



Proposed FY21/22 – FY25/26 Capital Improvement Program

Finance Committee Meeting
May 5, 2021



TRANSFORMING WASTEWATER TO RESOURCES

CIP Development Process

Update Existing Project Scopes, Budgets, and Schedules

Identify New Capital Needs to Address New Issues


Develop Scopes, Budgets, and Schedules for Selected New Projects

Prioritize Existing and New Projects based on Key Criteria

Develop Funding Plan and Assess Rate Impacts



- Review draft 5-year CIP with Finance Committee
- Hold Public Hearing and adopt 5-year CIP for implementation

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- **Asset Management Principles:**
 - Likelihood, consequence of failure
 - Safety
 - **Master Planning Efforts:**
 - Future regulatory drivers
 - Growth needs

Proposed CIP Overview

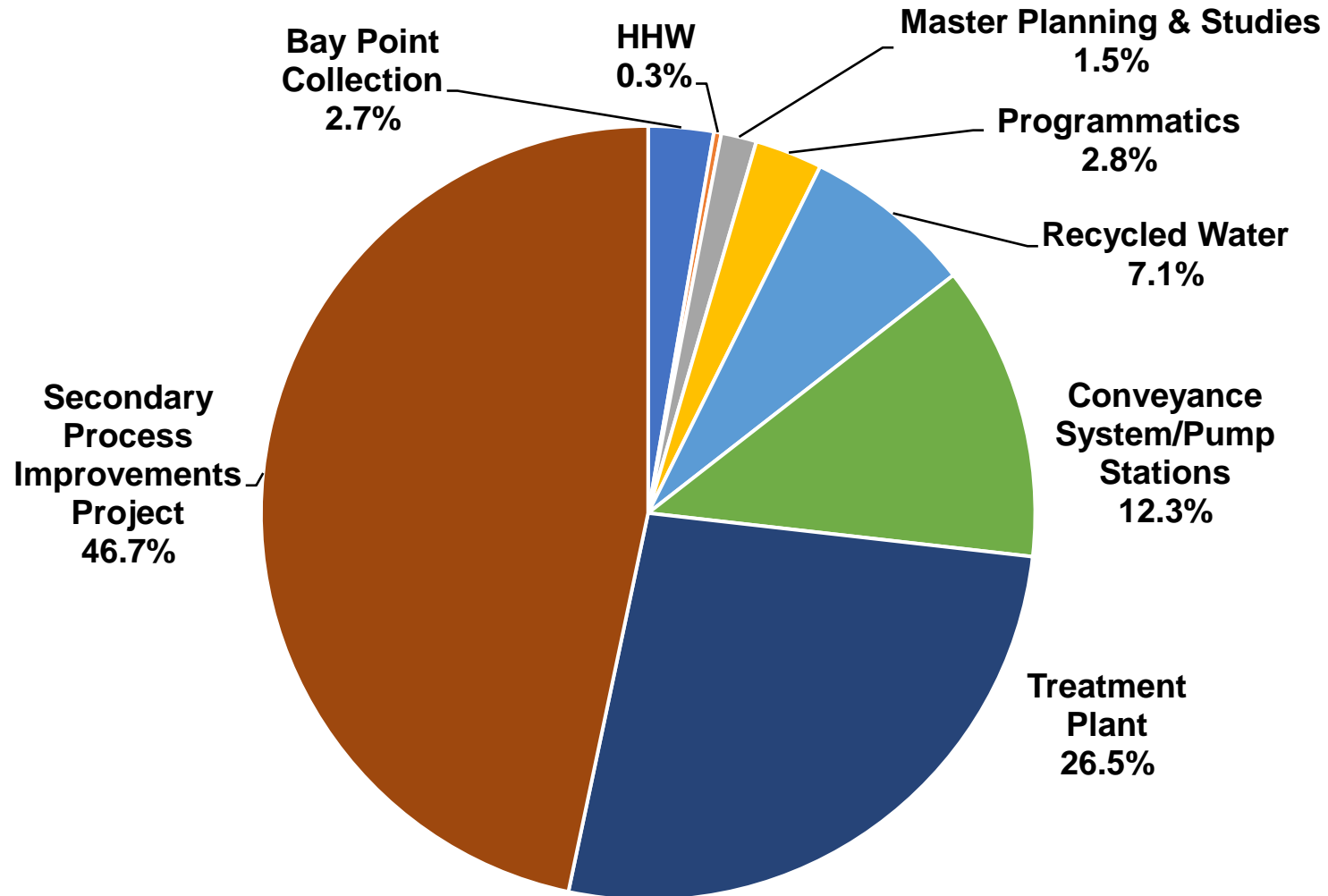
- Total planned 5-year CIP = \$127 million
 - Addressing New Infrastructure Needs, RRFMP condition assessment
 - Investing in Existing Wastewater Infrastructure Renewal
 - Incorporating Secondary Process Improvements Project
 - Ensuring Integrity of Bay Point Collection System
 - Planning for the Future

- FY21/22 CIP Budget Request
 - **Required FY21/22 CIP budget appropriation =** **\$12.9M**

 - Available budget through FY20/21 = \$34.0M
 - Anticipated expenditures in FY20/21 = (\$27.5M)
 - Anticipated remaining budget at end of FY20/21 = \$6.5M
 - Estimated budget not carried forward to FY21/22 = (\$0.7M)
 - Estimated carryover budget for FY21/22 = **\$5.8M**
 - **Estimated FY21/22 CIP expenditures =** **\$18.7M**

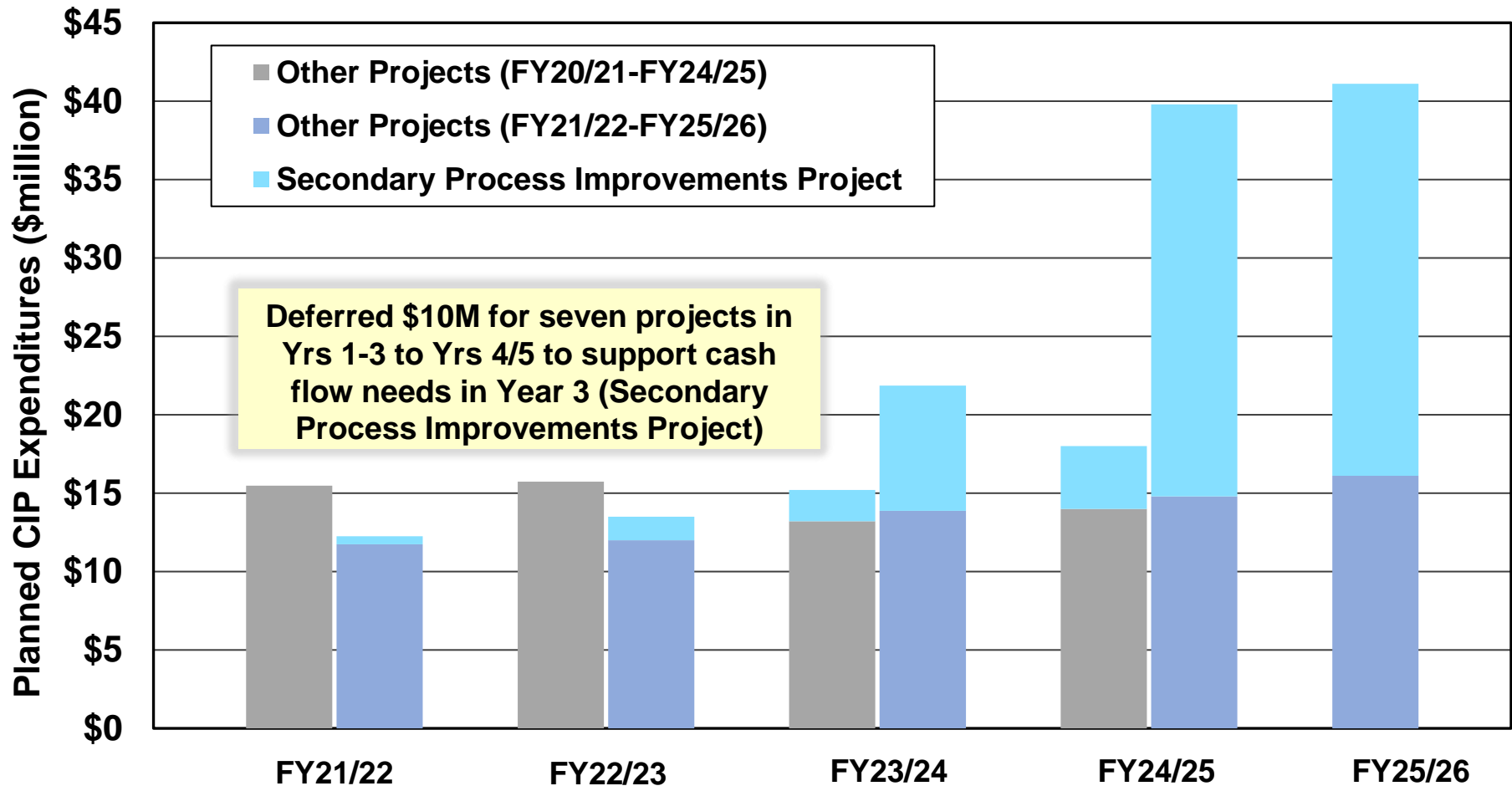
Proposed 5-year CIP Overview

Planned Expenditures by Major Area



Proposed CIP Overview

Planned Expenditures (Cont'd)

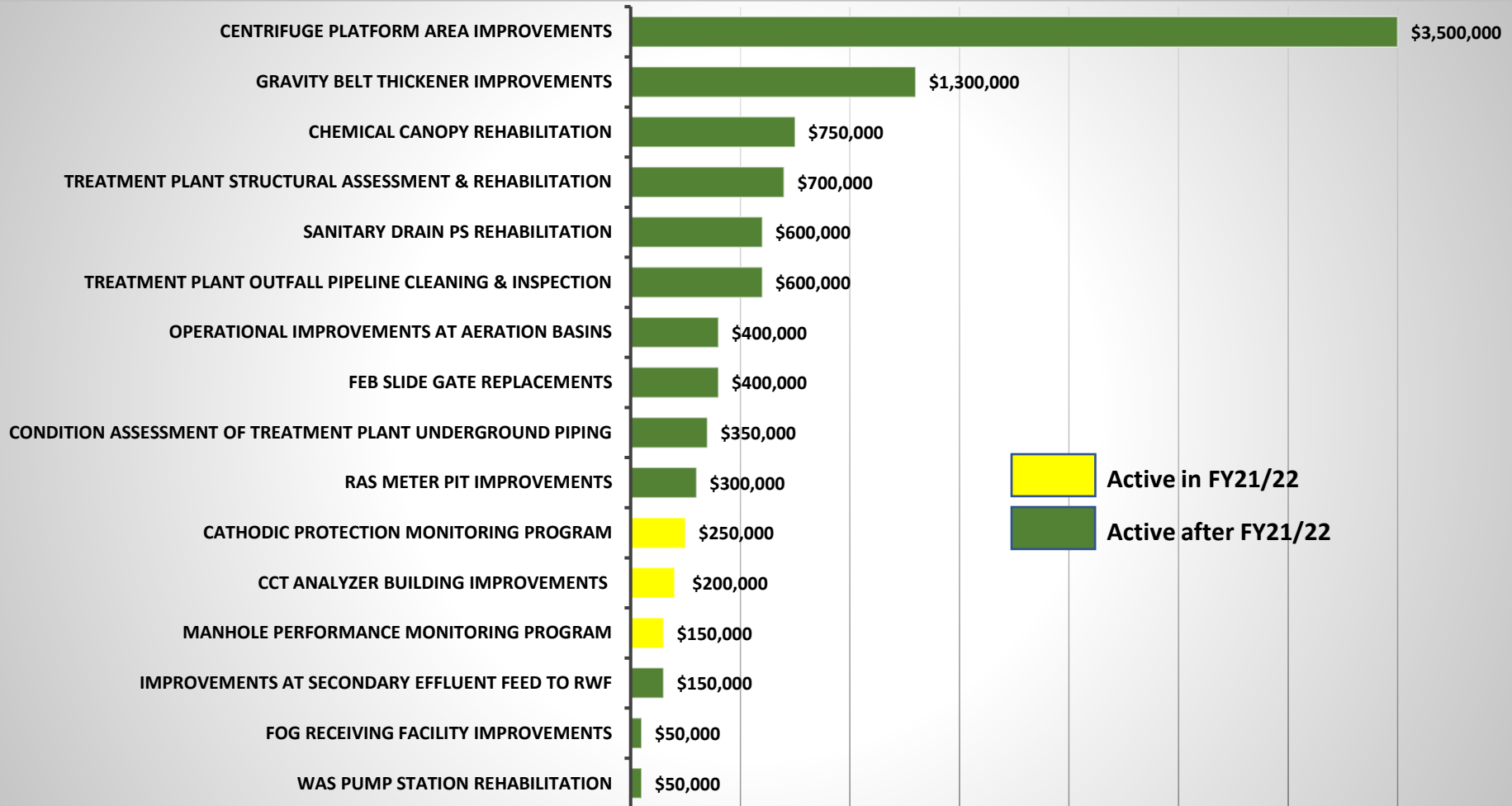


CIP Highlights

Addressing New Infrastructure Needs



- Identified 16 new RRFMP projects within the 5-year CIP = \$10M



CIP Highlights

Investing in Existing WW Infrastructure Renewal



- 79% of the CIP total is allocated to support rehabilitation and/or replacement of existing critical wastewater infrastructure (WW Capital Asset Replacement Fund)

Project	5-Year CIP Cost (\$M)	FY21/22 Budget (\$M)
Antioch Pump Station and Conveyance System Improvements	10.3	-
WWTP Electrical Switchgear Replacement	9.4	3.0
Cogeneration System Improvements	5.0	0.3
Bridgehead Pipeline Replacement	2.0	2.0
Manhole, Gravity Interceptor, and Easement Road Improvements	1.3	0.8

CIP Totals by Major District Fund

Fund	5-year CIP Total (\$M)	% of 5-year CIP Total
Wastewater		
Capital Asset	1.0	0.8
Capital Asset Replacement	100.0	78.7
Expansion	11.7	9.2
Advanced Treatment	4.3	3.4
Recycled Water		
Capital Asset	1.6	1.3
Capital Asset Replacement	3.9	3.1
Expansion	0.2	0.1
Bay Point Collection	3.9	3.1
HHW	0.4	0.3
Total	\$127.0M	100%

CIP Highlights

Secondary Process Improvements



- Address future regulatory compliance vulnerability associated with potential loss of critical infrastructure and treatment capacity
- Ensure compatibility with long-term nutrient management
- Accommodate growth in the District's service area through 2040
- Anticipated Budget Appropriations
 - Planning and Pre-design – FY21/22 \$500,000
 - Design – FY22/23 \$1,500,000
 - Construction – FY23/24 through FY25/26 \$58,000,000
 - \$60,000,000**

CIP Highlights

Ensuring Integrity of BP Collection System



- District owns and operates 43 miles of gravity sewers
 - Unanticipated Bay Point Repairs and Manhole Adjustments
 - \$0.75M included for unanticipated failure of collection system
 - Bay Point Sewer Repairs – Phase 5
 - \$3.0M included to support inspection, repair, and rehab of prioritized segments over the next five years for ongoing compliance with the 2013 River Watch Settlement Agreement

CIP Highlights

Planning for the Future

- Five master planning efforts are included in proposed CIP to identify near- and long-term strategies, needs, and priorities

Description	Cost (\$M)	Schedule
Resource Recovery Facility Master Plan	1.8	Underway
Electrical System Master Plan	0.4	FY24/25
Supervisory Control and Data Acquisition (SCADA) Master Plan	0.5	FY23/24
Biosolids Management Master Plan	0.4	FY25/26
Recycled Water Master Plan Update	0.3	FY23/24

Next Steps

- Receive any comments from Finance Committee Today
- Present proposed CIP to Board and set Public Hearing date 5/12/21
- Conduct Public Hearing to consider CIP adoption 6/9/21
- Print and distribute final 5-year CIP 6/28/21
- Begin implementing approved CIP 7/1/21