

CAPITAL IMPROVEMENT PLAN FISCAL YEAR 2024/25 REVISED BUDGET

Engineering and Operations Committee Meeting

May 2, 2024

Courtney Mael

Chief Engineer

Rochelle Patterson

Chief Financial & Administrative Officer

Mike Alvord

Director of Operations & Maintenance



FISCAL YEAR 2024/25 CAPITAL IMPROVEMENT LIST

Capital Improvement Projects by Category	FY2024/25 Budget
CIP Debt	\$115,302,499
ESFP Improvements	4,310,000
Pipelines & Pipeline Improvements	3,212,000
Pipelines & Pipeline Replacements	13,453,000
Recycled Water Improvements	9,525,000
RVTP Improvements	3,460,000
Tanks & Tank Facility Improvements	30,205,499
Treatment Plant Improvements	3,765,000
Water Resources & Supply	-
Wellhead Treatment Improvements	11,000,000
Wellhead Treatment Improvements- PFAS	25,369,000
Wells & Well Facility Improvements	11,003,000
CIP Pay-Go	\$59,788,830
Admin & Tech	7,459,500
Appurtenance Improvements	710,000
Booster Station/Turnout Improvements	2,339,752
Capital Planning & Studies	6,715,000
Disinfection System Improvements	989,978
ESIPS Improvements	200,000
General Facility Improvements & Replacements	2,050,000
Laboratory Improvements	200,000
Meter & Meter Infrastructure Improvements	7,778,640
Minor Capital	100,000
Pipelines & Pipeline Replacements	12,421,000
Recycled Water Improvements	1,175,000
RVIPS Improvements	1,105,000
RVTP Improvements	275,000
Tanks & Tank Facility Improvements	3,376,000
Technology Improvements	321,485
Treatment Plant Improvements	500,000
Water Resources & Supply	3,675,000
Wellhead Treatment Improvements- PFAS	2,490,000
Wells & Well Facility Improvements	5,457,475
Wells & Well Facility Improvements – PFAS	450,000
Total CIP Projects	\$ 175,091,329

FISCAL YEAR (FY) 2024/25 - PAY-GO

Capital Improvement Projects By Category	Adopted Budget FY 2024/25	Revised Budget FY 2024/25
Admin & Tech	\$ 5,202,500	\$ 7,459,500
Appurtenance Improvements	410,000	710,000
Booster Station/Turnout Improvements	2,141,000	2,339,752
Capital Planning & Studies	5,922,404	6,715,000
Disinfection System Improvements	1,100,000	989,978
ESFP Improvements	1,955,000	-
ESIPS Improvements	100,000	200,000
General Facility Improvements & Replacements	100,000	2,050,000
Laboratory Improvements	125,000	200,000
Meter & Meter Infrastructure Improvements	2,700,000	7,778,640
Pipelines & Pipeline Improvements	2,275,000	-
Pipelines & Pipeline Replacements	11,957,500	12,421,000
Recycled Water Improvements	800,000	1,175,000
RVIPS Improvements	540,000	1,105,000
RVTP Improvements	2,693,000	275,000
Tanks & Tank Facility Improvements	4,332,000	3,376,000
Technology Improvements	300,000	321,485
Treatment Plant Improvements	290,000	500,000
Water Resources & Supply	4,910,400	3,775,000
Wellhead Treatment Improvements - PFAs	203,000	2,490,000
Wells & Well Facility Improvements	7,633,000	5,457,475
Total CIP Pay-Go	\$ 55,689,804	\$ 59,788,830

SOURCES OF FUNDING (DRAFT)

Funding Sources	CIP Pay-Go Funded	CIP Debt Funded
Operating Revenues	\$ 28,345,433	\$ -
Available Funds/ Carryover ¹	25,495,690	-
Retail Capacity Fees	5,947,707	-
Bond Proceeds	-	40,198,393
WIFIA Loan or Reserves ²	-	37,104,106
Whittaker-Bermite Judgement ³	-	28,000,000
SWRCB Loan	-	10,000,000
	\$ 59,788,830	\$ 115,302,499

¹FY 24/25 Carryover available from prior year

²WIFIA or Reserves

³Whittaker-Bermite Judgement (TBD)

ENGINEERING CIP OVERVIEW - PAYGO

Capital Improvement Projects	Adopted Budget FY 2024/25	Revised Budget FY 2024/25
Vista Canyon Bridge Crossing	\$0	\$3,000,000
Smyth Drive Water Line Improvements	1,200,000	2,400,000
Deane Tank (One 2.08 MG Tank) @ Skyline Ranch	100,000	2,000,000
LARC Pipeline	250,000	1,500,000
External Agency Mandates – Pipeline Relocations	1,000,000	1,000,000
Wells 206 & 207 Groundwater Treatment Improvements - PFAS	250,000	1,000,000
Total of other Projects Less than \$1M	8,202,500	10,537,000
Total Engineering Capital Projects - Pay-Go	\$11,002,500	\$21,437,000

VISTA CANYON PIPELINE ACROSS NEW BRIDGE

Construction

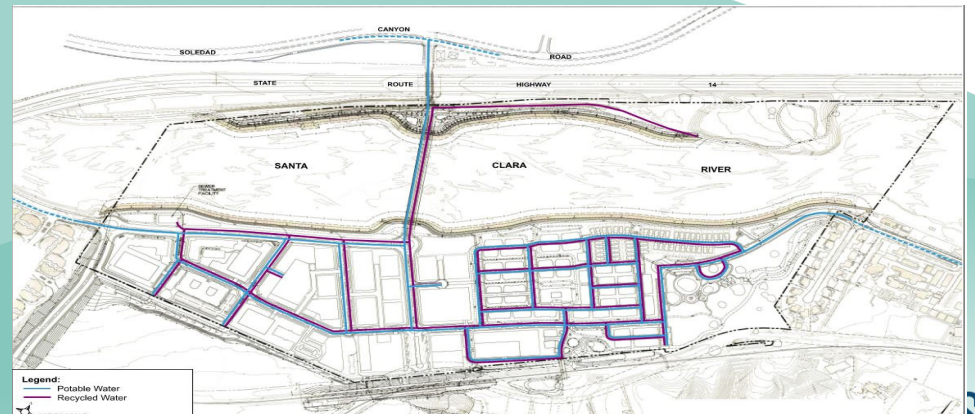
- Construction coordinated with City
- 900 feet of 16-inch Ductile Iron Pipe across Bridge
- 1,500 feet overall pipeline length to Soledad Canyon Road
- Open cell for future recycled water line

Funding

- Capacity Fee Credits from Developer
- Reimbursement Agreement with City

Benefits

- Water Supply Reliability



GROUNDWATER TREATMENT IMPROVEMENTS



Planning / Design

- Groundwater Treatment for Wells 206/207

DEANE ZONE IMPROVEMENTS

Construction

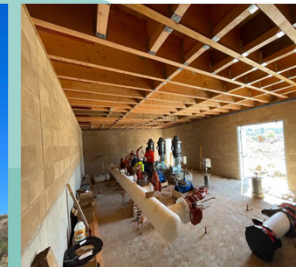
- 2.08 MG Tank @ Skyline Ranch
- 2.08 MG Tank for Sand Canyon Plaza (Debt)
- Pump Station @ Skyline Ranch
- Pump Station/Pipelines @ Sand Canyon Plaza (Debt)

Funding

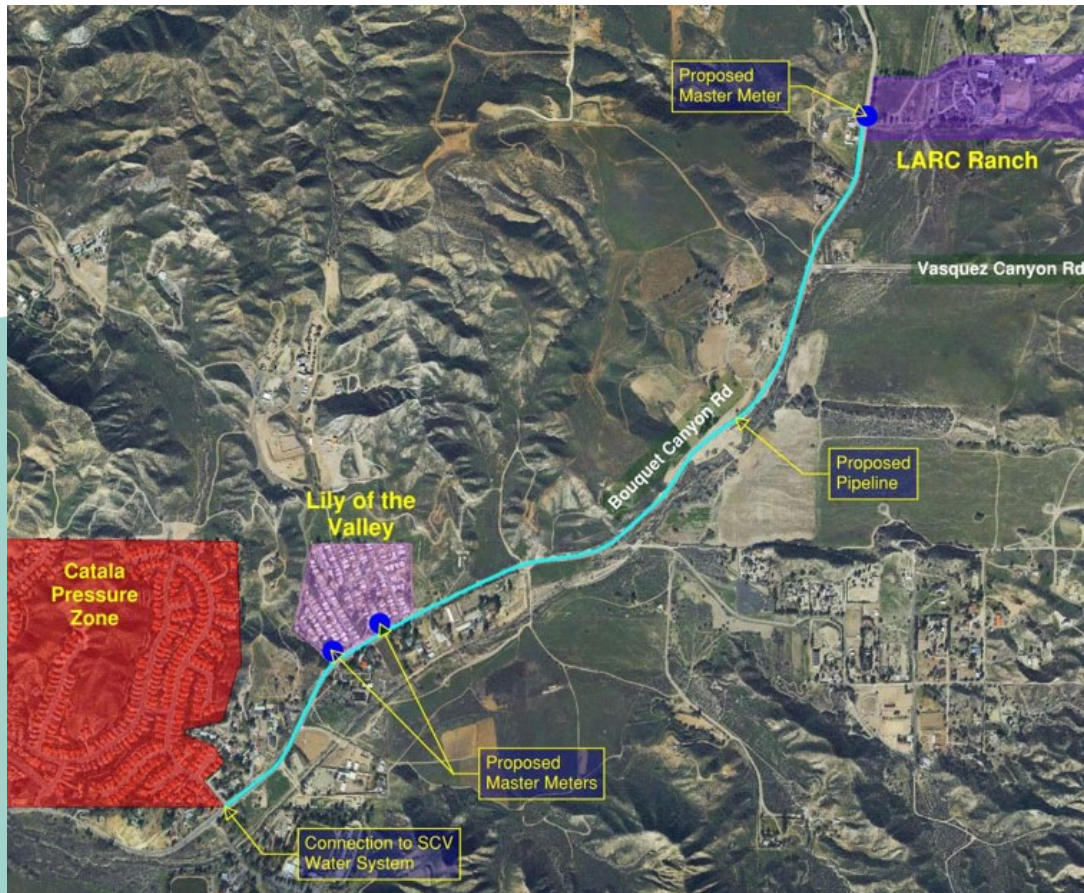
- Developer pays their fair share of facilities plus facility capacity fees
- Capacity Fees fund a portion of CIP for new system capacity

Benefits of Participation

- Developer contributed land
- Developer conducted environmental review (CEQA)
- Economies of scale for design & construction
- Addresses deficiencies in existing system



LOS ANGELES RESIDENTIAL COMMUNITY (LARC) PIPELINE



Funding

- \$3.9M Grant for 8-inch pipeline
- \$1.5M FY24 for upsue to 12-inch pipeline for existing residents
- Capacity Fees for new residential meters

Construction

- 12-inch ductile iron pipeline extends 9,600 feet to LARC
- Master Meters will serve LARC & Lily of the Valley
- Onsite Pump Station at LARC

ENGINEERING & OPERATIONS - PAY-GO/DEBT PIPELINE IMPROVEMENTS AND REPLACEMENTS

Capital Improvement Projects	Adopted Budget FY 2024/25	Revised Budget FY 2024/25
Debt	\$20,039,000	\$16,665,000
Pipelines & Pipeline Rehabilitation Program	2,275,000	3,212,000
Castaic Conduit	8,080,000	3,000,000
Sand Canyon Sewer Line Relocation	1,056,000	2,500,000
Abdale Street, Maplebay Court & Beachgrove Court Water Line Improvements	1,400,000	2,000,000
Valencia Marketplace Pipeline Replacement	1,000,000	2,000,000
Pipeline Relocation Program	6,000,000	2,000,000
Total of other Pipeline Projects Less than \$1M	228,000	1,953,000
Pay-Go	\$ 4,632,500	\$ 12,421,000
Vista Canyon Bridge Crossing	-	3,000,000
Smyth Drive Water Line Improvements	1,200,000	2,400,000
LARC Pipeline	250,000	1,500,000
External Agency Mandates - Pipeline Relocations	1,000,000	1,000,000
Total of other Pipeline Projects Less than \$1M	2,182,500	4,521,000
Total Pipeline Improvements and Replacements	\$24,671,500	\$ 29,086,000

PIPELINE IMPROVEMENTS & REPLACEMENTS

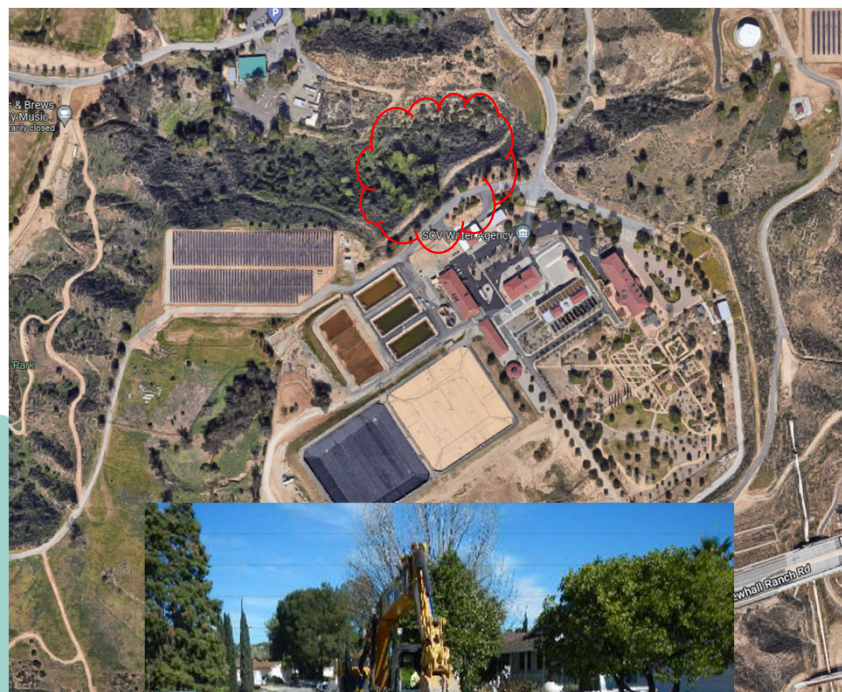
Planning/Design:

- RVTP Sewer
- Sand Canyon Sewer

Construction:

- Smyth Drive (PVC)
- Abdale St/Maplebay Ct/Beachgrove Ct)
- Valencia Marketplace (PVC)
- McBean Pkwy (Henry Mayo Hospital) (ACP)
- Vasquez Pipeline (Trailer Park) (PVC/ACP)

Total miles of pipe = ~920



PIPELINE IMPROVEMENTS & REPLACEMENTS



TDOMS Projects

Design/Construction:

- Newhall Ave (Market to RxR)
- Vasquez Canyon/Gaspe Street
- Simay Lane
- Via Princessa/Weyehauser
- Wiley Elementary (Powell St)

Total miles of pipe = ~920





OPERATIONS CIP OVERVIEW

- Require limited engineering support
- Consist of several general categories, each with specific individual projects
- A portion of each budget is held for unforeseen failures and unexpected projects

OPERATIONS CIP OVERVIEW - PAY-GO

Capital Improvement Projects	Adopted Budget FY 2024/25	Revised Budget FY 2024/25
Meter & Meter Infrastructure Improvements & Replacements	\$2,700,000	\$7,778,640
Wells & Well Facility Improvement Program	675,000	4,057,475
Rio Vista Intake Pump Station Improvements	540,000	1,105,000
Booster Station Improvement and Replacement	750,000	1,039,752
Disinfection System Improvements & Replacements	1,100,000	989,978
Appurtenance Improvements	410,000	710,000
SCADA Improvements & Replacements	300,000	321,485
Earl Schmidt Intake Pump Station Improvements	100,000	200,000
Laboratory Improvements & Replacements	125,000	200,000
Total Operations Capital Projects - Pay-Go	\$6,700,000	\$16,402,330

Slide 14

EA0 Darine to add adopted budget column
Elizabeth Adler, 2024-04-24T00:15:42.404

DC0 0 [@Elizabeth Adler] This slide has been updated. Thank you!
Darine Conner, 2024-04-24T16:59:00.186



STORAGE TANK IMPROVEMENTS & REPLACEMENTS

111* Total Storage Structures

*Includes RW, clear wells, concrete reservoir and plant water tank

Improvement Criteria

- 3 – 5 Year Inspections

Key Projects

- Ridge Route
- Briardale
- Placerita Cyn 1

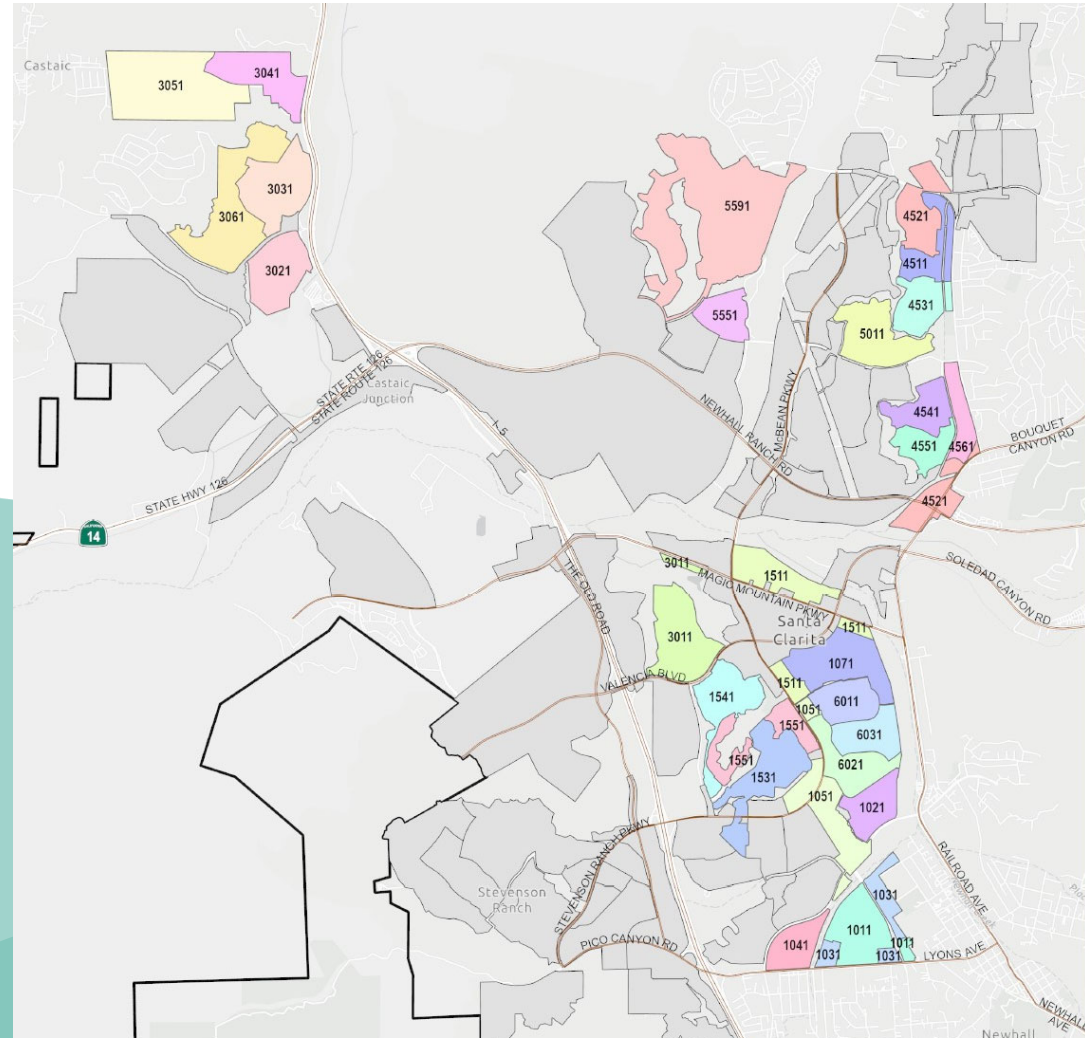
METER IMPROVEMENTS & REPLACEMENTS

Meter Replacement Criteria

- Age
- Volume
- Read Style

AMI Target Areas

- Grant proposed area – ~12,000
- General replacements – ~800





WELL IMPROVEMENTS & REPLACEMENTS

55* Total Wells

*Includes inactive, standby, non-potable

Well Rehabilitation Criteria

- Specific capacity
- Production
- Age
- PFAS Treatment

Key Projects

- Saugus 1
- Saugus 2
- Guida

ADMINISTRATION, TECHNOLOGY & FLEET - PAY-GO

Capital Improvement Projects	Adopted Budget FY 2024/25	Revised Budget FY 2024/25
Technology Improvements and Replacements	\$3,035,000	\$4,609,500
Equipment and Vehicle Resilience Improvements	1,900,000	2,000,000
HCM Implementation - Phase 1	675,000	-
Office Improvements - Various	1,250,000	2,850,000
Total Administration, Technology & Fleet - Pay-Go	\$ 6,860,000	\$ 9,459,500

WATER RESOURCES - PAY-GO

Capital Improvement Projects	Adopted Budget FY 2024/25	Revised Budget FY 2024/25
Battery Energy Storage Project - Rio Vista Water Treatment Plan	\$ -	\$ 1,200,000
BVRRB Storage and Recovery Program	3,400,000	3,400,000
Deep Monitoring Wells (GSA)	2,500,000	1,300,000
Devil's Den Property Solar Project	100,000	100,000
Invasive Species Management Program	279,575	-
New Water Banking Program (AVEK/Mid Valley/Rosedale)	750,000	250,000
Pinetree Recharge Facility Project – Planning and Design	-	500,000
Recycled Water Program Phase II, 2D - West Ranch Customer Conversion	500,000	700,000
Resiliency Water Master Plan Implementation	1,025,000	1,065,000
Sites Reservoir	900,000	900,000
Solar Array Improvements and Replacements Program	150,000	300,000
Update Water Conservation and Education Garden	2,000,000	2,000,000
Water Demand Factor Software Development	75,000	75,000
WaterSMART Targets Software Development	100,000	100,000
Yuba Accord Water	1,217,829	500,000
Total Water Resources - Pay-Go	\$ 12,997,404	\$12,390,000

FY2024/2025 - DEBT FUNDED

Capital Improvement Projects by Category	Adopted Budget FY 2024/25	Revised Budget FY 2024/25
Capital Planning & Studies	\$ 1,700,000	\$ -
ESFP Improvements	-	4,310,000
Pipelines & Pipeline Improvements	-	3,212,000
Pipelines & Pipeline Replacements	8,955,000	13,453,000
Recycled Water Improvements	10,101,000	9,525,000
RVTP Improvements	-	3,460,000
Tanks & Tank Facility Improvements	33,650,000	30,205,499
Treatment Plant Improvements	550,000	3,765,000
Wellhead Treatment Improvements	11,588,000	11,000,000
Wellhead Treatment Improvements-PFAS	25,135,000	25,369,000
Wells & Well Facility Improvements	1,100,000	11,003,000
Total CIP Debt Funded	\$ 92,779,000	\$ 115,302,499

BOND/LOAN CIP FUND SUMMARY (DRAFT)

	Adopted Budget FY 2023/24	Projected Year End FY 2023/24	Revised Budget FY 2024/25
Fund Balance, Beginning	\$ 18,071,470	\$ 75,000,000	\$ 39,410,189
REVENUES			
Bond Proceeds	75,000,000	-	-
SWRCB Loan		-	10,000,000
WIFIA Loan/Settlement Proceeds		-	65,104,106
Grant Reimbursements	-	-	-
Investment Revenues	375,000	1,384,174	788,204
Total Revenues	\$ 75,375,000	\$ 1,384,174	\$ 75,892,310
EXPENDITURES			
Capital Projects*	(41,981,000)	(36,973,985)	(115,302,499)
Total Expenditures	\$ (41,981,000)	\$ (36,973,985)	\$ (115,302,499)
Available Fund Balance, Ending	\$ 51,465,470	\$ 39,410,189	\$ -

WATER INFRASTRUCTURE FINANCE AND INNOVATION ACT (WIFIA) LOAN PROGRAM

- 60+ Projects
- 10-year Master Agreement
- \$713 million WIFIA Eligible Projects
 - \$351 million WIFIA Funded (49%)
 - \$362 million Agency Funded (51%)
- Lower interest rates than traditional financing
- Flexible repayment terms

What is WIFIA?

Designed to accelerate investments through long-term, low-cost loans to deliver critical water projects across the country.



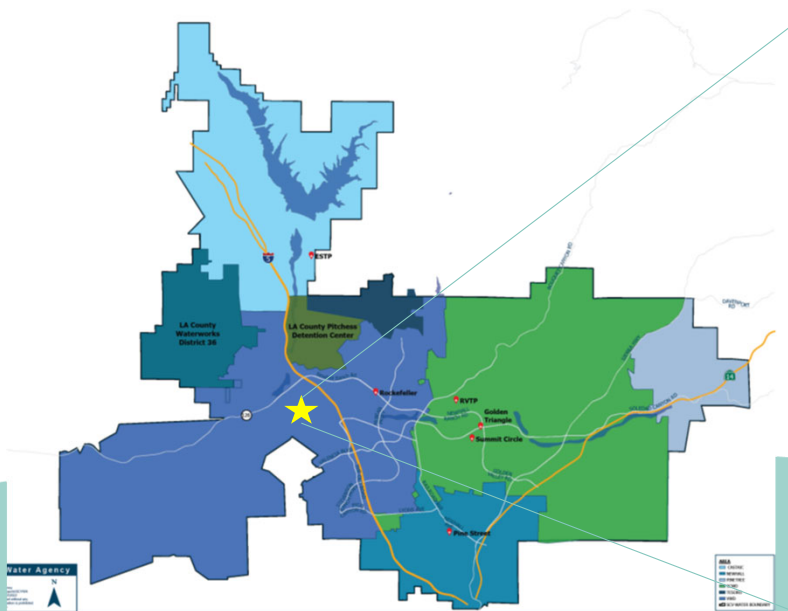
ENGINEERING & WATER RESOURCES CIP - DEBT

Capital Improvement Projects	Adopted Budget FY 2024/25	Revised Budget FY 2024/25
Additional Wells (T7, U4, U6) (includes S1&S2 Wells VOC Treatment & Flexextend)	\$10,000,000	\$16,700,000
Backcountry (fka Magic Mountain) Reservoir	23,260,000	13,200,000
Well 205 (Perchlorate)	8,750,000	11,000,000
Backcountry (fka Magic Mountain) Pump Station	9,340,000	10,000,000
Recycled Water Program Phase II, 2C - South End Backbone Reach 1	7,500,000	7,500,000
S Wells (S6, S7 and S8)	11,200,000	6,750,000
Saugus 3 & 4 Replacement Wells	4,458,000	5,400,000
Deane Tanks - Nimbus Deane Tank 2 for Sand Canyon Plaza	1,000,000	5,000,000
Well 201 VOC Groundwater Treatment Improvements	2,838,000	4,603,000
Castaic Conduit	8,080,000	3,000,000
Sand Canyon Sewer Line Relocation	1,056,000	2,500,000

ENGINEERING & WATER RESOURCES CIP - DEBT (CONT'D)

Capital Improvement Projects	Adopted Budget FY 2024/25	Revised Budget FY 2024/25
Abdale Street, Maplebay Court & Beachgrove Court Water Line Improvements	\$1,400,000	\$2,000,000
Newhall (fka Saugus) Wells (N11, N12, N13) Groundwater Treatment Improvements	550,000	2,000,000
Pipeline Relocation Program	6,000,000	2,000,000
Valencia Marketplace Pipeline Replacement	1,000,000	2,000,000
RVWTP Underground Storage Tank Replmt	290,000	1,765,000
E Wells (E-14, E-15, E-16, E-17) Treatment	985,000	1,491,000
Recycled Water Pump Station PS-1 Upgrades	1,200,000	1,350,000
Total of other Projects Less than \$1M	5,764,400	4,056,000
Total Engineering & Water Resources Capital Projects - Debt	\$104,671,400	\$102,315,000





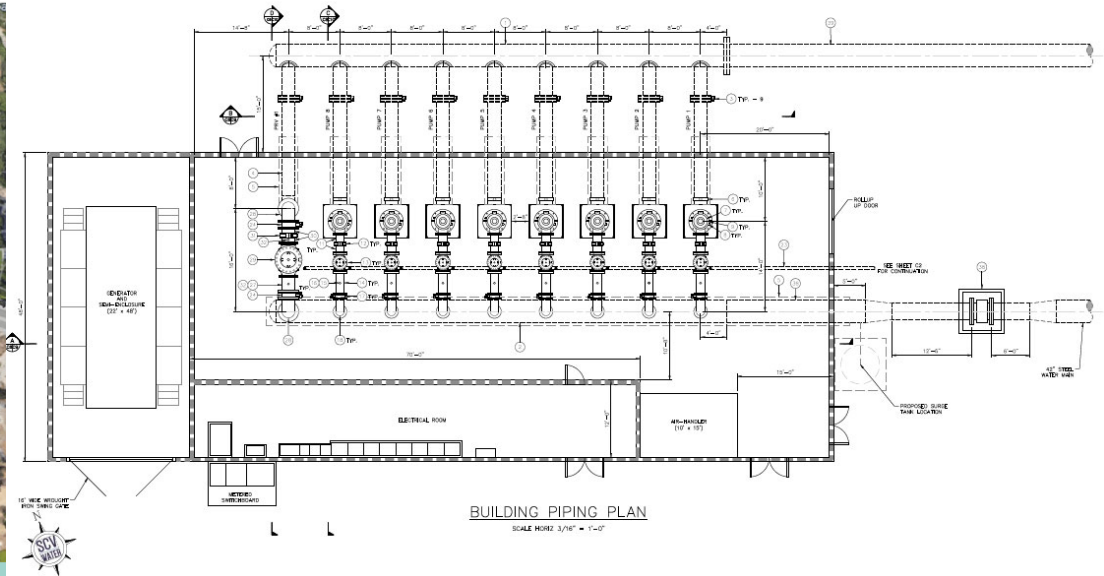
BACKCOUNTRY (FKA MAGIC MOUNTAIN) RESERVOIR

Design and Construction

- Construct large storage reservoir at the western portion of Agency service area
- Facilities designed to maintain appropriate residuals and turn over water

Project Details

- Construction of a concrete Reservoir with a nominal capacity of 9 MG (Operational Volume 7.73 MG)
- Reservoir mixers and residual management system



BACKCOUNTRY (FKA MAGIC MOUNTAIN) PUMP STATION

Design and Construction

- Construct Pump Station and Pipelines to distribute and water to Zone I and Zone IIA-N

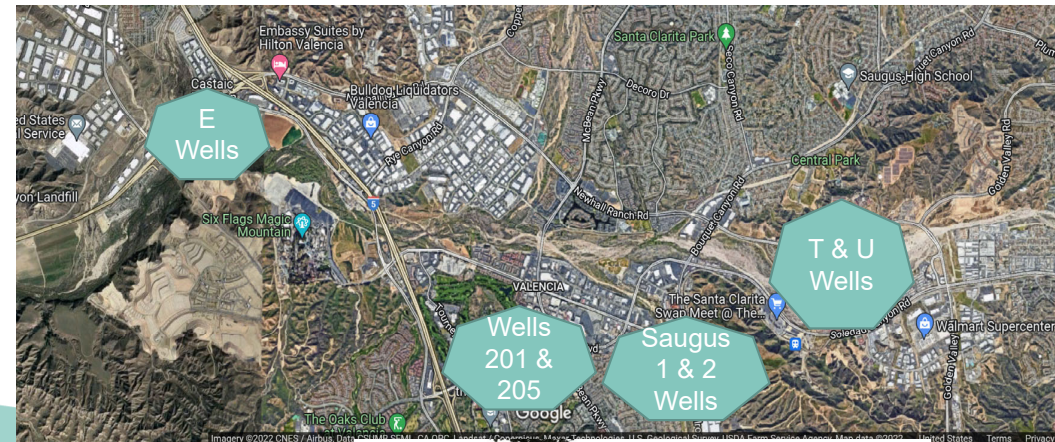
Project Details

- Construction of a 24,000 gpm Pump Station
- Pump station primary function to flow water east to west toward Backcountry Reservoir
- Design will also include provisions to flow water west to east

GROUNDWATER TREATMENT IMPROVEMENTS

Construction

- Well 201
- Well 205
- T7, U4, U6 Wells PFAS Treatment and Saugus 1 and 2 Wells VOC Treatment



Planning and Design

- S Wells
- E Wells
- Newhall Wells (N11, N12, N13)
- North Oaks Wells, Sierra Well, Clark Well, Wells 206/207, W9, W10, & D



Well 201 Groundwater Treatment

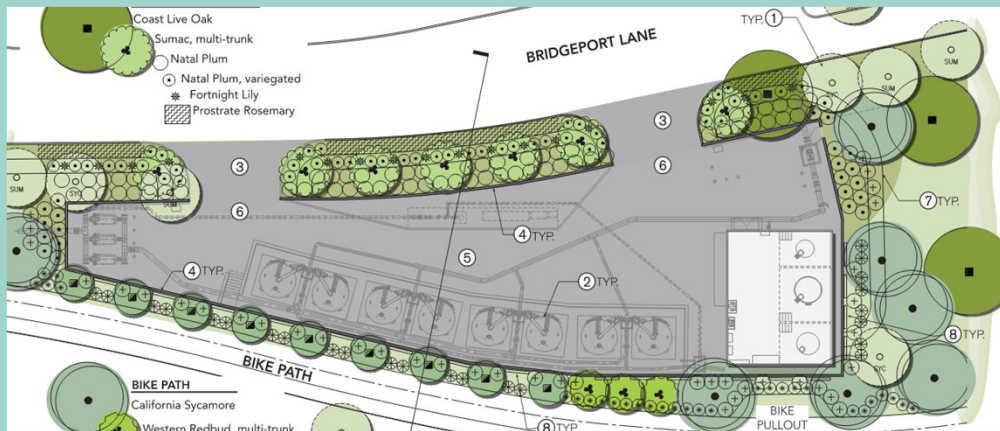
GROUNDWATER TREATMENT IMPROVEMENTS

Project Details

- Construct treatment facilities for various Wells.
- Well 201 production up to 3,225 AFY
- Well 205 production up to 4,350 AFY
- Wells T7,U4,U6 restore production up to 5,500* AFY
- **Total production of approximately 13,075 AFY**



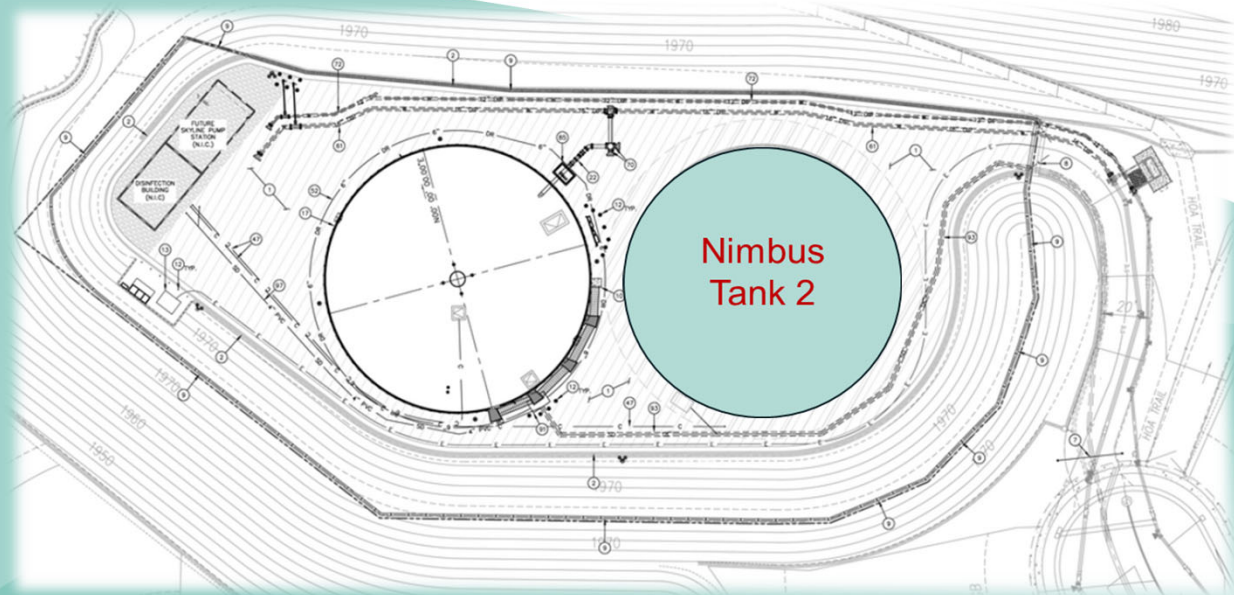
T&U PFAS & Saugus 1 and 2 VOC Treatment



S Wells PFAS Treatment

NIMBUS DEANE ZONE TANK 2 SAND CANYON PLAZA

- 2nd 2.08 MG Prestressed Concrete Tank
- Sand Canyon Plaza Developer pays their fair share of facilities plus facility capacity fees
- Capacity Fees fund a portion of CIP for new system capacity



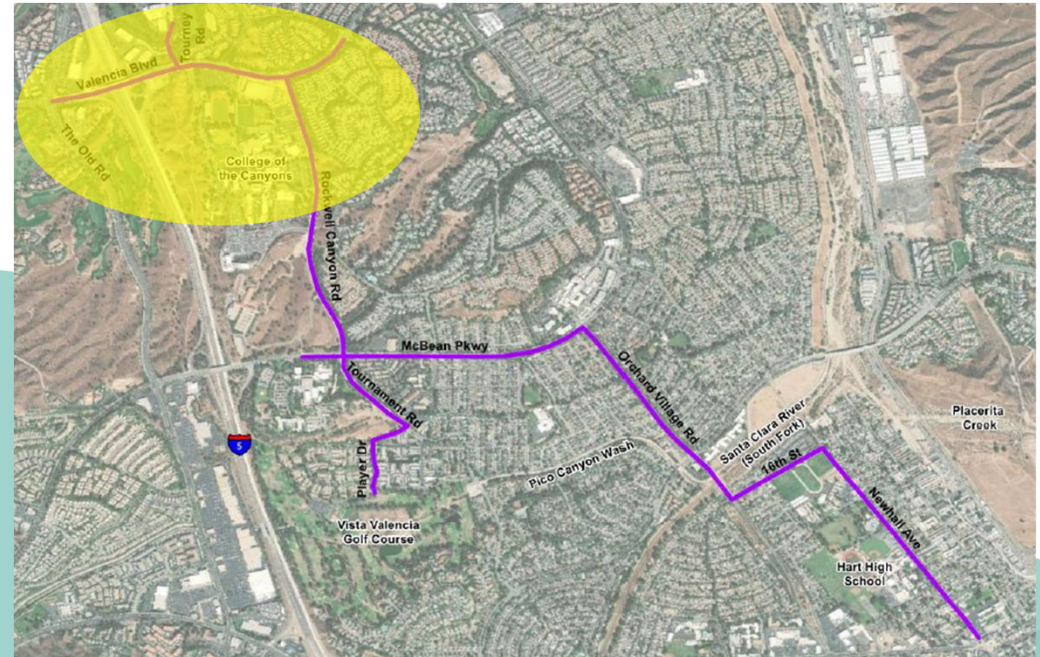
RECYCLED WATER IMPROVEMENTS

Design and Construction

- Upgrade the existing recycled water electrical components at the Valencia Water Reclamation Plant
- Expand the recycled water system to the College of the Canyons.

Project Details

- Install recycled water pipelines from Valencia Boulevard and The Old Road Intersection to the College of the Canyons (highlighted in yellow).



SAUGUS WELLS 3 & 4

Construction

- New Wells drilled in the Saugus Formation
- These wells are replacing other wells impacted by PFAS
- Saugus Well # 3 is completed
- Currently reaming borehole for Saugus Well #4.

Project Details

- Drilling New wells estimated at 2,000 gpm each
- Total of approximately 6,500 AFY
- Associated pipelines installation



CASTAIC CONDUIT PIPELINE

Design and Construction

- Construct approximately 7,958 feet of 54-inch diameter Castaic Conduit Pipeline along Newhall Ranch Road, Avenue Tibbitts, Avenue Mentry, Avenue Rockefeller, Avenue Scott, and McBean Parkway.



Castaic Conduit Pipeline Alignment

RVWTP UNDERGROUND STORAGE TANK REPLACEMENT

Construction

- Replace existing underground storage tank that provides diesel fuel storage for the standby generator at the Rio Vista Water Treatment Plant (RVWTP). Construction will be completed October 2024

Project Details

- Existing underground storage tank in-service for about 25 years and industry average lifespan is 20 years.
- Remove existing 8,000-gallon underground storage tank and install new above ground 8,000-gallon diesel fuel storage tank
- Provide temporary fuel during construction to keep the standby generator operational

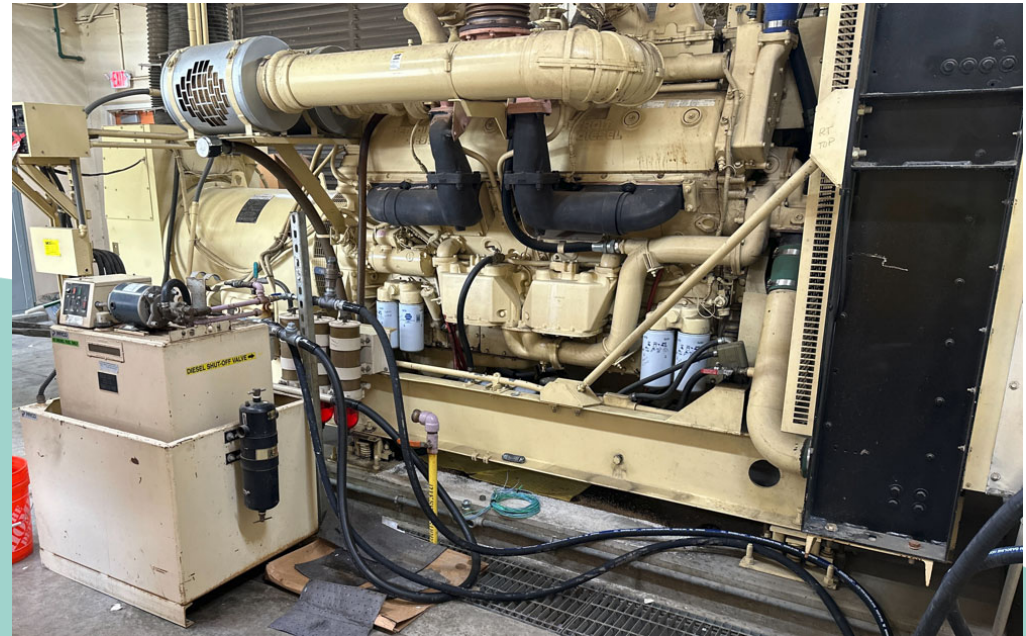


Photo (above): Generator day tank temporarily relocated to avoid timely and unplanned emergency generator outages