



February 21, 2024

TO: Utilities Advisory Committee

FROM: Ron Munds, General Manager

SUBJECT: **Agenda Item 5– 02/21/2024 UAC Meeting**
Fiscal Year 2024-25 Capital Improvement Plan Project List
Review

STAFF RECOMMENDATION

Provide input and direction to staff.

DISCUSSION

Staff is currently reviewing the 5-Year Capital Improvement Plan (CIP) in preparation for the development of the Fund 500 2024-25 fiscal year budget. As a refresher, the projects identified in the plan are from the District's Water Master Plan developed in the early 2000's. The plan is dynamic in that it has changed as priorities change from year to year. For instance, the SCADA project was scheduled to be implemented 2022-23 fiscal year but was delayed in order to rehabilitate the north and south 16th Street water tanks. Also, staff is trying to adjust project implementation timelines to balance cashflow needed for operational requirements and account for escalating CIP project costs associated with supply chain issues and inflation over the past two years.

Attached to this report is the current 5-year CIP Plan. Because of the increased cost of the Program C Well Project, there will be a need to defer projects to a future year or modify the scope of work for projects slated for construction in 2024-25. It is the District's goal to spend approximately \$1.5 million (plus or minus) a year on projects. Because of the significant increase in the Program C Well Project costs, the fiscal year 2024-25 costs are about \$1 million over this threshold. The District did receive a \$1.5 million grant from the Department of Water Resources for the Program C Well Project which has notably helped the financial position of Fund 500. That said, staff will be looking at ways to reduce the CIP budget for the upcoming budget. The following table shows the project currently slated for the 2024-25 fiscal year.

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LOCS D Water Capital Improvement Projects Listing			
TITLE	DESCRIPTION	CIP \$ Estimate	24/25
Supplemental Water Well (Lower Aquifer)	Program C Eastern Well - Bayridge Site approved; Pipeline project will elevate total cost	\$3.1 million \$1.5 million grant Extension 12/31/2025	\$960,000
Water Yard Building - Remodel	Remodel existing building making it ADA compliant and brighten up the environment	\$100,000	\$100,000
SCADA System Upgrade for Water and Drainage	Design/Construction of SCADA System	\$300,000 FY20-21; \$1,000,000 proposal; \$750,000 Water	\$325,000
10th Street Tank Interior Coating	10th Street tank will need recoating on the interior of the tank.	\$150,000	\$150,000
Water Department Heavy Equipment Storage	Construct a 3-sided storage bay to protect heavy equipment. Add paving cost for foundation.	\$100,000	\$100,000
Main Line Valve Replacements	Distribution system main line valves that are inoperable, very sticky, and sticky. 66 total	\$560,000	\$560,000
El Moro Upgrade	New Pipe- Distribution loop in main zone	\$350,000	\$350,000
Total \$			\$2,545,000

Some ideas that staff are looking at to reduce the CIP costs are:

- Prioritizing the condition of the main line valves and phasing the replacements over a 2-to-3-year period
- Deferring the El Moro pipeline upgrade to fiscal year 2027-28
- Deferring the water yard building remodel to fiscal year 2027-28
- Deferring the heavy equipment storage structure fiscal year 2025-26

Staff would like for the UAC to review the proposed projects and ask questions and provide any input that you may have.

Attachment

5-year Capital Improvement Plan

LOCS D Water Capital Improvement Projects Listing

TITLE	DESCRIPTION	CIP \$ Estimate	23/24	24/25	25/26	26/27	27/28
Supplemental Water Well (Lower Aquifer)	Program C Eastern Well - Bayridge Site approved; Pipeline project will elevate total cost	\$3.1 million \$1.5 million grant Extension 12/31/2025	\$960,000	\$960,000			
Water Yard Building - Remodel	Remodel existing building making it ADA compliant and brighten up the environment	\$100,000		\$100,000			
SCADA System Upgrade for Water and Drainage	Design/Construction of SCADA System	\$300,000 FY20-21; \$1,000,000 proposal; \$750,000 Water		\$325,000	\$325,000	\$100,000	
16th Street North Tank	Interior & Exterior repair and coating + Fill line	\$364,560 + \$55K	\$700,000				
18th Street/Paso Robles Loop Upgrade	Distribution system loop in boosted zone- pipe project	\$75,000			\$75,000		
Santa Maria Loop & 18th Street Upgrade	Distribution system loop in boosted zone- pipe project	\$175,000			\$175,000		
18th Street/Ramona Loop Upgrade	Distribution system loop in boosted zone- pipe project	\$97,650			\$97,650		
18th Street/South Bay Loop (Ends on Santa Ysabel)	Distribution system loop in boosted zone - pipe project	\$75,000			\$75,000		
10th Street Tank Interior Coating	10th Street tank will need recoating on the interior of the tank.	\$150,000		\$150,000			
South Bay Lower Well Rehab and Relining project	New project, the well will need to be fully rehabbed and a liner installed to prolong the life of the well	\$65,000	\$65,000				
Vehicle Replacement	Replace 2000 Ford F450 Dump Bed ZEV Exemption low mileage	\$54,426 + \$10,000 for bed					
Vehicle Replacement	Replace 2015 Ford F350 Super Duty must be ZEV	\$54,690			\$54,690		
Water Department Heavy Equipment Storage	Construct a 3-sided storage bay to protect heavy equipment. Add paving cost for foundation.	\$100,000		\$100,000			
Main Line Valve Replacements	Distribution system main line valves that are inoperable, very sticky, and sticky. 66 total	\$560,000		\$560,000			
Ferrell Avenue Loop Upgrade	Distribution system loop in main zone- pipe project	\$175,000				\$175,000	
12th Street/El Moro Upgrade	Distribution loop in main zone/fire flow upgrade- new pipe	\$250,000				\$250,000	
14th Street Dead-End Upgrade	Upgrade pipe- improve fire flow to residential zone	\$125,000			\$125,000		
7th Street Dead-End Upgrade	Upgrade pipe- from Santa Ysabel going North	\$50,000				\$50,000	

LOCS D Water Capital Improvement Projects Listing

TITLE	DESCRIPTION	CIP \$ Estimate	23/24	24/25	25/26	26/27	27/28
El Moro Upgrade	New Pipe- Distribution loop in main zone	\$350,000		\$350,000			
12th Street/Santa Paula Ave Dead End upgrade	Distribution loop in main zone. 4" to 8" on 12th between Santa Ysabel and Santa Paula & on Santa Paula west from 12th St	\$200,000			\$200,000		
14th/15th and Santa Paula Ave upgrade	Fire flow upgrade; 4" to 8" main on 14th St from Santa Ynez to Santa Paula Ave; 6" to 8" main on 15th from Santa Ysabel to Santa Paula	\$330,000			\$330,000		
11th/Santa Maria main line upgrades	Distribution loop in main zone/school fireflow Santa Maria from 14th to 11th 6" to 12"; Santa Maria from 11th to 10th 8" to 12"; 11th from Santa Maria to El Moro ave 6" to 10"	\$560,000				\$560,000	
3rd/Pismo Upgrade	Distribution loop in gravity zone; 3rd Street from El Moro to Pismo Ave and Pismo from 3rd to 4th 6" to 10" upgrade	\$432,100				\$432,100	
4th/Ramona Upgrade	Distribution loop in gravity zone; 4th from Pismo to Ramona and on Ramona from 4th to 5th 6" to 10" upgrade	\$265,000				\$265,000	
Ramona Upgrade	Distribution loop in gravity zone; Ramona from 6t to 8th and Ramona from 9th to 10th 6" to 10" upgrade	\$251,000			\$251,000		
Total \$			\$1,725,000	\$2,545,000	\$1,708,340	\$1,832,100	