
Professional & Contractual Services	5,331,849	5,386,000	6,154,000	6,339,180	17.70%	6,524,545	2.92%
Research & Monitoring	-	-	-	-	0.00%	-	0.00%
Repairs & Maintenance	26,993	47,000	47,000	47,000	0.00%	47,000	0.00%
Utilities	3,061,321	1,792,100	1,810,353	1,884,600	5.16%	1,887,200	0.14%
Other	2,244	3,500	3,500	5,680	62.29%	5,680	0.00%
Total	\$ 21,052,972	\$ 20,232,053	\$ 20,697,424	\$ 21,902,872	8.26%	\$ 22,599,168	3.18%

Expenditure Trends

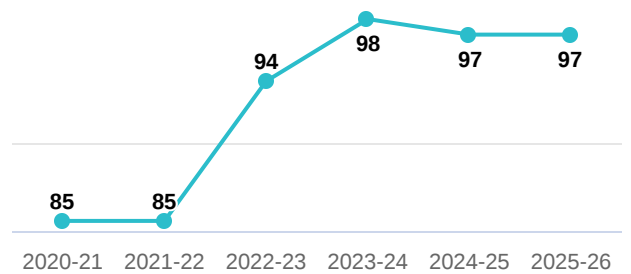




24-25 & 25-26 Authorized FTE Positions

Managers	1
Supervisors / Professionals	30
Operations & Maintenance	65
Administrative & Clerical	1
Total	97

Staffing Trends



Service Description

The mission of the Plant No. 1 Maintenance Division is to protect public health and the environment by providing reliable power distribution, electrical and instrument maintenance, civil facilities and grounds maintenance, and mechanical maintenance to the treatment plant. The division's professional, highly skilled staff use best practices and technology to provide Plant Operations and OC San staff with electrical power, control systems, environmental controls that are safe and on-line; and mechanical, and facilities support to ensure and restore reliability.

2023-24 Performance Objectives

2023-24 Performance Results

Achieve 100% compliance with water, solids, air, and energy permits and regulatory requirements.	Achieved 100% compliance with water, solids, air, and energy permits and regulatory requirements.
Achieve 100% compliance level of 90 - 100% of the Levels of Service targets	Achieved 100% compliance level of 90 - 100% of the Levels of Service targets
Manage operating expenditures to within 96 - 100% of approved budget.	Managed operating expenditures at 98.7% of approved budget.
Maintain a Work Order backlog of less than 5 weeks.	Maintained a Work Order backlog of less than 5 weeks.
Achieve greater than 90% compliance with the safety scorecard.	Achieved 100% compliance with the safety scorecard.

2024-25 & 2025-26 Performance Objectives

Achieve 100% compliance with water, solids, air, and energy permits and regulatory requirements.
Achieve 100% compliance level of 90 - 100% of the Levels of Service targets.
Manage operating expenditures to within 96 - 100% of approved budget.
Maintain a Work Order backlog of less than 5 weeks.
Achieve greater than 90% compliance with the safety scorecard.

Performance Measures

Summary	2022-23 Actual	2023-24 Projected	2024-25 Proposed	2025-26 Proposed	Justification
Compliance with Permits ...	Achieved	Achieved	Planned	Planned	OC San Standards
Manage Budget	Achieved	Achieved	Planned	Planned	OC San Standards
Work Order Backlog	Achieved	Achieved	Planned	Planned	OC San Standards
Safety Scorecard	Achieved	Achieved	Planned	Planned	OC San Standards
PM Compliance	Achieved	Achieved	Planned	Planned	OC San Standards

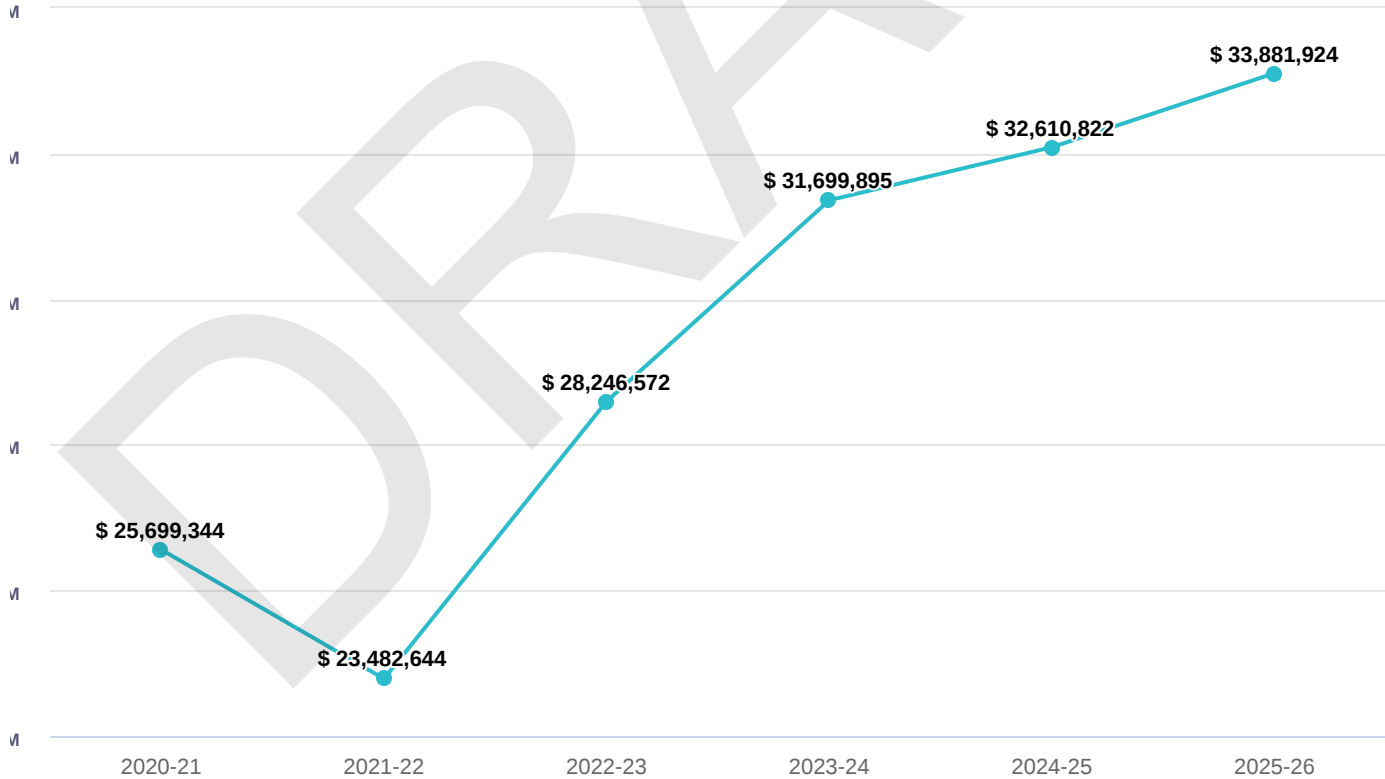
Budget Overview

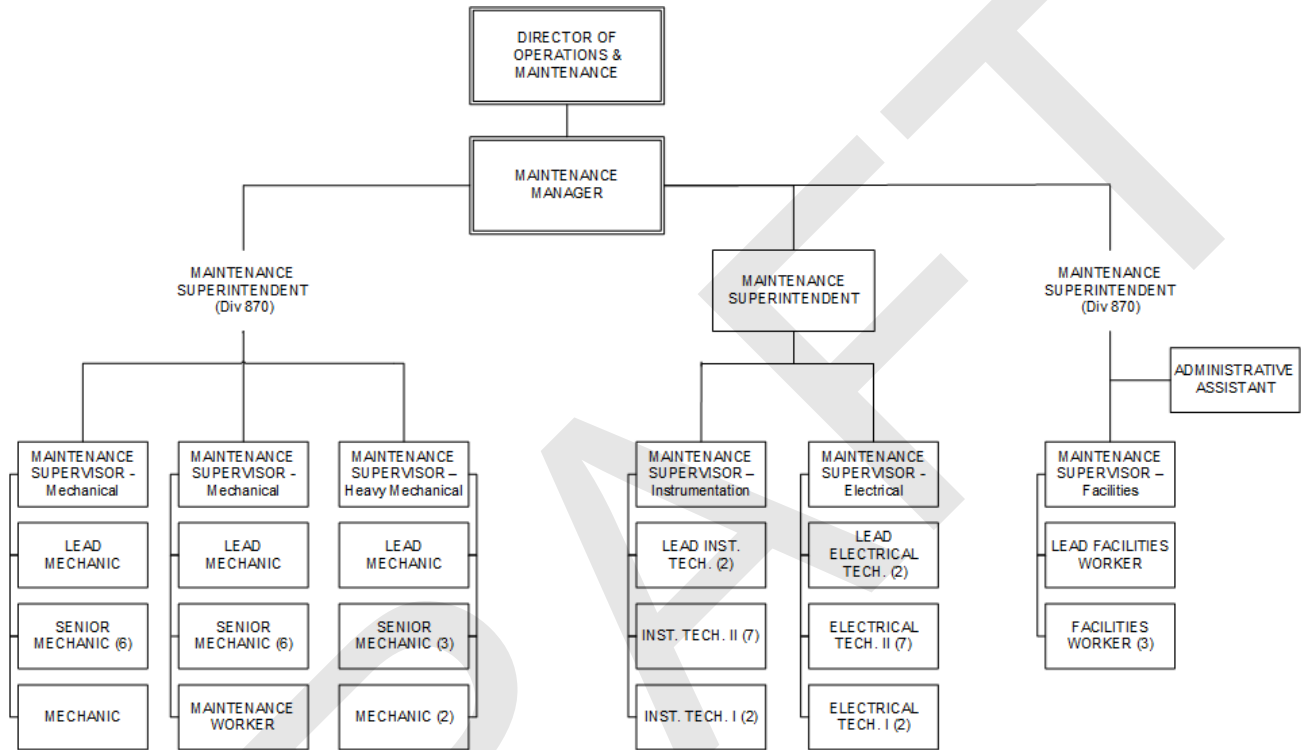
The FY 2024-25 & FY 2025-26 budgets for the Plant No. 1 Maintenance Division reflect an increase of 3% and an increase of 4% over the prior year, respectively. The FY 2024-25 increase is primarily due to an increase in personnel expenses, minor furniture & fixtures and training & meetings and partially offset by a decrease in professional services and repairs & maintenance. The FY 2025-26 increase is primarily due to personnel expenses and repairs & maintenance.

2023-24 Adjusted Budget - Total Operating Requirements	\$ 31,699,895
Salaries for Position Changes:	
Transfer of Positions from/(to) Other Divisions	1
New or (decreased) FTE	(1)
Changes in Personnel Expenses:	
Other net salary adjustments (MOU-related, leave payoffs, vacancy, etc.)	700,772
Change in OCERS retirement costs	63,529
Change in group insurance costs	121,138
Other benefit cost adjustments	154,448
Other Cost Adjustments:	
Change in memberships	5,570
Change in minor furniture & fixtures	274,000
Change in training & meetings	202,215
Change in chemicals - cogen	12,200
Change in gas, diesel & oil	20,300
Change in operating materials & supplies	81,100
Change in professional services	(323,800)
Change in repairs & maintenance	(413,835)
Change in other operating supplies	24,040
Aggregate change in Other Categories:	
Aggregate change in other materials, supplies, and services	-10,750
2024-25 Proposed Budget - Total Operating Requirements	\$ 32,610,822
Changes in Personnel Expenses:	
Net salary adjustments (MOU-related, leave payoffs, vacancy, etc.)	653,575
Change in OCERS retirement costs	72,153
Change in group insurance costs	155,109
Other benefit cost adjustments	6,620
Other Cost Adjustments:	
Change in minor furniture & fixtures	11,000
Change in training & meetings	(234,605)
Change in chemicals - cogen	9,600
Change in tools	14,800
Change in misc. operating supplies	10,400
Change in engineering services	34,000
Change in repairs & maintenance	534,110
Aggregate change in Other Categories:	
Aggregate change in other materials, supplies, and services	4,340
2025-26 Proposed Budget - Total Operating Requirements	\$ 33,881,924

Operating Expense by Category	2022-23 Actual	2023-24 Budget	2023-24 Projected	2024-25 Proposed	Budget % Change to 2023-24	2025-26 Proposed	Budget % Change to 2024-25
Personnel	\$ 14,917,164	\$ 16,140,290	\$ 15,249,854	\$ 17,180,177	6.44%	\$ 18,067,634	5.17%
Supplies	1,141,046	1,193,550	1,235,729	1,778,185	48.98%	1,593,720	(10.37%)
Professional & Contractual Services	1,094,213	873,800	455,706	550,000	(37.06%)	584,000	6.18%
Research & Monitoring	122	-	-	-	0.00%	-	0.00%
Repairs & Maintenance	11,061,578	13,484,255	12,894,308	13,070,420	(3.07%)	13,604,530	4.09%
Utilities	76	-	-	-	0.00%	-	0.00%
Other	32,372	8,000	24,755	32,040	300.50%	32,040	0.00%
Total	\$ 28,246,572	\$ 31,699,895	\$ 29,860,351	\$ 32,610,822	2.87%	\$ 33,881,924	3.90%

Expenditure Trends

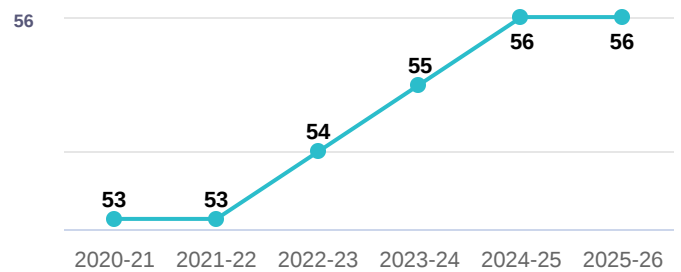




24-25 & 25-26 Authorized FTE Positions

Supervisors / Professionals	7
Operations & Maintenance	48
Administrative & Clerical	1
Total	56

Staffing Trends



Service Description

The mission of the Plant 2 Maintenance Division is to protect public health and the environment by providing reliable power distribution and asset maintenance to the treatment plants and associated pump stations in outer lying service areas. The division’s staff use best practices and technology to provide Collections and Plant Operations with electrical power, control systems, environmental controls as well as mechanical and facilities support to ensure and restore reliability.

2023-24 Performance Objectives

Achieve 100% compliance with water, solids, air, and energy permits and regulatory requirements.
Achieve 100% compliance level of 90 - 100% of the Levels of Service targets.
Manage operating expenditures to within 96 - 100% of approved budget.
Maintain a Work Order backlog of less than 5 weeks.
Achieve greater than 90% compliance with the safety scorecard.

2023-24 Performance Results

Achieved 100% compliance with water, solids, air, and energy permits and regulatory requirements.
Achieved 100% compliance level of 90 - 100% of the Levels of Service targets.
Managed operating expenditures at 99% of approved budget.
Maintained a Work Order backlog of less than 5 weeks.
Achieved greater than 90% compliance with the safety scorecard.

2024-25 & 2025-26 Performance Objectives

Achieve 100% compliance with water, solids, air, and energy permits and regulatory requirements
Achieve 100% compliance level of 90 - 100% of the Levels of Service targets.
Manage operating expenditures to within 96 - 100% of approved budget.
Maintain a Work Order backlog of less than 5 weeks.
Achieve greater than 90% compliance with the safety scorecard.

Performance Measures

Summary	2022-23 Actual	2023-24 Projected	2024-25 Proposed	2025-26 Proposed	Justification
Compliance with Permits ...	Achieved	Achieved	Planned	Planned	OC San Standards
Manage Budget	Achieved	Achieved	Planned	Planned	OC San Standards
Work Order Backlog	Achieved	Achieved	Planned	Planned	OC San Standards
Safety Scorecard	Achieved	Achieved	Planned	Planned	OC San Standards
PM Compliance	Achieved	Achieved	Planned	Planned	OC San Standards

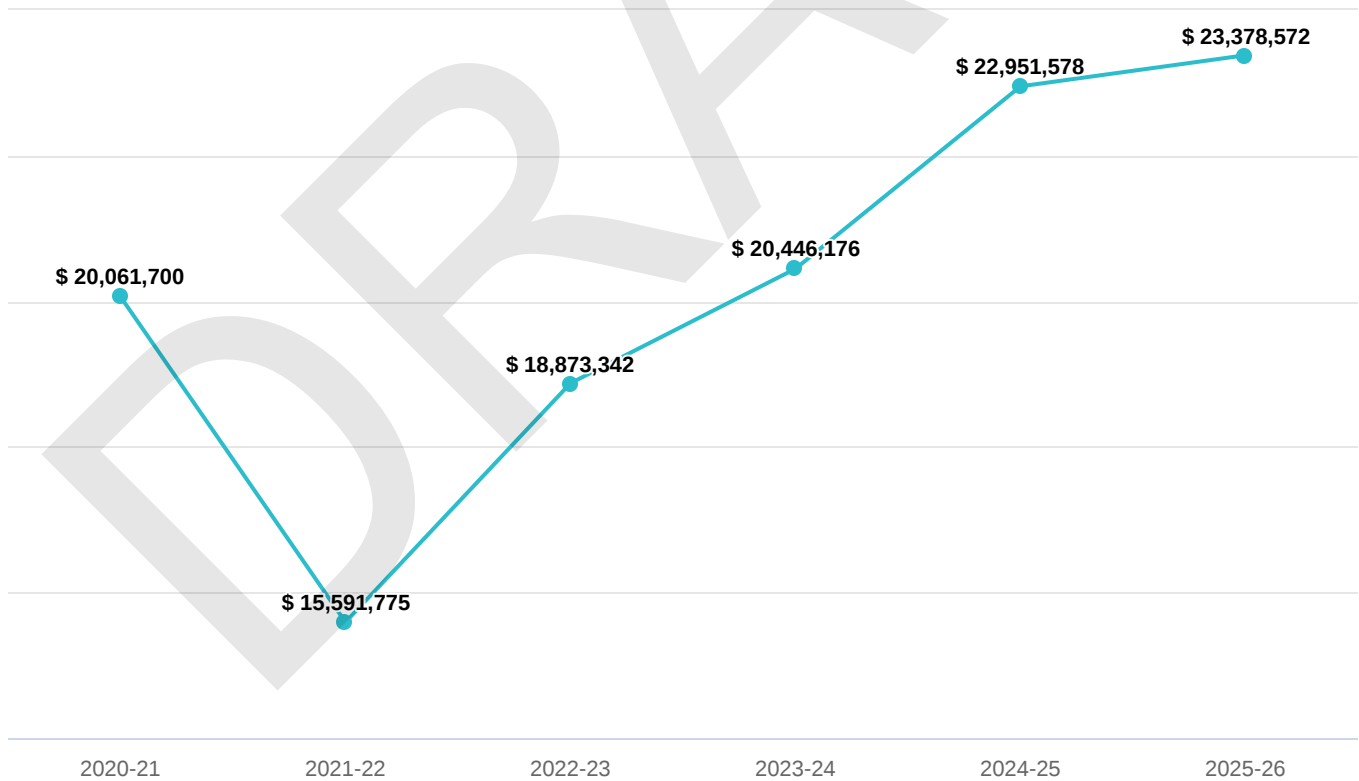
Budget Overview

The FY 2024-25 & FY 2025-26 budgets for the Plant No. 2 Maintenance Division reflect an increase of 12% and an increase of 2% over the prior year, respectively. The FY 2024-25 increase is primarily due to an increase in personnel expenses, training & meetings and repairs & maintenance. The FY 2025-26 increase is primarily due to personnel expenses, engineering services and repairs & maintenance.

2023-24 Adjusted Budget - Total Operating Requirements	\$ 20,446,176
Salaries for Position Changes:	
Transfer of Positions from/(to) Other Divisions	1
New or (decreased) FTE	1
Changes in Personnel Expenses:	
Other net salary adjustments (MOU-related, leave payoffs, vacancy, etc.)	1,560,145
Change in OCERS retirement costs	192,516
Change in group insurance costs	150,788
Other benefit cost adjustments	31,246
Other Cost Adjustments:	
Change in memberships	7,380
Change in minor furniture & fixtures	10,000
Change in training & meetings	158,145
Change in chemicals - cogen	13,000
Change in gas, diesel & oil	10,000
Change in safety equipment/tools	19,000
Change in misc. operating supplies	(7,500)
Change in engineering services	61,250
Change in other professional services	(223,400)
Change in repairs & maintenance	516,132
Aggregate change in Other Categories:	
Aggregate change in other materials, supplies, and services	6,700
2024-25 Proposed Budget - Total Operating Requirements	\$ 22,951,578
Changes in Personnel Expenses:	
Net salary adjustments (MOU-related, leave payoffs, vacancy, etc.)	374,531
Change in OCERS retirement costs	39,868
Change in group insurance costs	89,371
Other benefit cost adjustments	3,822
Other Cost Adjustments:	
Change in administrative expenses	5,020
Change in training & meetings	(186,405)
Change in gas, diesel & oil	10,000
Change in tools	15,000
Change in misc. operating supplies	8,000
Change in engineering services	30,750
Change in repairs & maintenance	30,037
Aggregate change in Other Categories:	
Aggregate change in other materials, supplies, and services	7,000
2025-26 Proposed Budget - Total Operating Requirements	\$ 23,378,572

Operating Expense by Category	2022-23 Actual	2023-24 Budget	2023-24 Projected	2024-25 Proposed	Budget % Change to 2023-24	2025-26 Proposed	Budget % Change to 2024-25
Personnel	\$ 7,979,754	\$ 7,194,840	\$ 8,232,122	\$ 9,129,535	26.89%	\$ 9,637,127	5.56%
Supplies	669,986	968,030	1,002,605	1,178,555	21.75%	1,033,170	(12.34%)
Professional & Contractual Services	907,123	759,400	409,653	601,250	(20.83%)	636,000	5.78%
Research & Monitoring	-	-	-	-	0.00%	-	0.00%
Repairs & Maintenance	9,312,622	11,516,106	12,625,002	12,032,238	4.48%	12,062,275	0.25%
Utilities	-	-	-	-	0.00%	-	0.00%
Other	3,857	7,800	383	10,000	28.21%	10,000	0.00%
Total	\$ 18,873,342	\$ 20,446,176	\$ 22,269,764	\$ 22,951,578	12.25%	\$ 23,378,572	1.86%

Expenditure Trends



Self-Funded Insurance Plans

OC San is partially self-insured for general liability and workers' compensation. The General Liability and Property program and the Workers' Compensation program have been in existence since 1979. The annual in-lieu premiums and charges to the Revenue Areas or Operating Divisions are the revenue sources within these programs. Expenses primarily consist of claim settlements, legal fees, and excess loss insurance premiums. Ending Reserve Balances are projected at \$100,000,000 in FY 2024-25 and in FY 2025-26.

General Liability and Property

OC San's current outside excess general liability insurance coverage is \$40 million per occurrence with an annual aggregate limit and with a self-insured retention of \$750,000.

OC San's current property insurance coverage is \$1 billion for perils of fire and \$25 million for perils of flood, subject to a self-insured retention of \$1,000,000. OC San is partially self-insured for earthquake but does carry \$25 million in coverage on 15 key structures with a \$5 million deductible. OC San also has a \$50 million sublimit for builder's risk under the property insurance program to ensure upcoming construction projects are adequately covered.

In order to maintain a reserve balance of \$100 million for FY 2024-25 and FY 2025-26 for the Property and General Liability program, appropriations for in-lieu premiums charged to the Revenue Areas are recommended at \$4.4 million and \$4.6 million for FY 2024-25 and FY 2025-26 respectively.

Workers' Compensation

OC San's current excess workers' compensation coverage has unlimited statutory coverage per occurrence and \$4 million employer's liability with a self-insured retention of \$1 million per person per occurrence.

In order to maintain the reserve balance of \$2.4 million for the Workers' Compensation program, appropriations for in-lieu premiums charged to operating divisions are recommended at \$659,546 and \$791,455 for FY 2024-25 and FY 2025-26 respectively.

Total of the Self-Insurance Programs

DESCRIPTION OR ACCOUNT TITLE	2022-23 Actuals	2023-24 Budget	2023-24 Thru 12/31/23	2023-24 Projected	2024-25 Proposed	2025-26 Proposed
Beginning Reserves	\$ 99,812,300	\$ 100,000,000	\$ 100,000,000	\$ 100,000,000	\$ 100,000,000	\$ 100,000,000

Revenues						
In-Lieu Premiums	2,943,500	4,093,500	2,046,750	4,144,669	5,041,529	5,441,341
Miscellaneous Other Revenue	-	-	-	1,412,000	-	-
Reserve Contribution	1,576,125	-	1,500,805	461,066	-	383,494
Service Department Allocation	107,676	75,000	53,838	121,439	125,000	125,000
Total Revenues	4,627,301	4,168,500	3,601,393	6,139,174	5,166,529	5,949,835

Expenses						
Benefits/Claims	930,444	425,000	1,108,071	2,648,374	1,000,000	1,000,000
Contractual Services	-	-	-	-	-	-
Legal Services	169,383	100,000	60,617	122,230	150,000	150,000
Professional Services	73,144	90,000	51,045	104,796	100,000	100,000
Subtotal	1,172,972	615,000	1,219,733	2,875,400	1,250,000	1,250,000
Policy Premium Expense	3,266,630	3,553,500	2,175,850	3,263,774	3,916,529	4,699,835
Total Expenses	4,439,601	4,168,500	3,395,582	6,139,174	5,166,529	5,949,835

Excess Revenue (Expenses)	187,700	-	205,811	-	-	-
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Ending Reserves	\$ 100,000,000	\$ 100,000,000	\$ 100,205,810	\$ 100,000,000	\$ 100,000,000	\$ 100,000,000
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General Liability and Property Self-Insurance Program

DESCRIPTION OR ACCOUNT TITLE	2022-23 Actuals	2023-24 Budget	2023-24 Thru 12/31/23	2023-24 Projected	2024-25 Proposed	2025-26 Proposed
Beginning Reserves	\$ 97,674,000	\$ 98,000,000	\$ 98,000,000	\$ 98,000,000	\$ 97,635,517	\$ 98,000,000

Revenues						
In-Lieu Premiums	2,425,000	3,243,000	1,621,500	3,283,538	4,381,983	4,649,886
Miscellaneous Other Revenue	-	-	-	1,412,000	-	-
Reserve Contribution	1,015,412	-	1,395,905	461,066	-	92,114
Service Department Allocation	8,880	75,000	4,440	10,015	25,000	25,000
Total Revenues	3,449,292	3,318,000	3,021,845	5,166,619	4,406,983	4,767,000

Expenses						
Benefits/Claims	158,352	25,000	995,730	2,495,852	400,000	400,000
Contractual Services	-	-	-	-	-	-
Legal Services	-	30,000	-	-	-	-
Professional Services	7,692	20,000	13,615	16,500	20,000	20,000
Subtotal	166,045	75,000	1,009,345	2,512,352	420,000	420,000
Policy Premium Expense	2,957,248	3,243,000	2,012,500	3,018,750	3,622,500	4,347,000
Total Expenses	3,123,292	3,318,000	3,021,845	5,531,102	4,042,500	4,767,000

Excess Revenue (Expenses)	326,000	-	-	(364,483)	364,483	-
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Ending Reserves	\$ 98,000,000	\$ 98,000,000	\$ 98,000,000	\$ 97,635,517	\$ 98,000,000	\$ 98,000,000
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Workers' Compensation Self-Insurance Program

DESCRIPTION OR ACCOUNT TITLE	2022-23 Actuals	2023-24 Budget	2023-24 Thru 12/31/23	2023-24 Projected	2024-25 Proposed	2025-26 Proposed
Beginning Reserves	\$ 2,138,300	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000	\$ 2,364,483	\$ 2,000,000

Revenues						
In-Lieu Premiums	518,500	850,500	425,250	861,131	659,546	791,455
Miscellaneous Other Revenue	-	-	-	-	-	-
Reserve Contribution	560,713	-	104,900	-	-	291,380
Service Department Allocation	98,796	-	49,398	111,424	100,000	100,000
Total Revenues	1,178,009	850,500	579,548	972,555	759,546	1,182,835

Expenses						
Benefits/Claims	772,092	400,000	112,341	152,522	600,000	600,000
Contractual Services	-	-	-	-	-	-
Legal Services	169,383	70,000	60,617	122,230	150,000	150,000
Professional Services	65,452	70,000	37,430	88,296	80,000	80,000
Subtotal	1,006,927	540,000	210,388	363,048	830,000	830,000
Policy Premium Expense	309,382	310,500	163,349	245,024	294,029	352,835
Total Expenses	1,316,309	850,500	373,737	608,072	1,124,029	1,182,835

Excess Revenue (Expenses)	(138,300)	-	205,811	364,483	(364,483)	-
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Ending Reserves	\$ 2,000,000	\$ 2,000,000	\$ 2,205,811	\$ 2,364,483	\$ 2,000,000	\$ 2,000,000
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CIP Budget Request Summary

Each year, the Board of Directors, through their committee process, reviews and approves the Capital Improvement Program (CIP) encompassing all projects that rehabilitate, replace, or construct new capital facilities located throughout OC San’s collection system and Reclamation Plant Nos. 1 and 2.

CIP projects take several years to complete the planning, design, and construction phases. The proposed budget for each project covers the lifecycle of the project. This budget is reevaluated each year for the purpose of managing annual cash flows. Thus, many of the projects in the CIP Budget for FY 2024-25 and FY 2025-26 are continuing projects that were approved in prior years.

In December 2017, the 2017 Facilities Master Plan was adopted by the Board of Directors. The Master Plan identified a phased 20-year program of capital improvement projects that will allow OC San to maintain reliability, accommodate future growth, adapt to future regulatory requirements, meet level of service goals, and achieve strategic initiatives.

This phased 20-year program is only a starting point. The Asset Management Program within the Planning Division continues assessing the condition of OC San’s existing assets and systems to ensure that the necessary level of service is maintained. The Planning Division continues reviewing and updating the ongoing and future CIP to appropriately manage the risks associated with aging facilities. Projects are delayed, consolidated, or rescope as time passes and additional information is gathered to help ensure that the CIP is delivered in the most efficient way possible. The Asset Management Program will continue these efforts and will scope future CIP projects to ensure a viable, long-term financial plan is in place to provide effective and efficient operations in perpetuity.

This year, three new projects are proposed for addition to the FY 2024-25 budget. These are:

Project No. 5-69: East Coast Highway Sewer Rehabilitation.

Project No. J-139: Process Control System Alarm Optimization.

Project No. P2-141: Headworks Electrical Distribution Improvements at Plant No. 2

OC San staff reviews all active and future CIP projects to ensure the projects’ scope of work, schedule, and cost estimate are appropriate each year. Through this budget validation process, each project’s schedule, staff resources, total project cost, cash flow and risks are assessed to confirm the budgetary requirements. The validated CIP includes 73 active and future capital projects and the five programs listed below:

Small Construction Projects Program (M-FE)

Planning Studies Program (M-Studies)

Research Program (M-Research)

Operation & Maintenance Capital Program (M- SM-CAP)

Information Technology Capital Program (M- MC-IT)

The total CIP budget authority has increased by \$105 million as compared to FY 2023-24 approved budget of \$4.6 billion. The changes are summarized below:

FY 2023-24 Approved Total CIP Budget Authority	\$4.6 B
Project Net Changes:	
New	\$47 M
Budget Increases	\$478 M
Budget Decreases	(\$20.9 M)
Cancellation/Closures	<u>(\$399 M)</u>
Total:	\$105 M

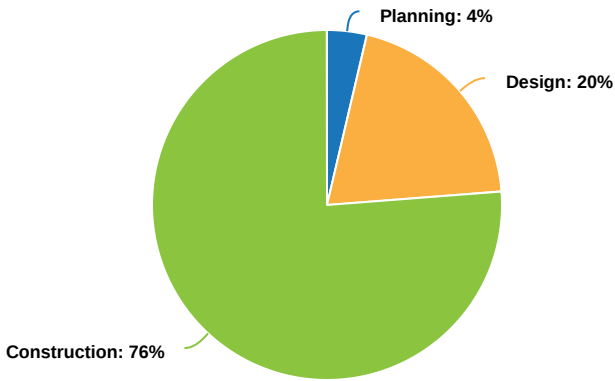
FY 2024-25 Proposed Total CIP Budget Authority	\$4.7 B
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Following is a table of the FY 2024-25 proposed CIP budget:

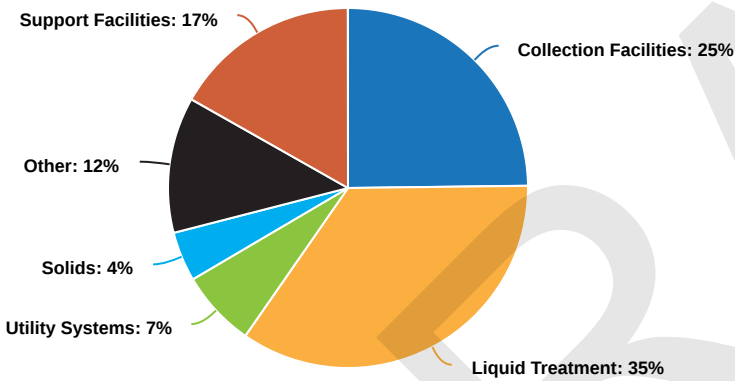
Description	FY 2024-25 CIP Budget
Capital Improvement Program (CIP)	\$253.5 M
Less: Savings and Deferrals	<u>(\$30.4 M)</u>
Net CIP Outlay	\$223.1 M

The proposed FY 2024-25 net CIP outlays can be categorized by the project status (work phase), area ((type of wastewater treatment process or location), or driver (the reason(s) why a project is needed). Charts showing the distribution of the funds by CIP outlay for each of these categories are provided on the following page.

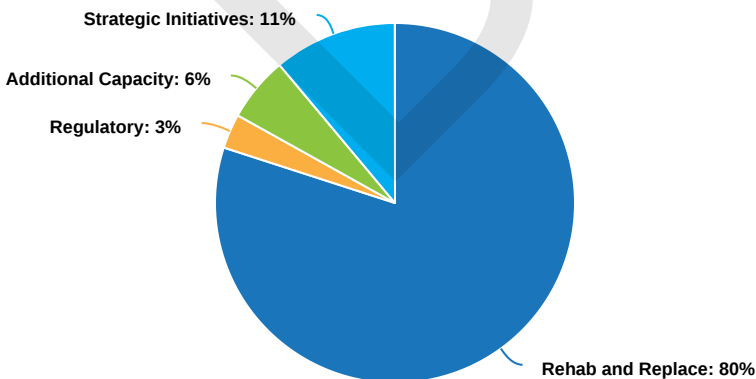
Projected FY 2024-25 Net CIP Outlay by Project Status



Projected FY 2024-25 Net CIP Outlay by Area



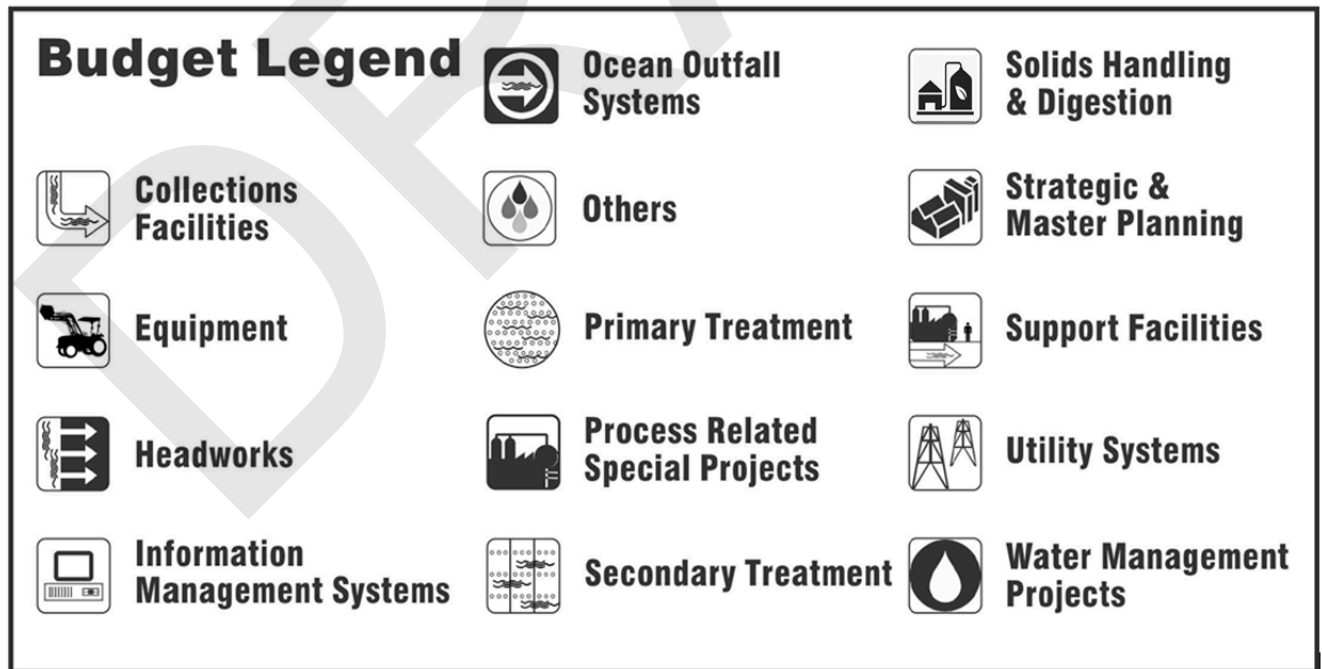
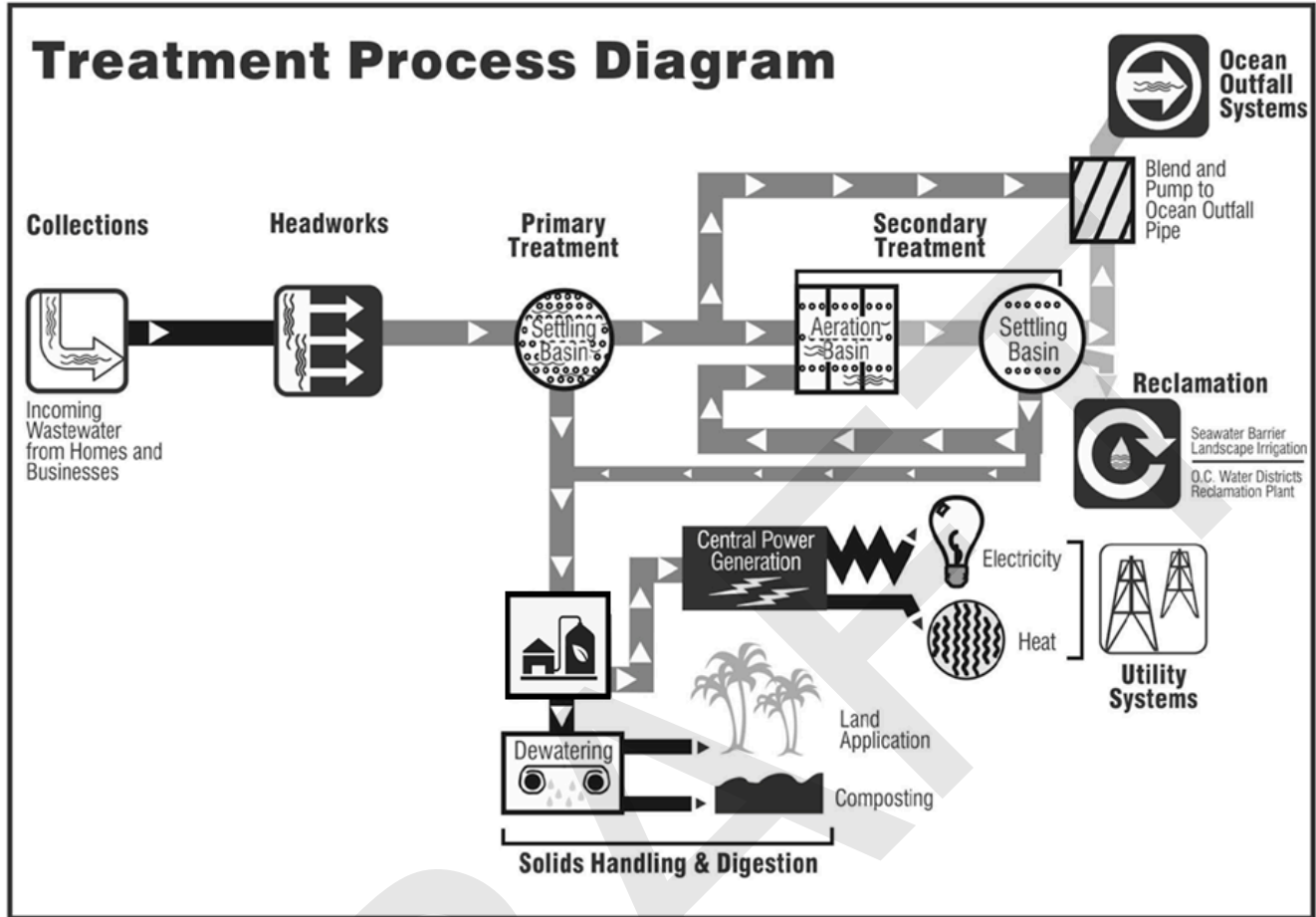
Projected FY 2024-25 Net CIP Outlay by Project Driver



Construction is the primary outlay for FY 2024-25 with a total outlay of approximately \$193.2 million. A good example of a large project in construction continues to be Headworks Rehabilitation at Plant No. 1 (Project No. P1-105). The existing facility is over 30 years old with some portions dating back to the 1950's - a comprehensive refurbishment is required to extend its useful life. The project will rehabilitate and/or replace the following: metering and diversion structure, bar screen building, bin loading building, main sewage pump station, grit basins, primary influent channels, headworks odor control scrubbers, electrical power distribution and control systems, and original emergency pumping system. The total budgeted cost for this project is \$340 million with construction anticipated to finish in 2028. The FY 2024-25 expenditures are estimated to be \$41 million.

Collection facilities comprise 25% of the FY 2024-25 Net CIP outlay. Seal Beach Pump Station Replacement (Project No. 3-67) will replace the existing pump station which has reached the end of its useful life with a new modernized pump station including the addition of onsite odor control facilities. The project will also accommodate a deeper influent gravity system that will eventually allow for the abandonment of an upstream pump station and result in a more efficient system overall. The project recently began construction and is anticipated to spend \$14 million in 2024-25. Construction is scheduled to end in 2027. The total project budget is \$134 million.

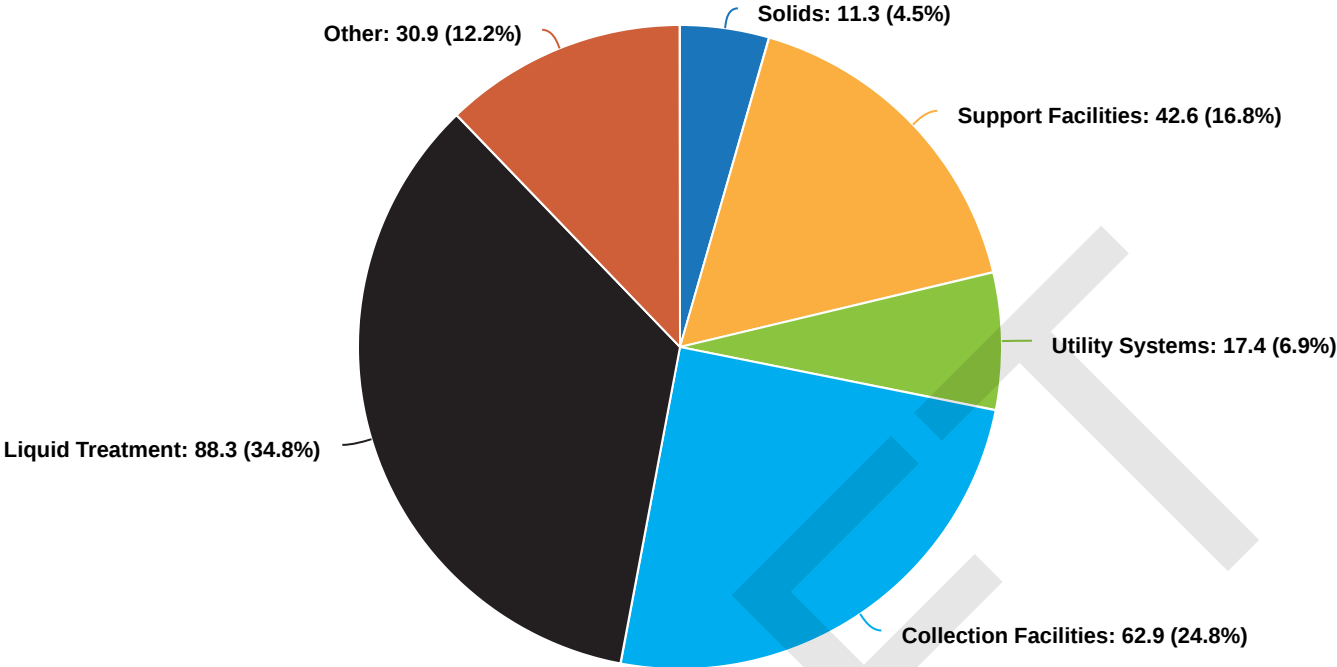
Project drivers are dominated by Rehabilitation and Replacement Projects at 80% of FY 2024-25 Net CIP Outlay. An example is Digesters Rehabilitation at Plant No. 2 (Project No. P2-137) that will rehabilitate the digesters at Plant No. 2 by providing dome and wall repairs as well as a number of ancillary and safety improvements which will extend the life of the existing facilities. Construction is anticipated to begin in the coming fiscal year and spend \$4 million within FY 2024-25. Construction is scheduled to end in 2027. The total project budget is \$45 million.



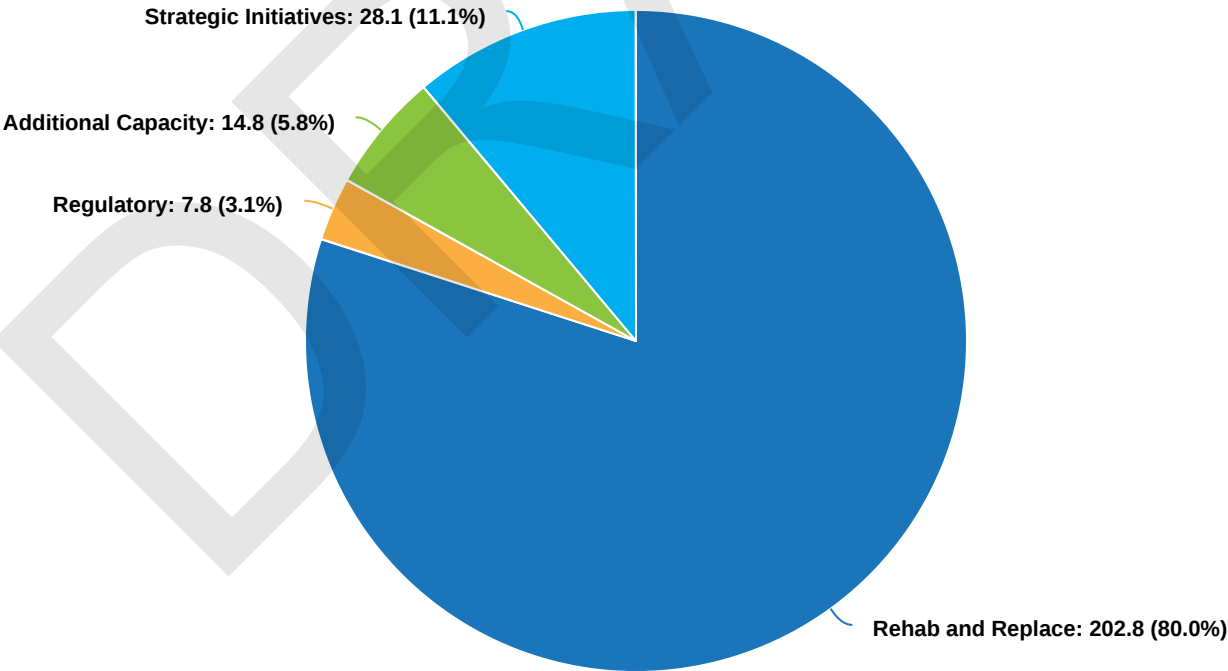
Project Summary FY 2024-25

Item	Rehabilitation and Replacement	Strategic Initiatives	Additional Capacity	Regulatory	Total Budget Authority
Collections Facilities	\$ 52,702,802	\$ 2,050,483	\$ 8,112,942	\$ 34,158	\$ 62,900,384
Solids Handling & Digestion	9,218,014	2,111,866	-	-	11,329,880
Support Facilities	30,474,141	5,732,412	2,606,520	3,776,687	42,589,760
Utility Systems	16,882,372	540,430	-	-	17,422,802
<u>Liquid Treatment:</u>					
Headworks	40,947,431	180,259	-	-	41,127,690
Primary Treatment	25,284,721	1,148,238	-	-	26,432,959
Ocean Outfall Systems	3,403,762	8,038,196	-	-	11,441,958
Secondary Treatment	9,329,624	-	-	-	9,329,624
Liquid Treatment Subtotal	78,965,538	9,366,693	-	-	88,332,231
<u>Other:</u>					
Information Management Systems	8,412,504	746,830	-	-	9,159,334
Equipment	3,849,006	3,849,006	3,849,006	3,849,006	15,396,026
Research	-	1,849,805	-	-	1,849,805
Strategic & Master Planning	2,274,808	1,137,404	189,567	189,567	3,791,346
Others	-	723,265	-	-	723,265
Water Management Projects	-	-	-	-	-
Other Subtotal	14,536,318	8,306,310	4,038,574	4,038,574	30,919,776
Grand Total	202,779,185	28,108,194	14,758,035	7,849,418	253,494,833
Less: CIP Savings & Deferrals					(30,419,380)
Proposed Net CIP Outlay					\$ 223,075,453

Summary of Capital Requirements - FY 2024-25



FY 2024-25 Capital Improvement Program Outlay by Process - \$253.4 Million
Net CIP Outlay - \$223.0 Million

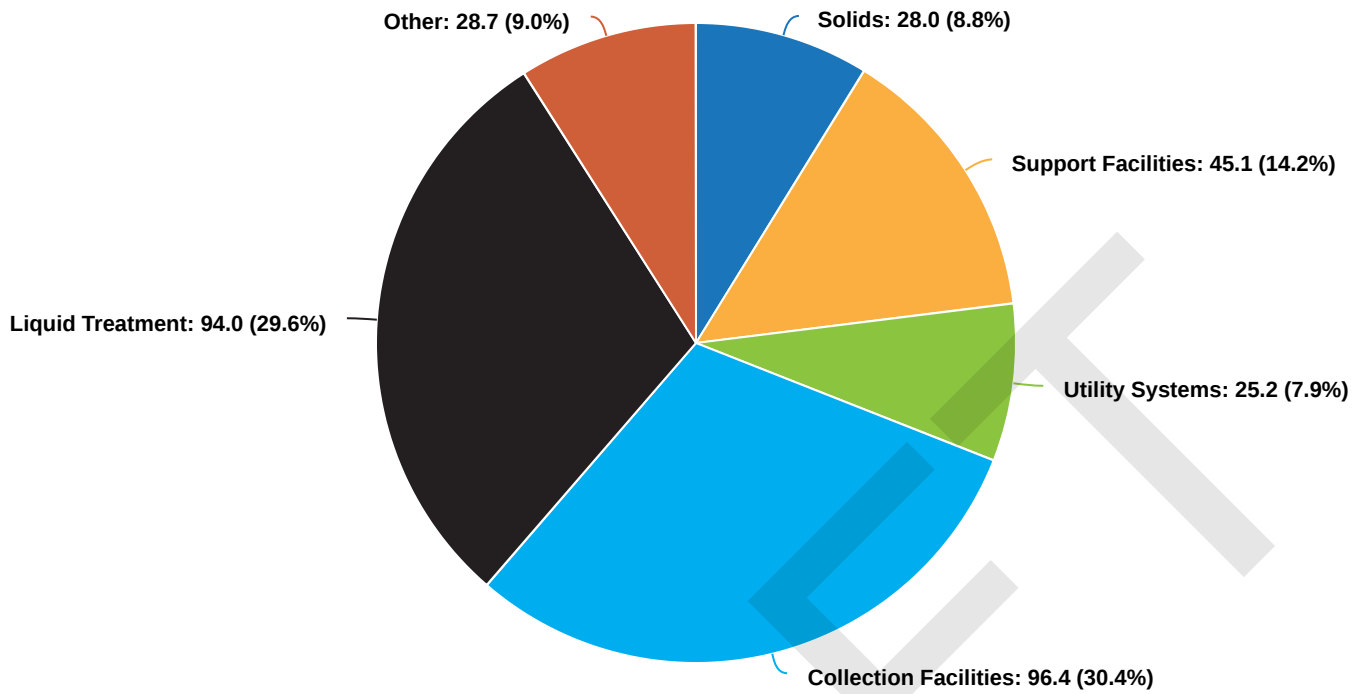


FY 2024-25 Capital Improvement Program Outlay by Driver - \$253.4 Million
Net CIP Outlay - \$223.0 Million

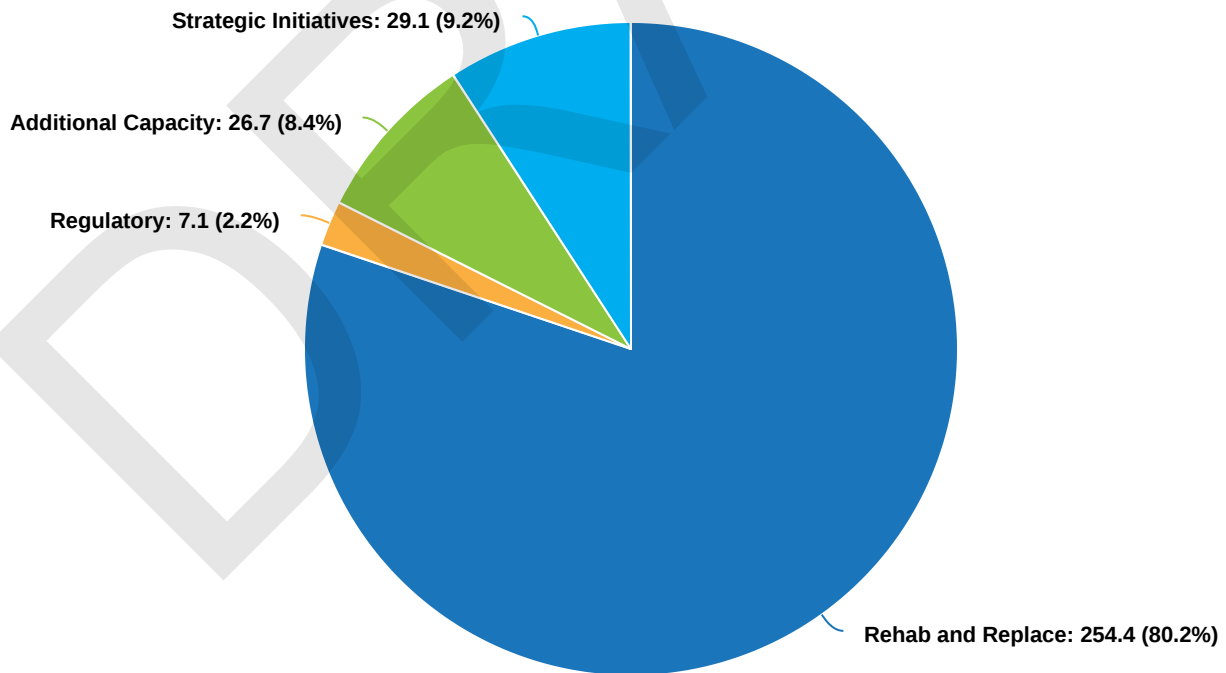
Project Summary FY 2025-26

Item	Rehabilitation and Replacement	Strategic Initiatives	Additional Capacity	Regulatory	Total Budget Authority
Collections Facilities	\$ 74,820,055	\$ 1,672,121	\$ 19,857,417	\$ 40,628	\$ 96,390,221
Solids Handling & Digestion	22,298,427	5,666,220	-	-	27,964,647
Support Facilities	29,595,668	8,995,088	3,181,432	3,361,232	45,133,420
Utility Systems	23,803,477	1,422,951	-	-	25,226,428
<u>Liquid Treatment:</u>					
Headworks	41,453,356	-	-	-	41,453,356
Primary Treatment	29,575,592	216,006	-	-	29,791,597
Ocean Outfall Systems	3,730,003	6,087,361	-	-	9,817,364
Secondary Treatment	12,890,222	-	-	-	12,890,222
Liquid Treatment Subtotal	87,649,173	6,303,367	-	-	93,952,539
<u>Other:</u>					
Information Management Systems	11,000,773	454,462	-	-	11,455,235
Equipment	3,549,459	3,549,459	3,549,459	3,549,459	14,197,837
Research	-	150,583	-	-	150,583
Strategic & Master Planning	1,726,358	863,179	143,863	143,863	2,877,263
Others	-	-	-	-	-
Water Management Projects	-	-	-	-	-
Other Subtotal	16,276,590	5,017,683	3,693,322	3,693,322	28,680,918
Grand Total	254,443,389	29,077,430	26,732,171	7,095,183	317,348,173
Less: CIP Savings & Deferrals					(38,104,927)
Proposed Net CIP Outlay					\$ 279,243,246

Summary of Capital Requirements - FY 2025-26



FY 2025-26 Capital Improvement Program Outlay by Process - \$317.4 Million
Net CIP Outlay - \$279.2 Million



FY 2025-26 Capital Improvement Program Outlay by Driver - \$317.4 Million
Net CIP Outlay - \$279.2 Million

Summary of Capital Requirements

Summary of Capital Requirement - Collection System Improvement Projects

	Project Number	Project Phase 7/1/24	Total Project Budget	Est. Cost To Date 6/30/24	Proposed 2024-25 Outlay	Proposed 2025-26 Outlay	Future Outlay
Collections Facilities							
Edinger Pump Station Repl.	11-33	Design	36,500,000	1,958,397	1,143,575	1,277,273	32,120,755
Slater Pump Station Rehab.	11-34	Planning	45,600,000	-	-	-	45,600,000
North Huntington Beach Sewer Rehab.	11-35	Planning	11,520,000	-	-	-	11,520,000
Santa Ana Trunk Sewer Rehab.	1-23	Design	54,620,000	3,167,798	1,098,804	6,339,057	44,014,341
Greenville Trunk Impr.	1-24	Design	48,600,000	2,063,133	132,179	132,179	46,272,509
Taft Branch Impr.	2-49	Construction	31,200,000	3,104,645	6,327,358	14,985,867	6,782,130
Fullerton - Placentia Sewer Facilities Demo. & ...	2-73	Planning	21,700,000	-	248,738	671,093	20,780,169
Atwood - Santa Ana Canyon Sewer Rehab.	2-78	Planning	19,300,000	-	-	-	19,300,000
Knott - Miller Holder Artesia Branch Rehab.	3-60	Design	16,500,000	586,856	648,678	427,263	14,837,203
Westminster Blvd Force Main Repl.	3-62	Construction	43,900,000	43,728,664	169,215	2,121	-
Rehab. of Western Regional Sewers	3-64	Construction	94,000,000	46,036,561	4,063,118	13,391,958	30,508,363
I-405 Widening Project Impacts on OCSD Sewers	3-66	Construction	500,000	425,214	34,158	40,628	-
Seal Beach Pump Station Repl.	3-67	Construction	134,000,000	11,751,879	14,196,085	25,730,798	82,321,238
Los Al. Sub-Trunk Ext. & Westside Pump Station ...	3-68	Planning	119,600,000	-	-	178,239	119,421,761
Crystal Cove Pump Station Rehab.	5-66	Planning	14,500,000	-	-	-	14,500,000
Bay Bridge Pump Station Repl.	5-67	Design	146,000,000	16,842,932	3,448,075	9,410,264	116,298,729
Newport Beach Pump Station Pressurization Impr.	5-68	Construction	2,700,000	2,115,841	437,582	146,577	-
East Coast Highway Sewer Rehab.	5-69	Planning	8,600,000	-	-	388,421	8,211,579
Fairview Sewer Rehab.	6-20	Design	25,000,000	1,052,164	599,292	761,341	22,587,203
MacArthur Pump Station Rehab.	7-63	Planning	16,200,000	-	187,422	500,795	15,511,783
Main Street Pump Station Rehab.	7-64	Planning	37,700,000	-	-	-	37,700,000
Gisler-Red Hill Interceptor & Baker Force Main ...	7-65	Construction	55,500,000	9,180,401	26,796,764	18,950,624	572,211
Sunflower & Red Hill Interceptor Repairs	7-66	Construction	6,750,000	6,746,609	3,391	-	-
MacArthur Force Main Impr.	7-68	Construction	8,150,000	3,712,774	2,728,325	1,708,901	-
North Tustin-Orange Sewer Impr.	7-69	Planning	59,100,000	83,180	637,625	1,346,822	57,032,373
Collections Facilities Total			\$ 1,057,740,000	\$ 152,557,048	\$ 62,900,384	\$ 96,390,221	\$ 745,892,347

Summary of Capital Requirements

Summary of Capital Requirement - Treatment System Improvement Projects

	Project Number	Project Phase 7/1/24	Total Project Budget	Est. Cost To Date 6/30/24	Proposed 2024-25 Outlay	Proposed 2025-26 Outlay	Future Outlay
Equipment							
Equipment Purchases	Equipment	Construction	29,593,863	4,000,000	15,396,026	14,197,837	-
Equipment Total			29,593,863	4,000,000	15,396,026	14,197,837	-
Headworks							
Headworks Rehab. at P1	P1-105	Construction	340,000,000	164,291,417	40,947,431	41,453,356	93,307,796
Headworks Mod. at P2 for GWRS Final Expansion	P2-122	Construction	30,400,000	30,219,741	180,259	-	-
Headworks Total			370,400,000	194,511,158	41,127,690	41,453,356	93,307,796
Primary Treatment							
Primary Sed. Basins No. 3-5 Repl. at P1	P1-126	Design	183,000,000	6,617,080	4,652,825	5,956,289	165,773,806
Primary Sed. Basins No. 6-31 Reliability Impr. at P1	P1-133	Construction	12,100,000	9,371,513	2,296,476	432,011	-
B/C-Side Primary Sed. Basins Rehab. at P2	P2-133	Planning	306,093,000	-	-	-	306,093,000
Primary Treatment Rehab. at P2	P2-98	Construction	188,000,000	90,915,706	19,483,658	23,403,297	54,197,339
Primary Treatment Total			689,193,000	106,904,299	26,432,959	29,791,597	526,064,145
Secondary Treatment							
Activated Sludge-1 Rehab. at P1	P1-140	Design	470,000,000	6,220,370	5,682,462	5,746,054	452,351,114
Trickling Filter Media Repl. at P1	P1-142	Planning	47,000,000	111,613	483,777	4,408,250	41,996,360
Return Activated Sludge Piping Repl. at P2	P2-123	Construction	10,000,000	10,000,000	-	-	-
Activated Sludge Aeration Basin Rehab. at P2	P2-136	Design	65,600,000	1,053,354	3,163,385	2,735,918	58,647,343
Secondary Treatment Total			592,600,000	17,385,337	9,329,624	12,890,222	552,994,817
Solids Handling & Digestion							
Interim Food Waste Receiving Facility	P2-124	Design	6,300,000	1,413,789	223,531	195,527	4,467,153
Digester Repl. at P2	P2-128	Design	588,000,000	34,175,465	7,161,399	20,491,380	526,171,756
Digesters Rehab. at P2	P2-137	Design	45,000,000	3,845,175	3,836,078	6,891,242	30,427,505
Truck Loading Bay Odor Control Impr. at P2	P2-140	Planning	8,356,000	34,448	108,872	386,498	7,826,182
Solids Handling & Digestion Total			647,656,000	39,468,877	11,329,880	27,964,647	568,892,596
Ocean Outfall System							
Ocean Outfall System Rehab.	J-117	Construction	170,300,000	150,691,960	10,269,146	6,573,384	2,765,510
Ocean Outfalls Rehab.	J-137	Planning	82,000,000	267,051	326,842	536,427	80,869,680
Chemical Systems Rehab. at P2	P2-135	Design	9,200,000	1,009,165	672,673	2,314,646	5,203,516
Emergency Overflow Wingwalls Rehab. at P2	P2-139	Planning	7,500,000	121,200	173,297	392,907	6,812,596
Ocean Outfall Systems Total			269,000,000	152,089,376	11,441,958	9,817,364	95,651,302

Summary of Capital Requirements

Summary of Capital Requirement - Treatment System Improvement Projects

	Project Number	Project Phase 7/1/24	Total Project Budget	Est. Cost To Date 6/30/24	Proposed 2024-25 Outlay	Proposed 2025-26 Outlay	Future Outlay
Utility Systems							
Digester Gas Facilities Rehab.	J-124	Design	190,000,000	17,642,764	2,909,099	5,905,764	163,542,373
Natural Gas Pipelines Repl. at P1 & P2	J-127	Construction	2,173,718	2,173,718	-	-	-
Cen Gen Engine Overhauls at P1 & P2	J-135	Design	72,200,000	19,675,648	9,361,016	10,156,565	33,006,771
Cen Gen Facilities & OOBs Seismic Upgrades	J-138	Planning	17,500,000	-	177,372	556,883	16,765,745
Electrical Power Distribution System Impr.	J-98	Design	29,000,000	4,402,429	1,697,999	4,330,172	18,569,400
Uninterruptible Power Supply Impr. at P1	P1-132	Construction	9,600,000	5,378,047	2,855,350	1,229,835	136,768
12.47 kV Switchgear Repl. at Cen Gen at P1	P1-136	Planning	16,000,000	-	118,833	600,826	15,280,341
Industrial Control System & IT Data Center ...	P1-138	Planning	16,500,000	56,666	238,625	670,624	15,534,085
Headworks Electrical Distribution Impr. at P2	P2-141	Planning	34,652,000	-	64,508	1,775,759	32,811,733
Utility Systems Total			387,625,718	49,329,272	17,422,802	25,226,428	295,647,216
Information Management Systems							
Process Control Systems Upgrades	J-120	Construction	35,500,000	8,132,278	7,365,033	10,074,419	9,928,270
Project Mgmt. Information System	J-128	Construction	2,280,000	1,641,447	61,318	61,318	515,917
Process Control System Alarm Optimization	J-139	Planning	4,121,000	-	115,523	286,775	3,718,702
Information Technology Capital Program	M-MC-IT	Construction	10,000,000	1,263,314	1,371,024	786,288	6,579,374
EAM Software & Process Implementation	SP-100	Construction	9,200,000	7,171,780	246,436	246,435	1,535,349
Information Management Systems Total			61,101,000	18,208,819	9,159,334	11,455,235	22,277,612
Strategic & Master Planning							
Planning Studies Program	M-STUDIES	Planning	25,000,000	6,262,864	3,791,346	2,877,263	12,068,527
Strategic & Master Planning Total			25,000,000	6,262,864	3,791,346	2,877,263	12,068,527
Water Management Projects							
GWRS Final Expansion Coordination	J-36-2	Construction	1,400,000	1,400,000	-	-	-
Water Management Projects Total			1,400,000	1,400,000	-	-	-
Research							
Research Program	M-RESEARCH	Planning	10,000,000	6,547,581	1,849,805	150,583	1,452,031
Research Total			10,000,000	6,547,581	1,849,805	150,583	1,452,031

Summary of Capital Requirements

Summary of Capital Requirement - Treatment System Improvement Projects

	Project Number	Project Phase 7/1/24	Total Project Budget	Est. Cost To Date 6/30/24	Proposed 2024-25 Outlay	Proposed 2025-26 Outlay	Future Outlay
Support Facilities							
Laboratory Repl. at P1	J-133	Planning	103,800,000	-	-	6,442,800	97,357,200
Small Construction Projects Program	M-FE	Construction	109,378,000	32,272,804	26,065,203	25,371,517	25,668,476
Operations & Maintenance Capital Program	M-SM-CAP	Construction	15,622,000	3,381,613	4,625,784	5,734,144	1,880,459
Headquarters Complex	P1-128	Construction	169,500,000	166,800,066	2,340,333	359,601	-
South Perimeter Security & Utility Impr. at P1	P1-134	Construction	8,150,000	7,891,440	258,560	-	-
Support Buildings Seismic Impr. at P1	P1-137	Design	27,600,000	1,618,874	1,119,403	4,463,628	20,398,095
Administrative Facilities Demo.	P1-141	Planning	4,286,000	12,060	62,006	176,671	4,035,263
Collections Yard Relocation & Warehouse Demo....	P2-127	Construction	8,800,000	3,972,558	4,705,701	121,741	-
Operations & Maintenance Complex at P2	P2-138	Design	126,500,000	3,737,611	3,412,770	2,463,318	116,886,301
Support Facilities Total			573,636,000	219,687,026	42,589,760	45,133,420	266,225,794
Others							
Capital Improvement Program Mgmt. Services	SP-195	Planning	1,500,000	776,735	723,265	-	-
Others Total			1,500,000	776,735	723,265	-	-
Total Treatment and Disposal Projects			3,629,111,718	812,571,344	175,198,423	206,760,115	2,434,581,836
Total Collections Facilities			1,057,740,000	152,557,048	62,900,384	96,390,221	745,892,347
Capital Equipment Purchases			29,593,863	4,000,000	15,396,026	14,197,837	-
Total Capital Improvement Program Budget			\$ 4,716,445,581	\$ 969,128,392	\$ 253,494,833	\$ 317,348,173	\$ 3,180,474,183
Less: CIP Savings & Deferrals			-	-	(30,419,380)	(38,104,927)	-
Allocation for Future Rehab.			-	-	-	-	-
Proposed Net CIP Outlay			-	-	\$ 223,075,453	\$ 279,243,246	-

Project Name & Number | Edinger Pump Station Repl. - 11-33

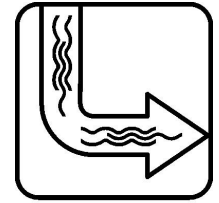
Project Category | Collections Facilities

Project Status:

Revised

Description

This project will replace the existing Edinger Pump Station to meet current building, electrical, and safety codes and to provide safer access to the pump station. The new pump station will be located at a new location near the existing pump station. The existing pump station will be demolished when the new one is complete.



**Collections
Facilities**

Justification

Edinger Pump Station was originally constructed in 1968. Although the pumps have recently been replaced, the control systems are rapidly becoming obsolete, and the electrical system does not comply with current codes. In addition, the existing pump station is located below grade, and to access the pump station for maintenance requires blocking off a pedestrian walkway, a bike lane, and a traffic lane.

Financial Consideration

The project budget has been increased from \$17,300,000 to \$36,500,000.

The project's estimated construction contract cost is \$20,710,000.

This project will not have an impact on operational budgets.

The increased budget is a result of an updated estimate to complete the work.

Budget Projections

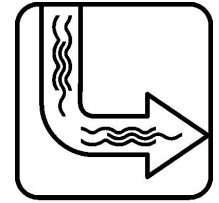
Budget Phase	Cost to Date	2024-2025	2025-2026	2026-2027	2027-2028	2028-2029	Thereafter	Total Project Budget
Proj Dev	\$ 172,514	-	-	-	-	-	-	\$ 172,514
Prelim Design	1,620,426	238,690	-	-	-	-	-	1,859,116
Design	135,791	880,471	1,244,902	357,706	-	-	-	2,618,870
Construction	29,666	24,414	32,371	2,649,176	11,574,129	11,211,879	-	25,521,635
Commissioning	-	-	-	-	171,109	192,623	24,305	388,037
Close-out	-	-	-	-	-	35,207	121,545	156,752
Contingency	-	-	-	312,559	-	551,577	4,918,940	5,783,076
Total	\$ 1,958,397	\$ 1,143,575	\$ 1,277,273	\$ 3,319,441	\$ 11,745,238	\$ 11,991,286	\$ 5,064,790	\$ 36,500,000

Project Name & Number | Slater Pump Station Rehab. - 11-34

Project Category | Collections Facilities | **Project Status:** | Future

Description

This project will rehabilitate the existing Slater Avenue Pump Station to meet current building, electrical and safety standards. The mechanical piping and pumps will be replaced and the sewage wetwell will be prepared in order to extend the useful life of the pump station. In addition to the improvements to the pump station, both sewer force mains currently serving this pump station will be rehabilitated.



**Collections
Facilities**

Justification

Slater Avenue Pump Station was constructed in the late 1990s and needs rehabilitation to maintain the pump station’s reliability in the coming decades. The electrical system does not meet current building code requirements. The ductile iron force mains, one of which was constructed with the original Slater Avenue Pump Station, are aging and need to be rehabilitated.

Financial Consideration

The project budget has been increased from \$28,511,000 to \$45,600,000.

The project's estimated construction contract cost is \$26,050,000.

The impacts to operational budgets have not yet been determined.

The increased budget is a result of changes in the project elements and an updated estimate to complete the work.

Budget Projections

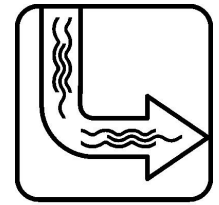
Budget Phase	Cost to Date	2024-2025	2025-2026	2026-2027	2027-2028	2028-2029	Thereafter	Total Project Budget
Proj Dev	-	-	-	-	-	-	-	-
Prelim Design	-	-	-	-	-	-	-	-
Design	-	-	-	-	-	-	5,103,000	5,103,000
Construction	-	-	-	-	-	-	32,711,000	32,711,000
Commissioning	-	-	-	-	-	-	-	-
Close-out	-	-	-	-	-	-	-	-
Contingency	-	-	-	-	-	-	7,786,000	7,786,000
Total	-	-	-	-	-	-	\$ 45,600,000	\$ 45,600,000

Project Name & Number | North Huntington Beach Sewer Rehab. - 11-35

Project Category | Collections Facilities | **Project Status:** | Future

Description

This project will rehabilitate portions of the Edinger - Bolsa Chica, Slater-Springdale, Goldenwest, and Warner Ave Trunks in the City of Huntington Beach. The project includes replacement of 1,082 feet of 24-inch to 27-inch sewer and 18 manholes with 60-inch to 72-inch manholes, the rehabilitation of 4,918 feet of 12-inch to 27-inch sewer and 34 manholes 48-inch to 72-inch in diameter, the installation of 4 new manholes, and 6 spot repairs.



**Collections
Facilities**

Justification

Rehabilitation of the existing sewer and manholes is necessary to address identified structural deficiencies.

Financial Consideration

The project budget has been decreased from \$17,500,000 to \$11,520,000.

The project's estimated construction contract cost is \$7,320,000.

The impacts to operational budgets have not yet been determined.

The decreased budget is a result of changes in the project elements identified from recent engineering efforts.

Budget Projections

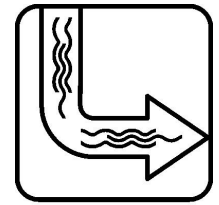
Budget Phase	Cost to Date	2024-2025	2025-2026	2026-2027	2027-2028	2028-2029	Thereafter	Total Project Budget
Proj Dev	-	-	-	-	-	-	-	-
Prelim Design	-	-	-	-	-	-	-	-
Design	-	-	-	66,088	225,252	223,456	335,204	850,000
Construction	-	-	-	-	-	-	8,510,000	8,510,000
Commissioning	-	-	-	-	-	-	-	-
Close-out	-	-	-	-	-	-	-	-
Contingency	-	-	-	-	-	-	2,160,000	2,160,000
Total	-	-	-	\$ 66,088	\$ 225,252	\$ 223,456	\$ 11,005,204	\$ 11,520,000

Project Name & Number Santa Ana Trunk Sewer Rehab. - 1-23

Project Category Collections Facilities **Project Status:** Continuing

Description

This project will rehabilitate a portion of the Santa Ana Trunk sewer north of Interstate 405. This will include rehabilitation of approximately 15,000 feet of large diameter sewers along Alton Avenue and easements crossing MacArthur Boulevard, Harbor Boulevard, Scenic Avenue, Hyland Avenue, Sunflower Avenue in the Cities of Santa Ana and Costa Mesa.



**Collections
Facilities**

Justification

This trunk line is unlined reinforced concrete piping. Physical and video assessments of this sewer indicate there is corrosion in the concrete and rehabilitation must be performed to prevent potential structural failure.

Financial Consideration

The project budget is \$54,620,000.

The project's estimated construction contract cost is \$31,600,000.

This project will not have an impact on operational budgets.

Budget Projections

Budget Phase	Cost to Date	2024-2025	2025-2026	2026-2027	2027-2028	2028-2029	Thereafter	Total Project Budget
Proj Dev	\$ 98,580	-	-	-	-	-	-	\$ 98,580
Prelim Design	2,213,702	-	-	-	-	-	-	2,213,702
Design	835,482	1,098,804	654,131	-	-	-	-	2,588,417
Construction	4,734	-	5,296,926	24,350,632	8,910,103	-	-	38,562,395
Commissioning	15,300	-	-	-	-	-	-	15,300
Close-out	-	-	-	-	114,671	70	-	114,741
Contingency	-	-	388,000	-	3,476,000	7,162,865	-	11,026,865
Total	\$ 3,167,798	\$ 1,098,804	\$ 6,339,057	\$ 24,350,632	\$ 12,500,774	\$ 7,162,935	-	\$ 54,620,000

Project Name & Number | Greenville Trunk Impr. - 1-24

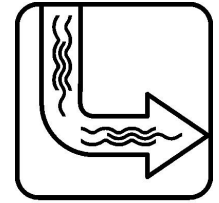
Project Category | Collections Facilities

Project Status:

Continuing

Description

This project will upsize the Greenville Trunk sewer to increase capacity. This will include installation of pipelines, replacement of manholes and rehabilitation of manholes. The project includes improvements of up to 16,000 feet of sewer along Sullivan Street, Edinger Ave, and Greenville Street in the City of Santa Ana.



**Collections
Facilities**

Justification

The need for this project was identified in the Collections Capacity Evaluation Study, Project No. PS15-06. These improvements will accommodate changing flow patterns and potential wet weather surcharges.

Financial Consideration

The project budget is \$48,600,000.

The project's estimated construction contract cost is \$33,840,000.

This project will not have an impact on operational budgets.

Budget Projections

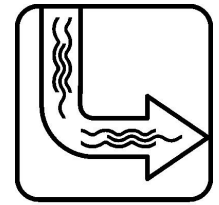
Budget Phase	Cost to Date	2024-2025	2025-2026	2026-2027	2027-2028	2028-2029	Thereafter	Total Project Budget
Proj Dev	\$ 102,196	-	-	-	-	-	-	\$ 102,196
Prelim Design	1,906,838	132,179	132,179	1,305,081	-	-	-	3,476,277
Design	1,640	-	-	583,554	1,402,459	496,029	-	2,483,682
Construction	-	-	-	-	-	455,737	37,522,369	37,978,106
Commissioning	-	-	-	-	-	-	-	-
Close-out	52,459	-	-	-	-	-	25,103	77,562
Contingency	-	-	-	-	-	473,000	4,009,177	4,482,177
Total	\$ 2,063,133	\$ 132,179	\$ 132,179	\$ 1,888,635	\$ 1,402,459	\$ 1,424,766	\$ 41,556,649	\$ 48,600,000

Project Name & Number | Taft Branch Impr. - 2-49

Project Category | Collections Facilities **Project Status:** Continuing

Description

This project will upsize the upper reach of the Taft Branch sewer in the City of Orange. This will include replacement of nearly 7,000 feet of pipe and associated manholes along Meats Ave and Taft Avenue. It includes a new alignment of 3,400 feet on Sacramento St. and Taft Ave to alleviate existing manhole access issues. The project will also include a swap of regional and local sewers. 2,700 feet of existing OC San facilities on Tustin Ave will be transferred to the City of Orange and 2,600 feet of regional piping owned by City of Orange will be transferred to OC San.



**Collections
Facilities**

Justification

The need for this project was identified in the Collections Capacity Evaluation Study, Project No. PS15-08. These improvements will accommodate changing flow patterns and potential wet weather surcharges.

Financial Consideration

The project budget is \$31,200,000.

The project's estimated construction contract cost is \$20,460,000.

This project will not have an impact on operational budgets.

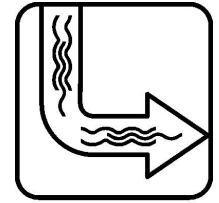
Budget Projections

Budget Phase	Cost to Date	2024-2025	2025-2026	2026-2027	2027-2028	2028-2029	Thereafter	Total Project Budget
Proj Dev	\$ 58,068	-	-	-	-	-	-	\$ 58,068
Prelim Design	1,526,892	-	-	-	-	-	-	1,526,892
Design	1,387,603	22,057	-	-	-	-	-	1,409,660
Construction	81,677	6,282,768	14,985,867	2,673,084	-	-	-	24,023,396
Commissioning	-	-	-	-	-	-	-	-
Close-out	-	-	-	52,598	-	-	-	52,598
Contingency	50,405	22,533	-	2,165,825	1,890,623	-	-	4,129,386
Total	\$ 3,104,645	\$ 6,327,358	\$ 14,985,867	\$ 4,891,507	\$ 1,890,623	-	-	\$ 31,200,000

Project Name & Number	Fullerton - Placentia Sewer Facilities Demo. & Rehab. - 2-73		
Project Category	Collections Facilities	Project Status:	Future

Description

This project will demolish the Yorba Linda Pump Station in the City of Fullerton and its downstream force main, the Yorba Linda Spur Odor Station in the City of Yorba Linda, and abandon an additional 6300 feet of 12-inch VCP and manholes in Craig Regional Park and Associated Road. Flows which are currently being pumped by the Yorba Linda Pump Station east will be conveyed by gravity through the newly upsized Newhope-Placentia Trunk located in State College Boulevard to the west. Gravity sewers located in Yorba Linda Boulevard will be reconfigured to permanently divert flow away from the pump station. This project will also rehabilitate the Pioneer Branch, Kraemer Boulevard Interceptor, portions of the Rolling Hills Sub-Trunk and Carbon Canyon Dam Interceptor in the cities of Brea, Fullerton, and Placentia. This portion of the work includes construction of 30 feet of new 24-inch VCP sewer and a new 84-inch manhole, the rehabilitation of 975 feet of 15-inch VCP sewer and 48 manholes 48-inch to 84-inch manhole in diameter, and construction of various spot repairs.



**Collections
Facilities**

Justification

The Yorba Linda Pump Station was built, in part, to convey flow away from undersized gravity sewers located in State College Boulevard. Land development in the vicinity necessitates the upsizing of the same gravity sewers and the project (2-72) to do so has been completed, which renders the Yorba Linda Pump Station unnecessary. The pump station currently resides on the California State University Fullerton's property. The university anticipates future renovation to include this area in the master plan design and may move forward once the pump station is no longer in use. Additionally, rehabilitation of existing trunk sewer main and manholes in the vicinity of the pump station is necessary to address identified structural deficiencies. Lastly, a proposed new sewer and diversion will enable more flow from the SARI trunk system to get into the Newhope trunk system and increase reclaimable dry weather flows at P1.

Financial Consideration

The project budget has been increased from \$10,385,000 to \$21,700,000.
The project's estimated construction contract cost is \$12,370,000.
The impacts to operational budgets have not yet been determined.
The increased budget is a result of changes in the project elements identified from recent engineering efforts.

Budget Projections

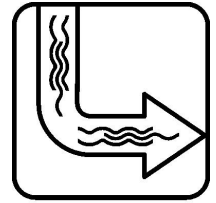
Budget Phase	Cost to Date	2024-2025	2025-2026	2026-2027	2027-2028	2028-2029	Thereafter	Total Project Budget
Proj Dev	-	-	-	-	-	-	-	-
Prelim Design	-	-	-	-	-	-	-	-
Design	-	248,738	671,093	723,294	719,240	62,635	-	2,425,000
Construction	-	-	-	-	53,413	7,625,330	7,858,257	15,537,000
Commissioning	-	-	-	-	-	-	-	-
Close-out	-	-	-	-	-	-	-	-
Contingency	-	-	-	-	-	-	3,738,000	3,738,000
Total	-	\$ 248,738	\$ 671,093	\$ 723,294	\$ 772,653	\$ 7,687,965	\$ 11,596,257	\$ 21,700,000

Project Name & Number | **Atwood - Santa Ana Canyon Sewer Rehab. - 2-78**

Project Category | **Collections Facilities** | **Project Status:** | **Future**

Description

This project will rehabilitate the Atwood Sub-Trunk and Santa Ana Canyon South River Trunk within the cities of Anaheim and Placentia. The project includes the construction of 200 LF of new air jumper pipe and 4 manholes 60-inch in diameter, rehabilitation of 2,376 feet of 18-inch to 33-inch sewer and 81 manholes 48-inch to 72-inch in diameter, and several spot repairs. The project also includes the construction of 700 feet of new access road and modifications to an existing manhole structure to improve maintenance accessibility in easement areas.



**Collections
Facilities**

Justification

Rehabilitation and replacement of existing trunk sewer main and manholes is necessary to address identified structural deficiencies. Also, lack of an air jumper at inverted siphons can accelerate sewer main and manhole degradation and lead to fugitive odors.

Financial Consideration

The project budget has been increased from \$9,974,000 to \$19,300,000.

The project's estimated construction contract cost is \$11,210,000.

The impacts to operational budgets have not yet been determined.

The increased budget is a result of changes in the project elements and an updated estimate to complete the work.

Budget Projections

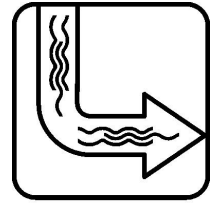
Budget Phase	Cost to Date	2024-2025	2025-2026	2026-2027	2027-2028	2028-2029	Thereafter	Total Project Budget
Proj Dev	-	-	-	-	-	-	-	-
Prelim Design	-	-	-	-	-	-	-	-
Design	-	-	-	296,234	572,292	567,731	1,137,743	2,574,000
Construction	-	-	-	-	-	-	13,372,000	13,372,000
Commissioning	-	-	-	-	-	-	-	-
Close-out	-	-	-	-	-	-	-	-
Contingency	-	-	-	-	-	-	3,354,000	3,354,000
Total	-	-	-	\$ 296,234	\$ 572,292	\$ 567,731	\$ 17,863,743	\$ 19,300,000

Project Name & Number | Knott - Miller Holder Artesia Branch Rehab. - 3-60

Project Category | Collections Facilities **Project Status:** Continuing

Description

This project will rehabilitate a portion of the Knott Interceptor, Miller Holder Trunk and Artesia Branch sewers in the City of Buena Park. The project includes the rehabilitation of 3,900 feet of 18-inch to 45-inch sewer, rehabilitation of 43 manholes, and installation of two new 84-inch manholes. One new air jumper will also be installed in the City of La Palma.



**Collections
Facilities**

Justification

Rehabilitation of existing trunk sewer mains and manholes are required to address identified structural deficiencies.

Financial Consideration

The project budget is \$16,500,000.

The project's estimated construction contract cost is \$8,000,000.

This project will not have an impact on operational budgets.

Budget Projections

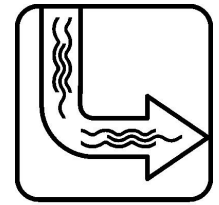
Budget Phase	Cost to Date	2024-2025	2025-2026	2026-2027	2027-2028	2028-2029	Thereafter	Total Project Budget
Proj Dev	\$ 80,152	-	-	-	-	-	-	\$ 80,152
Prelim Design	506,704	439,429	-	-	-	-	-	946,133
Design	-	209,249	427,263	98,325	-	-	-	734,837
Construction	-	-	-	3,223,641	7,370,176	1,253,684	-	11,847,501
Commissioning	-	-	-	-	-	-	-	-
Close-out	-	-	-	-	-	79,289	-	79,289
Contingency	-	-	-	120,000	-	1,039,805	1,652,283	2,812,088
Total	\$ 586,856	\$ 648,678	\$ 427,263	\$ 3,441,966	\$ 7,370,176	\$ 2,372,778	\$ 1,652,283	\$ 16,500,000

Project Name & Number | Westminster Blvd Force Main Repl. - 3-62

Project Category | Collections Facilities **Project Status:** Continuing

Description

This project will replace the two existing Westminster Blvd force mains that extend along Westminster Blvd for almost 3 miles from Seal Beach Blvd in the City of Seal Beach to Rancho Rd in the City of Westminster. The existing siphons near Rancho Rd will be slip lined to extend the force main to terminate at an existing discharge structure.



Collections Facilities

Justification

The pump station currently operates with just one of two force mains, a 42-inch ductile iron pipe that has no corrosion protection system. The other force main is reinforced plastic mortar pipe in danger of failing and cannot be placed back into operation, thus eliminating operational redundancy. This project will replace the existing Westminster Blvd force mains to provide adequate redundancy and increase capacity to handle the new predicted peak wet weather flow of 34 mgd.

Financial Consideration

The project budget is \$43,900,000.

The project's estimated construction contract cost is \$31,620,000.

This project will not have an impact on operational budgets.

Budget Projections

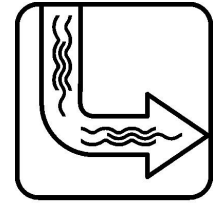
Budget Phase	Cost to Date	2024-2025	2025-2026	2026-2027	2027-2028	2028-2029	Thereafter	Total Project Budget
Proj Dev	\$ 199,657	-	-	-	-	-	-	\$ 199,657
Prelim Design	4,025,260	-	-	-	-	-	-	4,025,260
Design	2,928,082	-	-	-	-	-	-	2,928,082
Construction	36,306,631	-	-	-	-	-	-	36,306,631
Commissioning	8,517	-	-	-	-	-	-	8,517
Close-out	133,332	68,542	-	-	-	-	-	201,874
Contingency	127,185	100,673	2,121	-	-	-	-	229,979
Total	\$ 43,728,664	\$ 169,215	\$ 2,121	-	-	-	-	\$ 43,900,000

Project Name & Number | Rehab. of Western Regional Sewers - 3-64

Project Category | Collections Facilities | **Project Status:** Continuing

Description

This project will replace or rehabilitate a portion of the sewers and manholes located in OC San's northwestern service area. The work will be completed under two construction contracts. The Orange Western Sub-Trunk and Los Alamitos Trunk Sewer Rehabilitation covers approximately 46,000 feet of pipe and the Los Alamitos Sub-Trunk Sewer and Westside Relief Interceptor Rehabilitation covers approximately 35,000 feet of pipe. These sewers are located primarily within public rights of way in the Cities of Seal Beach, Los Alamitos, Cypress, Anaheim, Buena Park, and La Palma.



Collections Facilities

Justification

Most of the sewers were constructed in late 1950's and early 1960's for an estimated life of 40 to 50 years. Inspections have identified significant defects and the joints that allow significant infiltration of groundwater into the sewers.

Financial Consideration

The project budget is \$94,000,000.

The project's estimated construction contract cost is \$46,980,000.

This project will not have an impact on operational budgets.

Budget Projections

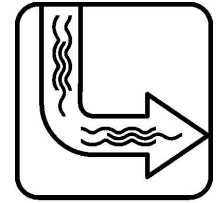
Budget Phase	Cost to Date	2024-2025	2025-2026	2026-2027	2027-2028	2028-2029	Thereafter	Total Project Budget
Proj Dev	\$ 489,084	-	-	-	-	-	-	\$ 489,084
Prelim Design	12,916,443	-	-	-	-	-	-	12,916,443
Design	8,886,407	122,538	-	-	-	-	-	9,008,945
Construction	22,947,916	2,588,961	12,823,883	17,360,096	2,282,000	-	-	58,002,856
Commissioning	310,968	-	-	-	-	-	-	310,968
Close-out	91,749	112,071	-	-	133,920	-	-	337,740
Contingency	393,994	1,239,548	568,075	-	10,732,347	-	-	12,933,964
Total	\$ 46,036,561	\$ 4,063,118	\$ 13,391,958	\$ 17,360,096	\$ 13,148,267	-	-	\$ 94,000,000

Project Name & Number | I-405 Widening Project Impacts on OCSD Sewers - 3-66

Project Category | Collections Facilities **Project Status:** Continuing

Description

This project tracks staff support costs to review, monitor, and inspect impacts on OC San’s facilities related to the Orange County Transportation Authority’s widening of the I-405 Freeway between State Route 73 and the I-605 Freeway.



Collections Facilities

Justification

Widening of the I-405 Freeway requires protection or relocation of OC San facilities. Agreements between OC San and the Orange County Transportation Authority provide for reimbursements of these expenses.

Financial Consideration

The project budget is \$500,000.

This project will not have an impact on operational budgets.

Budget Projections

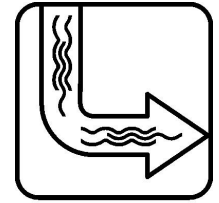
Budget Phase	Cost to Date	2024-2025	2025-2026	2026-2027	2027-2028	2028-2029	Thereafter	Total Project Budget
Proj Dev	-	-	-	-	-	-	-	-
Prelim Design	-	-	-	-	-	-	-	-
Design	95,299	-	-	-	-	-	-	95,299
Construction	329,915	-	-	-	-	-	-	329,915
Commissioning	-	-	-	-	-	-	-	-
Close-out	-	8,056	-	-	-	-	-	8,056
Contingency	-	26,102	40,628	-	-	-	-	66,730
Total	\$ 425,214	\$ 34,158	\$ 40,628	-	-	-	-	\$ 500,000

Project Name & Number | Seal Beach Pump Station Repl. - 3-67

Project Category | Collections Facilities | **Project Status:** Revised

Description

This project will replace the existing Seal Beach Pump Station on the existing site and demolish the old pump station when the new one is complete. The new pump station will have a deeper wet well to allow gravity flow from the future extension of the Los Alamitos Sub-Trunk from the West Side Pump Station to the Seal Beach Pump Station, thus allowing the West Side Pump Station to be abandoned. Extension of the Los Alamitos Sub-Trunk and abandonment of the West Side Pump Station is budgeted under Los Alamitos Sub-Trunk Extension, Project No. 3-68. The project will also include odor control improvements of vapor-phase and liquid-phase treatment at the pump station to minimize both upstream and downstream odors and corrosion.



**Collections
Facilities**

Justification

The existing Seal Beach Pump Station is in need of extensive rehabilitation due to age and condition. A life-cycle cost evaluation determined that the most cost-effective alternative is to replace the existing pump station on site to allow extension of the Los Alamitos Sub-Trunk by gravity and abandonment of the West Side Pump Station.

Financial Consideration

The project budget is \$134,000,000.

The project's estimated construction contract cost is \$97,030,000.

This project will increase operational budgets by \$48,000 annually. These costs will be offset once Westside Pump station is abandoned under future Project No. 3-68.

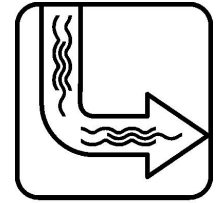
Budget Projections

Budget Phase	Cost to Date	2024-2025	2025-2026	2026-2027	2027-2028	2028-2029	Thereafter	Total Project Budget
Proj Dev	\$ 218,198	-	-	-	-	-	-	\$ 218,198
Prelim Design	3,244,560	-	-	-	-	-	-	3,244,560
Design	5,930,456	-	-	-	-	-	-	5,930,456
Construction	2,353,132	14,196,085	25,730,798	37,715,276	29,311,401	-	-	109,306,692
Commissioning	-	-	-	593,027	464,892	-	-	1,057,919
Close-out	-	-	-	-	671,833	140,221	-	812,054
Contingency	5,533	-	-	-	9,795,806	3,628,782	-	13,430,121
Total	\$ 11,751,879	\$ 14,196,085	\$ 25,730,798	\$ 38,308,303	\$ 40,243,932	\$ 3,769,003	-	\$ 134,000,000

Project Name & Number	Los Al. Sub-Trunk Ext. & Westside Pump Station Abnd. - 3-68		
Project Category	Collections Facilities	Project Status:	Future

Description

This project will extend the Los Alamitos Sub-Trunk between the Westside Pump Station and the Seal Beach Pump Station and demolish the Westside Pump Station. This project includes installing approximately 5,760 feet of 48-inch to 54-inch gravity sewer via micro tunneling with 96-inch polymer concrete manholes, abandoning 150 LF of 24-inch sewer force main, and extending the 18-inch VCP gravity sewer from Rossmoor to the new gravity sewer along Gate Road, Seal Beach Boulevard and easements crossing the 405 / 22 freeway in the City of Seal Beach and unincorporated Orange County.



**Collections
Facilities**

Justification

The new sewer will connect to the soon to be replaced Seal Beach Pump Station (Project No. 3-67), thus allowing the Westside Pump Station to be abandoned. Westside Pump Station is expected to need major rehabilitation work in approximately 10 years.

Financial Consideration

The project budget has been increased from \$119,522,000 to \$119,600,000.
The project's estimated construction contract cost is \$75,910,000.
The impacts to operational budgets have not yet been determined.

Budget Projections

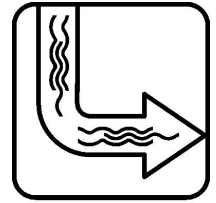
Budget Phase	Cost to Date	2024-2025	2025-2026	2026-2027	2027-2028	2028-2029	Thereafter	Total Project Budget
Proj Dev	-	-	-	-	-	-	-	-
Prelim Design	-	-	-	-	-	-	-	-
Design	-	-	178,239	1,106,720	2,059,111	2,042,705	3,433,225	8,820,000
Construction	-	-	-	-	-	-	88,292,000	88,292,000
Commissioning	-	-	-	-	-	-	-	-
Close-out	-	-	-	-	-	-	-	-
Contingency	-	-	-	-	-	-	22,488,000	22,488,000
Total	-	-	\$ 178,239	\$ 1,106,720	\$ 2,059,111	\$ 2,042,705	\$ 114,213,225	\$ 119,600,000

Project Name & Number | Crystal Cove Pump Station Rehab. - 5-66

Project Category | Collections Facilities | **Project Status:** | Future

Description

This project would rehabilitate the existing Crystal Cove Pump Station, located along Pacific Coast Highway in southern Newport Beach, to maintain compliance with electrical and safety codes, and to restore the condition of the aging facility. The project also include rehabilitation the two 8-inch ductile iron force mains and construction of access manholes within the force mains to facilitate future condition assessments. The existing gravity system in the vicinity of the pump station would also be assessed and rehabilitated as needed.



**Collections
Facilities**

Justification

The Crystal Cove Pump Station was constructed in 1995. There is a strong H2S odor observed in and around the pump station. The existing force mains, which are just over half a mile in length, are difficult to maintain and service. The electrical equipment will be reaching the end of its useful life. Signs of site settlement was observed.

Financial Consideration

The project budget has been increased from \$14,431,000 to \$14,500,000.

The project's estimated construction contract cost is \$8,250,000.

The impacts to operational budgets have not yet been determined.

Budget Projections

Budget Phase	Cost to Date	2024-2025	2025-2026	2026-2027	2027-2028	2028-2029	Thereafter	Total Project Budget
Proj Dev	-	-	-	-	-	-	-	-
Prelim Design	-	-	-	-	-	-	-	-
Design	-	-	-	102,567	360,950	445,948	706,535	1,616,000
Construction	-	-	-	-	-	-	10,355,000	10,355,000
Commissioning	-	-	-	-	-	-	-	-
Close-out	-	-	-	-	-	-	-	-
Contingency	-	-	-	-	-	-	2,529,000	2,529,000
Total	-	-	-	\$ 102,567	\$ 360,950	\$ 445,948	\$ 13,590,535	\$ 14,500,000

Project Name & Number | Bay Bridge Pump Station Repl. - 5-67

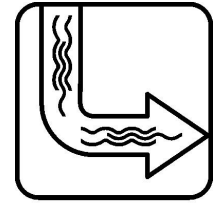
Project Category | Collections Facilities

Project Status:

Revised

Description

This project will replace the existing Bay Bridge Pump Station to meet current building, electrical, and safety codes and OC San's design standards. The associated force mains will also be replaced.



**Collections
Facilities**

Justification

The Bay Bridge Pump Station was originally constructed in 1966. The pumping systems are aging and have control systems that are rapidly becoming obsolete. In addition, the existing pumping station does not comply with the current electrical and safety codes. The force mains have reached the end of their expected life and are at risk of failure if not addressed.

Financial Consideration

The project budget has been increased from \$128,000,000 to \$146,000,000.

The project's estimated construction contract cost is \$90,100,000.

This project will increase operational budgets by \$20,000 annually. The new pump station will have a vapor phase odor treatment system which will require the replacement of carbon media.

The increased budget is a result of an updated estimate to complete the work.

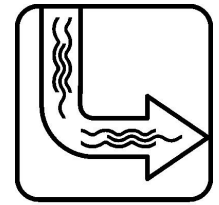
Budget Projections

Budget Phase	Cost to Date	2024-2025	2025-2026	2026-2027	2027-2028	2028-2029	Thereafter	Total Project Budget
Proj Dev	\$ 271,917	-	-	-	-	-	-	\$ 271,917
Prelim Design	6,102,537	-	-	-	-	-	-	6,102,537
Design	10,422,232	1,395,909	-	-	-	-	-	11,818,141
Construction	46,246	1,652,166	9,375,913	17,907,629	27,389,908	35,697,469	16,410,264	108,479,595
Commissioning	-	-	34,351	132,524	147,902	162,162	65,707	542,646
Close-out	-	-	-	-	-	-	638,500	638,500
Contingency	-	400,000	-	-	-	-	17,746,664	18,146,664
Total	\$ 16,842,932	\$ 3,448,075	\$ 9,410,264	\$ 18,040,153	\$ 27,537,810	\$ 35,859,631	\$ 34,861,135	\$ 146,000,000

Project Name & Number	Newport Beach Pump Station Pressurization Impr. - 5-68		
Project Category	Collections Facilities	Project Status:	Continuing

Description

This project will address pressurization of the air in wet wells of the Bitter Point, Crystal Cove, A Street, 15th Street, Lido, and Rocky Point Pump Stations by adding passive ventilation. It will also add facilities to accommodate chemical addition at the 15th Street Pump Station to reduce generation of hydrogen sulfide in downstream forcemains.



Collections Facilities

Justification

The existing wet wells are not vented to prevent the pressurization of the air space when wet well levels rise. The resulting pressure can release foul air from upstream manholes and can blow out water seals in p-traps draining to the wet well. The loss of the water seal can result in hazardous gasses accumulating in the pump station building.

Financial Consideration

The project budget is \$2,700,000.
The project's estimated construction contract cost is \$1,000,000.
This project will increase operational budgets by \$100,000 annually. Costs will include additional labor and materials for the scrubber media replacement annually.

Budget Projections

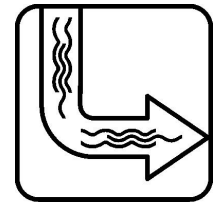
Budget Phase	Cost to Date	2024-2025	2025-2026	2026-2027	2027-2028	2028-2029	Thereafter	Total Project Budget
Proj Dev	\$ 112,647	-	-	-	-	-	-	\$ 112,647
Prelim Design	190,614	-	-	-	-	-	-	190,614
Design	454,891	-	-	-	-	-	-	454,891
Construction	1,357,689	294,800	-	-	-	-	-	1,652,489
Commissioning	-	-	-	-	-	-	-	-
Close-out	-	35,625	-	-	-	-	-	35,625
Contingency	-	107,157	146,577	-	-	-	-	253,734
Total	\$ 2,115,841	\$ 437,582	\$ 146,577	-	-	-	-	\$ 2,700,000

Project Name & Number | East Coast Highway Sewer Rehab. - 5-69

Project Category | Collections Facilities | **Project Status:** New

Description

This project will rehabilitate portions of the East Coast Highway and Bayside Drive Trunks in the City of Newport Beach. The project includes the replacement of 255 feet of 8-inch VCP sewer and 9 manholes with 60-inch and 84-inch manholes, construction of 550 feet of new air jumper and two new 60-inch manholes, and the rehabilitation of 900 feet of 10-inch to 12-inch VCP sewer and 18 manholes 48-inch to 72-inch in diameter.



**Collections
Facilities**

Justification

Rehabilitation and replacement of existing trunk sewer main and manholes is necessary to address identified structural deficiencies. Also, lack of an air jumper at inverted siphons can accelerate sewer main and manhole degradation and lead to fugitive odors.

Financial Consideration

The project budget is \$8,600,000.

The project's estimated construction contract cost is \$4,530,000.

This project will not have an impact on operational budgets.

Budget Projections

Budget Phase	Cost to Date	2024-2025	2025-2026	2026-2027	2027-2028	2028-2029	Thereafter	Total Project Budget
Proj Dev	-	-	-	-	-	-	-	-
Prelim Design	-	-	-	-	-	-	-	-
Design	-	-	388,421	650,861	162,718	-	-	1,202,000
Construction	-	-	-	-	1,177,334	3,832,014	984,652	5,994,000
Commissioning	-	-	-	-	-	-	-	-
Close-out	-	-	-	-	-	-	-	-
Contingency	-	-	-	-	-	-	1,404,000	1,404,000
Total	-	-	\$ 388,421	\$ 650,861	\$ 1,340,052	\$ 3,832,014	\$ 2,388,652	\$ 8,600,000

Project Name & Number | Fairview Sewer Rehab. - 6-20

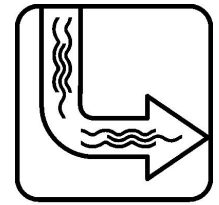
Project Category | Collections Facilities

Project Status:

Revised

Description

This project will rehabilitate the Fairview Trunk and relief sewer facilities, located along Fairview Road in the City of Costa Mesa. The project consists of rehabilitating approximately 7,500 feet of 18-inch to 27-inch sewer pipe and associated manholes. The project will also abandon approximately 4,500 feet of trunk sewer and associated manholes.



**Collections
Facilities**

Justification

Rehabilitation of the existing trunk and relief sewer mains are necessary to address identified structural deficiencies.

Financial Consideration

The project budget has been increased from \$19,300,000 to \$25,000,000.

The project's estimated construction contract cost is \$14,880,000.

The project will not have an impact on operational budgets

The increased budget is a result of an updated estimate to complete the work.

Budget Projections

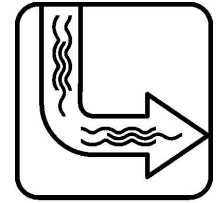
Budget Phase	Cost to Date	2024-2025	2025-2026	2026-2027	2027-2028	2028-2029	Thereafter	Total Project Budget
Proj Dev	\$ 106,744	-	-	-	-	-	-	\$ 106,744
Prelim Design	902,750	158,431	-	-	-	-	-	1,061,181
Design	5,822	414,160	276,939	-	-	-	-	696,921
Construction	19,054	26,701	364,402	4,487,586	8,818,128	5,613,286	-	19,329,157
Commissioning	-	-	-	-	-	-	-	-
Close-out	17,794	-	-	-	-	41,089	22,985	81,868
Contingency	-	-	120,000	-	-	1,263,810	2,340,319	3,724,129
Total	\$ 1,052,164	\$ 599,292	\$ 761,341	\$ 4,487,586	\$ 8,818,128	\$ 6,918,185	\$ 2,363,304	\$ 25,000,000

Project Name & Number | MacArthur Pump Station Rehab. - 7-63

Project Category | Collections Facilities **Project Status:** Future

Description

The MacArthur Pump Station is located west of MacArthur Boulevard and north of Jamboree Road in the City of Newport Beach. This project includes rehabilitation of the existing civil structures, such as the wet well and underground electrical room and pump room. Replacement of mechanical equipment (e.g., pumps, valves, piping) and electrical and instrumentation equipment would also be included under this project.



**Collections
Facilities**

Justification

The pump station was built in 1960 and the internal equipment and supporting components were replaced in 1989. The wet well is an original structure and is not coated or lined to prevent corrosion of the concrete from the hazardous sewer gases. Corrosion is also present on the existing mechanical equipment. The electrical equipment is outdated and obtaining replacement electrical parts is becoming increasingly difficult. At the completion of this project the pump station will follow the latest applicable electrical and safety codes.

Financial Consideration

The project budget has been increased from \$9,858,000 to \$16,200,000.

The project's estimated construction contract cost is \$9,250,000.

The impacts to operational budgets have not yet been determined.

The increased budget is a result of changes in the project elements and an updated estimate to complete the work.

Budget Projections

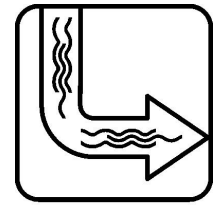
Budget Phase	Cost to Date	2024-2025	2025-2026	2026-2027	2027-2028	2028-2029	Thereafter	Total Project Budget
Proj Dev	-	-	-	-	-	-	-	-
Prelim Design	-	-	-	-	-	-	-	-
Design	-	187,422	500,795	500,794	502,799	120,190	-	1,812,000
Construction	-	-	-	-	-	2,031,785	9,588,215	11,620,000
Commissioning	-	-	-	-	-	-	-	-
Close-out	-	-	-	-	-	-	-	-
Contingency	-	-	-	-	-	-	2,768,000	2,768,000
Total	-	\$ 187,422	\$ 500,795	\$ 500,794	\$ 502,799	\$ 2,151,975	\$ 12,356,215	\$ 16,200,000

Project Name & Number | Main Street Pump Station Rehab. - 7-64

Project Category | Collections Facilities | **Project Status:** Future

Description

The Main Street Pump Station is located on Main Street north of the John Wayne Airport, in the City of Irvine. This project includes the rehabilitation of the existing civil structures such as the flow diversion box, east and west wet well and the above ground electrical room and below grade pump room. Replacement of the mechanical equipment (pumps, valves, piping, etc.) and electrical and instrumentation equipment is also included.



**Collections
Facilities**

Justification

The original pump station (west side) was constructed in 1985 and the east side of the pump station was added in 2001. Although the pump station is performing well, the piping throughout and the pumps on the west side are nearing the end of their useful life. The supporting on-site civil structures such as the flow diversion structure is suffering from corrosion due to high levels of corrosive gases. Corrosion also persists in the wet wells. The pump station structure needs seismic retrofitting to remain reliable.

Financial Consideration

The project budget has been increased from \$37,663,000 to \$37,700,000.

The project's estimated construction contract cost is \$21,530,000.

The impacts to operational budgets have not yet been determined.

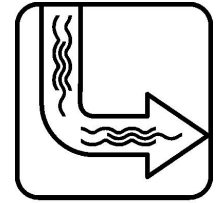
Budget Projections

Budget Phase	Cost to Date	2024-2025	2025-2026	2026-2027	2027-2028	2028-2029	Thereafter	Total Project Budget
Proj Dev	-	-	-	-	-	-	-	-
Prelim Design	-	-	-	-	-	-	-	-
Design	-	-	-	133,110	660,046	1,082,276	2,340,568	4,216,000
Construction	-	-	-	-	-	-	27,027,000	27,027,000
Commissioning	-	-	-	-	-	-	-	-
Close-out	-	-	-	-	-	-	-	-
Contingency	-	-	-	-	-	-	6,457,000	6,457,000
Total	-	-	-	\$ 133,110	\$ 660,046	\$ 1,082,276	\$ 35,824,568	\$ 37,700,000

Project Name & Number	Gisler-Red Hill Interceptor & Baker Force Main Rehab. - 7-65		
Project Category	Collections Facilities	Project Status:	Continuing

Description

This project will rehabilitate the Gisler Redhill Interceptor from a manhole near the Main Street Pump Station to the College Avenue Pump Station and the two 42-inch Baker forcemains from the Main Street Pump Station. The project is expected to line and/or repair 30 manholes, approximately 15,000 feet of gravity sewer, and approximately 6,000 feet of forcemain along with replacing supporting valving and piping adjacent and inside the Main Street Pump Station.



**Collections
Facilities**

Justification

Condition assessments completed in 2015 and in 2017 on the Gisler Redhill Interceptor indicate corrosion in most of the manholes from the cover to the base as well as multiple cracks in the VCP piping. The Baker forcemains have corrosion and liner failures due to the corrosive gas migration from the wet wells. There is also valve vault settlement on the forcemains.

Financial Consideration

The project budget is \$55,500,000.
The project's estimated construction contract cost is \$43,490,000.
This project will not have an impact on operational budgets.

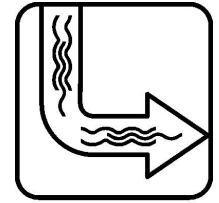
Budget Projections

Budget Phase	Cost to Date	2024-2025	2025-2026	2026-2027	2027-2028	2028-2029	Thereafter	Total Project Budget
Proj Dev	\$ 105,471	-	-	-	-	-	-	\$ 105,471
Prelim Design	522,693	-	-	-	-	-	-	522,693
Design	1,933,340	-	-	-	-	-	-	1,933,340
Construction	6,601,845	26,708,329	12,984,566	-	-	-	-	46,294,740
Commissioning	17,052	88,435	48,334	-	-	-	-	153,821
Close-out	-	-	131,564	15,943	-	-	-	147,507
Contingency	-	-	5,786,160	556,268	-	-	-	6,342,428
Total	\$ 9,180,401	\$ 26,796,764	\$ 18,950,624	\$ 572,211	-	-	-	\$ 55,500,000

Project Name & Number	Sunflower & Red Hill Interceptor Repairs - 7-66		
Project Category	Collections Facilities	Project Status:	Continuing

Description

The project will repair PVC liner failures within a 6,000-foot section of the Sunflower and Red Hill Interceptors. This will require live entry, temporary diversions, and bypass pumping. Also, hydraulic adjustments will be made to maintain the liquid level to keep the low flows above the exposed concrete at the lower section of the pipe.



**Collections
Facilities**

Justification

An assessment of the plastic lining was performed on the upper reaches of the Sunflower and Red Hill Interceptors. The liner has failed in many locations allowing corrosion of the concrete substrate which could lead to structural failure. There is also additional concrete corrosion below the 270-degree plastic lining due to the flow depth being lower than the liner.

Financial Consideration

The project budget is \$6,750,000.
The project's estimated construction contract cost is \$5,270,000.
This project will not have an impact on operational budgets.

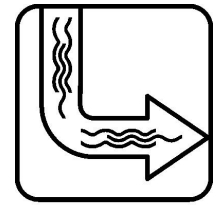
Budget Projections

Budget Phase	Cost to Date	2024-2025	2025-2026	2026-2027	2027-2028	2028-2029	Thereafter	Total Project Budget
Proj Dev	\$ 20,448	-	-	-	-	-	-	\$ 20,448
Prelim Design	35,775	-	-	-	-	-	-	35,775
Design	439,600	-	-	-	-	-	-	439,600
Construction	6,205,957	-	-	-	-	-	-	6,205,957
Commissioning	-	-	-	-	-	-	-	-
Close-out	44,829	-	-	-	-	-	-	44,829
Contingency	-	3,391	-	-	-	-	-	3,391
Total	\$ 6,746,609	\$ 3,391	-	-	-	-	-	\$ 6,750,000

Project Name & Number	MacArthur Force Main Impr. - 7-68		
Project Category	Collections Facilities	Project Status:	Continuing

Description

The MacArthur Pump Station is located west of MacArthur Boulevard and north of Jamboree Road in the City of Newport Beach. This project includes construction of approximately 2,100 feet of dual force mains within the MacArthur Boulevard right of way.



**Collections
Facilities**

Justification

The existing forcemain was constructed in 1960 and is nearing the end of its useful life. The pump station is served by a single forcemain which makes condition assessment and maintenance difficult. The construction of new dual forcemains will increase reliability and lessen the impact of the surrounding community during routine maintenance and assessment efforts.

Financial Consideration

The project budget is \$8,150,000.
The project's estimated construction contract cost is \$3,900,000.
This project will not have an impact on operational budgets.

Budget Projections

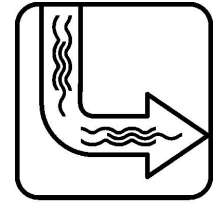
Budget Phase	Cost to Date	2024-2025	2025-2026	2026-2027	2027-2028	2028-2029	Thereafter	Total Project Budget
Proj Dev	\$ 57,208	-	-	-	-	-	-	\$ 57,208
Prelim Design	379,022	-	-	-	-	-	-	379,022
Design	418,483	-	-	-	-	-	-	418,483
Construction	2,841,326	2,238,242	-	-	-	-	-	5,079,568
Commissioning	16,735	-	-	-	-	-	-	16,735
Close-out	-	73,183	796	-	-	-	-	73,979
Contingency	-	416,900	1,708,105	-	-	-	-	2,125,005
Total	\$ 3,712,774	\$ 2,728,325	\$ 1,708,901	-	-	-	-	\$ 8,150,000

Project Name & Number | North Tustin-Orange Sewer Impr. - 7-69

Project Category | Collections Facilities | **Project Status:** | Future

Description

This project will upsize a portion of the North Trunk sewer system to increase hydraulic capacity and replace and rehabilitation portions of the North Trunk, Tustin-Orange Trunk, Yorba Street Sub-Trunk, Panorama Heights Sub-Trunk, Hewes Avenue Sub-Trunk, and Chapman Avenue Sewer within the City of Tustin, Orange, and Unincorporated Orange County. The project includes improvements to install 6,351 feet of 18-inch sewer with 60-inch manholes, replace 840 feet of 8-inch to 12-inch sewer, rehabilitate 4,544 feet of 8-inch to 27-inch sewer, construct 5 spot repairs, rehabilitate 127 manholes 48-inch to 72-inch in diameter, and abandon 146 feet of 12-inch sewer and a 48-inch manhole. In addition, the project includes constructing up to 1,000 LF of 20 foot wide access roads within OC San easement areas.



**Collections
Facilities**

Justification

Pipeline capacity issues have been identified through the use of a hydraulic model. This project is necessary to ensure sanitary sewer flows are conveyed to treatment plants without spilling and causing threats to waterways and public health. Sanitary sewer spills also trigger violations with the Southern California Regional Water Quality Control Board. Additionally, the rehabilitation of existing trunk sewer pipelines and manholes is necessary to address identified structural deficiencies.

Financial Consideration

The project budget has been increased from \$13,997,000 to \$59,100,000.

The project's estimated construction contract cost is \$37,600,000.

The impacts to operational budgets have not yet been determined.

The increased budget is a result of changes in the project elements and an updated estimate to complete the work.

Budget Projections

Budget Phase	Cost to Date	2024-2025	2025-2026	2026-2027	2027-2028	2028-2029	Thereafter	Total Project Budget
Proj Dev	-	-	-	-	-	-	-	-
Prelim Design	-	-	-	-	-	-	-	-
Design	83,180	637,625	1,346,822	1,346,823	953,550	-	-	4,368,000
Construction	-	-	-	-	1,833,408	30,875,932	11,024,660	43,734,000
Commissioning	-	-	-	-	-	-	-	-
Close-out	-	-	-	-	-	-	-	-
Contingency	-	-	-	-	-	-	10,998,000	10,998,000
Total	\$ 83,180	\$ 637,625	\$ 1,346,822	\$ 1,346,823	\$ 2,786,958	\$ 30,875,932	\$ 22,022,660	\$ 59,100,000

Project Name & Number | Ocean Outfall System Rehab. - J-117

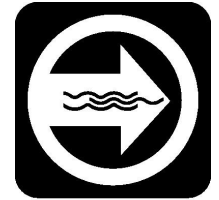
Project Category | Ocean Outfall Systems

Project Status:

Revised

Description

This project will rehabilitate the Ocean Outfall Booster Station at Plant No. 2, construct a new Low Flow Pump Station and a Plant Water Pump Station, and replace existing electrical switchgear at CenGen. The Low Flow Pump Station will consist of four 40-mgd pumps and deliver non-reclaimable dry weather flows to the effluent outfall. The Plant Water Pump Station will replace the existing plant water pump station. The project completed rehabilitation of the 84-inch and 120-inch interplant effluent lines between Plant No. 1 and Plant No. 2 in 2018.



**Ocean Outfall
Systems**

Justification

The existing Ocean Outfall Booster Station facility is over 20 years old and requires extensive rehabilitation. The two interplant effluent lines have been found to need repairs and lining, which was completed in 2018. Diversions of some Plant No. 2 effluent to the Orange County Water District’s Groundwater Replenishment System (GWRS) will result in outfall flow rates dropping below the minimum flow rates of the existing Ocean Outfall Booster pumps. The Plant Water Pump Station must be relocated because the existing pump station in its current location would transfer non-reclaimable effluent to GWRS. Replacement of the CenGen switchgear will replace electrical equipment that is nearing obsolescence and does not provide sufficient redundancy.

Financial Consideration

The project budget has been increased from \$169,000,000 to \$170,300,000.

The project's estimated construction contract cost is \$95,390,000.

The impacts to operational budgets have not yet been determined.

The Increased budget is a result of an updated estimate to complete the work.

Budget Projections

Budget Phase	Cost to Date	2024-2025	2025-2026	2026-2027	2027-2028	2028-2029	Thereafter	Total Project Budget
Proj Dev	\$ 287,944	-	-	-	-	-	-	\$ 287,944
Prelim Design	4,159,490	-	-	-	-	-	-	4,159,490
Design	9,180,343	-	-	-	-	-	-	9,180,343
Construction	130,325,222	9,112,116	2,789,093	-	-	-	-	142,226,431
Commissioning	3,772,834	615,356	-	-	-	-	-	4,388,190
Close-out	2,856,519	541,674	982,075	645,347	-	-	-	5,025,615
Contingency	109,608	-	2,802,216	2,120,163	-	-	-	5,031,987
Total	\$ 150,691,960	\$ 10,269,146	\$ 6,573,384	\$ 2,765,510	-	-	-	\$ 170,300,000

Project Name & Number | **Process Control Systems Upgrades - J-120**

Project Category | **Information Management Systems** | **Project Status:** **Continuing**

Description

This project will upgrade the existing Supervisory Control and Data Acquisition (SCADA) Systems for the treatment plants and pump stations based on the vendor system selected as part of the Process Control Systems Upgrades Study, Project No. SP-196. This project will replace existing obsolete human-machine-interface systems, databases and software programs including trending, diagnostic data, monitoring, control, alarming and reporting. This project will also develop programming standards, templates, methodologies, tools, and databases and will develop standards for networking and control panels.



Information Management Systems

Justification

The existing human-machine-interface system and associated SCADA subsystems are obsolete. The existing software has a limited customer-installed base and technical expertise for support and source code modifications has become scarce. The reliability and maintainability of the systems are critical to maintaining regulatory compliance for both the collections system and the treatment plants.

Financial Consideration

The project budget is \$35,500,000.

The project's estimated construction contract cost is \$13,800,000.

This project will not have an impact on operational budgets.

Budget Projections

Budget Phase	Cost to Date	2024-2025	2025-2026	2026-2027	2027-2028	2028-2029	Thereafter	Total Project Budget
Proj Dev	\$ 40,959	-	-	-	-	-	-	\$ 40,959
Prelim Design	60,572	-	-	-	-	-	-	60,572
Design	199,136	312,704	-	-	-	-	-	511,840
Construction	6,392,595	4,865,334	7,816,934	1,395,153	-	-	-	20,470,016
Commissioning	-	-	-	-	-	-	-	-
Close-out	1,439,016	2,186,995	2,057,085	1,966,122	445,997	-	-	8,095,215
Contingency	-	-	200,400	1,673,086	4,447,912	-	-	6,321,398
Total	\$ 8,132,278	\$ 7,365,033	\$ 10,074,419	\$ 5,034,361	\$ 4,893,909	-	-	\$ 35,500,000

Project Name & Number | **Digester Gas Facilities Rehab. - J-124**

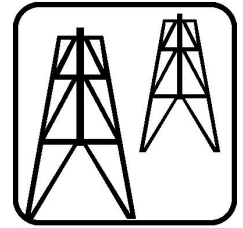
Project Category | **Utility Systems**

Project Status:

Continuing

Description

This project will rehabilitate the existing gas compressor facilities at both plants. This includes seismic upgrades to the gas compressor buildings, rehabilitation of electrical and I&C systems, and rehabilitation of other necessary auxiliary equipment. It will also replace the existing flares with low pressure ultra-low emission flares.



Utility Systems

Justification

The digester gas systems need to be rehabilitated for reliability purposes. Replacing the existing high pressure flares with low pressure flares allows greater flexibility for future compressor maintenance and reliability during a power outage.

Financial Consideration

The project budget is \$190,000,000.

The project's estimated construction contract cost is \$113,000,000.

This project will not have an impact on operational budgets.

Budget Projections

Budget Phase	Cost to Date	2024-2025	2025-2026	2026-2027	2027-2028	2028-2029	Thereafter	Total Project Budget
Proj Dev	\$ 281,020	-	-	-	-	-	-	\$ 281,020
Prelim Design	6,373,061	709,820	709,820	90,855	-	-	-	7,883,556
Design	10,970,246	2,180,755	5,177,420	797,696	202,696	-	-	19,328,813
Construction	-	-	-	-	10,783,130	25,569,644	99,926,894	136,279,668
Commissioning	-	-	-	-	-	424,438	1,931,482	2,355,920
Close-out	18,437	18,524	18,524	18,524	19,777	34,270	573,938	701,994
Contingency	-	-	-	451,330	365,670	-	22,352,029	23,169,029
Total	\$ 17,642,764	\$ 2,909,099	\$ 5,905,764	\$ 1,358,405	\$ 11,371,273	\$ 26,028,352	\$ 124,784,343	\$ 190,000,000

Project Name & Number | Natural Gas Pipelines Repl. at P1 & P2 - J-127

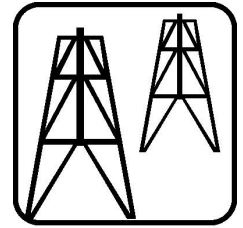
Project Category | Utility Systems

Project Status:

Continuing

Description

This project will rehabilitate the natural gas pipelines at Plants Nos. 1 and 2. This includes the replacement of aging metallic pipelines, risers and rehabilitation of valve vaults and piping penetrations.



Utility Systems

Justification

Recent condition assessments of the natural gas piping have revealed that some of the metallic piping and risers have reached the end of their useful life and require replacement. The valve vaults having flooding concerns as well as corrosion issues. This project will ensure safe, reliable operation of the natural gas systems.

Financial Consideration

The project budget is \$2,173,718.

The project's estimated construction contract cost is \$810,000.

This project will not have an impact on operational budgets.

Budget Projections

Budget Phase	Cost to Date	2024-2025	2025-2026	2026-2027	2027-2028	2028-2029	Thereafter	Total Project Budget
Proj Dev	\$ 86,464	-	-	-	-	-	-	\$ 86,464
Prelim Design	-	-	-	-	-	-	-	-
Design	393,581	-	-	-	-	-	-	393,581
Construction	1,693,673	-	-	-	-	-	-	1,693,673
Commissioning	-	-	-	-	-	-	-	-
Close-out	-	-	-	-	-	-	-	-
Contingency	-	-	-	-	-	-	-	-
Total	\$ 2,173,718	-	-	-	-	-	-	\$ 2,173,718

Project Name & Number | Project Mgmt. Information System - J-128

Project Category | Information Management Systems

Project Status:

Continuing

Description

This project is implementing a new Project Management Information System to replace obsolete software previously used to serve business processes related to management of the capital improvement program.



Information Management Systems

Justification

The software application previously used to manage construction contracts is no longer functional. In addition, several of business processes involved in managing the capital improvement program could be more efficiently and effectively performed using a modern commercially available software system.

Financial Consideration

The project budget is \$2,280,000.

This project will not have an impact on operational budgets.

Budget Projections

Budget Phase	Cost to Date	2024-2025	2025-2026	2026-2027	2027-2028	2028-2029	Thereafter	Total Project Budget
Proj Dev	\$ 129,322	-	-	-	-	-	-	\$ 129,322
Prelim Design	450	-	-	-	-	-	-	450
Design	1,511,338	61,318	61,318	61,318	45,858	-	-	1,741,150
Construction	337	-	-	-	-	-	-	337
Commissioning	-	-	-	-	-	-	-	-
Close-out	-	-	-	-	-	-	-	-
Contingency	-	-	-	-	408,741	-	-	408,741
Total	\$ 1,641,447	\$ 61,318	\$ 61,318	\$ 61,318	\$ 454,599	-	-	\$ 2,280,000

Project Name & Number | Laboratory Repl. at P1 - J-133

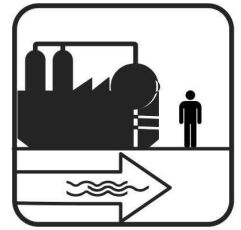
Project Category | Support Facilities

Project Status:

Future

Description

This project will replace the Central Laboratory building at Plant No. 1. The new building will be located at an offsite property that is adjacent to the new headquarters complex. This existing property contains a commercial-office building and is owned by OC San, at 18350 Mt. Langley St in Fountain Valley.



Support Facilities

Justification

The Laboratory was built in 1989. The building does not meet various codes that include seismic deficiencies. The existing utilities, equipment and amenities are at the end of their useful lives and are in need of frequent replacements or temporary fixes. Testing needs for various permit compliance items have increased since 1989 and the laboratory is in need of replacement to efficiently meet these requirements.

Financial Consideration

The project budget has been increased from \$100,000,000 to \$103,800,000.

The project's estimated construction contract cost is \$59,580,000.

The impacts to operational budgets have not yet been determined.

The increased budget is a result of changes in the project elements identified from recent engineering efforts.

Budget Projections

Budget Phase	Cost to Date	2024-2025	2025-2026	2026-2027	2027-2028	2028-2029	Thereafter	Total Project Budget
Proj Dev	-	-	-	-	-	-	-	-
Prelim Design	-	-	-	-	-	-	-	-
Design	-	-	6,442,800	3,959,507	-	-	-	10,402,307
Construction	-	-	-	10,977,212	45,131,300	11,572,985	-	67,681,497
Commissioning	-	-	-	-	-	-	-	-
Close-out	-	-	-	-	-	-	-	-
Contingency	-	-	-	-	-	-	25,716,196	25,716,196
Total	-	-	\$ 6,442,800	\$ 14,936,719	\$ 45,131,300	\$ 11,572,985	\$ 25,716,196	\$ 103,800,000

Project Name & Number | Cen Gen Engine Overhauls at P1 & P2 - J-135

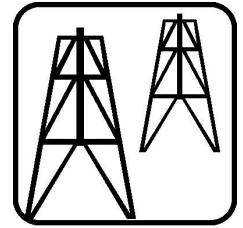
Project Category | Utility Systems

Project Status:

Revised

Description

This project will overhaul all eight generator sets including the engines and generators of the Central Generation Facilities at Plant No. 1 and 2. Overhaul of the first engine at Plant No. 1 was completed in early 2022. The overhaul of four engines and five generators is on-going.



Utility Systems

Justification

The Central Generation Facilities (CENGEN) are the primary source of electricity and thermal energy for treatment Plant No. 1 and 2, while Southern California Edison provides the backup source. While separate standby power generation is available for critical plant loads, the reliable operation of the CENGEN facilities is the key to assuring continuous operation of the process plants and to the prevention of sewage spills. Complete overhauls of CENGEN gas engines are needed when they reach a run-time of 120,000 hours to ensure reliable operation.

Financial Consideration

The project budget has been increased from \$44,000,000 to \$72,200,000.

The project's estimated construction contract cost is \$57,910,000.

This project will not have an impact on operational budgets.

The increased budget is a result of an updated estimate to complete the work.

Budget Projections

Budget Phase	Cost to Date	2024-2025	2025-2026	2026-2027	2027-2028	2028-2029	Thereafter	Total Project Budget
Proj Dev	\$ 10,171	-	-	-	-	-	-	\$ 10,171
Prelim Design	-	-	-	-	-	-	-	-
Design	133,133	27,190	27,146	-	-	-	-	187,469
Construction	19,532,344	9,333,826	9,321,534	7,357,399	15,660,495	3,984,812	-	65,190,410
Commissioning	-	-	-	-	-	-	-	-
Close-out	-	-	24,007	17,610	-	43,079	-	84,696
Contingency	-	-	783,878	2,102,979	-	3,840,397	-	6,727,254
Total	\$ 19,675,648	\$ 9,361,016	\$ 10,156,565	\$ 9,477,988	\$ 15,660,495	\$ 7,868,288	-	\$ 72,200,000

Project Name & Number | Ocean Outfalls Rehab. - J-137

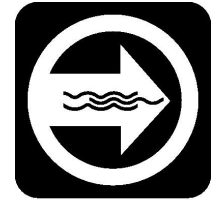
Project Category | Ocean Outfall Systems

Project Status:

Continuing

Description

This project will rehabilitate the 120-inch Ocean Outfall. It includes the removal of debris blocking diffusers access ports, replacing all hardware that reinforces pipe joints, the addition of ballast rock in shallow sections, replacement of existing manhole covers, removal of internal outfall sediment deposits, and the replacement of the flap gates. Also, this project will perform a detailed inspection, condition assessment, and essential rehabilitation of the 78-inch Emergency Outfall.



Ocean Outfall Systems

Justification

The Ocean Outfalls are a critical part of OC San’s infrastructure and must continue to operate reliably as there are currently no plans for replacement. This Project is necessary so deficiencies can be addressed, and both ocean outfalls can continue to provide reliable operations. This Project will also ensure that OC San is in compliance with various permit conditions that have been issued through the California Regional Water Quality Control Board.

Financial Consideration

The project budget is \$82,000,000.

The project's estimated construction contract cost is \$42,700,000.

This project will not have an impact on operational budgets.

Budget Projections

Budget Phase	Cost to Date	2024-2025	2025-2026	2026-2027	2027-2028	2028-2029	Thereafter	Total Project Budget
Proj Dev	\$ 264,316	\$ 326,842	\$ 86,281	-	-	-	-	\$ 677,439
Prelim Design	-	-	450,146	134,409	-	-	-	584,555
Design	2,735	-	-	2,978,571	7,167,695	878,536	-	11,027,537
Construction	-	-	-	-	94,491	15,679,465	34,483,293	50,257,249
Commissioning	-	-	-	-	-	-	-	-
Close-out	-	-	-	-	-	-	355,252	355,252
Contingency	-	-	-	-	165,386	819,614	18,112,968	19,097,968
Total	\$ 267,051	\$ 326,842	\$ 536,427	\$ 3,112,980	\$ 7,427,572	\$ 17,377,615	\$ 52,951,513	\$ 82,000,000

Project Name & Number | **Cen Gen Facilities & OOBS Seismic Upgrades - J-138**

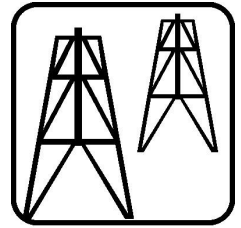
Project Category | **Utility Systems**

Project Status:

Future

Description

Some process area buildings at Plant No. 1 and 2 need structural improvements to reduce the risk of failure during a significant seismic event. The Plant No. 1 buildings include the Central Generation and Solids Storage Facilities. Plant No. 2 includes the Central Generation and the Ocean Outfall Booster Station.



Utility Systems

Justification

These older facilities do not meet current Building Codes for seismic stability. Planning Study PS15-06, Seismic Evaluations at Structures at Plant No. 1 and 2 identified Cen Gen and OOBS as having a high risk and consequence of failure during a significant seismic event.

Financial Consideration

The project budget has been increased from \$17,489,000 to \$17,500,000.

The project's estimated construction contract cost is \$10,670,000.

The impacts to operational budgets have not yet been determined.

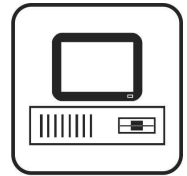
Budget Projections

Budget Phase	Cost to Date	2024-2025	2025-2026	2026-2027	2027-2028	2028-2029	Thereafter	Total Project Budget
Proj Dev	-	-	-	-	-	-	-	-
Prelim Design	-	-	-	-	-	-	-	-
Design	-	177,372	556,883	608,635	607,870	61,240	-	2,012,000
Construction	-	-	-	-	9,471	1,837,160	10,450,369	12,297,000
Commissioning	-	-	-	-	-	-	-	-
Close-out	-	-	-	-	-	-	-	-
Contingency	-	-	-	-	-	-	3,191,000	3,191,000
Total	-	\$ 177,372	\$ 556,883	\$ 608,635	\$ 617,341	\$ 1,898,400	\$ 13,641,369	\$ 17,500,000

Project Name & Number	Process Control System Alarm Optimization - J-139		
Project Category	Information Management Systems	Project Status:	New

Description

This project will install a new master alarm database that will be integrated with the existing process control system, develop an alarm configuration philosophy, and reconfigure all existing alarms. This project will also create dashboards and KPI reports for ongoing analysis of the alarm system.



Information Management Systems

Justification

The existing process control systems have over 28,000 configured alarms and this number increases each year. On average, OC San operators respond to over 1,000 instances of an alarm per day. The alarm system is critical to the safe operation of our facilities and our ability to meet permit requirements. By developing a comprehensive alarm philosophy and following an alarm rationalization process, the alarm system can be brought up to date with the latest industry standards and best practices allowing operators to respond to alarms more efficiently, enhancing safety, and maintaining permit compliance.

Financial Consideration

The project budget is \$4,121,000.
The project's estimated construction contract cost is \$2,520,000.
The impacts to operational budgets have not yet been determined.

Budget Projections

Budget Phase	Cost to Date	2024-2025	2025-2026	2026-2027	2027-2028	2028-2029	Thereafter	Total Project Budget
Proj Dev	-	-	-	-	-	-	-	-
Prelim Design	-	-	-	-	-	-	-	-
Design	-	115,523	286,775	71,702	-	-	-	474,000
Construction	-	-	-	1,332,019	1,564,981	-	-	2,897,000
Commissioning	-	-	-	-	-	-	-	-
Close-out	-	-	-	-	-	-	-	-
Contingency	-	-	-	-	-	750,000	-	750,000
Total	-	\$ 115,523	\$ 286,775	\$ 1,403,721	\$ 1,564,981	\$ 750,000	-	\$ 4,121,000

Project Name & Number | **GWRs Final Expansion Coordination - J-36-2**

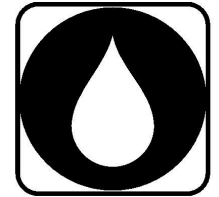
Project Category | **Water Management Projects**

Project Status:

Continuing

Description

This project is used to track costs, forecast resources, and coordinate OC San reviews related to the Orange County Water District's Groundwater Replenishment System Final Expansion project. This project does not address modification of OC San Facilities included in other projects such as the Headworks Modifications at Plant No.2 for GWRs Final Expansion, Project No. P2-122, and the Ocean Outfall Rehabilitation Project No. J-117B.



**Water Management
Projects**

Justification

The Orange County Water District's Groundwater Replenishment System Final Expansion will impact OC San Facilities at both plants and along the interplant effluent pipelines.

Financial Consideration

The project budget is \$1,400,000.

This project will not have an impact on operational budgets.

Budget Projections

Budget Phase	Cost to Date	2024-2025	2025-2026	2026-2027	2027-2028	2028-2029	Thereafter	Total Project Budget
Proj Dev	-	-	-	-	-	-	-	-
Prelim Design	79,091	-	-	-	-	-	-	79,091
Design	240,641	-	-	-	-	-	-	240,641
Construction	975,804	-	-	-	-	-	-	975,804
Commissioning	81,770	-	-	-	-	-	-	81,770
Close-out	22,694	-	-	-	-	-	-	22,694
Contingency	-	-	-	-	-	-	-	-
Total	\$ 1,400,000	-	-	-	-	-	-	\$ 1,400,000

Project Name & Number | **Electrical Power Distribution System Impr. - J-98**

Project Category

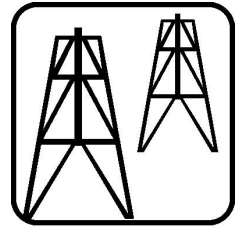
Utility Systems

Project Status:

Revised

Description

This project provides various electrical distribution system improvements at Plant Nos. 1 and 2 which are needed based on equipment condition and age, insufficient equipment ratings, grounding safety, non-compliance with the National Electrical Code (NEC) requirements, and electrical configuration reliability. This includes replacing electrical equipment at the end of its useful life, modifying the electrical system configurations to improve reliability and support maintenance, replacing electrical cables and equipment that are not properly sized, and adding surge protection to protect equipment. This project will also implement a load shedding scheme at Plant No. 1 along with modifications for arc flash mitigation.



Utility Systems

Justification

These improvements are required to improve electrical safety, reliability, protective device coordination, and for compliance with NEC requirements. As the electrical systems at Plant Nos. 1 and 2 have aged and reliability and safety philosophy has improved, the existing electrical systems require improvements to maintain electrical system reliability and improve safety.

Financial Consideration

The project budget has been increased from \$27,700,000 to \$29,000,000.

The project's estimated construction contract cost is \$14,160,000.

This project will not have an impact on operational budgets.

The increased budget is a result of an updated estimate to complete the work.

Budget Projections

Budget Phase	Cost to Date	2024-2025	2025-2026	2026-2027	2027-2028	2028-2029	Thereafter	Total Project Budget
Proj Dev	\$ 227,291	-	-	-	-	-	-	\$ 227,291
Prelim Design	1,413,719	353,301	-	-	-	-	-	1,767,020
Design	2,759,877	42,405	-	-	-	-	-	2,802,282
Construction	1,542	1,040,683	4,244,201	6,937,651	6,469,323	1,229,518	-	19,922,918
Commissioning	-	-	85,971	196,289	210,765	27,358	-	520,383
Close-out	-	-	-	-	-	915,838	-	915,838
Contingency	-	261,610	-	-	-	1,651,734	930,924	2,844,268
Total	\$ 4,402,429	\$ 1,697,999	\$ 4,330,172	\$ 7,133,940	\$ 6,680,088	\$ 3,824,448	\$ 930,924	\$ 29,000,000

Project Name & Number | Small Construction Projects Program - M-FE

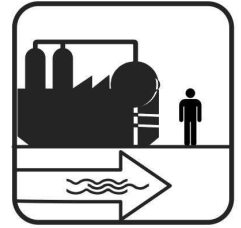
Project Category | Support Facilities

Project Status:

Revised

Description

This budget provides funds for small construction projects. A construction project is defined as small when the professional engineering services for design and construction can be provided by a task order issued under a master professional design services agreement per Purchasing Ordinance No. OCSD-52, or by using OC San staff. This budget request is intended to cover active small construction projects and those that will be identified and created through Fiscal Year 2026/2027. These small projects are individually managed within the Small Construction Projects Program budget.



Support Facilities

Justification

This fund allows OC San staff to complete small construction projects more quickly and cost effectively than larger projects that require specific Board authorization. Of the requested budget approximately, \$32,600,000 is allocated for small construction projects active as of April 2020. The remainder is for not-yet-identified projects.

Financial Consideration

The project budget has been increased from \$90,000,000 to \$109,378,000.

The project's estimated construction contract cost is \$50,110,000.

The increased budget is the result of incorporation of previously separate projects and anticipated future work.

Budget Projections

Budget Phase	Cost to Date	2024-2025	2025-2026	2026-2027	2027-2028	2028-2029	Thereafter	Total Project Budget
Proj Dev	\$ 96,481	-	-	-	-	-	-	\$ 96,481
Prelim Design	37,130	40,034	-	-	-	-	-	77,164
Design	8,377,222	279,783	1,107	-	-	-	-	8,658,112
Construction	23,296,447	22,198,694	16,406,770	3,012,360	361,735	-	-	65,276,006
Commissioning	-	-	-	-	-	-	-	-
Close-out	1,516	15,294	24,028	19,900	-	-	-	60,738
Contingency	464,008	3,531,398	8,939,612	6,036,803	3,368,537	3,276,605	9,592,536	35,209,499
Total	\$ 32,272,804	\$ 26,065,203	\$ 25,371,517	\$ 9,069,063	\$ 3,730,272	\$ 3,276,605	\$ 9,592,536	\$ 109,378,000

Project Name & Number	Information Technology Capital Program - M-MC-IT		
Project Category	Information Management Systems	Project Status:	Continuing

Description

This project will provide for the replacement, rehabilitation and/or upgrade of various Information technology assets that meet the criteria and justification for capital expenditure.



Information Management Systems

Justification

These funds are needed in order to replace/rehabilitate/upgrade Information technology assets that are not included or identified in a capital improvement project.

Financial Consideration

The project budget is \$10,000,000.
The project's estimated construction contract cost is \$1,040,000.
The impacts to operational budgets have not yet been determined.

Budget Projections

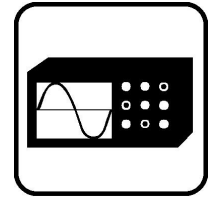
Budget Phase	Cost to Date	2024-2025	2025-2026	2026-2027	2027-2028	2028-2029	Thereafter	Total Project Budget
Proj Dev	-	-	-	-	-	-	-	-
Prelim Design	58,598	-	-	-	-	-	-	58,598
Design	382,073	230,579	100,691	-	-	-	-	713,343
Construction	679,730	624,534	-	-	-	-	-	1,304,264
Commissioning	-	-	-	-	-	-	-	-
Close-out	-	-	-	-	-	-	-	-
Contingency	142,913	515,911	685,597	883,158	1,052,991	1,195,002	3,448,223	7,923,795
Total	\$ 1,263,314	\$ 1,371,024	\$ 786,288	\$ 883,158	\$ 1,052,991	\$ 1,195,002	\$ 3,448,223	\$ 10,000,000

Project Name & Number | Research Program - M-RESEARCH

Project Category | Research **Project Status:** Continuing

Description

This budget provides funds for research projects. Specific projects will be identified and developed to be funded from this budget. This budget request is intended to cover currently active research projects and those that will be identified and created through the next fiscal year.



Research & Development

Justification

Research projects are used to demonstrate technologies, equipment, configurations, and control strategies to improve operational efficiency, reduce costs, improve safety, or fill important information gaps. The results will support operations and maintenance and provide information needed for future planning and design work.

Financial Consideration

The project budget is \$10,000,000.

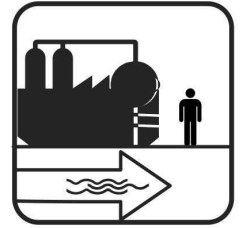
Budget Projections

Budget Phase	Cost to Date	2024-2025	2025-2026	2026-2027	2027-2028	2028-2029	Thereafter	Total Project Budget
Proj Dev	\$ 27,722	-	-	-	-	-	-	\$ 27,722
Prelim Design	5,101,358	1,003,275	-	-	-	-	-	6,104,633
Design	127,507	32,219	-	-	-	-	-	159,726
Construction	1,196,571	71,830	-	-	-	-	-	1,268,401
Commissioning	-	-	-	-	-	-	-	-
Close-out	-	24,668	-	-	-	-	-	24,668
Contingency	94,423	717,813	150,583	195,382	232,954	260,835	762,860	2,414,850
Total	\$ 6,547,581	\$ 1,849,805	\$ 150,583	\$ 195,382	\$ 232,954	\$ 260,835	\$ 762,860	\$ 10,000,000

Project Name & Number	Operations & Maintenance Capital Program - M-SM-CAP		
Project Category	Support Facilities	Project Status:	Continuing

Description

This project will provide for the replacement and rehabilitation of various plant processes and collection facilities as well as the replacement and or rehabilitation of facilities that meet the criteria for capital replacement.



Support Facilities

Justification

These funds are needed in order to replace/rehabilitate equipment that is beyond economical repair or is at the end of its useful life or repair of facilities that are not included in a capital improvement project. It is also used to replace equipment when parts or services are no longer economically feasible.

Financial Consideration

The project budget is \$15,622,000.
The project's estimated construction contract cost is \$10,890,000.
The impacts to operational budgets have not yet been determined.

Budget Projections

Budget Phase	Cost to Date	2024-2025	2025-2026	2026-2027	2027-2028	2028-2029	Thereafter	Total Project Budget
Proj Dev	\$ 154,963	-	-	-	-	-	-	\$ 154,963
Prelim Design	195	-	-	-	-	-	-	195
Design	569,271	42,839	3,068	-	-	-	-	615,178
Construction	2,440,498	4,542,570	5,049,980	442,323	144,509	2,927	-	12,622,807
Commissioning	-	11,730	13,402	-	-	-	-	25,132
Close-out	-	-	4,185	44,712	-	-	-	48,897
Contingency	216,686	28,645	663,509	1,198,450	580	46,637	321	2,154,828
Total	\$ 3,381,613	\$ 4,625,784	\$ 5,734,144	\$ 1,685,485	\$ 145,089	\$ 49,564	\$ 321	\$ 15,622,000

Project Name & Number | **Planning Studies Program - M-STUDIES**

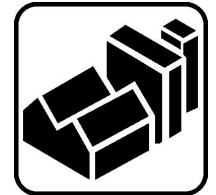
Project Category | **Strategic & Master Planning**

Project Status:

Revised

Description

This budget provides funds for planning studies. This budget request is intended to cover currently active planning studies and those that will be identified and created through the next fiscal year.



Strategic & Master Planning

Justification

Planning studies provide comprehensive capital program planning for OC San to meet anticipated capacity needs, manage risks associated with asset or system failure, take advantage of technology advancements, comply with regulatory changes, and meet strategic goals.

Financial Consideration

The project budget has been decreased from \$28,652,000 to \$25,000,000.

The decreased budget is the result of updated study forecasts.

Budget Projections

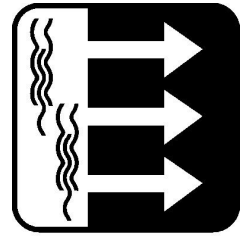
Budget Phase	Cost to Date	2024-2025	2025-2026	2026-2027	2027-2028	2028-2029	Thereafter	Total Project Budget
Proj Dev	\$ 548,803	\$ 122,644	\$ 25,774	-	-	-	-	\$ 697,221
Prelim Design	5,256,146	1,945,018	1,292,139	21,895	-	-	-	8,515,198
Design	675	-	-	-	-	-	-	675
Construction	-	-	-	-	-	-	-	-
Commissioning	-	-	-	-	-	-	-	-
Close-out	16,027	64,076	38,343	25,885	-	-	-	144,331
Contingency	441,213	1,659,608	1,521,007	1,888,978	1,881,825	2,107,108	6,142,836	15,642,575
Total	\$ 6,262,864	\$ 3,791,346	\$ 2,877,263	\$ 1,936,758	\$ 1,881,825	\$ 2,107,108	\$ 6,142,836	\$ 25,000,000

Project Name & Number | **Headworks Rehab. at P1 - P1-105**

Project Category | **Headworks** | **Project Status:** **Continuing**

Description

This project will rehabilitate and upgrade Plant No. 1 Headworks. Major facilities to be rehabilitated include the Metering and Diversion Structure, the Bar Screen Building, the Bin Loading Building, the Main Sewage Pump Station, the Grit Basins, the Primary Influent channels, the Headworks Odor Control Scrubbers, and electrical power distribution and control systems. New structures to be constructed as part of this project include Grit Pump Station, Grit Handling Building, Headworks Odor Control Facility, Electrical Buildings, and other support systems.



Headworks

Justification

The purpose of the work is to rehabilitate the Plant No. 1 headworks that were built in the 1950s and 1960s and began operation in 1989. This is a mid-life renewal project that will extend the life of the Headworks for at least 20 years while providing reliable treatment and pumping for up to 320 million gallons per day of wastewater.

Financial Consideration

The project budget is \$340,000,000.

The project's estimated construction contract cost is \$225,040,000.

This project will not have an impact on operational budgets.

Budget Projections

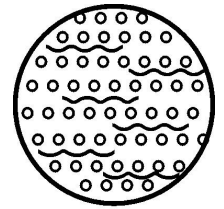
Budget Phase	Cost to Date	2024-2025	2025-2026	2026-2027	2027-2028	2028-2029	Thereafter	Total Project Budget
Proj Dev	\$ 158,994	-	-	-	-	-	-	\$ 158,994
Prelim Design	6,334,947	-	-	-	-	-	-	6,334,947
Design	24,098,002	-	-	-	-	-	-	24,098,002
Construction	133,130,515	40,505,878	40,228,748	27,361,327	26,532,998	2,416,767	-	270,176,233
Commissioning	165,575	441,553	1,224,608	1,373,017	1,543,689	1,206,911	841,684	6,797,037
Close-out	403,384	-	-	-	22,897	305,711	1,259,374	1,991,366
Contingency	-	-	-	-	2,294,538	5,537,599	22,611,284	30,443,421
Total	\$ 164,291,417	\$ 40,947,431	\$ 41,453,356	\$ 28,734,344	\$ 30,394,122	\$ 9,466,988	\$ 24,712,342	\$ 340,000,000

Project Name & Number | Primary Sed. Basins No. 3-5 Repl. at P1 - P1-126

Project Category | Primary Treatment **Project Status:** Continuing

Description

This project will replace Primary Sedimentation Basins (PSB) 3-5 and all associated facilities including distribution boxes, junction boxes, primary influent and effluent lines, structural, mechanical, and electrical systems. PSB's 3-5 will be raised to allow gravity flow to secondary treatment. The project will also replace the primary odor control facility. The project will demolish PSB's 1 and 2, Primary Effluent Pump Station (PEPS), and the old control center building.



Primary Treatment

Justification

This primary sedimentation complex has been assessed and studied and it was concluded that it is reaching the end of its useful life. Replacement of the basins and rehabilitation of nearby utilities was determined to be the best course of action.

Financial Consideration

The project budget is \$183,000,000.

The project's estimated construction contract cost is \$114,000,000.

This project will decrease operational budgets by \$300,000 annually. Primary Effluent Pump Station No. 1 will no longer be required and will be demolished as part of this project.

Budget Projections

Budget Phase	Cost to Date	2024-2025	2025-2026	2026-2027	2027-2028	2028-2029	Thereafter	Total Project Budget
Proj Dev	\$ 766,544	-	-	-	-	-	-	\$ 766,544
Prelim Design	5,818,210	-	-	-	-	-	-	5,818,210
Design	32,326	4,652,825	5,956,289	513,794	-	-	-	11,155,234
Construction	-	-	-	3,148,180	20,398,903	38,504,696	72,946,792	134,998,571
Commissioning	-	-	-	-	490,353	836,722	2,710,976	4,038,051
Close-out	-	-	-	-	-	-	256,530	256,530
Contingency	-	-	-	1,238,796	-	-	24,728,064	25,966,860
Total	\$ 6,617,080	\$ 4,652,825	\$ 5,956,289	\$ 4,900,770	\$ 20,889,256	\$ 39,341,418	\$ 100,642,362	\$ 183,000,000

Project Name & Number | Headquarters Complex - P1-128

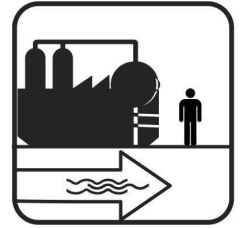
Project Category | Support Facilities

Project Status:

Continuing

Description

This project will construct the new Headquarters Building on the north side of Ellis Avenue to house administrative, engineering, resource protection and environmental compliance staff. Surface parking and a pedestrian bridge over Ellis Avenue to Plant No. 1 will also be constructed. The project includes the demolition of the Risk Trailer, two buildings on the Ellis property and three buildings on the Bandilier property.



Support Facilities

Justification

The administrative and engineering functions are located primarily at Reclamation Plant No. 1 in Fountain Valley. The Administration, Human Resource and Risk Management buildings are aging, were not permitted when constructed, and need replacement. Also, approximately 130 staff are in aging office trailers throughout Plant No. 1. The most cost-effective solution is replacement of the aging buildings and trailers with a new building that serves all administrative and engineering functions.

Financial Consideration

The project budget is \$169,500,000.

The project's estimated construction contract cost is \$106,030,000.

This project will not have an impact on operational budgets.

Budget Projections

Budget Phase	Cost to Date	2024-2025	2025-2026	2026-2027	2027-2028	2028-2029	Thereafter	Total Project Budget
Proj Dev	\$ 115,096	-	-	-	-	-	-	\$ 115,096
Prelim Design	6,119,394	-	-	-	-	-	-	6,119,394
Design	30,432,892	-	-	-	-	-	-	30,432,892
Construction	114,236,344	101,385	-	-	-	-	-	114,337,729
Commissioning	6,926,418	467,527	-	-	-	-	-	7,393,945
Close-out	7,516,320	496,269	-	-	-	-	-	8,012,589
Contingency	1,453,602	1,275,152	359,601	-	-	-	-	3,088,355
Total	\$ 166,800,066	\$ 2,340,333	\$ 359,601	-	-	-	-	\$ 169,500,000

Project Name & Number | Uninterruptible Power Supply Impr. at P1 - P1-132

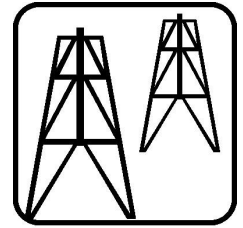
Project Category | Utility Systems

Project Status:

Continuing

Description

This project will provide a new regional Uninterruptible Power Supply (UPS) at Power Building 8 to provide critical power to facilities in the northwest region of Plant No. 1. New electrical distribution and branch circuit panelboards will replace existing old and obsolete equipment. The project will provide temporary power to maintain services to critical loads during construction. Miscellaneous 480-volt cables and circuit breakers will also be replaced.



Utility Systems

Justification

The process areas in the northwest area of Plant No. 1 currently have numerous individual UPS units. These smaller units are spread throughout the plant, which reduces reliability and increases maintenance requirements. The need and justification for this regional UPS was identified in Uninterruptible Power System Study, Project No. SP-150.

Financial Consideration

The project budget is \$9,600,000.

The project's estimated construction contract cost is \$5,780,000.

This project will not have an impact on operational budgets.

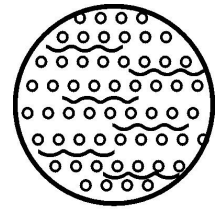
Budget Projections

Budget Phase	Cost to Date	2024-2025	2025-2026	2026-2027	2027-2028	2028-2029	Thereafter	Total Project Budget
Proj Dev	\$ 110,140	-	-	-	-	-	-	\$ 110,140
Prelim Design	573,354	-	-	-	-	-	-	573,354
Design	837,696	-	-	-	-	-	-	837,696
Construction	3,856,857	2,842,975	252,027	-	-	-	-	6,951,859
Commissioning	-	-	55,300	-	-	-	-	55,300
Close-out	-	12,375	96,345	23,937	-	-	-	132,657
Contingency	-	-	826,163	112,831	-	-	-	938,994
Total	\$ 5,378,047	\$ 2,855,350	\$ 1,229,835	\$ 136,768	-	-	-	\$ 9,600,000

Project Name & Number	Primary Sed. Basins No. 6-31 Reliability Impr. at P1 - P1-133		
Project Category	Primary Treatment	Project Status:	Revised

Description

This project will increase the reliability of the rectangular primary clarifiers at Plant No. 1 by replacing the primary influent splitter box launders, replace primary sludge pumps and VFDs, and install a foul air sump pump. It will also add a go/no-go alarm system based on loss of ventilation consistent with current NFPA 820 requirements, and new lighting fixtures in the main gallery at each of the primary sludge pumps.



Primary Treatment

Justification

Primary Sedimentation Basins No. 3-5 Replacement at Plant No. 1, Project No. P1-126, will replace the large circular primary clarifiers at Plant No. 1. During construction, the rectangular clarifiers will be required to operate at full capacity for approximately three years.

Financial Consideration

The project budget has been decreased from \$12,700,000 to \$12,100,000.
The project's estimated construction contract cost is \$6,280,000.
This project will not have an impact on operational budgets.
The decreased budget is the result of an updated estimate to complete the work.

Budget Projections

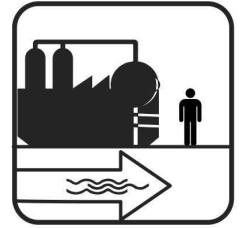
Budget Phase	Cost to Date	2024-2025	2025-2026	2026-2027	2027-2028	2028-2029	Thereafter	Total Project Budget
Proj Dev	\$ 346,043	-	-	-	-	-	-	\$ 346,043
Prelim Design	600,235	-	-	-	-	-	-	600,235
Design	1,188,453	-	-	-	-	-	-	1,188,453
Construction	6,969,335	1,366,081	-	-	-	-	-	8,335,416
Commissioning	240,723	63,817	-	-	-	-	-	304,540
Close-out	26,724	193,226	6,319	-	-	-	-	226,269
Contingency	-	673,352	425,692	-	-	-	-	1,099,044
Total	\$ 9,371,513	\$ 2,296,476	\$ 432,011	-	-	-	-	\$ 12,100,000

Project Name & Number | South Perimeter Security & Utility Impr. at P1 - P1-134

Project Category | Support Facilities **Project Status:** Continuing

Description

This security project will replace the perimeter chain link fence at Plant No. 1 along Ward Street with an 8-foot-tall block wall. Interior security lighting, cameras, and intrusion detection systems will be installed along the south and west boundary of Plant No. 1 along with a permanent guard house at the Garfield Avenue Gate. Tree removal and landscaping along Ward Street is also part of the project. The utility improvements will disconnect a City of Fountain Valley potable water service from Garfield Avenue and provide two new connections to existing potable water lines within Plant No. 1.



Support Facilities

Justification

The work under this project will provide improved security and monitoring capability for OC San's security staff and the new wall on Ward Street will provide enhanced protection against intruders. The water line work is required in order to remove the direct connection from Plant No. 1 to the City of Fountain Valley water main, alleviating any cross-connection concerns.

Financial Consideration

The project budget is \$8,150,000.

The project's estimated construction contract cost is \$4,740,000.

This project will not have an impact on operational budgets.

Budget Projections

Budget Phase	Cost to Date	2024-2025	2025-2026	2026-2027	2027-2028	2028-2029	Thereafter	Total Project Budget
Proj Dev	-	-	-	-	-	-	-	-
Prelim Design	569,260	-	-	-	-	-	-	569,260
Design	1,014,101	-	-	-	-	-	-	1,014,101
Construction	5,998,153	-	-	-	-	-	-	5,998,153
Commissioning	48,812	-	-	-	-	-	-	48,812
Close-out	144,078	-	-	-	-	-	-	144,078
Contingency	117,036	258,560	-	-	-	-	-	375,596
Total	\$ 7,891,440	\$ 258,560	-	-	-	-	-	\$ 8,150,000

Project Name & Number | 12.47 kV Switchgear Repl. at Cen Gen at P1 - P1-136

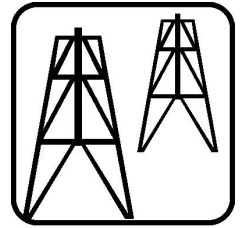
Project Category | Utility Systems

Project Status:

Future

Description

Plant 1 Central Generation is vintage 1993, making equipment 32 years old in 2025. Central Generation Electrical Equipment is critical to Plant operation and feeds multiple buildings. Medium Voltage Switchgear, Low Voltage Switchgear, Power Distribution Transformers, Low Voltage Motor Control Centers and associated Battery Charger Systems is recommended for replacement. Plant 1 Service Center is vintage 1991, making 12.47kV Switchgear 34 years old in 2025. Service Center is critical application as it is a point of connection for Southern California Edison Utility Power and the source of power for multiple power buildings. Medium Voltage Switchgear is recommended for replacement. Medium Voltage Feeders associated with Medium Voltage Switchgear that feeds multiple Power Buildings, will require to be tested and cables possibly replaced if test of existing cables will be unsatisfactory.



Utility Systems

Justification

The purpose of the Project is to replace Central Generation and Service Center Medium Voltage Switchgear, power distribution equipment and aged cabling infrastructure that approaching the end of its useful life in order to continue to provide operational reliability at Plant 1.

Financial Consideration

The project budget has been increased from \$15,960,000 to \$16,000,000.

The project's estimated construction contract cost is \$8,450,000.

The impacts to operational budgets have not yet been determined.

Budget Projections

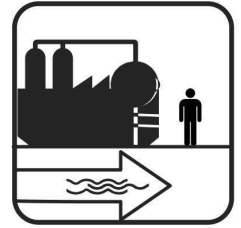
Budget Phase	Cost to Date	2024-2025	2025-2026	2026-2027	2027-2028	2028-2029	Thereafter	Total Project Budget
Proj Dev	-	-	-	-	-	-	-	-
Prelim Design	-	-	-	-	-	-	-	-
Design	-	118,833	600,826	910,711	615,630	-	-	2,246,000
Construction	-	-	-	-	286,813	1,669,687	9,237,500	11,194,000
Commissioning	-	-	-	-	-	-	-	-
Close-out	-	-	-	-	-	-	-	-
Contingency	-	-	-	-	-	-	2,560,000	2,560,000
Total	-	\$ 118,833	\$ 600,826	\$ 910,711	\$ 902,443	\$ 1,669,687	\$ 11,797,500	\$ 16,000,000

Project Name & Number | **Support Buildings Seismic Impr. at P1 - P1-137**

Project Category | **Support Facilities** | **Project Status:** **Revised**

Description

This project will construct structural improvements to staff occupied buildings and 12-kV Service Center at Plant No. 1 to reduce the risk of failure during a significant seismic event. These buildings include the Control Center, Maintenance Buildings, Warehouse, Fleet Services and 12-kV Service Center.



Support Facilities

Justification

The Seismic Evaluation of Structures at Plant Nos. 1 and 2 study that was completed in 2020 identified seismic risks associated with these buildings. These risks need to be addressed to ensure the reliability and safety of these buildings.

Financial Consideration

The project budget has been increased from \$23,730,000 to \$27,600,000.

The project's estimated construction contract cost is \$17,200,000.

This project will not have an impact on operational budgets.

The increased budget is a result of an updated estimate to complete the work.

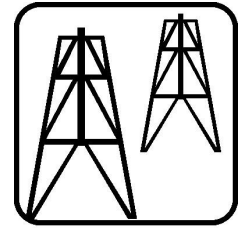
Budget Projections

Budget Phase	Cost to Date	2024-2025	2025-2026	2026-2027	2027-2028	2028-2029	Thereafter	Total Project Budget
Proj Dev	\$ 82,924	-	-	-	-	-	-	\$ 82,924
Prelim Design	1,111,900	-	-	-	-	-	-	1,111,900
Design	424,050	1,090,684	99,260	-	-	-	-	1,613,994
Construction	-	22,990	4,331,634	10,898,433	4,795,449	-	-	20,048,506
Commissioning	-	-	-	-	-	-	-	-
Close-out	-	-	-	-	60,163	10,168	-	70,331
Contingency	-	5,729	32,734	-	1,859,106	2,774,776	-	4,672,345
Total	\$ 1,618,874	\$ 1,119,403	\$ 4,463,628	\$ 10,898,433	\$ 6,714,718	\$ 2,784,944	-	\$ 27,600,000

Project Name & Number	Industrial Control System & IT Data Center Relocation at P1 - P1-138		
Project Category	Utility Systems	Project Status:	Revised

Description

This project will relocate and reconfigure networking, fiber optics, and IT equipment from Control Center and Power Building 3A to the new server room constructed by Headworks Rehabilitation at Plant 1, project number P1-105. Also, this project will install an adequate HVAC system that will meet the needs of the new server room. Finally, this project will demolish the existing Power Building 3A.



Utility Systems

Justification

Current server room does not have enough space to increase/upgrade the network system to meet the current needs of Plant No 1. New Power Building 3 constructed by Headworks Rehabilitation at Plant No. 1, project number P1-105 will become the new IT Networking and Data Hub for Plant No. 1.

Financial Consideration

The project budget has been increased from \$11,399,000 to \$16,500,000.
The project's estimated construction contract cost is \$4,270,000.
This project will not have an impact on operational budgets.
The increased budget is a result of changes in the project elements identified from recent engineering efforts.

Budget Projections

Budget Phase	Cost to Date	2024-2025	2025-2026	2026-2027	2027-2028	2028-2029	Thereafter	Total Project Budget
Proj Dev	\$ 56,666	\$ 114,477	-	-	-	-	-	\$ 171,143
Prelim Design	-	124,148	371,769	-	-	-	-	495,917
Design	-	-	298,855	549,093	117,847	-	-	965,795
Construction	-	-	-	-	1,102,154	3,046,113	2,053,682	6,201,949
Commissioning	-	-	-	-	-	-	7,280,932	7,280,932
Close-out	-	-	-	-	-	-	82,970	82,970
Contingency	-	-	-	-	64,050	-	1,237,244	1,301,294
Total	\$ 56,666	\$ 238,625	\$ 670,624	\$ 549,093	\$ 1,284,051	\$ 3,046,113	\$ 10,654,828	\$ 16,500,000

Project Name & Number | Activated Sludge-1 Rehab. at P1 - P1-140

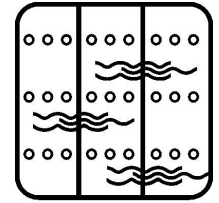
Project Category | Secondary Treatment

Project Status:

Revised

Description

This project will perform a comprehensive rehabilitation of the Activated Sludge Facility No. 1 (AS-1) at Plant No. 1. The facilities in this project include Blower Building No. 1, Aeration Basins Nos. 1-10, Return Activated Sludge Pump Station, and Secondary Clarifiers Nos. 1-26. A new Mixed Liquor Recycle (MLR) pump station and associated piping is included in this project. This project will demolish the Dissolved Air Flotation Thickeners (excluding the Pump Room), Power Building 2, and 12 KV Distribution Center.



Secondary Treatment

Justification

Built in the early 1970s, the AS-1 facility is nearing the end of its useful life. A major rehabilitation of AS-1 will ensure reliable service for next 20 plus years. PEPS will no longer be needed when the Primary Sedimentation Basins Nos. 3-5 Replacement Project, P1-126, is completed. A new MLR pump station is required to convert AS-1 from a partial to a full denitrification process which will remove nitrates and improve effluent water quality.

Financial Consideration

The project budget has been increased from \$280,000,000 to \$470,000,000.

The project's estimated construction contract cost is \$346,000,000.

This project will increase operational budgets by \$850,000 annually. These costs are associated with operational improvements and will begin in 2031.

The increased budget is a result of an updated estimate to complete the work.

Budget Projections

Budget Phase	Cost to Date	2024-2025	2025-2026	2026-2027	2027-2028	2028-2029	Thereafter	Total Project Budget
Proj Dev	\$ 371,041	-	-	-	-	-	-	\$ 371,041
Prelim Design	5,809,677	536,795	-	-	-	-	-	6,346,472
Design	39,652	5,145,667	5,746,054	3,621,758	-	-	-	14,553,131
Construction	-	-	-	5,147,927	25,074,113	45,385,043	301,852,793	377,459,876
Commissioning	-	-	-	-	196,080	246,585	1,321,260	1,763,925
Close-out	-	-	-	-	-	-	225,349	225,349
Contingency	-	-	-	1,846,244	-	-	67,433,962	69,280,206
Total	\$ 6,220,370	\$ 5,682,462	\$ 5,746,054	\$ 10,615,929	\$ 25,270,193	\$ 45,631,628	\$ 370,833,364	\$ 470,000,000

Project Name & Number | Administrative Facilities Demo. - P1-141

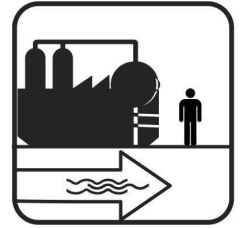
Project Category | Support Facilities

Project Status:

Continuing

Description

This project will demolition existing Administrative Facilities Buildings and repurpose the space for additional parking and future contractor staging .



Support Facilities

Justification

The existing Administration Facilities Building will no longer be required after the new Headquarters is constructed.

Financial Consideration

The project budget is \$4,286,000.

The project's estimated construction contract cost is \$2,620,000.

The impacts to operational budgets have not yet been determined.

Budget Projections

Budget Phase	Cost to Date	2024-2025	2025-2026	2026-2027	2027-2028	2028-2029	Thereafter	Total Project Budget
Proj Dev	\$ 12,060	\$ 48,884	-	-	-	-	-	\$ 60,944
Prelim Design	-	13,122	89,303	-	-	-	-	102,425
Design	-	-	87,368	295,279	68,362	-	-	451,009
Construction	-	-	-	-	2,460,776	611,629	-	3,072,405
Commissioning	-	-	-	-	-	-	-	-
Close-out	-	-	-	-	-	29,359	-	29,359
Contingency	-	-	-	-	31,900	289,655	248,303	569,858
Total	\$ 12,060	\$ 62,006	\$ 176,671	\$ 295,279	\$ 2,561,038	\$ 930,643	\$ 248,303	\$ 4,286,000

Project Name & Number | Trickling Filter Media Repl. at P1 - P1-142

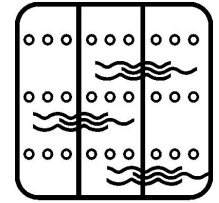
Project Category | Secondary Treatment

Project Status:

Revised

Description

This project will replace aging media in the trickling filters at Plant No. 1 and will perform coating repairs on the structure holding the media.



Secondary Treatment

Justification

The trickling filter media is approaching end of useful life. The trickling filters were constructed in 2006 and media life expectancy is between 20-25 years.

Financial Consideration

The project budget has been decreased from \$57,668,000 to \$47,000,000.

The project's estimated construction contract cost is \$33,880,000.

This project will not have an impact on operational budgets.

The reduced budget is the result of scope, start date and duration changes.

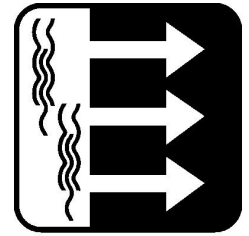
Budget Projections

Budget Phase	Cost to Date	2024-2025	2025-2026	2026-2027	2027-2028	2028-2029	Thereafter	Total Project Budget
Proj Dev	\$ 68,679	\$ 29,250	\$ 9,826	-	-	-	-	\$ 107,755
Prelim Design	-	-	-	-	-	-	-	-
Design	42,934	454,527	189,106	-	-	-	-	686,567
Construction	-	-	4,169,318	23,200,865	8,290,723	-	-	35,660,906
Commissioning	-	-	-	-	-	-	-	-
Close-out	-	-	-	-	91,415	-	-	91,415
Contingency	-	-	40,000	-	3,387,600	7,025,757	-	10,453,357
Total	\$ 111,613	\$ 483,777	\$ 4,408,250	\$ 23,200,865	\$ 11,769,738	\$ 7,025,757	-	\$ 47,000,000

Project Name & Number	Headworks Mod. at P2 for GWRs Final Expansion - P2-122		
Project Category	Headworks	Project Status:	Continuing

Description

This project will modify the Headworks facility, related piping, and sidestream flow routing to separate reclaimable and non-reclaimable flows to accommodate the Orange County Water District's Groundwater Replenishment System Final Expansion. Work elements include installing a new 75-inch diameter flow diversion, installing new gates, and modification of waste sidestream pump station discharge piping to the non-reclaimable portion of the plant. The work includes replacing three existing main sewage pumps with new, smaller pumps.



Headworks

Justification

This project is necessary to separate reclaimable and non-reclaimable flows to accommodate the Orange County Water District's Groundwater Replenishment System Final Expansion project.

Financial Consideration

The project budget is \$30,400,000.
The project's estimated construction contract cost is \$15,230,000.
This project will not have an impact on operational budgets.

Budget Projections

Budget Phase	Cost to Date	2024-2025	2025-2026	2026-2027	2027-2028	2028-2029	Thereafter	Total Project Budget
Proj Dev	\$ 234,101	-	-	-	-	-	-	\$ 234,101
Prelim Design	2,327,125	-	-	-	-	-	-	2,327,125
Design	4,437,281	-	-	-	-	-	-	4,437,281
Construction	20,880,722	-	-	-	-	-	-	20,880,722
Commissioning	508,610	-	-	-	-	-	-	508,610
Close-out	354,088	6,400	-	-	-	-	-	360,488
Contingency	1,477,814	173,859	-	-	-	-	-	1,651,673
Total	\$ 30,219,741	\$ 180,259	-	-	-	-	-	\$ 30,400,000

Project Name & Number | Return Activated Sludge Piping Repl. at P2 - P2-123

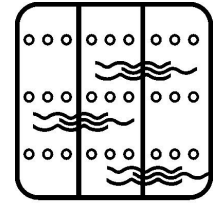
Project Category | Secondary Treatment

Project Status:

Continuing

Description

This project includes replacement of 1,800 feet of corroded return activated sludge piping at the Activated Sludge Plant at Plant No. 2. This project will also repair full penetration cracks and surface spalling on the top deck of the aeration basins and replace all light poles with easily maintainable ones.



Secondary Treatment

Justification

The Activated Sludge Plant was constructed in 1979, and the return activated sludge piping has had multiple major leaks due to corrosion. The concrete deck of the aeration basins, which is used to contain high purity oxygen, has significant cracking and spalling which exposes the reinforcement steel to corrosion and could possibly cause leakage of oxygen. Leaking oxygen imposes a safety concern because of the potential for it to accumulate in confined areas potentially creating an oxygen-enriched environment. The existing light poles are badly corroded, and replacing lights is very difficult to perform safely.

Financial Consideration

The project budget is \$10,000,000.

The project's estimated construction contract cost is \$6,350,000.

This project will not have an impact on operational budgets.

Budget Projections

Budget Phase	Cost to Date	2024-2025	2025-2026	2026-2027	2027-2028	2028-2029	Thereafter	Total Project Budget
Proj Dev	\$ 158,972	-	-	-	-	-	-	\$ 158,972
Prelim Design	1,326	-	-	-	-	-	-	1,326
Design	835,100	-	-	-	-	-	-	835,100
Construction	8,389,572	-	-	-	-	-	-	8,389,572
Commissioning	-	-	-	-	-	-	-	-
Close-out	39,416	-	-	-	-	-	-	39,416
Contingency	575,614	-	-	-	-	-	-	575,614
Total	\$ 10,000,000	-	-	-	-	-	-	\$ 10,000,000

Project Name & Number | Interim Food Waste Receiving Facility - P2-124

Project Category | Solids Handling & Digestion

Project Status:

Continuing

Description

This project will construct a station to receive, store, and feed pre-processed food waste slurry to three digesters at Plant No. 2 to generate additional digester gas.



Solids Handling & Digestion

Justification

This project was identified in the Biosolids Master Plan, Project No. PS15-01, to address the need for solid waste generators and haulers to divert organic waste from landfills. Waste haulers will separate organics at the source, then screen and process the high strength organic waste into a liquid slurry. The OC San's costs to construct, operate the facilities, and handle the additional biosolids production will be offset by tipping fees charged to pre-processors and additional power associated with increased digester gas production. This facility will be replaced with a permanent receiving station following completion of a proposed program to replace existing digesters at Plant No. 2.

Financial Consideration

The project budget is \$6,300,000.

The project's estimated construction contract cost is \$3,150,000.

The impacts to operational budgets have not yet been determined.

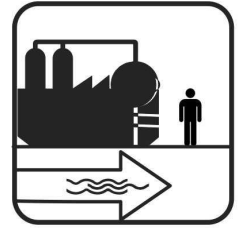
Budget Projections

Budget Phase	Cost to Date	2024-2025	2025-2026	2026-2027	2027-2028	2028-2029	Thereafter	Total Project Budget
Proj Dev	\$ 111,148	-	-	-	-	-	-	\$ 111,148
Prelim Design	385,676	-	-	-	-	-	-	385,676
Design	859,634	12,948	12,947	12,947	4,034	-	-	902,510
Construction	57,331	210,583	74,970	-	939,949	2,511,588	-	3,794,421
Commissioning	-	-	-	-	-	124,853	-	124,853
Close-out	-	-	107,610	1,683	-	-	-	109,293
Contingency	-	-	-	483,013	74,132	-	314,954	872,099
Total	\$ 1,413,789	\$ 223,531	\$ 195,527	\$ 497,643	\$ 1,018,115	\$ 2,636,441	\$ 314,954	\$ 6,300,000

Project Name & Number	Collections Yard Relocation & Warehouse Demo. at P2 - P2-127		
Project Category	Support Facilities	Project Status:	Revised

Description

This project will replace the existing Collections Facilities yard and fencing in the location of an existing parking lot, just south of Construction Management Trailers at Plant No. 2. This project also constructs 2 warehouse stations and demolishes the existing warehouse at Plant No. 2. As part of the warehouse demolition work, the security booth will be relocated, and the oil dock facility will be refed from the centrifuge building.



Support Facilities

Justification

The area where the existing collections yard and warehouse are currently located is needed for the new Temperature Phased Anaerobic Digestion facilities. Two new warehouse stations are being constructed to replace the existing warehouse.

Financial Consideration

The project budget is \$8,800,000.
The project's estimated construction contract cost is \$6,520,000.
This project will not have an impact on operational budgets.

Budget Projections

Budget Phase	Cost to Date	2024-2025	2025-2026	2026-2027	2027-2028	2028-2029	Thereafter	Total Project Budget
Proj Dev	\$ 31,241	-	-	-	-	-	-	\$ 31,241
Prelim Design	-	-	-	-	-	-	-	-
Design	272,680	-	-	-	-	-	-	272,680
Construction	3,638,680	3,926,537	-	-	-	-	-	7,565,217
Commissioning	-	-	-	-	-	-	-	-
Close-out	29,957	150,270	-	-	-	-	-	180,227
Contingency	-	628,894	121,741	-	-	-	-	750,635
Total	\$ 3,972,558	\$ 4,705,701	\$ 121,741	-	-	-	-	\$ 8,800,000

Project Name & Number | **Digester Repl. at P2 - P2-128**

Project Category | **Solids Handling & Digestion**

Project Status:

Continuing

Description

This project will build six new anaerobic digesters at Plant No. 2, to be initially operated in mesophilic mode to produce Class B biosolids product and designed for future thermophilic operation to produce Class A product. Supporting facilities and equipment will include sludge pumping, heating, and mixing; odor control; power distribution; and instrumentation and controls. Future conversion to the thermophilic process as well as replacement and/or demolition of existing digesters will be part of a separate future project. The project P2-128A will construct a perimeter wall along the southern plant boundary to provide site security and flood protection.



Solids Handling & Digestion

Justification

The 2017 Biosolids Master Plan conducted a comprehensive evaluation of end-to-end alternatives for solids processing at Plant No. 2. The study was prompted by seismic and condition deficiencies in many of the existing digesters. The evaluation concluded that the best alternative was to replace the existing digester complex with a temperature-phased anaerobic digestion (TPAD) process with batch tanks to meet Class A requirements. BMP recommended TPAD process, and a series of projects to ultimately build the full TPAD process to achieve the goal of generating Class A biosolids. The first project recommended was to build six new digesters as soon as possible with the ability to be operated as meso or thermos digesters to mitigate the seismic risk.

Financial Consideration

The project budget is \$588,000,000.

The project's estimated construction contract cost is \$433,760,000.

The impacts to operational budgets have not yet been determined.

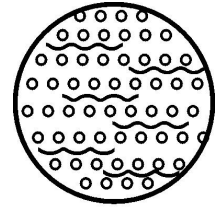
Budget Projections

Budget Phase	Cost to Date	2024-2025	2025-2026	2026-2027	2027-2028	2028-2029	Thereafter	Total Project Budget
Proj Dev	\$ 517,879	-	-	-	-	-	-	\$ 517,879
Prelim Design	10,984,725	48,364	-	-	-	-	-	11,033,089
Design	22,412,467	4,051,051	4,198,730	4,198,728	3,989,954	1,169,089	-	40,020,019
Construction	200,054	3,018,440	16,249,105	9,817,142	-	10,977,567	439,451,168	479,713,476
Commissioning	60,340	43,544	43,545	43,544	43,718	61,656	8,691,702	8,988,049
Close-out	-	-	-	74,777	6,989	-	873,815	955,581
Contingency	-	-	-	2,641,766	1,993,939	8,833	42,127,369	46,771,907
Total	\$ 34,175,465	\$ 7,161,399	\$ 20,491,380	\$ 16,775,957	\$ 6,034,600	\$ 12,217,145	\$ 491,144,054	\$ 588,000,000

Project Name & Number	B/C-Side Primary Sed. Basins Rehab. at P2 - P2-133		
Project Category	Primary Treatment	Project Status:	Future

Description

This project will extensively rehabilitate B & C Sides of primary basins at Plant 2 to extend uselife by another 40 years. The work will rehabilitate 10 primary basins with new flat covers; rehabilitate sludge/ scum pump stations; rehabilitate distribution structure B & C; replace all mechanical and electrical systems; replace polymer system; rehabilitate structural and yard piping; replace North Scrubber Complex; relocate electrical and controls to Distribution Center F; and miscellaneous upgrades.



Primary Treatment

Justification

Plant 2 has a total of 10 primary sedimentation basins from B & C sides, which were mostly built in '70s and '80s. CIP Project P2-98 conducted extensive condition assessments of the primary treatment system and provided rehabilitation plans. This project was originally included in P2-98 as a part of P2-98C, but was broken out into a separate project due to the significant time interval between the two projects, and the lower degree of scope definition of this project. The Consultant for P2-98 evaluated 3 siting options to this project based on 2017 Fault Hazard Study (5 of 10 basins are within fault zones/setbacks), and project description below assumes the recommended option, which is to rehabilitate in place without soil stabilization.

Financial Consideration

The project budget is \$306,093,000.
The project's estimated construction contract cost is \$188,090,000.
The impacts to operational budgets have not yet been determined.

Budget Projections

Budget Phase	Cost to Date	2024-2025	2025-2026	2026-2027	2027-2028	2028-2029	Thereafter	Total Project Budget
Proj Dev	-	-	-	-	-	-	-	-
Prelim Design	-	-	-	-	-	-	-	-
Design	-	-	-	-	-	1,036,154	17,940,846	18,977,000
Construction	-	-	-	-	-	-	232,456,000	232,456,000
Commissioning	-	-	-	-	-	-	-	-
Close-out	-	-	-	-	-	-	-	-
Contingency	-	-	-	-	-	-	54,660,000	54,660,000
Total	-	-	-	-	-	\$ 1,036,154	\$ 305,056,846	\$ 306,093,000

Project Name & Number | **Chemical Systems Rehab. at P2 - P2-135**

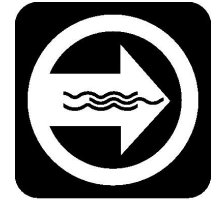
Project Category | **Ocean Outfall Systems**

Project Status:

Revised

Description

This project will make improvements to both the Sodium Bisulfite Station and the Anionic Polymer Station at Plant No. 2. At the Sodium Bisulfite Station, the project will replace chemical tanks, chemical feed pumps, piping, electrical equipment and install a plant water and plant air supply. The project will also demolish and replace the Anionic Polymer Station’s obsolete electrical and instrumentation assets, including controllers, motor running time meter tubs, valves, and actuators.



Ocean Outfall Systems

Justification

The Sodium Bisulfite Station was constructed in 2004. In 2015, OC San received approval to stop disinfection of flow through the 5-mile outfall but must still disinfect if the short 1-mile outfall is used. Though the 1-mile outfall is for emergency use only, the station must be available at all times. Since the station was originally designed for continuous usage, it must be revised for intermittent use at a reduced capacity. In addition, the existing electrical and instrumentation equipment at the Anionic Polymer Station requires replacement as it is obsolete and no longer reliable.

Financial Consideration

The project budget has been increased from \$8,000,000 to \$9,200,000.

The project's estimated construction contract cost is \$4,400,000.

This project will not have an impact on operational budgets.

The increased budget is a result of an updated estimate to complete the work.

Budget Projections

Budget Phase	Cost to Date	2024-2025	2025-2026	2026-2027	2027-2028	2028-2029	Thereafter	Total Project Budget
Proj Dev	\$ 119,616	-	-	-	-	-	-	\$ 119,616
Prelim Design	464,549	-	-	-	-	-	-	464,549
Design	425,000	672,673	142,064	-	-	-	-	1,239,737
Construction	-	-	2,124,862	3,967,550	-	-	-	6,092,412
Commissioning	-	-	16,235	114,586	-	-	-	130,821
Close-out	-	-	-	58,443	29,335	-	-	87,778
Contingency	-	-	31,485	440,000	593,602	-	-	1,065,087
Total	\$ 1,009,165	\$ 672,673	\$ 2,314,646	\$ 4,580,579	\$ 622,937	-	-	\$ 9,200,000

Project Name & Number | Activated Sludge Aeration Basin Rehab. at P2 - P2-136

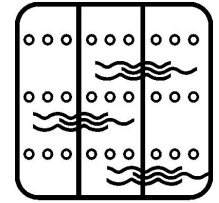
Project Category | Secondary Treatment

Project Status:

Continuing

Description

This project includes structural rehabilitation of the aeration basin's reactor deck and adjacent concrete structures, coating the interior of reactor tanks to mitigate exposed concrete aggregate, replacement of all mechanical equipment, components, and piping, including all gates, valves, and appurtenances. The project will also replace large section of handrails at the secondary clarifiers.



Secondary Treatment

Justification

The aeration basins were installed in 1983 and a major mechanical and structural rehabilitation was conducted in 2006. This system is in need of major rehabilitation of structural and mechanical components in order to maintain reliable serviceability and extend useful life.

Financial Consideration

The project budget is \$65,600,000.

The project's estimated construction contract cost is \$40,590,000.

This project will not have an impact on operational budgets.

Budget Projections

Budget Phase	Cost to Date	2024-2025	2025-2026	2026-2027	2027-2028	2028-2029	Thereafter	Total Project Budget
Proj Dev	\$ 230,655	-	-	-	-	-	-	\$ 230,655
Prelim Design	822,699	1,752,026	-	-	-	-	-	2,574,725
Design	-	1,411,359	2,735,918	267,548	-	-	-	4,414,825
Construction	-	-	-	1,886,783	10,131,495	18,152,831	16,845,690	47,016,799
Commissioning	-	-	-	-	178,679	216,413	261,755	656,847
Close-out	-	-	-	-	-	-	130,277	130,277
Contingency	-	-	-	589,160	-	-	9,986,712	10,575,872
Total	\$ 1,053,354	\$ 3,163,385	\$ 2,735,918	\$ 2,743,491	\$ 10,310,174	\$ 18,369,244	\$ 27,224,434	\$ 65,600,000

Project Name & Number | **Digesters Rehab. at P2 - P2-137**

Project Category | **Solids Handling & Digestion**

Project Status:

Continuing

Description

The project will rehabilitate existing Plant No. 2 digesters including repairing the digester domes, walls, and bridges, replacing hot water valves, improving miscellaneous safety related items, and replacing electrical motor control centers that are obsolete.



Solids Handling & Digestion

Justification

This project is needed to ensure sufficient digester capacity is available until the existing digesters are demolished in the future.

Financial Consideration

The project budget is \$45,000,000.

The project's estimated construction contract cost is \$19,600,000.

This project will not have an impact on operational budgets.

Budget Projections

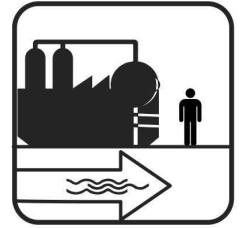
Budget Phase	Cost to Date	2024-2025	2025-2026	2026-2027	2027-2028	2028-2029	Thereafter	Total Project Budget
Proj Dev	\$ 219,802	-	-	-	-	-	-	\$ 219,802
Prelim Design	1,140,258	-	-	-	-	-	-	1,140,258
Design	2,410,964	283,246	-	-	-	-	-	2,694,210
Construction	74,151	3,552,832	6,570,558	9,801,768	5,779,579	-	-	25,778,888
Commissioning	-	-	51,684	70,845	65,539	15,268	-	203,336
Close-out	-	-	-	-	56,997	37,428	-	94,425
Contingency	-	-	269,000	370,973	1,700,000	12,309,204	219,904	14,869,081
Total	\$ 3,845,175	\$ 3,836,078	\$ 6,891,242	\$ 10,243,586	\$ 7,602,115	\$ 12,361,900	\$ 219,904	\$ 45,000,000

Project Name & Number | **Operations & Maintenance Complex at P2 - P2-138**

Project Category | **Support Facilities** | **Project Status:** **Revised**

Description

This project will replace the Operations Center building and Maintenance building at Plant No. 2 in the location of the current Maintenance building.



Support Facilities

Justification

The seismic evaluation of Structures at Plant No. 2 was completed in 2020 and seismic risks were identified at the Operations Center and Maintenance buildings. These risks are being addressed in this project by building a new O&M Complex that replaces the existing Maintenance building and Operations Center.

Financial Consideration

The project budget has been increased from \$84,000,000 to \$126,500,000.

The project's estimated construction contract cost is \$78,300,000.

This project will not have an impact on operational budgets.

The increased budget is the result of scope, start date and duration changes.

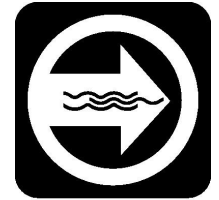
Budget Projections

Budget Phase	Cost to Date	2024-2025	2025-2026	2026-2027	2027-2028	2028-2029	Thereafter	Total Project Budget
Proj Dev	\$ 385,352	-	-	-	-	-	-	\$ 385,352
Prelim Design	3,352,259	2,795,315	-	-	-	-	-	6,147,574
Design	-	617,455	2,463,318	1,949,873	-	-	-	5,030,646
Construction	-	-	-	484,200	17,952,048	38,821,926	36,364,753	93,622,927
Commissioning	-	-	-	-	36,485	116,324	200,864	353,673
Close-out	-	-	-	-	-	-	205,012	205,012
Contingency	-	-	-	360,039	-	-	20,394,777	20,754,816
Total	\$ 3,737,611	\$ 3,412,770	\$ 2,463,318	\$ 2,794,112	\$ 17,988,533	\$ 38,938,250	\$ 57,165,406	\$ 126,500,000

Project Name & Number	Emergency Overflow Wingwalls Rehab. at P2 - P2-139		
Project Category	Ocean Outfall Systems	Project Status:	Revised

Description

Plant No. 2 has emergency overflow weirs consisting of four reinforced concrete pipes that can discharge into the Santa Ana River through two concrete wingwall structures. This project will include rehabilitation of concrete and rebar of the wingwalls and foundation slabs. Because both of wingwalls are located by the Santa Ana River, this work will require permits from various agencies.



Ocean Outfall Systems

Justification

A planning study conducted structural investigation of these wingwalls and concluded that both structures are deteriorating.

Financial Consideration

The project budget has been increased from \$4,370,000 to \$7,500,000.
The project's estimated construction contract cost is \$4,200,000.
This project will not have an impact on operational budgets.
The increased budget is a result of an updated estimate to complete the work.

Budget Projections

Budget Phase	Cost to Date	2024-2025	2025-2026	2026-2027	2027-2028	2028-2029	Thereafter	Total Project Budget
Proj Dev	\$ 118,215	\$ 10,776	-	-	-	-	-	\$ 128,991
Prelim Design	1,104	150,684	-	-	-	-	-	151,788
Design	1,881	11,837	392,907	536,140	-	-	-	942,765
Construction	-	-	-	69,318	3,036,971	1,835,997	-	4,942,286
Commissioning	-	-	-	-	-	-	-	-
Close-out	-	-	-	-	-	32,905	-	32,905
Contingency	-	-	-	65,000	-	440,000	796,265	1,301,265
Total	\$ 121,200	\$ 173,297	\$ 392,907	\$ 670,458	\$ 3,036,971	\$ 2,308,902	\$ 796,265	\$ 7,500,000

Project Name & Number	Truck Loading Bay Odor Control Impr. at P2 - P2-140		
Project Category	Solids Handling & Digestion	Project Status:	Continuing

Description

This project will improve the odor control containment in the truck loading bays at Plant No. 2, by extending the bays and installing a second set of roll up doors. Project will also include new personal doors to the truck loading bays, new supply fans to improve the air flow to the existing odor control units, and improved lighting.



Solids Handling & Digestion

Justification

This project is necessary is to contain and capture the odor in the truck loading bays to reduce odors during operations.

Financial Consideration

The project budget is \$8,356,000.
The project's estimated construction contract cost is \$4,430,000.
The impacts to operational budgets have not yet been determined.

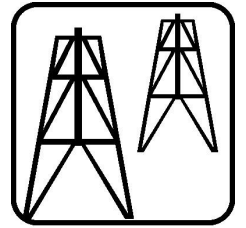
Budget Projections

Budget Phase	Cost to Date	2024-2025	2025-2026	2026-2027	2027-2028	2028-2029	Thereafter	Total Project Budget
Proj Dev	\$ 34,448	\$ 92,003	-	-	-	-	-	\$ 126,451
Prelim Design	-	16,869	303,951	-	-	-	-	320,820
Design	-	-	82,547	312,891	248,358	-	-	643,796
Construction	-	-	-	-	207,648	2,576,902	2,974,673	5,759,223
Commissioning	-	-	-	-	-	-	-	-
Close-out	-	-	-	-	-	-	68,627	68,627
Contingency	-	-	-	-	46,100	-	1,390,983	1,437,083
Total	\$ 34,448	\$ 108,872	\$ 386,498	\$ 312,891	\$ 502,106	\$ 2,576,902	\$ 4,434,283	\$ 8,356,000

Project Name & Number	Headworks Electrical Distribution Impr. at P2 - P2-141		
Project Category	Utility Systems	Project Status:	New

Description

This project will replace and reroute all power and control cables 480V and below that serve all areas of Headworks at Plant No. 2 including: Influent Metering, Influent Pump Station, Waste Sidestream Pumps, Bar Screens, Screenings Washing, Scrubbers, Biotower, Grit Basins, and Grit Handling. The project will include new electrical buildings with local Motor Control Centers and Distribution Panelboards and overhead and wall mounted conduit or cable trays if necessary.



Utility Systems

Justification

There have been numerous failed cables in the Headworks area over the past 4 years that have impacted the safety and reliability of the Headworks area. Temporary cables are being used to feed equipment. The project will restore safe, reliable operation for this area.

Financial Consideration

The project budget is \$34,652,000.
The project's estimated construction contract cost is \$21,130,000.
The impacts to operational budgets have not yet been determined

Budget Projections

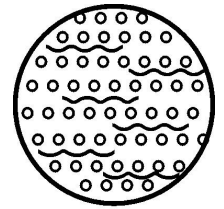
Budget Phase	Cost to Date	2024-2025	2025-2026	2026-2027	2027-2028	2028-2029	Thereafter	Total Project Budget
Proj Dev	-	-	-	-	-	-	-	-
Prelim Design	-	-	-	-	-	-	-	-
Design	-	64,508	1,775,759	2,015,398	135,335	-	-	3,991,000
Construction	-	-	-	112,062	7,816,661	15,289,399	1,142,878	24,361,000
Commissioning	-	-	-	-	-	-	-	-
Close-out	-	-	-	-	-	-	-	-
Contingency	-	-	-	-	-	-	6,300,000	6,300,000
Total	-	\$ 64,508	\$ 1,775,759	\$ 2,127,460	\$ 7,951,996	\$ 15,289,399	\$ 7,442,878	\$ 34,652,000

Project Name & Number | Primary Treatment Rehab. at P2 - P2-98

Project Category | Primary Treatment **Project Status:** Continuing

Description

This project will replace the four A-Side Primary Clarifiers with associated influent piping, influent distribution structures, effluent piping, sludge pumping units, and flat covers for odor containment. The project will also construct a new air scrubbing complex. The project includes a second project that provided interim repairs to the other 12 clarifiers in the B/C-Side and A-Side and associated pipelines to improve reliability until they can be more extensively rehabilitated in the future B/C-Side Primary Sedimentation Basins Rehabilitation at Plant No. 2, Project No. P2-133.



Primary Treatment

Justification

The A-Side Clarifiers are at the end of their useful life and cannot effectively be rehabilitated.

Financial Consideration

The project budget is \$188,000,000.

The project's estimated construction contract cost is \$112,340,000.

This project will increase operational budgets by \$50,000 annually.

Budget Projections

Budget Phase	Cost to Date	2024-2025	2025-2026	2026-2027	2027-2028	2028-2029	Thereafter	Total Project Budget
Proj Dev	\$ 837,606	-	-	-	-	-	-	\$ 837,606
Prelim Design	8,892,639	-	-	-	-	-	-	8,892,639
Design	14,912,776	-	-	-	-	-	-	14,912,776
Construction	66,197,786	19,483,658	23,403,297	27,916,213	9,032,492	-	-	146,033,446
Commissioning	7,913	-	-	510,880	1,230,225	-	-	1,749,018
Close-out	66,986	-	-	-	948,958	8,064	-	1,024,008
Contingency	-	-	-	-	14,146,276	404,231	-	14,550,507
Total	\$ 90,915,706	\$ 19,483,658	\$ 23,403,297	\$ 28,427,093	\$ 25,357,951	\$ 412,295	-	\$ 188,000,000

Project Name & Number | EAM Software & Process Implementation - SP-100

Project Category | Information Management Systems

Project Status:

Continuing

Description

This project will implement the IBM Maximo System in support of the Enterprise Asset Management program. The system will replace the current Computerized Maintenance Management System. The system will manage asset data and asset activities throughout the asset lifecycle.



Information Management Systems

Justification

The IBM Maximo System will provide the means to manage assets to achieve the highest return at low risk by improving asset usage and reducing cost. The system will also manage asset lifecycle, provide visibility into asset performance, streamline process by eliminating paperwork order, and reduce maintenance cost. The system will be integrated with other OC San systems (i.e., FIS, GIS, and Timecard).

Financial Consideration

The project budget is \$9,200,000.

The impacts to operational budgets have not yet been determined.

Budget Projections

Budget Phase	Cost to Date	2024-2025	2025-2026	2026-2027	2027-2028	2028-2029	Thereafter	Total Project Budget
Proj Dev	\$ 1,306,829	-	-	-	-	-	-	\$ 1,306,829
Prelim Design	413,277	-	-	-	-	-	-	413,277
Design	3,274,551	138,126	138,126	138,126	101,717	-	-	3,790,646
Construction	1,923,202	108,310	108,309	108,309	79,779	-	-	2,327,909
Commissioning	218,074	-	-	-	-	-	-	218,074
Close-out	35,847	-	-	-	-	-	-	35,847
Contingency	-	-	-	-	1,107,418	-	-	1,107,418
Total	\$ 7,171,780	\$ 246,436	\$ 246,435	\$ 246,435	\$ 1,288,914	-	-	\$ 9,200,000

Project Name & Number	Capital Improvement Program Mgmt. Services - SP-195		
Project Category	Others	Project Status:	Continuing

Description

This project funds program management services for the Capital Improvement Program not related to any one specific project, but on the management of the projects as a whole. Activities include consulting services related to best practices in project and program management including risk analysis, benchmarking, analysis of key performance indicators (KPI), program metrics, and data analysis. Work may also include review of project controls including project budgeting, cash flow analysis and project scheduling.



Others

Justification

The activities facilitate continuous improvements to program management practices to maintain effectiveness in managing the Capital Improvement Program as business practices and the project makeup of the CIP evolves.

Financial Consideration

The project budget is \$1,500,000.

This project will not have an impact on operational budgets.

Budget Projections

Budget Phase	Cost to Date	2024-2025	2025-2026	2026-2027	2027-2028	2028-2029	Thereafter	Total Project Budget
Proj Dev	\$ 8,461	-	-	-	-	-	-	\$ 8,461
Prelim Design	2,938	-	-	-	-	-	-	2,938
Design	604,603	-	-	-	-	-	-	604,603
Construction	160,733	-	-	-	-	-	-	160,733
Commissioning	-	-	-	-	-	-	-	-
Close-out	-	-	-	-	-	-	-	-
Contingency	-	723,265	-	-	-	-	-	723,265
Total	\$ 776,735	\$ 723,265	-	-	-	-	-	\$ 1,500,000

Summary by Project Status

Collection System Improvement Projects - Budget by Project Status

Title	Project Number	Total Budget	New Project	Continuing Project	Revised Project	Future Project
Collections Facilities						
Edinger Pump Station Repl.	11-33	36,500,000	-	-	36,500,000	-
Slater Pump Station Rehab.	11-34	45,600,000	-	-	-	45,600,000
North Huntington Beach Sewer Rehab.	11-35	11,520,000	-	-	-	11,520,000
Santa Ana Trunk Sewer Rehab.	1-23	54,620,000	-	54,620,000	-	-
Greenville Trunk Impr.	1-24	48,600,000	-	48,600,000	-	-
Taft Branch Impr.	2-49	31,200,000	-	-	31,200,000	-
Fullerton - Placentia Sewer Facilities Demo. & Rehab.	2-73	21,700,000	-	-	-	21,700,000
Atwood - Santa Ana Canyon Sewer Rehab.	2-78	19,300,000	-	-	-	19,300,000
Knott - Miller Holder Artesia Branch Rehab.	3-60	16,500,000	-	16,500,000	-	-
Westminster Blvd Force Main Repl.	3-62	43,900,000	-	43,900,000	-	-
Rehab. of Western Regional Sewers	3-64	94,000,000	-	94,000,000	-	-
I-405 Widening Project Impacts on OCSD Sewers	3-66	500,000	-	500,000	-	-
Seal Beach Pump Station Repl.	3-67	134,000,000	-	-	134,000,000	-
Los Al. Sub-Trunk Ext. & Westside Pump Station Abnd.	3-68	119,600,000	-	-	-	119,600,000
Crystal Cove Pump Station Rehab.	5-66	14,500,000	-	-	-	14,500,000
Bay Bridge Pump Station Repl.	5-67	146,000,000	-	-	146,000,000	-
Newport Beach Pump Station Pressurization Impr.	5-68	2,700,000	-	2,700,000	-	-
East Coast Highway Sewer Rehab.	5-69	8,600,000	8,600,000	-	-	-
Fairview Sewer Rehab.	6-20	25,000,000	-	-	25,000,000	-
MacArthur Pump Station Rehab.	7-63	16,200,000	-	-	-	16,200,000
Main Street Pump Station Rehab.	7-64	37,700,000	-	-	-	37,700,000
Gisler-Red Hill Interceptor & Baker Force Main Rehab.	7-65	55,500,000	-	55,500,000	-	-
Sunflower & Red Hill Interceptor Repairs	7-66	6,750,000	-	-	6,750,000	-
MacArthur Force Main Impr.	7-68	8,150,000	-	8,150,000	-	-
North Tustin-Orange Sewer Impr.	7-69	59,100,000	-	-	-	59,100,000
Collections Facilities Budget Total		1,057,740,000	8,600,000	324,470,000	379,450,000	345,220,000

Treatment & Disposal Projects - Budget by Project Status

Title	Project Number	Total Budget	New Project	Continuing Project	Revised Project	Future Project
Headworks						
Headworks Rehab. at P1	P1-105	340,000,000	-	340,000,000	-	-
Headworks Mod. at P2 for GWRS Final Expansion	P2-122	30,400,000	-	30,400,000	-	-
Headworks Budget Total		370,400,000	-	370,400,000	-	-
Primary Treatment						
Primary Sed. Basins No. 3-5 Repl. at P1	P1-126	183,000,000	-	183,000,000	-	-
Primary Sed. Basins No. 6-31 Reliability Impr. at P1	P1-133	12,100,000	-	-	12,100,000	-
B/C-Side Primary Sed. Basins Rehab. at P2	P2-133	306,093,000	-	-	-	306,093,000
Primary Treatment Rehab. at P2	P2-98	188,000,000	-	188,000,000	-	-
Primary Treatment Budget Total		689,193,000	-	371,000,000	12,100,000	306,093,000
Secondary Treatment						
Activated Sludge-1 Rehab. at P1	P1-140	470,000,000	-	-	470,000,000	-
Trickling Filter Media Repl. at P1	P1-142	47,000,000	-	-	47,000,000	-
Return Activated Sludge Piping Repl. at P2	P2-123	10,000,000	-	10,000,000	-	-
Activated Sludge Aeration Basin Rehab. at P2	P2-136	65,600,000	-	65,600,000	-	-
Secondary Treatment Budget Total		592,600,000	-	75,600,000	517,000,000	-
Solids Handlings & Digestion						
Interim Food Waste Receiving Facility	P2-124	6,300,000	-	6,300,000	-	-
Digester Repl. at P2	P2-128	588,000,000	-	588,000,000	-	-
Digesters Rehab. at P2	P2-137	45,000,000	-	45,000,000	-	-
Truck Loading Bay Odor Control Impr. at P2	P2-140	8,356,000	-	8,356,000	-	-
Solids Handling & Digestion Budget Total		647,656,000	-	647,656,000	-	-
Ocean Outfall Systems						
Ocean Outfall System Rehab.	J-117	170,300,000	-	-	170,300,000	-
Ocean Outfalls Rehab.	J-137	82,000,000	-	82,000,000	-	-
Chemical Systems Rehab. at P2	P2-135	9,200,000	-	-	9,200,000	-
Emergency Overflow Wingwalls Rehab. at P2	P2-139	7,500,000	-	-	7,500,000	-
Ocean Outfall Systems Budget Total		269,000,000	-	82,000,000	187,000,000	-

Treatment & Disposal Projects - Budget by Project Status

Title	Project Number	Total Budget	New Project	Continuing Project	Revised Project	Future Project
Utility Systems						
Digester Gas Facilities Rehab.	J-124	190,000,000	-	190,000,000	-	-
Natural Gas Pipelines Repl. at P1 & P2	J-127	2,173,718	-	2,173,718	-	-
Cen Gen Engine Overhauls at P1 & P2	J-135	72,200,000	-	-	72,200,000	-
Cen Gen Facilities & OOPS Seismic Upgrades	J-138	17,500,000	-	-	-	17,500,000
Electrical Power Distribution System Impr.	J-98	29,000,000	-	-	29,000,000	-
Uninterruptible Power Supply Impr. at P1	P1-132	9,600,000	-	9,600,000	-	-
12.47 kV Switchgear Repl. at Cen Gen at P1	P1-136	16,000,000	-	-	-	16,000,000
Industrial Control System & IT Data Center Relocation at P1	P1-138	16,500,000	-	-	16,500,000	-
Headworks Electrical Distribution Impr. at P2	P2-141	34,652,000	34,652,000	-	-	-
Utility Systems Budget Total		387,625,718	34,652,000	201,773,718	117,700,000	33,500,000
Information Management Systems						
Process Control Systems Upgrades	J-120	35,500,000	-	35,500,000	-	-
Project Mgmt. Information System	J-128	2,280,000	-	2,280,000	-	-
Process Control System Alarm Optimization	J-139	4,121,000	4,121,000	-	-	-
Information Technology Capital Program	M-MC-IT	10,000,000	-	10,000,000	-	-
EAM Software & Process Implementation	SP-100	9,200,000	-	9,200,000	-	-
Information Management Systems Budget Total		61,101,000	4,121,000	56,980,000	-	-
Strategic & Master Planning						
Planning Studies Program	M-STUDIES	25,000,000	-	-	25,000,000	-
Strategic & Master Planning Budget Total		25,000,000	-	-	25,000,000	-
Water Management Projects						
GWRS Final Expansion Coordination	J-36-2	1,400,000	-	1,400,000	-	-
Water Management Projects Budget Total		1,400,000	-	1,400,000	-	-
Research						
Research Program	M-RESEARCH	10,000,000	-	10,000,000	-	-
Research Budget Total		10,000,000	-	10,000,000	-	-

Summary by Project Status

Treatment & Disposal Projects - Budget by Project Status

Title	Project Number	Total Budget	New Project	Continuing Project	Revised Project	Future Project
Support Facilities						
Laboratory Repl. at P1	J-133	103,800,000	-	-	-	103,800,000
Small Construction Projects Program	M-FE	109,378,000	-	-	109,378,000	-
Operations & Maintenance Capital Program	M-SM-CAP	15,622,000	-	15,622,000	-	-
Headquarters Complex	P1-128	169,500,000	-	169,500,000	-	-
South Perimeter Security & Utility Impr. at P1	P1-134	8,150,000	-	8,150,000	-	-
Support Buildings Seismic Impr. at P1	P1-137	27,600,000	-	-	27,600,000	-
Administrative Facilities Demo.	P1-141	4,286,000	-	4,286,000	-	-
Collections Yard Relocation & Warehouse Demo. at P2	P2-127	8,800,000	-	-	8,800,000	-
Operations & Maintenance Complex at P2	P2-138	126,500,000	-	-	126,500,000	-
Support Facilities Budget Total		573,636,000	-	197,558,000	272,278,000	103,800,000

Others						
Capital Improvement Program Mgmt. Services	SP-195	1,500,000	-	1,500,000	-	-
Others Budget Total		1,500,000	-	1,500,000	-	-

Total Treatment and Disposal Projects		3,629,111,718	38,773,000	2,015,867,718	1,131,078,000	443,393,000
Total Collections Facilities		1,057,740,000	8,600,000	324,470,000	379,450,000	345,220,000
Capital Equipment Purchases		29,593,863	-	-	29,593,863	-
Total Capital Improvement Program Budget		\$ 4,716,445,581	\$ 47,373,000	\$ 2,340,337,718	\$ 1,540,121,863	\$ 788,613,000

Summary of Revenue Program Category

Collection System Improvement Projects

Project Name	Total Project Budget	Percentage allocation				Total Project Cost Budget			
		Rehab/ Repl.	Strategic Initiative	Additional Capacity	Regulatory	Rehab/ Repl.	Strategic Initiative	Additional Capacity	Regulatory
Edinger Pump Station Repl.	36,500,000	100%				36,500,000	-	-	-
Slater Pump Station Rehab.	45,600,000	100%				45,600,000	-	-	-
North Huntington Beach Sewer Rehab.	11,520,000	100%				11,520,000	-	-	-
Santa Ana Trunk Sewer Rehab.	54,620,000	100%				54,620,000	-	-	-
Greenville Trunk Impr.	48,600,000			100%		-	-	48,600,000	-
Taft Branch Impr.	31,200,000			100%		-	-	31,200,000	-
Fullerton - Placentia Sewer Facilities Demo. & ...	21,700,000		100%			-	21,700,000	-	-
Atwood - Santa Ana Canyon Sewer Rehab.	19,300,000	98%	2%			18,914,000	386,000	-	-
Knott - Miller Holder Artesia Branch Rehab.	16,500,000	100%				16,500,000	-	-	-
Westminster Blvd Force Main Repl.	43,900,000	100%				43,900,000	-	-	-
Rehab. of Western Regional Sewers	94,000,000	75%		25%		70,500,000	-	23,500,000	-
I-405 Widening Project Impacts on OCSD Sewers	500,000				100%	-	-	-	500,000
Seal Beach Pump Station Repl.	134,000,000	100%				134,000,000	-	-	-
Los Al. Sub-Trunk Ext. & Westside Pump Station ...	119,600,000	75%		25%		89,700,000	-	29,900,000	-
Crystal Cove Pump Station Rehab.	14,500,000	100%				14,500,000	-	-	-
Bay Bridge Pump Station Repl.	146,000,000	100%				146,000,000	-	-	-
Newport Beach Pump Station Pressurization Impr.	2,700,000		100%			-	2,700,000	-	-
East Coast Highway Sewer Rehab.	8,600,000	100%				8,600,000	-	-	-
Fairview Sewer Rehab.	25,000,000	100%				25,000,000	-	-	-
MacArthur Pump Station Rehab.	16,200,000	100%				16,200,000	-	-	-
Main Street Pump Station Rehab.	37,700,000	100%				37,700,000	-	-	-
Gisler-Red Hill Interceptor & Baker Force Main ...	55,500,000	100%				55,500,000	-	-	-
Sunflower & Red Hill Interceptor Repairs	6,750,000	100%				6,750,000	-	-	-
MacArthur Force Main Impr.	8,150,000	50%	50%			4,075,000	4,075,000	-	-
North Tustin-Orange Sewer Impr.	59,100,000			100%		-	-	59,100,000	-
Collections Facilities Total	1,057,740,000					836,079,000	28,861,000	192,300,000	500,000

Summary of Revenue Program Category

Treatment & Disposal System Improvement Projects

Project Name	Total Project Budget	Percentage allocation				Total Project Cost Budget			
		Rehab/ Repl.	Strategic Initiative	Additional Capacity	Regulatory	Rehab/ Repl.	Strategic Initiative	Additional Capacity	Regulatory
Ocean Outfall System Rehab.	170,300,000	25%	75%			42,575,000	127,725,000	-	-
Ocean Outfalls Rehab.	82,000,000	100%				82,000,000	-	-	-
Chemical Systems Rehab. at P2	9,200,000	50%	50%			4,600,000	4,600,000	-	-
Emergency Overflow Wingwalls Rehab. at P2	7,500,000	100%				7,500,000	-	-	-
Ocean Outfall Systems Total	269,000,000					136,675,000	132,325,000	-	-
Process Control Systems Upgrades	35,500,000	100%				35,500,000	-	-	-
Project Mgmt. Information System	2,280,000		100%			-	2,280,000	-	-
Process Control System Alarm Optimization	4,121,000	100%				4,121,000	-	-	-
Information Technology Capital Program	10,000,000	50%	50%			5,000,000	5,000,000	-	-
EAM Software & Process Implementation	9,200,000	100%				9,200,000	-	-	-
Information Management Systems Total	61,101,000					53,821,000	7,280,000	-	-
Research Program	10,000,000		100%			-	10,000,000	-	-
Research Total	10,000,000					-	10,000,000	-	-
Primary Sed. Basins No. 3-5 Repl. at P1	183,000,000	100%				183,000,000	-	-	-
Primary Sed. Basins No. 6-31 Reliability Impr. at P1	12,100,000	50%	50%			6,050,000	6,050,000	-	-
B/C-Side Primary Sed. Basins Rehab. at P2	306,093,000	100%				306,093,000	-	-	-
Primary Treatment Rehab. at P2	188,000,000	100%				188,000,000	-	-	-
Primary Treatment Total	689,193,000					683,143,000	6,050,000	-	-
Interim Food Waste Receiving Facility	6,300,000		100%			-	6,300,000	-	-
Digester Repl. at P2	588,000,000	75%	25%			441,000,000	147,000,000	-	-
Digesters Rehab. at P2	45,000,000	100%				45,000,000	-	-	-
Truck Loading Bay Odor Control Impr. at P2	8,356,000	10%	90%			835,600	7,520,400	-	-
Solids Handling & Digestion Total	647,656,000					486,835,600	160,820,400	-	-
Activated Sludge-1 Rehab. at P1	470,000,000	100%				470,000,000	-	-	-
Trickling Filter Media Repl. at P1	47,000,000	100%				47,000,000	-	-	-
Return Activated Sludge Piping Repl. at P2	10,000,000	100%				10,000,000	-	-	-
Activated Sludge Aeration Basin Rehab. at P2	65,600,000	100%				65,600,000	-	-	-
Secondary Treatment Total	592,600,000					592,600,000	-	-	-
Headworks Rehab. at P1	340,000,000	100%				340,000,000	-	-	-
Headworks Mod. at P2 for GWRS Final Expansion	30,400,000		100%			-	30,400,000	-	-
Headworks Total	370,400,000					340,000,000	30,400,000	-	-
Planning Studies Program	25,000,000	60%	30%	5%	5%	15,000,000	7,500,000	1,250,000	1,250,000
Strategic & Master Planning Total	25,000,000					15,000,000	7,500,000	1,250,000	1,250,000
Capital Improvement Program Mgmt. Services	1,500,000		100%			-	1,500,000	-	-
Others Total	1,500,000					-	1,500,000	-	-

Summary of Revenue Program Category

Treatment & Disposal System Improvement Projects

Project Name	Total Project Budget	Percentage allocation				Total Project Cost Budget			
		Rehab/ Repl.	Strategic Initiative	Additional Capacity	Regulatory	Rehab/ Repl.	Strategic Initiative	Additional Capacity	Regulatory
Digester Gas Facilities Rehab.	190,000,000	100%				190,000,000	-	-	-
Natural Gas Pipelines Repl. at P1 & P2	2,173,718	100%				2,173,718	-	-	-
Cen Gen Engine Overhauls at P1 & P2	72,200,000	100%				72,200,000	-	-	-
Cen Gen Facilities & OOBS Seismic Upgrades	17,500,000	75%	25%			13,125,000	4,375,000	-	-
Electrical Power Distribution System Impr.	29,000,000	75%	25%			21,750,000	7,250,000	-	-
Uninterruptible Power Supply Impr. at P1	9,600,000	100%				9,600,000	-	-	-
12.47 kV Switchgear Repl. at Cen Gen at P1	16,000,000	100%				16,000,000	-	-	-
Industrial Control System & IT Data Center ...	16,500,000	70%	30%			11,550,000	4,950,000	-	-
Headworks Electrical Distribution Impr. at P2	34,652,000	100%				34,652,000	-	-	-
Utility Systems Total	387,625,718					371,050,718	16,575,000	-	-
Laboratory Repl. at P1	103,800,000	70%	10%	10%	10%	72,660,000	10,380,000	10,380,000	10,380,000
Small Construction Projects Program	109,378,000	70%	10%	10%	10%	76,564,600	10,937,800	10,937,800	10,937,800
Operations & Maintenance Capital Program	15,622,000	100%				15,622,000	-	-	-
Headquarters Complex	169,500,000	50%			50%	84,750,000	-	-	84,750,000
South Perimeter Security & Utility Impr. at P1	8,150,000		100%			-	8,150,000	-	-
Support Buildings Seismic Impr. at P1	27,600,000		100%			-	27,600,000	-	-
Administrative Facilities Demo.	4,286,000	33%	67%			1,414,380	2,871,620	-	-
Collections Yard Relocation & Warehouse Demo. a...	8,800,000	100%				8,800,000	-	-	-
Operations & Maintenance Complex at P2	126,500,000	50%	50%			63,250,000	63,250,000	-	-
Support Facilities Total	573,636,000					323,060,980	123,189,420	21,317,800	106,067,800
GWRS Final Expansion Coordination	1,400,000		100%			-	1,400,000	-	-
Water Management Projects Total	1,400,000					-	1,400,000	-	-

	Total Project Budget	Total Rehab/Repl.	Total Strategic Initiative	Total Additional Capacity	Total Regulatory
Total Treatment and Disposal	3,629,111,718	3,002,186,298	497,039,820	22,567,800	107,317,800
Total Collection Facilities	1,057,740,000	836,079,000	28,861,000	192,300,000	500,000
Capital Equipment Purchases	29,593,863	7,398,466	7,398,466	7,398,466	7,398,466
Total Capital Improvement	\$ 4,716,445,581	\$ 3,845,663,764	\$ 533,299,286	\$ 222,266,266	\$ 115,216,266

Proposed Capital Equipment Budget Summary

Proposed Capital Equipment Budget FY 2024-25

Department	Trucks & Vehicles 09410000	Other Mobile Eq 09410001	Machine Eq & Tools 09410002	Comm Equipment 09410003
Risk Management	-	-	-	-
Financial Management	-	-	-	-
Information Technology	-	-	-	-
Resource Protection	-	-	-	-
Environmental Laboratory and Ocean...	-	-	-	-
Design	-	-	-	-
Collection Facilities O&M	-	-	600,000	-
Fleet Services	1,834,827	1,182,779	-	-
Plant No. 1 Operations	-	-	-	-
Plant No. 1 Maintenance	-	-	1,108,827	-
Plant No. 2 Maintenance	-	-	1,000,000	-
Total Proposed Capital Equipment	\$ 1,834,827	\$ 1,182,779	\$ 2,708,827	-

Continued to next page

Proposed Capital Equipment Budget Summary

Proposed Capital Equipment Budget FY 2024-25

Division	Instr & Test Equipment 09410004	Safety & Traffic Eq 09410005	Office Fix & Eq 09410006	Computer Equipment 09410007	2024-25 Proposed Budget
Risk Management	-	2,207,600	-	-	2,207,600
Financial Management	-	-	-	50,000	50,000
Information Technology	-	-	-	5,279,798	5,279,798
Resource Protection	111,902	-	-	-	111,902
Environmental Laboratory and Ocean ...	724,222	-	-	-	724,222
Design	-	-	-	75,443	75,443
Collection Facilities O&M	-	-	-	-	600,000
Fleet Services	-	-	-	-	3,017,606
Plant No. 1 Operations	-	-	-	165,000	165,000
Plant No. 1 Maintenance	467,554	-	-	50,700	1,627,081
Plant No. 2 Maintenance	498,074	-	-	39,300	1,537,374
Total Proposed Capital Equipment	\$ 1,801,752	\$ 2,207,600	-	\$ 5,660,241	\$ 15,396,026

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Proposed Capital Equipment Budget Detail

Proposed Capital Equipment Budget Detail

Division	Equipment Type	Proposed Capital Equip FY 2024-25 Budget
161 - Risk Management	4-gas meterd	2,207,600
		Total 2,207,600
220 - Financial Management	CFCC Portal	50,000
		Total 50,000
250 - Information Technology	Catalyst 9500 Network Advantage License Upgrade	120,000
250 - Information Technology	Centralized Logging for Network Equipment	100,000
250 - Information Technology	Accounts Payable Automation Solution	300,000
250 - Information Technology	ICS Network Equipment Upgrade	1,900,000
250 - Information Technology	Microsoft Teams Direct Routing for Voice	565,000
250 - Information Technology	Project Portfolio Management in Service Now	125,000
250 - Information Technology	Replacement Laser Engraver Machine	42,000
250 - Information Technology	Laserfiche/RMIS Implementation Project - Phase 3	255,000
250 - Information Technology	Maximo Upgrade to MAS8	300,000
250 - Information Technology	Pump Station Radio Coverage Project	350,000
250 - Information Technology	Key Management System for Physcial Door Needs	20,000
250 - Information Technology	Network Access Control Appliance (Cyber Security)	116,000
250 - Information Technology	SBITA Renewals	1,086,798
		Total 5,279,798
620 - Resource Protection	HACH Autosamplers	111,902
		Total 111,902
630 - Environmental Laboratory and ...	Gas-Assisted Accelerated Solvent Extraction/Evaporation ...	80,000
630 - Environmental Laboratory and ...	Automated nitrogen evaporation unit	15,625
630 - Environmental Laboratory and ...	Blowdown nitrogen evaporation unit	15,200
630 - Environmental Laboratory and ...	Benchtop centrifuges	34,350
630 - Environmental Laboratory and ...	Hydrogen generator for sulfide gas analysis instruments	19,450
630 - Environmental Laboratory and ...	Inductively Coupled Plasma/Tandem Mass Spectrometer ...	346,000
630 - Environmental Laboratory and ...	Automated Solid Phase Extraction (SPE) Unit	60,500
630 - Environmental Laboratory and ...	HACH Autosampler	23,077
630 - Environmental Laboratory and ...	Analytical Balance	35,742
630 - Environmental Laboratory and ...	Titration	55,028
630 - Environmental Laboratory and ...	Flow Injection Mercury System/Cold Vapor Atomic ...	39,250
		Total 724,222
760 - Design	M580 PLC Racks	75,443
		Total 75,443

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Proposed Capital Equipment Budget Detail

Proposed Capital Equipment Budget Detail

Division	Equipment Type	Proposed Capital Equip FY 2024-25 Budget
822 - Fleet Services	Portable Pump, Trailer Mounted, 6-inch, AQMD/CARB ...	103,000
822 - Fleet Services	Electric Carts (O&M)	334,200
822 - Fleet Services	Mobile Column Lifts	96,150
822 - Fleet Services	Heavy Duty Dump Trailer (Arrow Board)	68,000
822 - Fleet Services	Speed Trailer, Radar (Road Safety Monitoring)	20,120
822 - Fleet Services	Forklifts, electric - carry over of funds from previous FY	176,900
822 - Fleet Services	Trailer, Heavy Duty, Dump - carry over of funds from ...	86,700
822 - Fleet Services	Specialty Crane	975,000
822 - Fleet Services	Scissor Lift, rough terrain, carry over funds from previous FY	60,000
822 - Fleet Services	PHEV SUV's - addition of funds to support increased costs ...	414,827
822 - Fleet Services	Boom-lift (65-ft), carry over of funds from previous FY	150,000
822 - Fleet Services	NEW-DIV620- TRUCK, LGT P/U	50,000
822 - Fleet Services	NEW-DIV870 TRUCK, LGT SERV BODY (PPO) - ACF ...	65,000
822 - Fleet Services	NEW-DIV870 SEDAN/SUV (WG01) - LINE 117	45,000
822 - Fleet Services	NEW-DIV870 TRUCK, LGT SERV BODY (PLT 1 MAINT) - AC...	65,000
822 - Fleet Services	NEW-DIV870 CARGO VAN, MID (RMT_1) - LINE 136	45,000
822 - Fleet Services	NEW-DIV870 CARGO VAN, MID (RMT_2) - LINE 140	45,000
822 - Fleet Services	NEW-DIV870 TRUCK, LGT SERV BODY (STDBY_2) ACF ...	65,000
822 - Fleet Services	NEW-DIV880 TRUCK, LGT SERV BODY (STDBY) - ACF ...	65,000
	Total	3,017,606
830 - Plant No. 1 Operations	Handheld Radios	165,000
	Total	165,000
870 - Plant No. 1 Maintenance	Digital Whiteboards	34,200
870 - Plant No. 1 Maintenance	Handheld Radio	16,500
870 - Plant No. 1 Maintenance	MCE max AC offline/Online tester	63,000
870 - Plant No. 1 Maintenance	ROTALIGN TOUCH WITH COMPLETE BRACKET KITS	92,314
870 - Plant No. 1 Maintenance	SDT SONAVU PRO ULTRASOUND IMAGING SYSTEM	30,000
870 - Plant No. 1 Maintenance	SpectrOil 120C optical emission Spectrometer	130,000
870 - Plant No. 1 Maintenance	Miller 355 Mig welder with running gear	16,513
870 - Plant No. 1 Maintenance	Transformer Turns Ration and Winding Resistance combo ...	65,250
870 - Plant No. 1 Maintenance	Emergency Capital Critical Spares for plant and collection...	1,000,000
870 - Plant No. 1 Maintenance	Beamex MC6-Ex calibrator	35,000

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Proposed Capital Equipment Budget Detail

Proposed Capital Equipment Budget Detail

Division	Equipment Type	Proposed Capital Equip FY 2024-25 Budget
870 - Plant No. 1 Maintenance	Emerson TREX Field Communicator	19,582
870 - Plant No. 1 Maintenance	Flexim Portable External Flowmeter System	58,690
870 - Plant No. 1 Maintenance	Portable Network Cable Testing/Analyzer Kit	66,032
	Total	1,627,081
880 - Plant No. 2 Maintenance	Digital Whiteboards	22,800
880 - Plant No. 2 Maintenance	Handheld Radios	16,500
880 - Plant No. 2 Maintenance	Emergency Capital Critical Spares for plant and collection...	1,000,000
880 - Plant No. 2 Maintenance	Loadtec 2000KW(2500KVA) Resistive/Inductive Load Bank	498,074
	Total	1,537,374
Total Proposed Budget		15,396,026

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Proposed Capital Equipment Budget Summary

Proposed Capital Equipment Budget FY 2025-26

Department	Trucks & Vehicles 09410000	Other Mobile Eq 09410001	Machine Eq & Tools 09410002	Comm Equipment 09410003
Financial Management	-	-	-	-
Contracts, Purch, & Materials Mgmt	-	-	-	-
Information Technology	-	-	-	-
Resource Protection	-	-	-	-
Environmental Laboratory and Ocean...	-	-	-	-
Design	-	-	-	-
Collection Facilities O&M	-	-	600,000	-
Fleet Services	-	761,300	-	-
Plant No. 1 Maintenance	-	-	1,262,314	-
Plant No. 2 Maintenance	-	-	1,000,000	-
Total Proposed Capital Equipment	-	761,300	2,862,314	-

Continued to next page

Proposed Capital Equipment Budget Summary

Proposed Capital Equipment Budget FY 2025-26

Division	Instr & Test Equipment 09410004	Safety & Traffic Eq 09410005	Office Fix & Eq 09410006	Computer Equipment 09410007	2025-26 Proposed Budget
Financial Management	-	-	-	500,000	500,000
Contracts, Purch, & Materials Mgmt	-	-	-	150,000	150,000
Information Technology	-	-	-	2,731,633	2,731,633
Resource Protection	117,502	-	-	-	117,502
Environmental Laboratory and Ocean ...	542,214	6,465,074	-	-	7,007,288
Design	-	-	-	67,800	67,800
Collection Facilities O&M	-	-	-	-	600,000
Fleet Services	-	-	-	-	761,300
Plant No. 1 Maintenance	-	-	-	-	1,262,314
Plant No. 2 Maintenance	-	-	-	-	1,000,000
Total Proposed Capital Equipment	659,716	6,465,074	-	3,449,433	14,197,837

Continued from previous page

Proposed Capital Equipment Budget Detail

Proposed Capital Equipment Budget Detail

Division	Equipment Type	Proposed Capital Equip FY 2025-26 Budget
220 - Financial Management	Customer Portal	500,000
	Total	500,000
230 - Contracts, Purch, & Materials Mgmt	OpenGov Procurement Software	150,000
	Total	150,000
250 - Information Technology	Automated records retention process	115,000
250 - Information Technology	Maximo Licensing	150,000
250 - Information Technology	BOLD Planning Replacement	300,000
250 - Information Technology	CCTV & LPR Upgrades (Based on Needs Assessment from 2...	1,000,000
250 - Information Technology	SBITA renewals	1,166,633
	Total	2,731,633
620 - Resource Protection	HACH Autosampler	117,502
	Total	117,502
630 - Environmental Laboratory and Ocea...	HACH Autosampler	23,077
630 - Environmental Laboratory and Ocea...	Oil and Grease Extractor	61,137
630 - Environmental Laboratory and Ocea...	Liquid Chromatograph/Tandem Mass Spectrometer (LC-...	458,000
630 - Environmental Laboratory and Ocea...	Ocean Monitoring Program Research Vessel	6,465,074
	Total	7,007,288
760 - Design	ABB Commissioning Systems	67,800
	Total	67,800
820 - Collection Facilities O&M	Emergency Capital Critical Spares for plant and collections ...	600,000
	Total	600,000
822 - Fleet Services	Portable Pump, Trailer Mounted, 4-inch, AQMD/CARB ...	92,100
822 - Fleet Services	Portable Pump, Trailer Mounted, 8-inch, AQMD/CARB ...	183,000
822 - Fleet Services	Electric Cart (O&M)	350,700
822 - Fleet Services	Generator, 200kW, Skid Mounted, AQMD/CARB Approved	135,500
	Total	761,300
870 - Plant No. 1 Maintenance	Oil Lubrication Work Center	170,000
870 - Plant No. 1 Maintenance	Emergency Capital Critical Spares for plant and collections ...	1,000,000
870 - Plant No. 1 Maintenance	ROTALIGN TOUCH WITH COMPLETE BRACKET KITS	92,314
	Total	1,262,314
880 - Plant No. 1 Maintenance	Emergency Capital Critical Spares for plant and collections ...	1,000,000
	Total	1,000,000
Total Proposed Budget		\$ 14,197,837

**Certificates of Participation
Debt Financing Program**

A Ten-Year Financial Plan is maintained to establish financing parameters regarding the issuance of debt, the levying of user charges and the funding level for required reserves in accordance with OC San’s reserve policy. The Financial Plan is revised annually to reflect the most current cost and revenue figures resulting from capital program revisions and operating changes.

In December 2017, the 2017 Facilities Master Plan was adopted by the Board of Directors. The Master Plan identified a phased 20-year program of capital improvement projects that will allow OC San to maintain reliability and accommodate future growth, as well as meet future regulatory requirements, level of service goals and strategic initiatives.

Each project in the master plan was initiated to address the impact of one or more of the main drivers (existing facilities condition, changes in regulations, facilities capacity, redundancy criteria, OC San initiatives and health and safety). Most of the CIP needs for the next 20 years are due to the condition of existing aging facilities requiring rehabilitation and replacement.

In conjunction with preparation for the FY 2024-25 Budget, OC San staff has developed and reviewed with the Board of Directors a capital program to deliver the levels of service included in OC San’s Strategic Plan.

OC San staff has also validated the active CIP projects currently being executed to ensure that the active project scopes of work and cost estimates were accurate. The validated CIP includes 70 active and future capital projects, five programs, and capital equipment purchases, with a 10-year expenditure of \$3.2 billion.

Figure 1

Summary of Certificates of Participation / Revenue Obligations

Series Name	Issue Name	Issue Date	Original Par	Outstanding Par	Payment Date	Use of Proceeds	Lien or Tier	Interest Rate Mode	Final Maturity Date
2010A Series	Taxable BABs	5/18/10	\$ 80,000,000	\$ 80,000,000	February 1	Current/Future CIP	Open Senior	Fixed	2/1/40
2010C Series	Taxable BABs	12/8/10	\$ 157,000,000	\$ 22,830,000	February 1	Current/Future CIP	Open Senior	Fixed	2/1/32
2016A Series	Refund Rev Oblig	3/30/16	\$ 145,880,000	\$ 121,485,000	February 1	Advance Refunding	Open Senior	Fixed	2/1/39
2017A Series	Refund Rev Oblig	2/1/17	\$ 66,370,000	\$ 65,815,000	February 1	Advance Refunding	Open Senior	Fixed	2/1/30
2021A Series	Refund Rev Oblig	7/29/21	\$ 133,510,000	\$ 94,645,000	February 1	Current Refunding	Open Senior	Fixed	2/1/36
2022A Series	Refund Rev Oblig	2/1/22	\$ 81,620,000	\$ 81,620,000	February 1	Current Refunding	Open Senior	Fixed	2/1/33
2024A Series	Refund Rev Oblig	5/7/24	\$ 139,720,000	\$ 139,720,000	February 1	Current Refunding	Open Senior	Fixed	2/1/37

OC San embarked upon its Debt Financing and Management Program, and specifically its Variable and Fixed Rate Debt Program (the "Program"), in 1990 with the issuance of \$100 million in Certificates of Participation ("COP"), Capital Improvement Program, 1990 Series "A." The Program was established to:

- Finance assets with long useful lives with long-term debt;
- Achieve the lowest possible interest costs and highest investment returns, commensurate with the appropriate risk;
- Recoup reserve moneys that had previously been spent

COPs are repayment obligations based on a lease or installment sale agreement. The COP structure was selected over other structures because COPs are not viewed as debt by the State of California, as the purchaser does not actually receive a "bond," but rather a share in an installment sale arrangement where OC San serves as the purchaser. Accordingly, OC San is not subject to the usual State restrictions surrounding the issuance of debt. COPs can be issued with fixed or variable interest rates.

Proceeds from the Series 2010A and 2010C debt issuances were used for current or future CIP projects. The proceeds of the remaining outstanding debt issuances were used to refund prior debt issuances. As of July 1, 2024, the total outstanding COP indebtedness is \$606.1 million.

Dedicated Funding Source

In 1992 and 2004 the Board of Directors formalized the dedication of certain funding sources. To assure the continuation of favorable credit ratings, revenues were dedicated to debt service in the following order:

1. Ad valorem property taxes
2. Sanitary sewer service charges
3. Other Revenues

This apportionment of the ad valorem tax was consistent with and pursuant to the Revenue Program adopted in April 1979 to comply with regulations of the Environmental Protection Agency and the State Water Resources Control Board and in accordance with COP documents and Board policy.

Establishment of Debt Policy

In 2001, OC San developed a written debt policy for the following underlying reasons:

- Committing to long-term financial planning;
- Promoting credit quality to rating agencies;
- Rationalizing the decision making process;
- Enhancing the quality of decisions; and
- Promoting consistency and continuity

This board adopted policy serves as the agency's guide in the management of existing debt and in the issuance of future debt.

Debt Coverage Ratios

OC San has no legal debt limits as imposed by state legislation. The only legal debt limits pertaining OC San are those that are provided within the existing COP indenture agreements requiring minimum coverage ratios of 1.25. The minimum coverage ratio is the ratio of net annual revenues available for debt service requirements to total annual debt service requirements for all senior lien COP debt. The coverage ratio for senior lien COP debt is proposed at 4.64 and 5.22 for FY 2024-25 and FY 2025-26, respectively.

Build America Bonds Financing

OC San issued the \$80.0 million Wastewater Revenue Obligation, Series 2010A in May 2010 and the \$157.0 million Wastewater Revenue Obligations, Series 2010C in December 2010 as "Build America Bonds" (BABs) fixed rate debt.

The American Recovery and Reinvestment Act of 2009 created a new financing product, BABs, for the municipal issuer. BABs are issued as higher interest taxable bonds; however, the U.S. Treasury provides a 35 percent subsidy on interest payments. The net cost, after accounting for the 35 percent subsidy payment, frequently results in lower net costs to the issuer, specifically in the maturity years beyond ten years.

On March 1, 2013, the federal government implemented certain automatic spending cuts known as the sequester. As a result of the sequester, federal subsidy payments on BABs have been reduced annually from a high of 8.7 percent for the federal fiscal year ended September 30, 2013 to a low of 5.7 percent for the federal fiscal year ended September 30, 2030.

Future Financings

As a result of having a prudent reserve policy, experienced management and prudent planning, OC San has been able to secure "AAA" credit ratings from Fitch Ratings, Moody's Investors Service and S&P Global Ratings. OC San's long-range financing plan is designed to maintain these high ratings. Over the next 10 years, OC San is projecting an additional \$3.2 billion in future treatment plant and collection system capital replacement, refurbishment and rehabilitation improvements. In accordance with OC San's long-term debt fiscal policy, OC San will confine long-term borrowing to capital improvements that cannot be financed from current revenue. Before any new debt is issued, the impact of debt service payments on total annual fixed costs will be analyzed.

OC San's cash flow forecast does not require any new money debt issuances over the next ten years as all capital improvements planned over this time period primarily consist of replacement, refurbishment and rehabilitation of existing projects which are to be funded through existing reserves and current sewer charges.

Aggregate Debt Service Structures

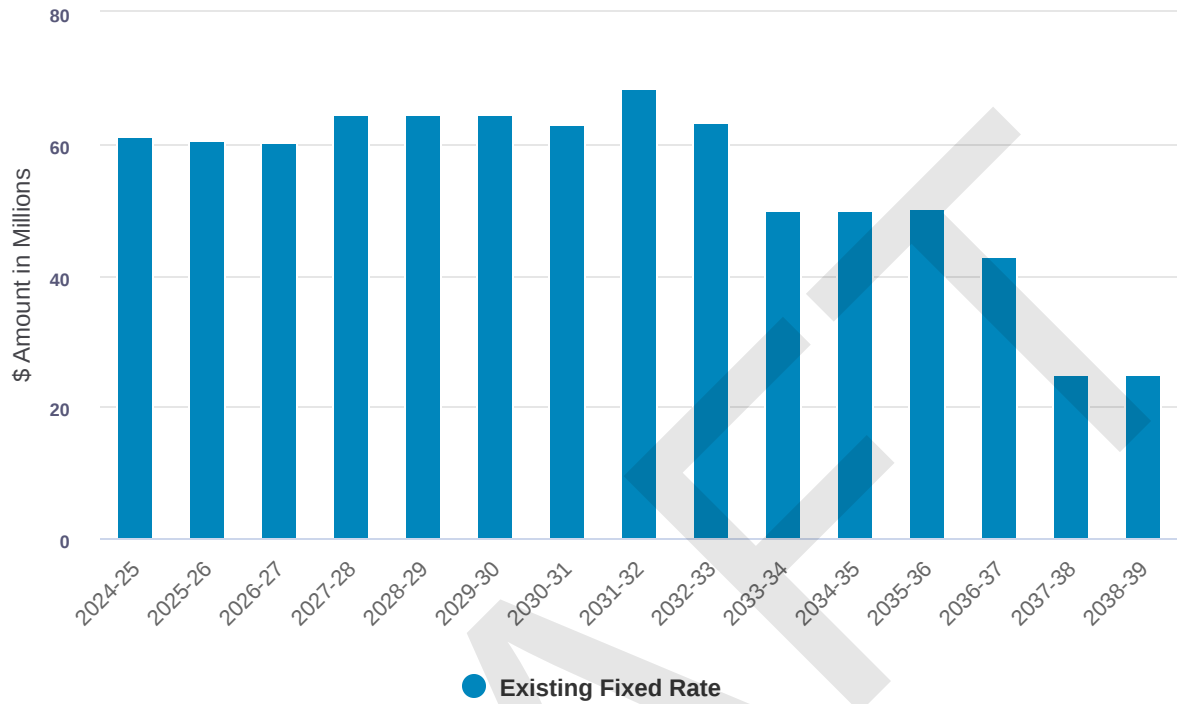


Figure 2

Schedule of Future Certificates of Participation Issues and CIP Cash Flows
(in millions)

	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31	2031-32	2032-33	2033-34
New COP Issues	-	-	-	-	-	-	-	-	-	-
CIP Outlays	\$ 223.1	\$ 279.4	\$ 292.3	\$ 369.6	\$ 370.0	\$ 388.8	\$ 340.6	\$ 315.3	\$ 307.3	\$ 361.3

Total Certificates of Participation / Revenue Obligations Debt Service Requirements
Principal and Interest Combined

Fiscal Year of Payments	2010A Build America Bonds Acq./Const.	2010C Build America Bonds Acq./Const.	2016A Refunding (Partial 2009A)	2017A Refunding (Remain 2007A)
2024-25	\$ 2,986,574	\$ 971,230	\$ 11,392,550	\$ 3,290,750
2025-26	2,986,574	971,230	11,390,800	3,290,750
2026-27	2,986,574	971,230	11,390,050	18,405,750
2027-28	2,986,574	971,230	11,394,550	18,365,000
2028-29	2,986,574	971,230	11,388,300	18,323,500
2029-30	2,986,574	971,230	11,391,050	19,204,500
2030-31	2,986,574	6,706,230	11,411,550	-
2031-32	2,986,574	17,629,288	11,413,050	-
2032-33	2,986,574	-	11,415,550	-
2033-34	12,576,574	-	11,408,050	-
2034-35	12,696,056	-	11,415,050	-
2035-36	12,919,416	-	11,409,800	-
2036-37	13,151,453	-	11,411,800	-
2037-38	13,399,607	-	11,411,000	-
2038-39	13,658,823	-	11,414,000	-
2039-40	13,937,832	-	-	-
Totals	\$ 119,218,927	\$ 30,162,898	\$ 171,057,150	\$ 80,880,250

Continued on next page

Total Certificates of Participation / Revenue Obligations Debt Service Requirements
Principal and Interest Combined

Fiscal Year of Payments	2021A Refunding (Partial 2011A and 2018A)	2022A Refunding (2012A and Partial 2012B)	2024A Refunding (2014A and 2015A)	Total Payments
2024-25	\$ 22,672,250	\$ 4,081,000	\$ 15,633,067	\$ 61,027,421
2025-26	22,725,250	4,081,000	14,985,500	60,431,104
2026-27	7,485,750	4,081,000	14,984,250	60,304,604
2027-28	7,486,000	4,081,000	19,176,750	64,461,104
2028-29	7,489,750	4,081,000	19,217,250	64,457,604
2029-30	7,486,250	4,081,000	18,336,750	64,457,354
2030-31	7,490,250	26,566,000	7,789,500	62,950,104
2031-32	7,485,750	25,761,750	3,269,250	68,545,662
2032-33	7,487,500	38,146,500	3,269,250	63,305,374
2033-34	7,489,500	-	18,439,250	49,913,374
2034-35	7,486,000	-	18,440,750	50,037,856
2035-36	7,486,500	-	18,439,250	50,254,966
2036-37	-	-	18,438,000	43,001,253
2037-38	-	-	-	24,810,607
2038-39	-	-	-	25,072,823
2039-40	-	-	-	13,937,832
Totals	\$ 120,270,750	\$ 114,960,250	\$ 190,418,817	\$ 826,969,042

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Total Certificates of Participation / Revenue Obligations Debt Service Requirements
Annual Interest Payments

Fiscal Year of Payments	2010A Build America Bonds Acq./Const.	2010C Build America Bonds Acq./Const.	2016A Refunding (Partial 2009A)	2017A Refunding (Remain 2007A)
2024-25	\$ 2,986,574	\$ 971,230	\$ 5,757,550	\$ 3,290,750
2025-26	2,986,574	971,230	5,475,800	3,290,750
2026-27	2,986,574	971,230	5,180,050	3,290,750
2027-28	2,986,574	971,230	4,869,550	2,535,000
2028-29	2,986,574	971,230	4,543,300	1,743,500
2029-30	2,986,574	971,230	4,201,050	914,500
2030-31	2,986,574	971,230	3,841,550	-
2031-32	2,986,574	534,288	3,463,050	-
2032-33	2,986,574	-	3,065,550	-
2033-34	2,986,574	-	2,648,050	-
2034-35	2,551,056	-	2,210,050	-
2035-36	2,184,416	-	1,749,800	-
2036-37	1,796,453	-	1,266,800	-
2037-38	1,384,607	-	861,000	-
2038-39	948,823	-	439,000	-
2039-40	487,832	-	-	-
Totals	\$ 39,218,927	\$ 7,332,898	\$ 49,572,150	\$ 15,065,250

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Total Certificates of Participation / Revenue Obligations Debt Service Requirements
Annual Interest Payments

Fiscal Year of Payments	2021A Refunding (Partial 2011A and 2018A)	2022A Refunding (2012A and Partial 2012B)	2024A Refunding (2014A and 2015A)	Total Payments
2024-25	\$ 4,732,250	\$ 4,081,000	\$ 5,123,067	\$ 26,942,421
2025-26	3,835,250	4,081,000	6,460,500	27,101,104
2026-27	2,890,750	4,081,000	6,034,250	25,434,604
2027-28	2,661,000	4,081,000	5,586,750	23,691,104
2028-29	2,419,750	4,081,000	4,907,250	21,652,604
2029-30	2,166,250	4,081,000	4,191,750	19,512,354
2030-31	1,900,250	4,081,000	3,484,500	17,265,104
2031-32	1,620,750	2,956,750	3,269,250	14,830,662
2032-33	1,327,500	1,816,500	3,269,250	12,465,374
2033-34	1,019,500	-	3,269,250	9,923,374
2034-35	696,000	-	2,510,750	7,967,856
2035-36	356,500	-	1,714,250	6,004,966
2036-37	-	-	878,000	3,941,253
2037-38	-	-	-	2,245,607
2038-39	-	-	-	1,387,823
2039-40	-	-	-	487,832
Totals	\$ 25,625,750	\$ 33,340,250	\$ 50,698,817	\$ 220,854,042

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Total Certificates of Participation / Revenue Obligations Debt Service Requirements
Annual Principal Payments

Fiscal Year of Payments	2010A Build America Bonds Acq./Const.	2010C Build America Bonds Acq./Const.	2016A Refunding (Partial 2009A)	2017A Refunding (Remain 2007A)
2024-25	-	-	\$ 5,635,000	-
2025-26	-	-	5,915,000	-
2026-27	-	-	6,210,000	15,115,000
2027-28	-	-	6,525,000	15,830,000
2028-29	-	-	6,845,000	16,580,000
2029-30	-	-	7,190,000	18,290,000
2030-31	-	5,735,000	7,570,000	-
2031-32	-	17,095,000	7,950,000	-
2032-33	-	-	8,350,000	-
2033-34	9,590,000	-	8,760,000	-
2034-35	10,145,000	-	9,205,000	-
2035-36	10,735,000	-	9,660,000	-
2036-37	11,355,000	-	10,145,000	-
2037-38	12,015,000	-	10,550,000	-
2038-39	12,710,000	-	10,975,000	-
2039-40	13,450,000	-	-	-
Totals	\$ 80,000,000	\$ 22,830,000	\$ 121,485,000	\$ 65,815,000

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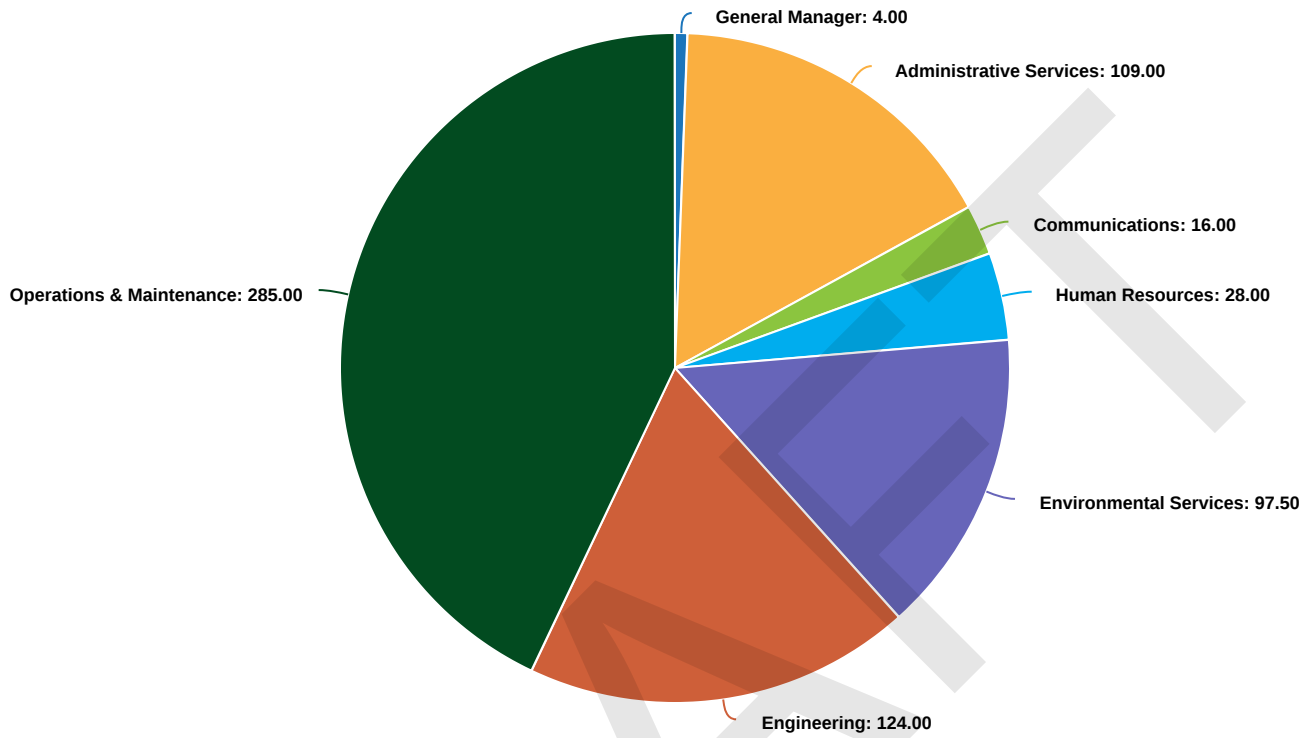
Total Certificates of Participation / Revenue Obligations Debt Service Requirements
Annual Principal Payments

Fiscal Year of Payments	2021A Refunding (Partial 2011A and 2018A)	2022A Refunding (2012A and Partial 2012B)	2024A Refunding (2014A and 2015A)	Total Payments
2024-25	\$ 17,940,000	-	\$ 10,510,000	\$ 34,085,000
2025-26	18,890,000	-	8,525,000	33,330,000
2026-27	4,595,000	-	8,950,000	34,870,000
2027-28	4,825,000	-	13,590,000	40,770,000
2028-29	5,070,000	-	14,310,000	42,805,000
2029-30	5,320,000	-	14,145,000	44,945,000
2030-31	5,590,000	22,485,000	4,305,000	45,685,000
2031-32	5,865,000	22,805,000	-	53,715,000
2032-33	6,160,000	36,330,000	-	50,840,000
2033-34	6,470,000	-	15,170,000	39,990,000
2034-35	6,790,000	-	15,930,000	42,070,000
2035-36	7,130,000	-	16,725,000	44,250,000
2036-37	-	-	17,560,000	39,060,000
2037-38	-	-	-	22,565,000
2038-39	-	-	-	23,685,000
2039-40	-	-	-	13,450,000
Totals	\$ 94,645,000	\$ 81,620,000	\$ 139,720,000	\$ 606,115,000

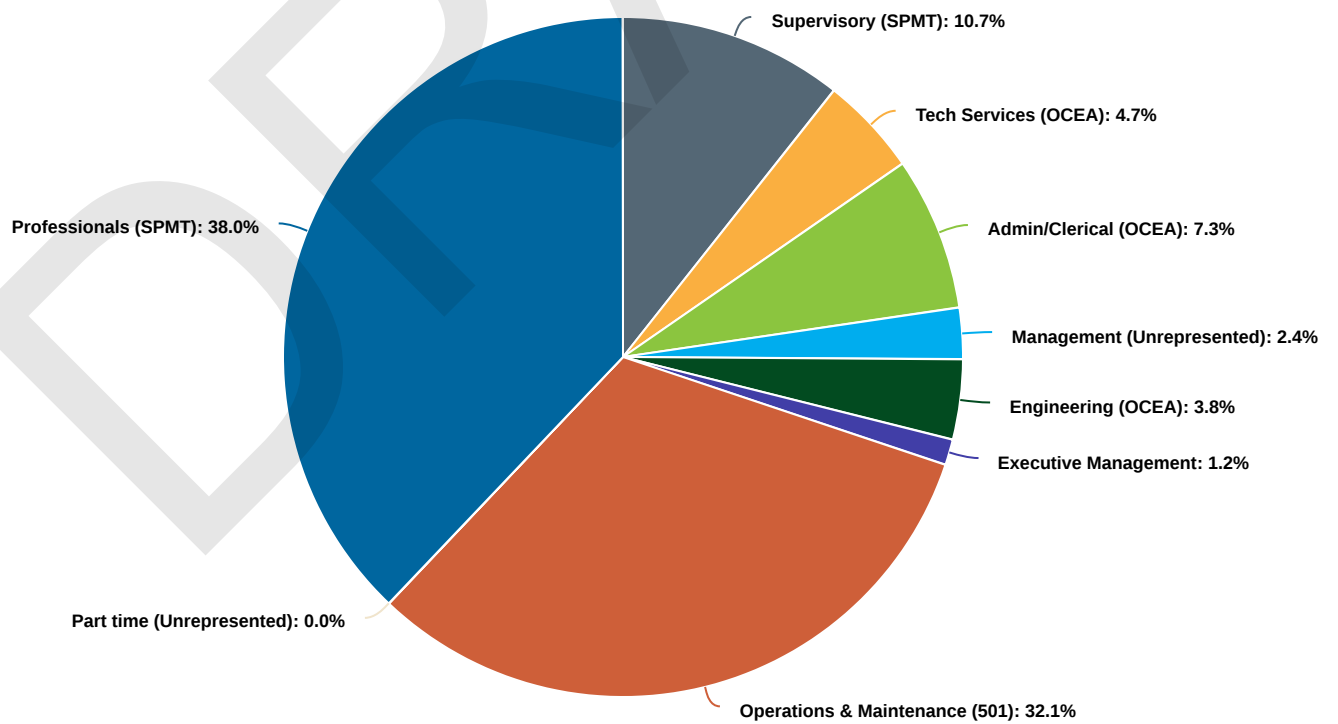
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Staffing by Department

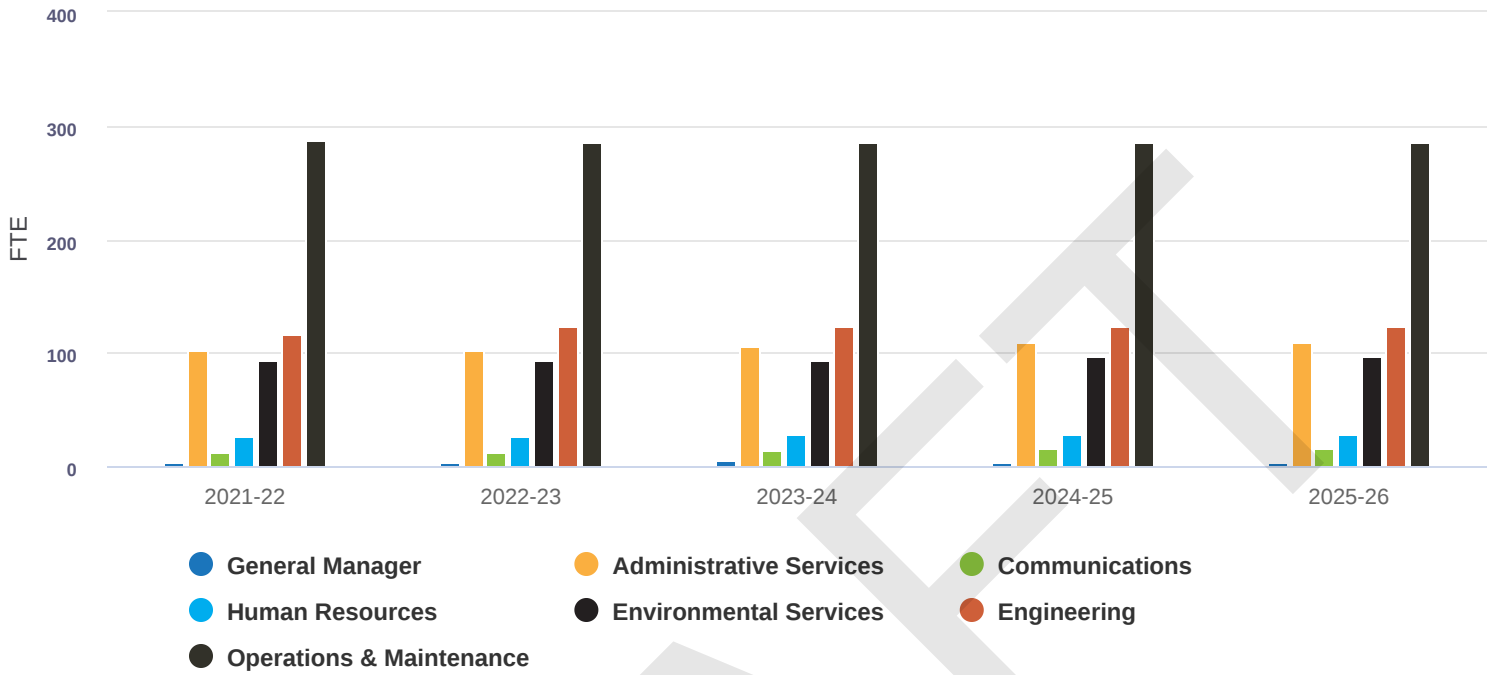
Total 663.50 FTE



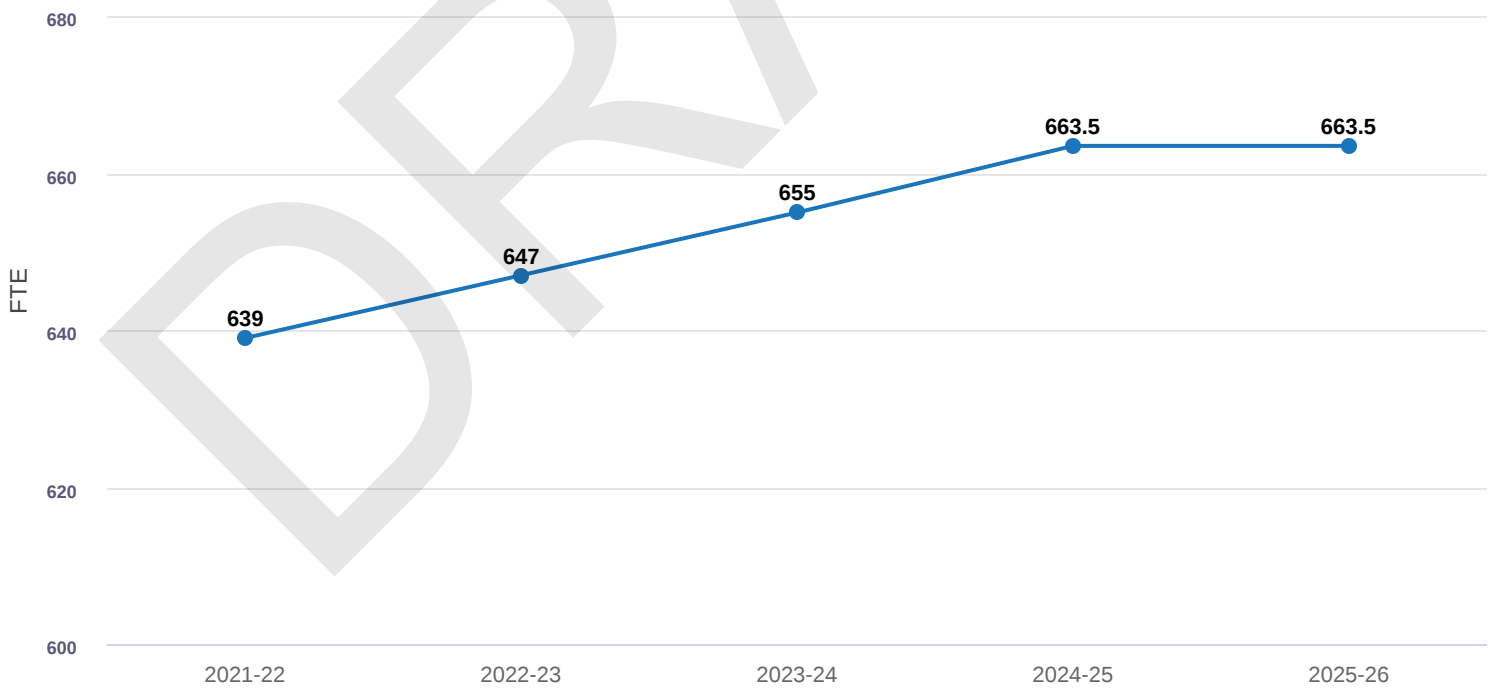
Staffing by Category



Historical Staffing By Department



Total Historical Staffing



Staffing Allocation

Department and Division Name	Authorized FTEs 2021-22	Authorized FTEs 2022-23	Authorized FTEs 2023-24	Proposed FTEs 2024-25	Proposed FTEs 2025-26
<u>General Manager's Office</u>					
General Manager Administration	3.00	4.00	5.00	4.00	4.00
Department Subtotal	3.00	4.00	5.00	4.00	4.00
<u>Administrative Services Department</u>					
Administrative Services Administration	2.00	2.00	2.00	4.00	4.00
Financial Management	24.00	23.00	26.00	25.00	25.00
Contracts, Purchasing and Materials Management	31.00	31.00	29.00	30.00	30.00
Information Technology	45.00	47.00	49.00	50.00	50.00
Department Subtotal	102.00	103.00	106.00	109.00	109.00
<u>Communications Department</u>					
Communications Administration				1.00	1.00
Board Services	6.00	6.00	7.00	7.00	7.00
Public Affairs	6.00	6.00	7.00	8.00	8.00
Department Subtotal	12.00	12.00	14.00	16.00	16.00
<u>Human Resources Department</u>					
Human Resources Administration				1.00	1.00
Human Resources	16.00	16.00	17.00	16.00	16.00
Risk Management/Safety/Security	10.00	10.00	11.00	11.00	11.00
Department Subtotal	26.00	26.00	28.00	28.00	28.00
<u>Environmental Services Department</u>					
Environmental Services Administration	11.00	12.50	13.00	2.00	2.00
Resource Protection	37.00	37.00	37.00	37.00	37.00
Environmental Laboratory and Ocean Monitoring	45.00	43.50	44.00	47.00	47.00
Environmental Compliance				11.50	11.50
Department Subtotal	93.00	93.00	94.00	97.50	97.50
<u>Engineering Department</u>					
Engineering Administration	5.00	4.00	2.00	2.00	2.00
Planning	15.00	15.00	15.00	16.00	16.00
Project Management Office	21.00	21.00	21.00	21.00	21.00
Design	34.00	34.00	37.00	37.00	37.00
Construction Management	41.00	49.00	48.00	48.00	48.00
Department Subtotal	116.00	123.00	123.00	124.00	124.00
<u>Operations and Maintenance Department</u>					
Operations and Maintenance Administration	4.00	2.00	1.00	1.00	1.00
Collection Facilities Operations and Maintenance	28.00	30.00	26.00	26.00	26.00
Fleet Services	9.00	9.00	9.00	9.00	9.00
Plant No. 1 Operations	55.00	52.00	52.00	52.00	52.00
Plant No. 2 Operations	53.00	45.00	44.00	44.00	44.00
Plant No. 1 Maintenance	85.00	94.00	98.00	97.00	97.00
Plant No. 2 Maintenance	53.00	54.00	55.00	56.00	56.00
Department Subtotal	287.00	286.00	285.00	285.00	285.00
Grand Total - All Departments	639.00	647.00	655.00	663.50	663.50

Historical Staffing Detail

Division & Position	Authorized FTEs 2021-22	Authorized FTEs 2022-23	Authorized FTEs 2023-24	Proposed FTEs 2024-25	Proposed FTEs 2025-26
General Manager	1.00	1.00	1.00	1.00	1.00
Assistant General Manager	-	1.00	1.00	1.00	1.00
Administration Manager	1.00	1.00	1.00	-	-
Principal Staff Analyst	-	-	1.00	1.00	1.00
Secretary to the General Manager	1.00	1.00	1.00	1.00	1.00
110 - General Management Admin	3.00	4.00	5.00	4.00	4.00
100 - General Manager	3.00	4.00	5.00	4.00	4.00
Assistant General Manager	1.00	1.00	-	-	-
Director of Finance	-	-	1.00	1.00	1.00
Maintenance Manager	-	-	-	1.00	1.00
Principal Staff Analyst	-	-	-	1.00	1.00
Senior Accountant	-	-	-	1.00	1.00
Administrative Assistant	1.00	1.00	1.00	-	-
210 - Administrative Services Admin	2.00	2.00	2.00	4.00	4.00
Controller	1.00	1.00	-	-	-
Finance & Procurement Manager	-	-	1.00	1.00	1.00
Accounting Supervisor	3.00	3.00	3.00	3.00	3.00
Principal Project Controls Analyst	1.00	1.00	-	-	-
Principal Accountant	2.00	1.00	3.00	3.00	3.00
Principal Staff Analyst	4.00	3.00	4.00	3.00	3.00
Senior Accountant	2.00	3.00	2.00	1.00	1.00
Senior Staff Analyst	2.00	2.00	3.00	3.00	3.00
Accountant	1.00	2.00	3.00	3.00	3.00
Payroll Technician	2.00	2.00	2.00	2.00	2.00
Accounting Technician	-	-	5.00	5.00	5.00
Accounting Assistant II	6.00	5.00	-	-	-
Administrative Assistant	-	-	-	1.00	1.00
220 - Financial Management	24.00	23.00	26.00	25.00	25.00

Historical Staffing Detail

Division & Position	Authorized FTEs 2021-22	Authorized FTEs 2022-23	Authorized FTEs 2023-24	Proposed FTEs 2024-25	Proposed FTEs 2025-26
Purchasing & Contracts Manager	1.00	1.00	-	1.00	1.00
Contracts Supervisor	1.00	1.00	1.00	1.00	1.00
Purchasing Supervisor	1.00	1.00	1.00	1.00	1.00
Materials Mgmt Supervisor	-	-	1.00	1.00	1.00
Principal Contracts Administrator	2.00	2.00	2.00	2.00	2.00
Senior Contracts Administrator	3.00	3.00	3.00	3.00	3.00
Principal Buyer	1.00	1.00	-	-	-
Contracts Administrator	3.00	3.00	3.00	3.00	3.00
Senior Buyer	3.00	3.00	3.00	3.00	3.00
Senior Staff Analyst	1.00	1.00	-	-	-
Buyer	2.00	2.00	2.00	2.00	2.00
Contract/Purchasing Technician	-	-	4.00	4.00	4.00
Contracts/Purchasing Assistant	4.00	4.00	-	-	-
Lead Storekeeper	2.00	2.00	-	-	-
Lead Materials Management Clerk	-	-	1.00	1.00	1.00
Senior Storekeeper	3.00	3.00	-	-	-
Materials Management Clerk	-	-	6.00	6.00	6.00
Storekeeper	4.00	3.00	-	-	-
Materials Management Technician	-	-	1.00	1.00	1.00
Office Assistant	-	1.00	1.00	1.00	1.00
230 - Contracts, Purch, & Materials Mgmt	31.00	31.00	29.00	30.00	30.00
Information Technology Manager	1.00	1.00	1.00	1.00	1.00
Information Technology Supervisor	3.00	3.00	3.00	3.00	3.00
Principal Information Technology Analyst	7.00	7.00	8.00	8.00	9.00
Senior Information Technology Analyst	10.00	12.00	10.00	11.00	10.00
Information Technology Analyst III	7.00	7.00	9.00	9.00	9.00
Information Technology Analyst II	3.00	3.00	5.00	5.00	5.00
Data Management Technician II	7.00	7.00	6.00	6.00	6.00
Data Management Technician I	3.00	3.00	3.00	3.00	3.00
Staff Analyst	1.00	1.00	1.00	1.00	1.00
Administrative Assistant	1.00	1.00	1.00	1.00	1.00
Information Technology Technician II	2.00	2.00	-	-	-
Information Technology Technician	-	-	2.00	2.00	2.00
250 - Information Technology	45.00	47.00	49.00	50.00	50.00
200 - Administrative Services	102.00	103.00	106.00	109.00	109.00
Director of Communications	-	-	-	1.00	1.00
310 - Communications Administration	-	-	-	1.00	1.00

Historical Staffing Detail

Division & Position	Authorized FTEs 2021-22	Authorized FTEs 2022-23	Authorized FTEs 2023-24	Proposed FTEs 2024-25	Proposed FTEs 2025-26
Clerk of the Board	1.00	1.00	1.00	1.00	1.00
Assistant Clerk of the Board	1.00	1.00	2.00	2.00	2.00
Data Management Technician I	1.00	1.00	-	-	-
Records Management Technician	-	-	1.00	1.00	1.00
Program Assistant	2.00	2.00	1.00	1.00	1.00
Office Assistant	1.00	1.00	2.00	2.00	2.00
320 - Board Services	6.00	6.00	7.00	7.00	7.00
Public Affairs Supervisor	-	-	1.00	1.00	1.00
Principal Public Affairs Specialist	1.00	1.00	1.00	1.00	1.00
Senior Public Affairs Specialist	1.00	1.00	1.00	1.00	1.00
Public Affairs Specialist	2.00	2.00	2.00	2.00	2.00
Graphics Designer	1.00	1.00	1.00	2.00	2.00
Administrative Assistant	1.00	1.00	1.00	1.00	1.00
340 - Public Affairs	6.00	6.00	7.00	8.00	8.00
300 - Communications	12.00	12.00	14.00	16.00	16.00
Director of Human Resources	-	-	-	1.00	1.00
510 - Human Resources Administration	-	-	-	1.00	1.00
Director of Human Resources	1.00	1.00	1.00	-	-
Human Resources and Risk Manager	1.00	1.00	-	-	-
Human Resources Manager	-	-	1.00	1.00	1.00
Human Resources Supervisor	2.00	2.00	2.00	2.00	2.00
Principal Human Resources Analyst	2.00	2.00	3.00	3.00	3.00
Senior Human Resources Analyst	4.00	4.00	4.00	4.00	4.00
Human Resources Analyst	4.00	4.00	4.00	4.00	4.00
Human Resources Technician II	-	-	1.00	1.00	1.00
Human Resources Assistant	2.00	2.00	-	-	-
Human Resources Technician I	-	-	1.00	1.00	1.00
520 - Human Resources	16.00	16.00	17.00	16.00	16.00
Safety and Health Manager	-	-	1.00	1.00	1.00
Safety & Health Supervisor	1.00	1.00	-	-	-
Principal Safety & Health Specialist	-	-	2.00	2.00	2.00
Security & Emergency Planning Specialist	1.00	1.00	1.00	1.00	1.00
Senior Construction Inspector	1.00	1.00	-	-	-
Safety Inspector	-	-	2.00	2.00	2.00
Senior Safety & Health Representative	2.00	2.00	-	-	-
Sr. Safety and Health Spclst	-	-	2.00	2.00	2.00
Safety & Health Specialist	2.00	2.00	-	-	-
Safety and Health Specialist	-	-	2.00	2.00	2.00
Safety & Health Representative	2.00	2.00	-	-	-
Human Resources Technician II	-	-	1.00	1.00	1.00
Administrative Assistant	1.00	1.00	-	-	-
530 - Risk Management	10.00	10.00	11.00	11.00	11.00
500 - Human Resources	26.00	26.00	28.00	28.00	28.00

Historical Staffing Detail

Division & Position	Authorized FTEs 2021-22	Authorized FTEs 2022-23	Authorized FTEs 2023-24	Proposed FTEs 2024-25	Proposed FTEs 2025-26
Director of Environmental Services	1.00	1.00	1.00	1.00	1.00
Environmental Protection Manager	-	-	1.00	-	-
Environmental Supervisor	-	1.00	-	-	-
Senior Regulatory Specialist	2.00	2.00	2.00	-	-
Regulatory Specialist	3.00	3.00	3.00	-	-
Principal Environmental Specialist	1.00	1.50	2.00	-	-
Senior Environmental Specialist	3.00	3.00	3.00	-	-
Executive Assistant	1.00	1.00	-	-	-
Administrative Assistant	-	-	1.00	1.00	1.00
610 - Environmental Services Administration	11.00	12.50	13.00	2.00	2.00
Environmental Protection Manager	-	1.00	1.00	1.00	1.00
Engineering Manager	1.00	-	-	-	-
Engineering Supervisor	2.00	2.00	2.00	2.00	2.00
Environmental Supervisor	-	1.00	1.00	1.00	1.00
Source Control Supervisor	1.00	-	-	-	-
Senior Engineer	2.00	2.00	1.00	1.00	1.00
Engineer	5.00	5.00	4.00	4.00	4.00
Associate Engineer	2.00	2.00	3.00	3.00	3.00
Senior Regulatory Specialist	-	-	1.00	1.00	1.00
Principal Environmental Specialist	3.00	3.00	3.00	3.00	3.00
Lead Source Control Inspector	1.00	1.00	1.00	1.00	1.00
Senior Environmental Specialist	1.00	1.00	1.00	2.00	2.00
Source Control Inspector II	6.00	6.00	5.00	5.00	5.00
Source Control Inspector I	3.00	3.00	4.00	4.00	4.00
Administrative Assistant	1.00	1.00	1.00	-	-
Environmental Technician	4.00	4.00	4.00	4.00	4.00
Program Assistant	4.00	4.00	4.00	4.00	4.00
Office Assistant	1.00	1.00	1.00	1.00	1.00
620 - Resource Protection	37.00	37.00	37.00	37.00	37.00

Historical Staffing Detail

Division & Position	Authorized FTEs 2021-22	Authorized FTEs 2022-23	Authorized FTEs 2023-24	Proposed FTEs 2024-25	Proposed FTEs 2025-26
Environmental Protection Manager	-	-	1.00	1.00	1.00
Environmental Lab & Ocean Monitoring Manager	1.00	1.00	-	-	-
Environmental Supervisor	4.00	3.00	3.00	3.00	3.00
Senior Scientist	-	3.00	1.00	1.00	1.00
Regulatory Specialist	3.00	-	-	-	-
Scientist	2.00	2.00	4.00	4.00	4.00
Principal Environmental Specialist	8.00	8.50	8.00	8.00	8.00
Senior Environmental Specialist	15.00	14.00	14.00	15.00	15.00
Environmental Specialist	7.00	7.00	6.00	6.00	6.00
Boat Captain	1.00	1.00	1.00	1.00	1.00
Assistant Boat Captain	-	-	1.00	1.00	1.00
Administrative Assistant	1.00	1.00	1.00	1.00	1.00
Environmental Technician	3.00	3.00	4.00	6.00	6.00
630 - Environmental Laboratory and Ocean Monito...	45.00	43.50	44.00	47.00	47.00
Environ Protection Manager	-	-	-	1.00	1.00
Pr Environmental Specialist	-	-	-	2.50	2.50
Senior Regulatory Specialist	-	-	-	2.00	2.00
Sr Environmental Specialist	-	-	-	3.00	3.00
Regulatory Specialist	-	-	-	3.00	3.00
650 - Environmental Compliance	-	-	-	11.50	11.50
600 - Environmental Services	93.00	93.00	94.00	97.50	97.50
Director of Engineering	1.00	1.00	1.00	1.00	1.00
Principal Staff Analyst	1.00	1.00	1.00	1.00	1.00
Executive Assistant	1.00	-	-	-	-
Staff Analyst	1.00	1.00	-	-	-
Administrative Assistant	1.00	1.00	-	-	-
710 - Engineering Admin	5.00	4.00	2.00	2.00	2.00
Engineering Manager	1.00	1.00	1.00	1.00	1.00
Engineering Supervisor	2.00	2.00	2.00	2.00	2.00
Senior Engineer	2.00	2.00	2.00	2.00	2.00
Engineer	7.00	7.00	6.00	7.00	7.00
Principal Staff Analyst	1.00	1.00	1.00	1.00	1.00
Associate Engineer	1.00	1.00	2.00	2.00	2.00
Engineering Associate	1.00	1.00	-	-	-
Assistant Engineer	-	-	1.00	1.00	1.00
740 - Planning	15.00	15.00	15.00	16.00	16.00

Historical Staffing Detail

Division & Position	Authorized FTEs 2021-22	Authorized FTEs 2022-23	Authorized FTEs 2023-24	Proposed FTEs 2024-25	Proposed FTEs 2025-26
Engineering Manager	1.00	1.00	1.00	1.00	1.00
Engineering Supervisor	2.00	2.00	2.00	2.00	2.00
CIP Project Manager	1.00	1.00	1.00	1.00	1.00
Senior Engineer	11.00	11.00	11.00	11.00	11.00
Engineer	3.00	3.00	2.00	2.00	2.00
Associate Engineer	1.00	1.00	2.00	2.00	2.00
Engineering Associate	1.00	1.00	1.00	1.00	1.00
Administrative Assistant	1.00	1.00	1.00	1.00	1.00
750 - Project Management	21.00	21.00	21.00	21.00	21.00
Engineering Manager	1.00	1.00	1.00	1.00	1.00
Engineering Supervisor	4.00	4.00	3.00	3.00	3.00
Information Technology Supervisor	-	-	1.00	1.00	1.00
Senior Engineer	11.00	11.00	9.00	9.00	9.00
Principal Information Technology Analyst	3.00	3.00	3.00	3.00	3.00
Engineer	7.00	7.00	9.00	9.00	9.00
Senior Information Technology Analyst	3.00	3.00	2.00	2.00	2.00
Associate Engineer	2.00	2.00	1.00	1.00	1.00
Information Technology Analyst III	1.00	1.00	2.00	3.00	3.00
Information Technology Analyst II	1.00	1.00	3.00	2.00	2.00
Staff Analyst	-	-	1.00	1.00	1.00
Administrative Assistant	1.00	1.00	1.00	1.00	1.00
Assistant Engineer	-	-	1.00	1.00	1.00
760 - Design	34.00	34.00	37.00	37.00	37.00
Engineering Manager	1.00	1.00	1.00	1.00	1.00
Engineering Supervisor	2.00	3.00	3.00	3.00	3.00
Construction Inspection Supervisor	3.00	3.00	3.00	3.00	3.00
Senior Engineer	2.00	4.00	4.00	4.00	4.00
Engineer	6.00	8.00	6.00	6.00	6.00
Senior Cost Estimator	1.00	1.00	1.00	1.00	1.00
Senior Planner/Scheduler	1.00	1.00	1.00	1.00	1.00
Associate Engineer	2.00	2.00	4.00	4.00	4.00
Planner/Scheduler	1.00	1.00	1.00	1.00	1.00
Cost Estimator	-	-	1.00	1.00	1.00
Senior Construction Inspector	7.00	8.00	7.00	7.00	7.00
Construction Inspector	9.00	13.00	12.00	12.00	12.00
Engineering Assistant II	4.00	3.00	-	-	-
Engineering Technician	-	-	3.00	3.00	3.00
Administrative Assistant	2.00	1.00	1.00	1.00	1.00
770 - Construction Management	41.00	49.00	48.00	48.00	48.00
700 - Engineering	116.00	123.00	123.00	124.00	124.00

Historical Staffing Detail

Division & Position	Authorized FTEs 2021-22	Authorized FTEs 2022-23	Authorized FTEs 2023-24	Proposed FTEs 2024-25	Proposed FTEs 2025-26
Assistant General Manager	1.00	-	-	-	-
Director of Operations & Maintenance	1.00	1.00	1.00	1.00	1.00
Senior Staff Analyst	1.00	1.00	-	-	-
Staff Analyst	1.00	-	-	-	-
810 - O & M Administration	4.00	2.00	1.00	1.00	1.00
Maintenance Manager	1.00	1.00	1.00	1.00	1.00
Maintenance Supervisor	1.00	2.00	2.00	2.00	2.00
Engineering Supervisor	1.00	1.00	-	-	-
Senior Engineer	1.00	-	-	-	-
Principal Staff Analyst	-	1.00	-	-	-
Associate Engineer	1.00	1.00	-	-	-
Maintenance Specialist	-	1.00	-	-	-
Principal Environmental Specialist	1.00	1.00	1.00	1.00	1.00
Senior Environmental Specialist	1.00	1.00	1.00	1.00	1.00
Lead Mechanic	5.00	5.00	5.00	5.00	5.00
Senior Mechanic	7.00	7.00	7.00	7.00	7.00
Environmental Specialist	-	-	-	1.00	1.00
Administrative Assistant	1.00	1.00	1.00	1.00	1.00
Mechanic	7.00	7.00	6.00	6.00	6.00
Maintenance Worker	-	-	1.00	1.00	1.00
Environmental Technician	1.00	1.00	1.00	-	-
820 - Collection Facilities O&M	28.00	30.00	26.00	26.00	26.00
Maintenance Supervisor	1.00	1.00	1.00	1.00	1.00
Lead Mechanic	1.00	1.00	1.00	2.00	2.00
Automotive/ Heavy Equipment Technician	4.00	4.00	4.00	3.00	3.00
Mobile Crane Operator	2.00	2.00	2.00	2.00	2.00
Program Assistant	1.00	1.00	1.00	1.00	1.00
822 - Fleet Services	9.00	9.00	9.00	9.00	9.00

Historical Staffing Detail

Division & Position	Authorized FTEs 2021-22	Authorized FTEs 2022-23	Authorized FTEs 2023-24	Proposed FTEs 2024-25	Proposed FTEs 2025-26
Operations Manager	1.00	1.00	1.00	1.00	1.00
Chief Plant Operator	1.00	1.00	1.00	1.00	1.00
Operations Supervisor	7.00	7.00	7.00	7.00	7.00
Senior Engineer	2.00	2.00	1.00	2.00	2.00
Engineer	1.00	1.00	1.00	1.00	1.00
Principal Staff Analyst	1.00	-	-	-	-
Associate Engineer	2.00	2.00	2.00	1.00	1.00
Lead Power Plant Operator	1.00	-	-	-	-
Lead Plant Operator	4.00	4.00	4.00	4.00	4.00
Power Plant Operator II	4.00	-	-	-	-
Senior Plant Operator	12.00	14.00	14.00	14.00	14.00
Staff Analyst	1.00	1.00	1.00	1.00	1.00
Administrative Assistant	1.00	1.00	1.00	1.00	1.00
Plant Operator	17.00	18.00	18.00	18.00	18.00
Program Assistant	-	-	1.00	1.00	1.00
830 - Plant No. 1 Operations	55.00	52.00	52.00	52.00	52.00
Chief Plant Operator	1.00	1.00	1.00	1.00	1.00
Operations Supervisor	7.00	7.00	7.00	7.00	7.00
Lead Plant Operator	4.00	4.00	4.00	4.00	4.00
Lead Power Plant Operator	1.00	-	-	-	-
Power Plant Operator II	4.00	-	-	-	-
Senior Plant Operator	16.00	14.00	13.00	13.00	13.00
Administrative Assistant	1.00	1.00	1.00	1.00	1.00
Plant Operator	19.00	18.00	18.00	18.00	18.00
840 - Plant No. 2 Operations	53.00	45.00	44.00	44.00	44.00

Historical Staffing Detail

Division & Position	Authorized FTEs 2021-22	Authorized FTEs 2022-23	Authorized FTEs 2023-24	Proposed FTEs 2024-25	Proposed FTEs 2025-26
Maintenance Manager	-	1.00	1.00	1.00	1.00
Engineering Manager	1.00	-	-	-	-
Maintenance Superintendent	1.00	1.00	2.00	2.00	2.00
Maintenance Supervisor	8.00	9.00	9.00	9.00	9.00
Engineer	1.00	1.00	-	-	-
Associate Engineer	1.00	1.00	1.00	1.00	1.00
Maintenance Specialist	13.00	14.00	17.00	17.00	17.00
Lead Instrumentation Technician	1.00	2.00	2.00	2.00	2.00
Lead Electrical Technician	4.00	4.00	5.00	5.00	5.00
Lead Power Plant Operator	-	2.00	2.00	2.00	2.00
Reliability Maintenance Technician	5.00	4.00	4.00	5.00	5.00
Instrumentation Technician II	9.00	8.00	9.00	9.00	9.00
Electrical Technician II	8.00	8.00	8.00	10.00	10.00
Lead Mechanic	2.00	2.00	4.00	3.00	3.00
Power Plant Operator II	-	8.00	8.00	8.00	8.00
Machinist	1.00	1.00	1.00	1.00	1.00
Senior Staff Analyst	-	-	1.00	1.00	1.00
Administrative Assistant	1.00	1.00	1.00	1.00	1.00
Senior Mechanic	18.00	17.00	13.00	12.00	12.00
Welder/Fabricator	3.00	3.00	3.00	3.00	3.00
Lead Facilities Worker	1.00	1.00	1.00	1.00	1.00
Instrumentation Technician I	1.00	1.00	-	-	-
Electrical Technician I	2.00	2.00	2.00	-	-
Facilities Worker/Painter	1.00	1.00	-	-	-
Facilities Worker/Builder	2.00	1.00	-	-	-
Facilities Worker	-	-	2.00	2.00	2.00
Mechanic	1.00	1.00	2.00	2.00	2.00
870 - Plant No. 1 Maintenance	85.00	94.00	98.00	97.00	97.00

Historical Staffing Detail

Division & Position	Authorized FTEs 2021-22	Authorized FTEs 2022-23	Authorized FTEs 2023-24	Proposed FTEs 2024-25	Proposed FTEs 2025-26
Maintenance Superintendent	1.00	1.00	1.00	1.00	1.00
Maintenance Supervisor	6.00	6.00	6.00	6.00	6.00
Lead Instrumentation Technician	2.00	2.00	2.00	2.00	2.00
Lead Electrical Technician	2.00	2.00	2.00	2.00	2.00
Instrumentation Technician II	6.00	7.00	7.00	9.00	9.00
Electrical Technician II	7.00	7.00	7.00	9.00	9.00
Lead Mechanic	3.00	3.00	2.00	3.00	3.00
Senior Mechanic	16.00	16.00	15.00	15.00	15.00
Administrative Assistant	1.00	1.00	1.00	1.00	1.00
Lead Facilities Worker	1.00	1.00	1.00	1.00	1.00
Instrumentation Technician I	2.00	2.00	2.00	-	-
Electrical Technician I	2.00	2.00	2.00	-	-
Facilities Worker/Painter	1.00	-	-	-	-
Facilities Worker/Builder	1.00	2.00	-	-	-
Facilities Worker	-	-	3.00	3.00	3.00
Mechanic	1.00	1.00	3.00	3.00	3.00
Maintenance Worker	1.00	-	1.00	1.00	1.00
880 - Plant No. 2 Maintenance	53.00	54.00	55.00	56.00	56.00
800 - Operations & Maintenance	287.00	286.00	285.00	285.00	285.00
Orange County Sanitation District	639.00	647.00	655.00	663.50	663.50

Appropriations Limit

Article XIII B of the California State Constitution, more commonly referred to as the Gann Initiative or Gann Limit, was approved by California voters in 1979. The Gann Limit placed limits on the amount of proceeds of taxes that state and local governmental agencies can receive and appropriate (authorize to spend) each year.

The limit is different for each agency and the limit changes each year. The annual limit is based on the amount of tax proceeds that were authorized to be spent in FY 1978-79 in each agency, modified for changes in inflation and population in each subsequent year.

Proposition 111 was passed by the State's voters in June 1990. This legislation made changes to the manner in which the Appropriations Limit is to be calculated:

The annual adjustment factors for inflation and population have been changed. Instead of using the lesser of California per capita income, or U.S. CPI, each agency may choose either the growth in the California per capita income, or the growth in assessed valuation due to new nonresidential construction within the agency. For population, instead of using only the population growth of an agency, each agency may choose to use the population growth within its county. These are both annual elections.

The revised annual adjustment factors will be applied to the FY 1986-87 limit for most agencies and each year in between in order to calculate the FY 1990-91 limit. The actual limits for the intervening years, however, are not affected.

Expenditures for "qualified capital outlay", which are capital assets with a value of more than \$100,000 and an expected life of 10 years or more, are excluded from the limit.

An agency which exceeds the limit in any one year may choose to not give a tax refund if they fall below the limit in the next fiscal year. They then have two more years to refund any remaining excess or to obtain a successful override vote.

In certain situations, proceeds of taxes may be spent on emergencies without having to reduce the limit in future years.

Each agency also conducts a review of its Appropriations Limit during its annual financial audit.

The law requires a governing body to annually adopt, by resolution, an appropriations limit for the following year, along with a recorded vote regarding which of the annual adjustment factors have been selected. The Orange County Sanitation District's appropriations limit and annual adjustment factors are adopted at the same meeting as the budget. The adjustment factors used for FY 2024-25 are the weighted average change in city population and the change in state per capita personal income.

The following table shows the annual appropriations limit for each of the last two fiscal years and for FY 2024-25. The increase in the limit is based upon population changes ranging from negative 0.97 percent to positive 0.53 percent for representative cities within the Orange County Sanitation District's service area and a per capita personal income change of 7.55 percent, as provided by the State Department of Finance.

Annual Appropriation Limits:

2022-23	\$132,833,623
2023-24	\$137,371,868
2024-25	\$142,444,371

As a result of the July 1998 consolidation of the Orange County Sanitation District, a single limit is presented in contrast to individual limits shown in years prior to 1998. Population changes for representative cities have continued to be used in order to ensure consistency and to eliminate significant population growth in parts of the county outside of Orange County Sanitation District's service area. This method results in a lower limit than using the county-wide change.

Budget Glossary

Accounting System:

The set of records and procedures which are used to record, classify, and report information on the financial status and operations of an entity.

Accrual Basis Accounting:

Under this accounting method, transactions are recognized when they occur, regardless of the timing of related cash receipts and disbursements.

Administrative and Clerical:

An employee group that provides administrative and clerical support.

Ad Valorem Taxes:

OC San's allocated share of the property taxes assessed by the County representing a 2% annual increase in assessed values of property taxes.

Annual Comprehensive Financial Report (ACFR): The official financial report of a government. It includes an audit opinion as well as basic financial statements and supporting schedules necessary to demonstrate compliance with legal and contractual requirements of OC San.

Annual Budget:

A budget applicable to a single fiscal year.

Appropriation Ordinance:

The official legal document approved by OC San's Board of Directors authorizing officials to obligate and expend resources.

Appropriation:

An authorization made by OC San's Board of Directors which permits officials to incur obligations against and to make expenditures of governmental resources. Operating appropriations are typically granted for a one-year period.

AQMD:

Air Quality Management District. See also SCAQMD.

Assessed Valuation:

The estimated value of real and personal property used by the Orange County Assessor as the basis for levying property taxes.

Balanced Budget:

A budget in which the sum of estimated net revenues and appropriated fund balances is equal to appropriations.

Biennial Budget:

A budget applicable to two individual fiscal years.

Biosolids:

Treated sewage sludge that meets the USEPA pollutant and pathogen requirements for land application as an agricultural soil conditioner or surface disposal.

Budget Document:

The official financial spending and resource plan submitted by the General Manager, adopted by the Board of Directors, and made available to the public and other interested parties.

Budget Message:

A written explanation by the General Manager of the proposed budget. The budget message explains principal budget and policy issues and presents an overview of the General Manager's budget recommendations.

Budget Calendar:

The schedule of key dates which OC San follows in preparing and adopting the budget.

Capital Facilities Capacity Charge (CFCC):

A one-time, nondiscriminatory charge imposed at the time a building or structure is newly connected to OC San's system, directly or indirectly, or an existing structure or category of use is expanded or increased. This charge is to pay for District facilities in existence at the time the charge is imposed, or to pay for new facilities to be constructed in the future, that are of benefit to the property being charged. This charge does not apply to temporary facilities.

Capital Improvement Program (CIP):

A plan over a period of five years setting forth each capital project, the amount to be expended in each year, and the method of financing capital expenditures.

Capital Outlay:

Cash outlays which result in the acquisition of or additions to capital assets. Examples include land, buildings, machinery, equipment, and other improvements.

Capital Assets:

Assets of significant value which have a useful life of several years. Examples are land, buildings, other improvements, machinery, and equipment.

Cash Basis Accounting:

A basis of accounting under which transactions are recognized only when cash is received or disbursed.

CCTV:

Closed-circuit television (CCTV), also known as video surveillance, is technology often used by the OC SAN to inspect and document the condition of underground sewer lines.

CEQA:

California Environmental Quality Act, is a statute that requires state and local agencies to identify the significant environmental impacts of their actions and to avoid or mitigate those impacts, if feasible.

Certificates of Participation (COPs):

A type of debt financing in which certificates are issued which represent an investor's participation in the stream of lease payments paid by the issuer. COPs are secured by the lease payments. Voter approval is not required prior to issuance.

Contingency:

A budgetary reserve set aside for emergencies or unforeseen expenditures not otherwise budgeted.

Contingent Liabilities:

Items which may become liabilities of OC San but are undetermined at a given date, such as pending law suits, unsettled disputed claims, unfilled purchase orders, and uncompleted contracts.

Contractual Services:

Personal services provided to OC San from the private sector or other public agencies.

CRWQCB:

California Regional Water Quality Control Board.

Debt Service:

Payment of interest and repayment of principal to holders of OC San's debt instruments.

Decision Package:

A standardized format whereby departments may request budgetary consideration for new programs, positions, capital equipment, and position reclassification.

Deficit:

The excess of an entity's liabilities over its assets.

Engineers:

A professional engineers/employee group.

Enterprise Fund:

In governmental accounting, a fund that provides goods or services to the public for a fee that makes the entity self-supporting.

Executive Manager:

The group of employees which head each department.

Expenditures / Expenses:

Where accounts are kept on the accrual basis of accounting, expenses are recognized when goods are received or services rendered. Where accounts are kept on a cash basis, expenditures are recognized only when the cash payments are made.

FEMA:

Federal Emergency Management Agency. This agency provides federal grant monies for disaster relief.

Fiscal Year (FY):

A 12-month period to which the annual operating budget applies and at the end of which a government determines its financial position and results of its operations. OC San's fiscal year runs from July 1 - June 30.

Five-Year Financial Forecast:

Estimates of future revenues and expenditures to help predict the future financial condition of the community.

FLSA:

The Fair Labor Standards Act sets minimum wage, overtime pay, equal pay, and Child Labor Standards to private and public sector employees. Enforcement of the FLSA is assigned to the Department of Labor (DOL), Wage and Hour Division.

Fats, Oils, & Grease (FOG) Control Program:

Educational and regulatory efforts designed to achieve reductions in the quantity of fats, oils and grease that is found in the wastewater that is discharged into OC San's sewerage system.

Full-Time Equivalents (FTE):

The amount of time a regular, full-time employee normally works in a year. For example, a full-time employee (1 FTE) is budgeted to work 2,080 hours per year, while a .5 FTE is budgeted to work 1,040 hours per year.

Fund:

An independent fiscal and accounting entity with a self-balancing set of accounts recording cash and/or other resources together with all related liabilities, obligations, reserves, and equities.

Fund Accounting:

System used by nonprofit organizations, particularly governments. Since there is no profit motive, accountability is measured instead of profitability. The main purpose is stewardship of financial resources received and expended in compliance with legal requirements.

Fund Equity:

The excess of an entity's assets over liabilities.

General Obligation Bonds:

Bonds for which the full faith and credit of the insuring government are pledged for payment. Ad valorem property taxes are pledged to pay the bonds. A two-thirds voter approval is required prior to bond issuance.

Generally Accepted Accounting Principles (GAAP):

Uniform standards for financial accounting and reporting. They govern the form and content of the basic financial statements of an entity.

Government Finance Officers Association (GFOA):

A nonprofit, professional association, serving over 18,000 government finance professionals through the United States and Canada.

GFOA's Best Practices and Advisories:

A listing of the Accounting, Auditing, and Financial Reporting, Treasury and Investment Management, Budgeting and Fiscal Policy, Debt Management, Retirement and Benefits Administration, and Economic Development and Capital Planning practices identified as contributing to improved government management by the Government Finance Officers Association of the United States and Canada.

GFOA's Distinguished Budget Presentation Award Program:

The only national awards program in governmental budgeting. It represents a significant accomplishment in meeting the highest principles of governmental budgeting and satisfying nationally recognized guidelines for effective budget presentation.

Groundwater Replenishment System (GWRS):

A joint project by the Orange County Water District (OCWD) and OC San, the GWRS reclaims up to 100 million gallons a day of OC San's secondary effluent. GWRS is the world's largest water purification system for indirect potable reuse. The system takes highly treated wastewater that would have previously been discharged into the Pacific Ocean and purifies it using a three-step advanced treatment process consisting of microfiltration, reverse osmosis and ultraviolet light with hydrogen peroxide. The process produces high-quality water that meets or exceeds all state and federal drinking water standards.

Improvements:

Buildings, structures, or attachments to land such as sidewalks, trees, drives, tunnels, drains and sewers.

Interest:

Revenue derived from the investment of idle cash and/or reserves.

Intergovernmental Services:

Purchases from other governments of those specialized services typically performed by local governments.

Intergovernmental Revenue:

Revenue received from other governmental agencies and municipalities.

IRWD:

Irvine Ranch Water District is a California Special District formed in 1961 and incorporated under the California water code. IRWD provides potable water, sewer service and reclaimed (or recycled) water to its customers in Irvine and portions of Costa Mesa, Lake Forest, Newport Beach, Orange, Tustin and unincorporated areas of Orange County.

Levy:

(Verb) To impose taxes, special assessments, or service charges for the support of governmental activities. (Noun) The total amount of taxes, special assessments, or service charges imposed by a government levying property taxes.

Long-Term Debt or Long-Term Liabilities:

Debt borrowed from a source outside OC San with a maturity of more than one year after the date of issuance.

Maintenance Employees:

An employee group of OC San.

Manager Employees:

The group of employees who assume management responsibilities for operating divisions.

MGD:

Million Gallons per Day is a measurement of water or wastewater flow.

NPDES (National Pollution Discharge Elimination System):

Permit system established by the U.S. Environmental Protection Agency to regulate discharge of treated sewage, storm water, and urban runoff.

Object:

An expenditure classification which refers to the type of item purchased or the service obtained. Examples include personnel, supplies, or contract services.

OC San University (OC San U):

The OC San University (OC San U) is a voluntary employee development program designed to help OC San meet evolving organizational needs. Employees can participate in various learning opportunities including mentoring, a leadership academy, online learning, and monthly presentations on topics pertinent to employees and OC San.

OCWD:

The Orange County Water District (OCWD) is a California special district that manages the groundwater basin beneath central and northern Orange County, California.

OES:

State Office of Emergency Services. This agency provides state grant monies for disaster relief.

Operating Engineers:

An employee group of OC San.

Operating Budget:

The operating budget is the primary means by which most of the financing of acquisition, spending, and service delivery activities of a government are controlled.

Other Revenues:

Revenues from sources, other than those specifically identified, that are immaterial in amount and do not justify reporting as separate line items.

Other Charges:

Expenditures that do not fit in other categories, are immaterial in amount, and do not justify reporting as separate line items.

Performance Measure:

Represents the objectives of each department along with a target date for achieving the objective.

Performance Results:

A summary of major accomplishments and objectives that were met during the fiscal year.

Permits:

Revenues earned by the issuance of permits levied in accordance with the benefits conferred by the permit.

Personnel:

Salaries and benefits paid to OC San's employees. Included are items such as special duty pay, insurance, and retirement.

Personnel Benefits:

Those benefits paid by OC San as conditions of employment. Examples include insurance and retirement benefits.

Professional Employees:

An employee group consisting of technical experts, analysts, and planners.

Program:

Organizational units directed to attain specific purposes or objectives.

Reserve:

A term used to indicate that a portion of fund equity is restricted for a specific purpose.

Resources:

Total dollars available for appropriations including estimated revenues and beginning fund equity.

Revenue Bonds:

Bonds issued pledging future revenues such as sewer charges to cover debt payments. A majority voter approval is required prior to bond issuance.

Revenue Estimate:

A formal estimate of how much revenue will be earned from a specific revenue source for some future period, typically a fiscal year.

Revenue:

Income received by OC San to support wastewater treatment services. This income may be in the form of property taxes, fees, user charges, grants, and interest.

Risk Register:

The Risk Register is a compilation of the various risks facing OC San, as seen by OC San's management team.

Service Charges:

Charges for specific services rendered.

Service Description:

A description of the services or functions provided by each department or division.

Supervisory Control And Data Acquisition (SCADA):

A system for remote monitoring and control that operates with coded signals over communication channels.

SCAQMD:

The South Coast Air Quality Management District, also using the acronym SCAQMD, formed in 1976, is the air pollution agency responsible for regulating stationary sources of air pollution in the South Coast Air Basin, in Southern California.

Secondary Treatment: A treatment process for wastewater (or sewage) to achieve a certain degree of effluent quality by using a sewage treatment plant with physical phase separation to remove settleable solids and a biological process to remove dissolved and suspended organic compounds.

Significant Changes: This section provides an overview of the changes adopted in the budget. Additionally, the significant impacts of budgetary changes are outlined (Budget Impact) along with dollar amounts (Increase/ Decrease).

Strategic Goals: Organization-wide goals that demonstrate OC San's long-term commitment to excellence and that establish the framework necessary to maintain OC San's high level of service standards.

Strategic Plan: A planning effort to define OC San's goals, responsibilities, and requirements over a specified future period. Key factors used in the planning effort include estimates for population growth, new construction, the volume of wastewater delivered to the plants, and viable water conservation and reclamation programs.

Supervisory Employees:

An employee group whose members have responsibility for directing the work of line employees.

Supplemental Appropriation:

An appropriation approved by the Directors after the initial budget is adopted.

Supplies:

An expenditure classification for articles and commodities purchased for consumption or resale. Examples include office and operating supplies, fuel, power, water, gas inventory, or small tools and equipment.

SWRCB:

The California State Water Resources Control Board (SWRCB) is one of six branches of the California Environmental Protection Agency.

Taxes:

Compulsory charges levied by a government for the purpose of financing services performed for the common benefit.

Technical Services:

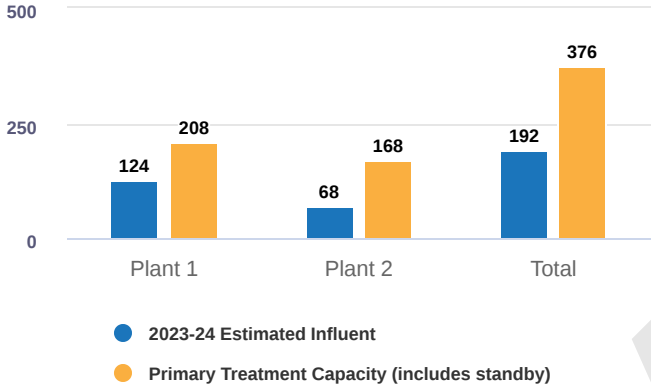
Support services to OC San's wastewater management program through environmental sampling, analysis and research, source control of industrial users, administration of compliance programs to meet federal, state and local environmental standards; provides leadership and influence in the development and implementation of environmental policies, laws, and regulations.

General Information

Year of Formation	1948	Miles of Sewers	388 miles
Form of Government	County Sanitation District	On-Plant Pump Station	2
Authority	Section 4700 et. seq	Off-Plant Pump Stations	15
.....	California Health & Safety Code	Operating Authority	RWQCB/NPDES Permit No.
Service Area	479 sq. miles	CA0110604
Service Population	2.6 million	WDR Order No. 2006-0003
2023-24 Assessed Value	584 billion	Authorized Staff (Full-Time Equivalent)	663.50

Treatment Information

Daily Influent Flow to Total Primary Capacity Comparison (in MGD)



FY22-23 Influent BOD:

Plant No. 1	293 milligrams per liter
Plant No. 2	221 milligrams per liter

FY22-23 Influent Suspended Solids:

Plant No. 1	292 milligrams per liter
Plant No. 2	288 milligrams per liter

FY22-23 Effluent BOD 21 milligrams per liter

FY22-23 Effluent Suspended Solids 7 milligrams per liter

FY22-23 Biosolids Produced & Reused 191,098 wet tons

Primary Treatment Capacity (includes standby):

Plant No. 1	208 MGD
Plant No. 2	168 MGD
TOTAL	376 MGD

2023-24 Estimated Average Daily Influent:

Plant No. 1	124 MGD
Plant No. 2	68 MGD
TOTAL	192 MGD

Secondary Treatment Capacity:

Plant No. 1	168 MGD
Plant No. 2	150 MGD
TOTAL	318 MGD

2023-24 Estimated Electricity Generated:

Plant No. 1	42,406,393 kwh
Plant No. 2	54,689,452 kwh
TOTAL	97,095,845 kwh

Legend:
 MGD – million gallons per day
 kWh – kilowatts per hour

Financial Information

<u>Fees and Charges:</u>	2022-23 Actual	2023-24 Projected	2024-25 Proposed	2025-26 Proposed
One-Time 3-Bedroom Residence Connection	\$ 5,719.00	\$ 5,719.00	\$ 6,388.00	\$ 6,388.00
Average Annual Single-Family Residence Fee	\$ 347.00	\$ 358.00	\$ 371.00	\$ 384.00
Local SRF Fee	\$ 108.00	\$ 108.00	\$ 108.00	\$ 108.00
OC San's Avg. Share of Ad Valorem Property Tax	1.59%	1.59%	1.59%	1.59%
Cost to Collect, Treat, & Dispose of One Million Gallons	\$ 2,255.00	\$ 3,078.80	\$ 3,445.75	\$ 3,526.32

Summary of COP Issues:

Series	Outstanding Par
2010A Series	80,000,000
2010C Series	22,830,000
2016A Series	121,485,000
2017A Series	65,815,000
2021A Series	94,645,000
2022A Series	81,620,000
2024A Series	139,720,000
Total Outstanding COP Balance	\$ 606,115,000

ORANGE COUNTY SANITATION DISTRICT

Estimated Population Served by the
Orange County Sanitation District

	<u>Population as of January 1, 2024</u>
Anaheim	340,160
Brea	47,725
Buena Park	82,689
Costa Mesa	109,423
Cypress	49,345
Fountain Valley	56,333
Fullerton	140,311
Garden Grove	171,024
Huntington Beach	192,503
Irvine	314,550
La Habra	60,901
La Palma	15,071
Los Alamitos	11,947
Newport Beach	82,419
Orange	138,621
Placentia	52,226
Santa Ana	310,797
Seal Beach	24,350
Stanton	40,297
Tustin	78,844
Villa Park	5,705
Westminster	89,490
Yorba Linda	66,087
Subtotal Cities ⁽¹⁾	<u>2,480,818</u>
Estimated Population Served in Unincorporated Areas ⁽²⁾	<u>70,692</u>
	2,551,510

Data Source:

(1) Demographic Research Unit, State of California Department of Finance.

(2) Center for Demographic Research, California State University, Fullerton.

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