

Budget Update

Fiscal Year 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 Year
July 1, 2025 through June 30, 2026*



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

PRESENTED TO

**Orange County Sanitation District
California**

For the Biennium Beginning

July 01, 2024

Christopher P. Morill

Executive Director

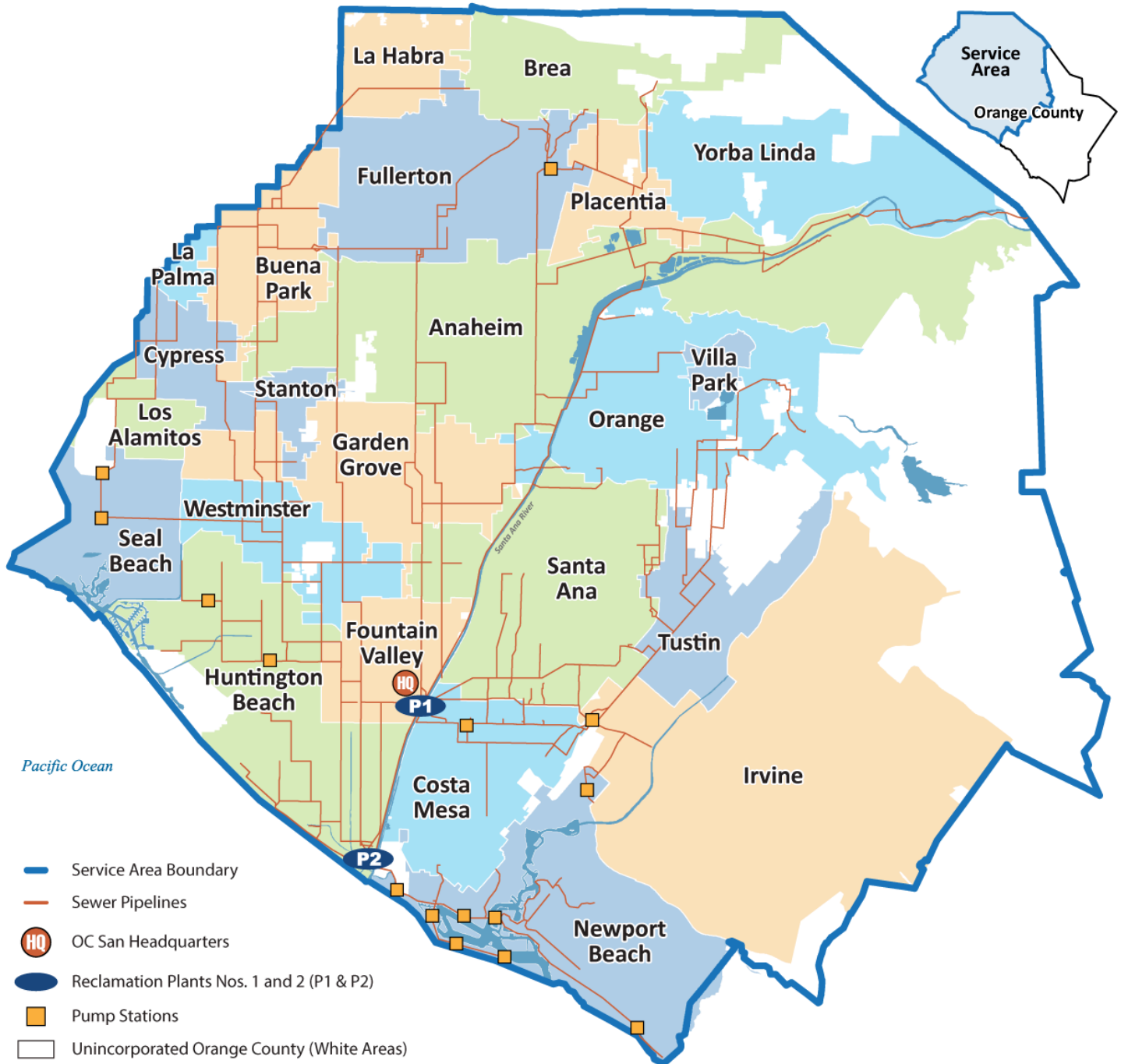
The Government Finance Officers Association of the United States and Canada (GFOA) presented a Distinguished Budget Presentation Award to the Orange County Sanitation District, California, for its biennial budget for the biennium beginning July 1, 2024.

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.

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



OC SAN BOARD OF DIRECTORS

Cities	Active Director
Anaheim	Carlos A. Leon
Brea	Christine Marick
Buena Park	Joyce Ahn
Cypress	Scott Minikus
Fountain Valley	Glenn Grandis
Fullerton	Jamie Valencia
Garden Grove	Stephanie Klopfenstein
Huntington Beach	Pat Burns
Irvine	Melinda Liu
La Habra	Jose Medrano
La Palma	Debbie Baker
Los Alamitos	Jordan Nefulda
Newport Beach	Erik Weigand
Orange	Jon Dumitru
Placentia	Chad Wanke
Santa Ana	Johnathan Ryan Hernandez
Seal Beach	Lisa Landau
Stanton	David Shawver
Tustin	Ryan Gallagher
Villa Park	Jordan Wu

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)	Tom Lindsey

County

Member of the Board of Supervisors	Doug Chaffee
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BOARD COMMITTEES

OPERATIONS COMMITTEE

Pat Burns, Chair
Bob Ooten, Vice-Chair
Joyce Ahn
Debbie Baker
Doug Chaffee
Johnathan Ryan Hernandez
Stephanie Klopfenstein
Lisa Landau
Carlos A. Leon
Tom Lindsey
Scott Minikus
Jamie Valencia
Ryan Gallagher, Board Chair
Jon Dumitru, Board Vice-Chair

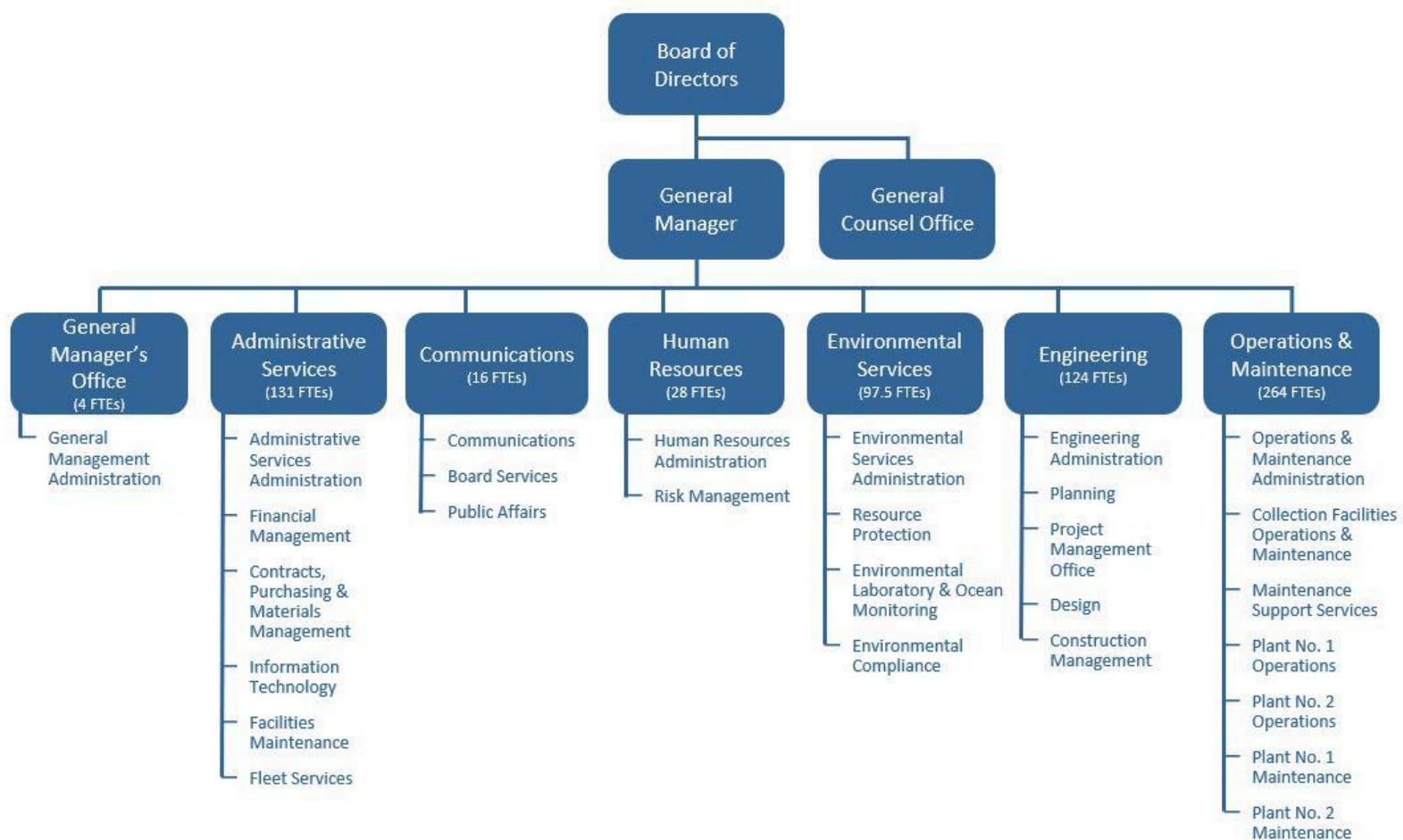
ADMINISTRATION COMMITTEE

Christine Marick, Chair
Glenn Grandis, Vice-Chair
Melinda Liu
Jose Medrano
Jordan Nefulda
Andrew Nguyen
David Shawver
Chad Wanke
Erik Weigand
John Withers
Jordan Wu
Jordan Wagher, Board Chair
Jon Dumitru, Board Vice-Chair

STEERING COMMITTEE

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

ORGANIZATION CHART



ADMINISTRATIVE OFFICIALS

General Manager	Robert Thompson
Assistant General Manager	Lorenzo Tyner
Director of Communications	Jennifer Cabral
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

June 3, 2025

Honorable Chair and Board of Directors:

It is a privilege to present the Orange County Sanitation District's (OC San) Budget Update for Fiscal Year 2025–26. This update outlines our strategic direction and financial plan as we carry forward our mission to protect public health and the environment by providing effective wastewater collection, treatment, and recycling.

OC San remains committed to its long-standing values of service, innovation, and stewardship. This budget reflects our continued focus on long-term infrastructure investment, financial sustainability, and operational performance, all while maintaining affordability for the 2.6 million residents we serve.

Long-Term Vision and Strategic Planning

The FY 2025–26 budget aligns with OC San's Strategic Plan, most recently updated in November 2023. The plan defines long-range goals in environmental stewardship, infrastructure resiliency, workplace development, and community partnerships. This year's budget reflects measurable progress in these areas through targeted investments in capital improvements, workforce development, and system modernization.

Guided by our Asset Management Program and 20-year Capital Improvement Plan (CIP), the agency continues to address aging infrastructure while planning for future demands. The FY 2025–26 budget supports essential upgrades to reclamation facilities, pump stations, trunk sewers, and administrative campuses, ensuring long-term operational integrity and service reliability.

Strategic Capital Investments

OC San's proposed operating and capital improvement budget for FY 2025–26 is \$500.6 million. A significant portion—\$254 million—is dedicated to capital projects, with an emphasis on replacing and rehabilitating aging systems, improving energy efficiency, and ensuring regulatory compliance. Major projects include:

Rehabilitation of Plant No. 1's Headworks and Sedimentation Basins, vital wastewater processing and operational efficiency.

Primary treatment upgrades and power system enhancements at Plant No. 2, supporting resiliency and Groundwater Replenishment System (GWRS) integration.

Replacement of critical pump stations, including Seal Beach and Bay Bridge.

Construction of a new laboratory and operations complex, enhancing functionality and long-term operational capacity.

These capital efforts are key to OC San's \$3.6 billion, ten-year infrastructure renewal strategy—one of the most ambitious in the agency's history.

Responsible Debt Management and Financial Stewardship

OC San continues to demonstrate strong financial discipline. With total outstanding Certificates of Participation (COP) debt held at \$572 million, no new debt issuance is planned in FY 2025–26. Instead, capital projects are being financed using a combination of reserves and current service fee revenue.

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

OC San is also exploring opportunities to refinance callable debt, which could generate long-term interest savings. This prudent approach helps preserve our AAA credit ratings and ensures flexibility in future financial planning.

The FY 2025–26 single-family residential sewer service fee is proposed at \$384 per year, reflecting a modest increase of 3.5 percent in accordance with the Board-approved rate structure. This adjustment supports necessary investments while maintaining affordability and fiscal balance.

Commitment to Performance and Efficiency

Operational performance and cost containment remain central to OC San’s management approach. The FY 2025–26 operations budget of \$246.4 million includes necessary increases to support maintenance, professional services, and labor costs. Nonetheless, staffing remains lean with only 664.5 full-time equivalent (FTE) positions—a reduction from historical levels—despite system expansion and increasing regulatory demands.

Efficiencies have been achieved through technology upgrades, preventive maintenance programs, and streamlined service delivery. Over 25 percent of the budget is dedicated to employee costs, a lower share than most public agencies, reflecting OC San’s culture of cost-effectiveness and accountability.

Forward Momentum

OC San continues to lead in water reuse through our longstanding partnership with the Orange County Water District. Together, we support the GWRS, which now recycles up to 130 million gallons per day—enough to meet the needs of one million residents. With support from both Boards, additional upgrades are underway to optimize integration and delivery of reclaimed flows from Plant No. 2. We also remain focused on innovation in biosolids management, energy independence, cybersecurity, and stormwater coordination, as defined in our Strategic Plan. These efforts will help OC San navigate future challenges while continuing to deliver safe, reliable service to our community.

In closing, I wish to express my appreciation to the Board of Directors for their leadership and vision, and to OC San’s staff for their dedication and professionalism. The FY 2025–26 Budget Update reflects our shared commitment to fiscal integrity, environmental protection, and the highest standards of public service.



Rob Thompson
General Manager
Orange County Sanitation District

FINANCIAL SUMMARY/OVERVIEW AND BUDGETARY ISSUES

Budget Overview

OC San's FY 2025-26 operating and capital improvement budget is proposed at \$500.6 million, a \$16.9 million decrease from the FY 2025-26 adopted budget. The decrease is mostly comprised of a \$25.1 million, or 9.0 percent net decrease in cash outlays for construction projects, off set by a 3.5 percent, or \$8.3 million increase in operating expenses. 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, \$3.6 billion CIP.

This budget continues to reflect the agency's ongoing efforts to meet the operational standards and regulatory requirements. Staffing levels are being proposed at 664.5 full time equivalent (FTE) positions, an increase of 1 FTE position over the 663.5 FTE staffing level that was approved for FY 2024-25.

Financing

OC San uses long-term Certificates of Participation (COP) for financing capital improvements that cannot be completely funded from current revenue. Before any new debt is issued, the impact of debt service payments on total annual fixed costs is analyzed. Total COP indebtedness is currently at \$572 million. There may be opportunities to refinance maturing and callable debt during FY 2025-26 that will produce savings over the life of the debt. No new money debt financings are currently forecasted to assist in the funding of the \$3.6 billion in capital improvements required over the next ten years.

Staffing

Reflecting the organization's commitment to efficiency and providing the expected high level of service, the budget includes an increase of one authorized full-time positions for FY 2025-26. Total filled positions will not exceed 664.5 full time equivalent (FTE) staff positions. This staffing level continues to reflect a significant reduction from the Fiscal Year 1995-96 approved staffing level of 678 positions.

Overall personnel costs for FY 2025-26 will approximate the original adopted budget due to reductions in labor and retirement premiums to Orange County Employees' Retirement System (OCERS) following the retirement of approximately seventy employees in the last two years.

Costs for medical insurance and workers compensation benefits are also expected to remain the same as the level originally approved. OC San will continue to effectively manage these expenses with approximately 26 percent of the budget allocated to employee costs, much less than most other government agencies.

Cost of Treatment

The agency's two reclamation 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 2025-26 proposed budget to operate, maintain and manage our sewage collection, treatment and disposal system is \$246.4, an increase of 3.5 percent, or \$8.3 million, from the previously adopted budget.

Sewer Service Fees

The FY 2025-26 single family residential rate, the underlying basis for all sewer rates, is proposed at \$384 a year. This represents an increase of \$13 or 3.5 percent per the rate structure approved by the Board of Directors.

Groundwater Replenishment System (GWRS)

The OC San Strategic Plan includes water reclamation. Partnered with the Orange County Water District (OCWD), OCWD completed the GWRS, the nation's largest water reclamation project, in January 2008.

The original GWRS facility reclaimed 70 mgd. OC San and OCWD equally shared the expenses of this project.

Initial expansion of the GWRS increased the production of reclaimed water to 100 mgd. The project, which was funded entirely by the OCWD, was completed in 2015. OC San is directing all reclaimable flows from Plant No. 1 to OCWD in support of providing maximum amounts of treated wastewater for reclamation.

The plan to achieve the final expansion of the GWRS was approved by both OC San and OCWD Board of Directors in 2016. The final expansion of GWRS brings the total production of reclaimed water to 130 mgd. Since OC San has maximized the available reclaimable wastewater treated at Plant No. 1, secondary effluent from Plant No. 2 will be sent to the GWRS for reclamation. Modification of existing Plant No. 2 Headworks, a new Plant Water pump station and construction of new pumping, equalization and conveyance facilities will be funded by the OCWD.

FINANCIAL SUMMARY/OVERVIEW AND BUDGETARY ISSUES

As the Headworks Modification and Plant Water project is impacting OC San's critical infrastructure, OC San will manage the design and construction of these projects and were reimbursed by OCWD up to \$50 million. The final expansion of the GWRS went online in 2023.

Capital Improvement Program (CIP)

The total net CIP budget for FY 2025-26 is being proposed at \$254.3 million, a decrease of \$25.1 million from the previously approved FY 2025-26 budget primarily due to changes in project schedules and estimates that result in deferred spending over the next 10 years. OC San's Capital Improvement Program will provide needed improvements and rehabilitation across all of our asset areas, including the following highlights:

Rehabilitate the headworks, primary treatment, and secondary treatment at Plant No. 1.

Replace a third of the primary treatment facilities, rehabilitate the aeration basins, and renew the digester complex via rehabilitation and the construction of six new digesters at Plant No. 2.

Construct new administrative facilities including a new Operations & Maintenance Complex and a new Laboratory.

Replace or rehabilitate OC San's aging pump stations and trunk sewers in the collections system, including important full replacements of Edinger, Seal Beach, and Bay Bridge Pump Stations.

Operating Budget Increase - \$8.3M

The operations budget for the collection, treatment, and disposal of wastewater is proposed at \$246.4 million, a \$8.3 million (3.5 percent) increase above 2025-26 adopted budget. The overall increase to the operating budget is primarily attributable to the following specific areas:

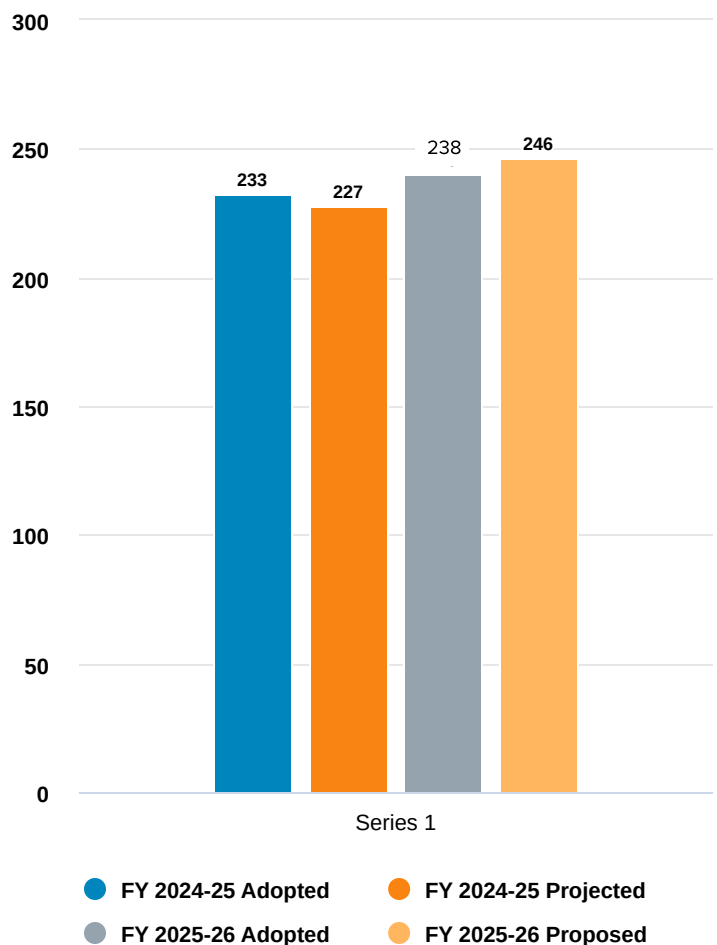
Professional Services – \$4.2M Increase

The increase is primarily due to delays in projects and higher than anticipated costs for consulting service for the development of a progressive design build program, and a survey of all OC San easements.

Repairs and Maintenance – \$2.0M Increase

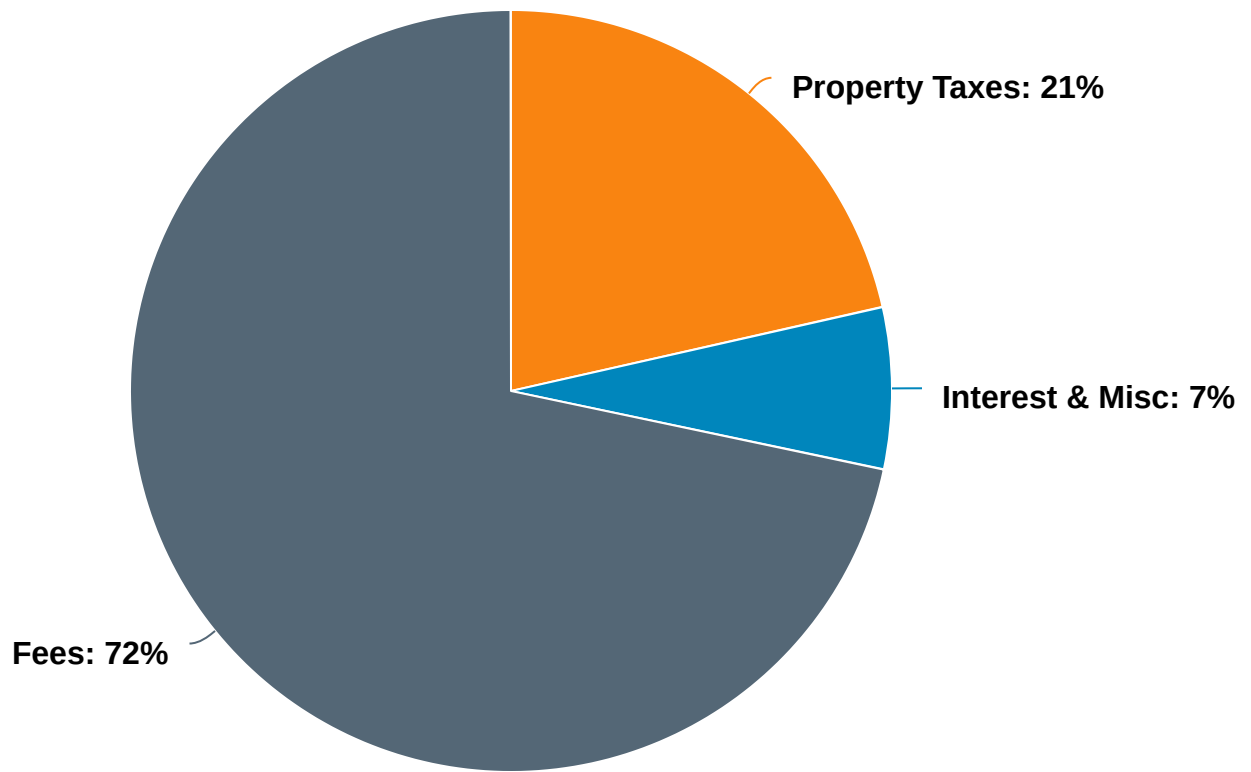
This expense category includes parts and services for repairing aging treatment plant and collection facilities and reflects base budgets for equipment maintenance as well as out-sourced annual service contracts and maintenance agreements. The FY 2025-26 budget increase over the adopted budget for FY 2025-26 is due to increased cost of goods and service needed to maintain the reclamation plants.

Operating Budget Comparison
(Amount \$ in Millions)



FINANCIAL SUMMARY/OVERVIEW AND BUDGETARY ISSUES

Where The Money Comes From



Funding Sources by Category (In Millions)

Category	2024-25 Adopted	2025-26 Adopted	2025-26 Proposed
Service Fees	\$ 352.6	\$ 368.9	\$ 381.6
Property Taxes	117.6	120.1	123.7
Permit User Fees	15.5	16.1	16.6
Capital Capacity Charges	15.5	16.0	21.7
Interest	17.1	17.0	26.5
Intradistrict Transfers	3.5	3.5	3.5
Debt Proceeds	-	-	-
Other Revenue	9.7	28.0	14.6
Total	\$ 531.6	\$ 569.6	\$ 588.1

FINANCIAL SUMMARY/OVERVIEW AND BUDGETARY ISSUES

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

General Service Fees – \$381.6M

User fees are ongoing fees for service paid by customers connected to the sewer system and are the primary source of OC San's revenue. A property owner, or user, does not pay user fees until connected to the sewer system and receiving services. Once connected, users are responsible for their share of the system's costs, both fixed and variable, in proportion to their demand on the system. These fees are for both Single Family Residences (SFR) and Multiple Family Residences (MFR).

Property Taxes – \$123.7M

The County of Orange 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 the basic levy proportionate to what 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 share of this revenue is dedicated for the payment of debt service before other operational expenses.

Permit User Fees – \$16.6M

Permit user fees are paid by large industrial and commercial properties owners connected to the sewer system. These fees are for the owner's share of the system's costs, both fixed and variable, in proportion to the user's demand on the system. Since the inception of the Permit User Fee Program in 1970, users of OC San's system that discharge high volumes or high strength wastewater have been required to obtain a discharge permit and pay extra fees for the cost of service received.

Capital Facilities Capacity Charges – \$21.7M

The Capital Facilities Capacity Charge is a one-time 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 pays for OC San facilities that exist at the time the charge is imposed, or to pay for new facilities to be constructed in the future that will benefit the property being charged.

Interest Earnings – \$26.5M

Interest earnings are generated from the investment of accumulated reserves consisting of a cash flow/contingency, a capital improvement, a renewal/replacement, and a self-insurance reserve.

Intradistrict Transfers – \$3.5M

In accordance with Amendment No. 2 to the Agreement for Purchase and Sale of Capacity Rights in Treatment, Disposal and Sewer Facilities between Irvine Ranch Water District (IRWD) and OC San dated November 15, 1995, ownership is adjusted annually to reflect the current equity percentage ownership based on sewage flows.

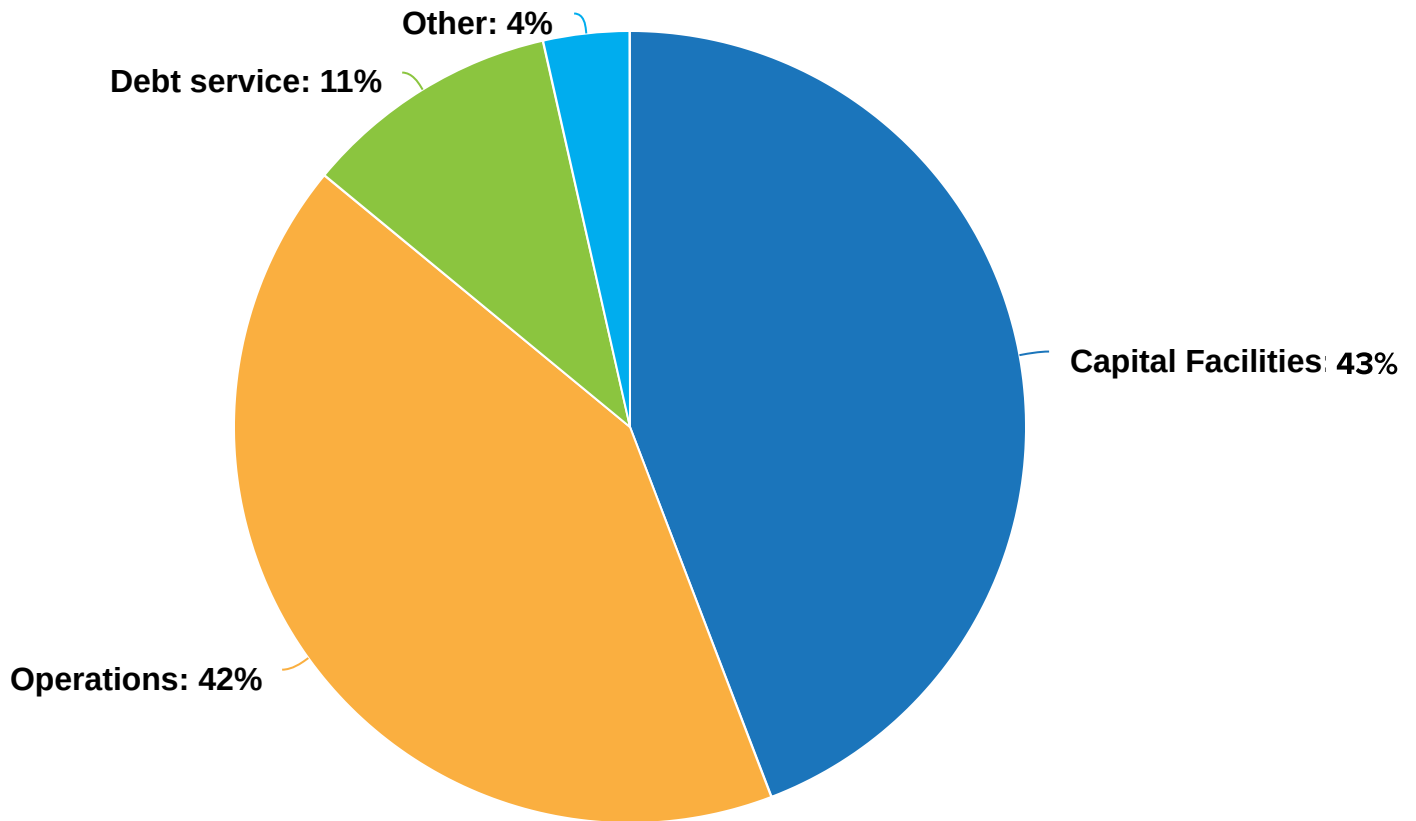
Debt Proceeds – \$0.0M

Certificates of Participation (COPs) are OC San's primary mechanism for financing capital projects. COPs are repayment obligations based on a lease or installment sale agreement. COPs are not viewed as "debt" by the State of California, but rather a share in an installment arrangement where OC San serves as the purchaser. Refinancing COPs can be beneficial to OC San when there is maturing or callable issues. No new money debt issuances are being proposed as the \$3.1 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.

Other Revenue – \$14.6M

Other revenue includes self-insurance assessments for workers' compensation and general liability coverage as well as reimbursements from other agencies for shared CIP and operating costs and miscellaneous revenue such as rents and leases.

Where the Money Goes



Funding Requirements by Category (In Millions)

Category	FY 2024-25 Adopted	FY 2025-26 Adopted	FY 2025-26 Proposed
Capital Improvement Program	\$ 223.1	\$ 279.4	\$ 254.3
Operating Expense	232.7	238.1	246.4
Debt Service	61.0	60.4	60.4
Other	8.6	9.5	20.2
Total Outlays	\$ 525.4	\$ 587.4	\$ 581.3

FINANCIAL SUMMARY/OVERVIEW AND BUDGETARY ISSUES

OC San budgets its funds in four distinct areas:

Operating Expenses - \$246.4M

The proposed budget allocates resources to operate, maintain and manage our sewage collection, treatment, recycling and disposal system, and for any associated administrative or technical requirements.

Capital Improvement Program (CIP) - \$254.3M

To provide an appropriate level of service to OC San's ratepayers, large capital improvements are required. The CIP provides for the management and implementation of these improvements. The CIP budget includes specific projects, cost estimates, and timelines. The gross CIP project budgets for 2023-24 total \$289.0 million; however, the CIP cash outlays, net of savings and deferrals, is \$254.3 million.

Debt Service - \$60.4M

This is the cost of repaying debt. Long-term debt financing allows OC San to complete large multi-year capital projects by providing funds not always immediately available. Currently, OCSD is on track to pay off its \$572.0 million outstanding debt by 2040.

Other Requirements - \$20.2M

This item includes self-insurance costs and an amount in accordance with Amendment No. 2 to the Agreement for Purchase and Sale of Capacity Rights in Treatment, Disposal and Sewer Facilities between IRWD and OC San dated November 15, 1995, ownership is adjusted annually to reflect the current equity percentage ownership based on sewage flows.



COLLECTION, TREATMENT, AND RECYCLING PROCESS OVERVIEW

OC San's system includes over 380 miles of sewers that convey wastewater generated within OC San's service area to its two treatment facilities, Reclamation Plant No. 1 located in the City of Fountain Valley, and Treatment Plant No. 2 located in the City of Huntington Beach.

Influent wastewater undergoes Preliminary Treatment upon entry to the treatment plants where it is filtered through bar screens, and grit and debris are removed. It then flows to Primary Treatment, which consists of large settling basins where solids are settled out, enhanced by the addition of chemicals, and sent to Solids Processing. Wastewater then flows to Secondary Treatment, which is a biological process using either the trickling filter or activated sludge process. Solids removed in Secondary Treatment are also sent to digestion.

Methane gas generated during the natural decomposition of the solids in the digesters fuels the Central Power Generation System producing enough electricity to meet two-thirds of the power needed to run both treatment plants.

Solids are then dewatered to a 25-30 percent solids consistency, called biosolids, and recycled via direct land application or composting.

Up to 130 million gallons per day of secondary effluent is sent to the Orange County Water District (OCWD) for recycling in its two treatment processes. The first is the Groundwater Replenishment System (GWRS), the largest water purification project of its kind in the world, funded jointly by OCWD and OC San. At 130 million gallons per day, the GWRS generates enough pure water to meet the needs of 1 million people.

The second is OCWD's Green Acres Project (GAP), a water recycling effort that provides reclaimed water for landscape irrigation at parks, schools, and golf courses, as well as for industrial uses such as carpet dyeing. The demand for GAP water is about four million gallons per day.



STRATEGIC PLANNING

Introduction

Driven by the mission, vision, core values, and the Strategic Plan, OC San continues 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.

Mission Statement

The Mission Statement is the basic foundation that defines why we exist. “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.

OC San Planning Environment

The Orange County Sanitation District (OC San) is a resource recovery agency focused on providing reliable and cost-effective public services. OC San uses a two-year, four-step management process that creates and maintains vision alignment between the Board of Directors, staff, and the public we serve. It all begins with a Strategic Plan developed by the Board and staff that provides guidance and direction for long-term financial, capital, and operational efforts.

Core Values

Our Core Values support the Mission and Vision Statements by expressing the values, beliefs, and philosophy that guides 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 interaction 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.

STRATEGIC PLANNING



Strategic Planning

In November 2023, 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, most recently in November 2023. 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 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 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 comprised of 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 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.

ASSET MANAGEMENT

Asset Management Program

OC San's Asset Management Program continues to evolve and advance as a comprehensive decision-making framework. The program includes the planning, design, and construction of quality facilities as well as the optimized operation; maintenance; and planned refurbishment or replacement of assets to meet OC San's needs. This coordinated decision-making process allows OC San to consistently meet mandated levels of service while balancing short, medium, and long-term needs at the lowest overall 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). The Asset Management Plan is not only useful for documenting the current condition of OC San's assets, but it also helps to develop the 20-year CIP by identifying what projects are necessary, when they are needed, and how best to accomplish them. The overarching trend identified by the Asset Management Program is a focus on renewal expenditures which is expected given the average age of OC San's assets.

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

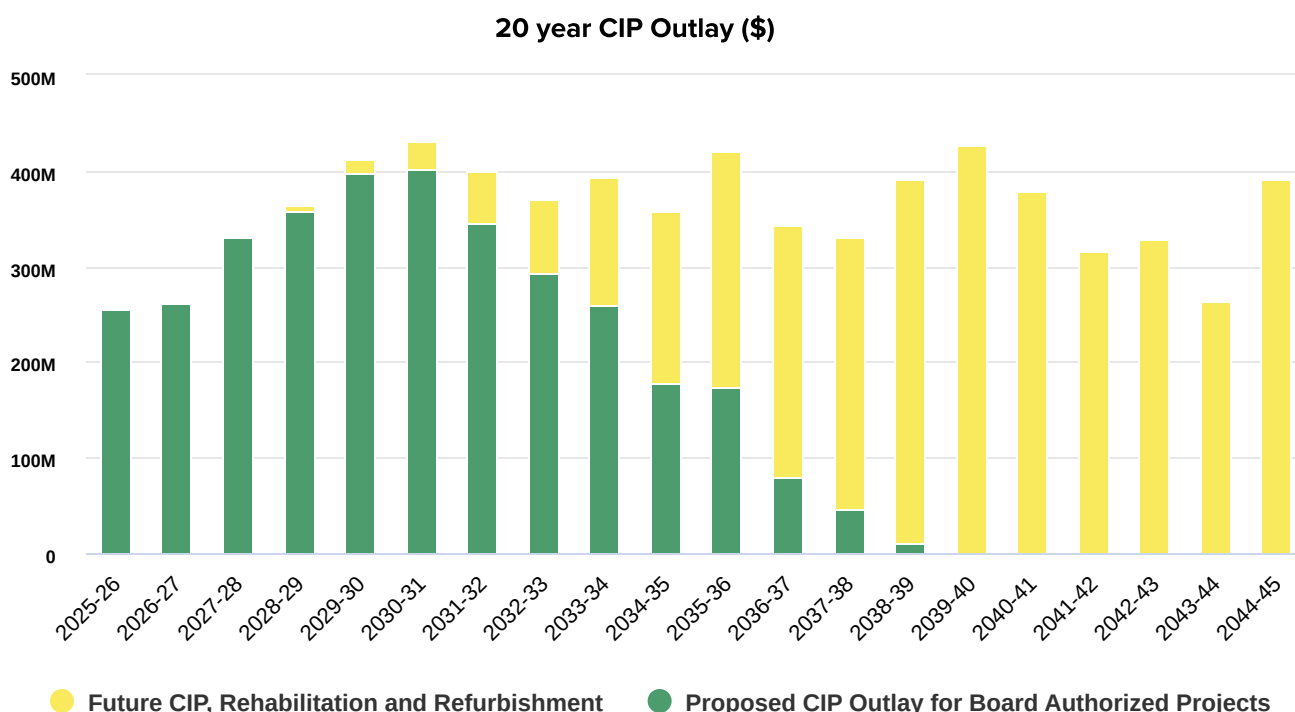
The replacement valuation for all of OC San's assets was updated in 2018 as part of the 2017 Facilities Master Plan. The table below presents the current valuations of OC San's assets. The replacement value represents the cost in 2025 dollars to construct similar facilities. The depreciated value is the book value of the assets based on their age.

Valuation	Plants	Collections	Total
Replacement Value (in billions)	\$9.73	\$5.93	\$15.66

The estimated replacement value in FY 2024-25 is \$15.7 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.



ASSET MANAGEMENT

Maintenance and Capital Projects

Below is a summary of the maintenance activities and associated capital projects for FY 2025-26.

Collection System

OC San's collection system consists of over 380 miles of sewers and 15 pump stations. Maintenance activities are based on established levels of service to ensure compliance with OC San's permit-required Sewer System Management Plan (SSMP). The SSMP is designed to both reduce spills and increase reliability and safety. Planned activities help extend the useful life of the assets and minimize nuisance odors.

Typical gravity sewer maintenance consists of closed circuit television (CCTV) inspection and cleaning operations. Pump station maintenance activities include routine assessments; preventive and corrective maintenance of all electrical, mechanical, and instrumentation equipment; and cleaning activities. Frequencies are based on process conditions, field data, historical records, manufacturer recommendations, and industry best practices.

Collection systems generate odors and corrosive gases. These odors and gases are proactively addressed to mitigate nuisance odors and limit degradation of collection system assets.

Collection System Capital 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 2025-26 a focus continues to be on the replacement of three of OC San's important pump stations. Project Nos. 3-67 and 5-67 are both in construction and will replace Seal Beach Pump Station and Bay Bridge Pump Station, respectively. The construction at Seal Beach Pump Station is expected to be one of the greatest contributors to capital spending in the coming year. Project No. 11-33, Edinger Pump Station Replacement, is progressing through design and is expected to advertise for construction within the coming fiscal year. The reliability of all of OC San's pump stations are critical

for preventing sanitary sewer overflows; however, these three pump stations are a priority for replacement with an average age of 58 years since original installation. These projects are projected to spend a combined \$25 million in FY 2025-26.

Additionally, as the system continues to age, associated condition issues are being addressed throughout the collection system. Project No. 1-23, Santa Ana Trunk Sewer Rehabilitation; Project No. 3-64C, Los Alamitos Sub-Trunk and Westside Relief Interceptor Rehabilitation; and 7-65, Gisler-Red Hill Interceptor and Baker Force Main Improvements, are three good examples of this ongoing rehabilitation effort. All three projects are in construction and are projected to spend a combined \$26 million in FY 2025-26.

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 early on. 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.

Reclamation Plant No. 1 Capital 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 \$24 million in FY 2025-26, with final completion scheduled in 2030.

Another significant project at Plant No. 1 is Project No. J-133, the Laboratory Replacement at Plant No. 1, which will replace the existing onsite laboratory at Plant No. 1 with an offsite facility located near the new Headquarters Building. This will provide a new facility which meets current codes and also make additional

ASSET MANAGEMENT

land within the treatment plant footprint available for future process and construction needs. This is one of the first projects planned for execution as a progressive design build project for OC San and is projected to spend \$1 million in FY 2025-26.

Major overhauls of aging infrastructure continue downstream of headworks with projects P1-126, Primary Sedimentation Basins No. 3-5 Replacement at Plant No. 1, and P1-140, Activated Sludge-1 and Secondary Clarifier Rehabilitation. Both projects are expected to be nearing completion of design in the coming fiscal year and anticipate to spend \$10 million in FY 2025-26.

Reclamation Plant No. 2 Capital Projects

These projects are intended to rehabilitate or reconstruct major components of our treatment process to ensure compliance with regulatory permits, enhance water recycling, and safety.

One of the largest and longest duration active projects at Plant No. 2 remains 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 seismic and condition-based upgrades. The final phase of this project is now under construction and is projecting to spend \$23 million in FY 2025-26, with completion scheduled in 2027.



CAPITAL IMPROVEMENT PROGRAM (CIP)

CIP Budget Request Summary

OC San utilizes an asset management focused approach to effectively manage \$15.7 billion of aging assets which require ongoing investment and attention. This approach includes both the consistent evaluation of the condition of existing assets and the consideration of what future facilities will be needed to address changing regulations, demographics, and strategic initiatives. OC San also performs annual reviews of active and future projects through our Capital Improvement Program (CIP) validation process.

The Project Management Office manages the scope, schedule, budget, risks, and other key project indicators of active projects. Updates are recorded monthly so that individual project and programmatic information can be monitored. During validation, OC San staff review each ongoing capital improvement project to ensure that the scopes of the projects remain appropriate, that cost estimates are current, and that prioritization and schedule fit within the program.

For future projects, the Planning Division reviews how to best package and schedule those items identified via the Asset Management Program to facilitate their execution and maintain operational reliability. During validation, OC San staff carefully review all future projects to ensure timing needs are accurate and no further scope changes are required.

The result of this asset management focused approach and validation process is an updated 20-year CIP budget each year. The following information summarizes the outcome of the 2025 budget validation process which results in the proposed update to the FY 2024-25 and FY 2025-26 two-year budget.

The validated CIP includes 74 large capital projects with a total 10-year estimated cashflow expenditure of \$3.6 billion. This represents a net \$119 million increase from the FY 2024-25 and FY 2025-26 CIP estimate. For a listing of capital projects and their budgets, see “Summary of Capital Requirements” in the appendix.

The CIP also includes a variety of individually smaller programs that are grouped together within the CIP – Small Construction Projects, Planning Studies, Research, and Information Technology Capital. These efforts are consolidated under their own project budgets that are listed as M-FE, M-STUDIES, M-RESEARCH, and M-MC-IT respectively.

Six new projects were created during the 2025 validation totaling \$195 million. These projects are:

J-140 – CenGen Monitoring System Improvements at Plant No. 1 and No. 2

J-141 – Public Address System Replacement

J-142 – Power Distribution Systems and Power Building C Replacements at Plant No. 1 and No. 2

J-143 – Deep Well Biosolids Management Facility

P2-142 – Oxygen Gas Generation Facility at Plant No. 2

P2-143 – Waste Sidestream Pump Station A Improvements at Plant No. 2

As part of the budget update process, the following projects are closed or cancelled:

Closed:

P2-122 – Headworks Modifications at Plant No. 2 for GWRS Final Expansion

P2-123 – Return Activated Sludge Piping Replacement at Plant 2

SP-100 – EAM Software and Process Implementation

7-66 – Sunflower and Red Hill Interceptor Repairs

J-127 – Natural Gas Pipelines Replacement at Plant Nos. 1 and 2

Cancelled:

P1-136 – 12.47 kV Switchgear Replacement at Central Generation at Plant No. 1

P1-136 was cancelled as this project’s scope of work was able to be incorporated into a new project, J-142, which bundled similar work from various efforts into a single project. This decision will allow for the more efficient execution of these improvements.

Within the appendix are descriptions and justifications for the capital improvement projects which are new projects proposed for this FY 2025-26 budget update. They give the reader a brief overview of each project, the budget for the total project, and any potential changes in the operating budget resulting from the implementation of the project. For a description of ongoing projects, see Section 8 of the Adopted Budget for FY’s 2024-25 and 2025-26.

DEBT FINANCING PROGRAM

Debt Financing

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.

Certificates of Participation (COPs)

The primary debt financing mechanism used is Certificates of Participation (COPs). 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. As of July 1, 2025, the total outstanding COP indebtedness is \$572.0 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.

Debt Coverage Ratios

OC San has no legal debt limits as imposed by state legislation. The only legal debt limits pertaining to 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 5.30 for FY 2025-26.

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.

In FY 2023-24, OC San prepaid approximately \$130 million of the 2010C BABs debt obligation, reducing the total term of the debt portfolio, with final payment date in 2040.

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 \$3.6 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.

OPERATING EXPENSES

Summary of Operating and Maintenance Expenses

Description	2024-25 Adopted	2024-25 Projected	2025-26 Adopted	2025-26 Proposed
Salaries, Wages & Benefits	\$ 124,095,542	\$ 120,487,216	\$ 129,050,083	\$ 130,898,600
Administrative Expenses	2,694,297	1,877,725	2,726,372	2,773,176
Printing & Publication	398,196	296,187	394,733	391,353
Training & Meetings	1,989,398	1,683,303	1,947,414	2,156,685
Operating Materials & Supplies	31,214,001	31,077,768	31,807,230	32,398,557
Contractual Services	23,491,390	22,943,290	24,127,578	23,848,656
Professional Services	7,917,396	8,707,389	7,056,284	11,302,938
Research & Monitoring	2,135,754	1,982,067	2,022,637	2,174,637
Repairs & Maintenance	36,305,899	43,204,637	2,022,637	37,649,113
Utilities	16,132,374	14,859,770	16,436,772	16,972,772
Other Materials, Supplies, and Svc	7,661,266	6,019,681	8,149,313	8,154,893
Cost Allocation	(21,361,020)	(25,725,253)	(22,355,980)	(22,355,980)
Net Operating Requirements	\$ 232,674,493	\$ 227,413,780	\$ 238,114,716	\$ 246,365,399

Salaries, Wages & Benefits

Salaries & Wages: The proposed budget is set at 664.5 Full Time Equivalent (FTE) positions for FY 2025-26. 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 2025-26. 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 \$17,658 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 \$86,076 for 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 job related certificates and licenses. The budget of \$654,928 for 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.

OPERATING EXPENSES

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 budget year. The budgeted amount for FY 2025-26 is \$16.5 million, an increase of 0.8 percent over the FY 2025-26 adopted 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 \$10.5 million for FY 2025-26; only \$11,00 higher than the adopted budget for 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 \$14.2 million for FY 2025-26. 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 have been offset by 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.

OPERATING EXPENSES

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 2025-26 budget of \$2.17 million.

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 2025-26 budget includes repairs and maintenance costs totaling \$37.6 million.

Materials and services for 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 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 \$17.0 million for FY 2025-26.

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 \$3.3 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 secure 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 is \$10.8 million for FY 2025-26, 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 \$11.8 million for FY 2025-26.

Other Operating Costs

Insurance Premiums: Other than the budget of \$53,000 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 budget is \$5.3 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.

DEPARTMENTS SUMMARY

Expenses by Department (in millions)

Department	Authorized 2024-25	Authorized 2025-26	Proposed 2025-26
General Manager	\$ 2,391,105	\$ 2,507,271	\$ 2,689,234
Administrative Services	41,306,827	43,040,720	54,903,456
Communications	3,609,570	3,615,469	4,007,556
Human Resources	8,145,456	8,371,095	8,684,862
Environmental Services	25,645,097	26,230,669	26,610,600
Engineering	27,731,816	28,664,926	29,344,142
Operations & Maintenance	145,205,640	148,040,546	142,481,529
Less: Cost Allocation	(21,361,020)	(22,355,980)	(22,355,980)
Net Operating Requirements	\$ 232,674,493	\$ 238,114,716	\$ 246,365,399

Staffing by Department

Department	Authorized FTEs 2024-25	Authorized FTEs 2025-26	Proposed FTEs 2025-26
General Manger's Office	4.00	4.00	4.00
Administrative Services	109.00	109.00	132.00
Communications	16.00	16.00	16.00
Human Resources	28.00	28.00	28.00
Environmental Services	96.50	97.50	95.50
Engineering	124.00	124.00	124.00
Operations and Maintenance	284.00	285.00	265.00
Grand Total - All Departments	661.50	663.50	664.50

DEPARTMENTS SUMMARY

Administration Units

General Manager's Office

Budget \$2.7M
Staffing 4 FTEs

The General Manager's Office provides general oversight of all OC San operations and incorporates functions in the areas of Public Affairs and Board Services.

Administrative Services

Budget \$54.9M
Staffing 132 FTEs

The Administrative Services Department maintains financial oversight and administration of all OC San funds and accounts and is responsible for contract administration and procurement. The Administrative Services Department also oversees all OC San computer, networking and customer support issues, along with facilities maintenance and fleet services.

Communications

Budget \$4.0M
Staffing 16 FTEs

The Communications Department 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.

Human Resources

Budget \$8.7M
Staffing 28 FTEs

The Human Resources Department works with management and employees to ensure an effective and productive employment relationship. The department also provides risk management services to the organization to create a safe, healthy and secure environment for staff, contractors, and visitors.

Operating Units

Environmental Services

Budget \$26.6M
Staffing 95.5 FTEs

The Environmental Services Department manages all environmental monitoring, regulatory, compliance and reporting elements to ensure that OC San meets the requirements of federal, state and local regulations for treated sewage discharge into the ocean, water recycling, air emissions, industrial waste, sewer system operations, land use controls and biosolids and stormwater management.

Engineering

Budget \$29.3M
Staffing 124 FTEs

The Engineering Department is responsible for the planning and execution of OC San's capital improvement program and asset management program.

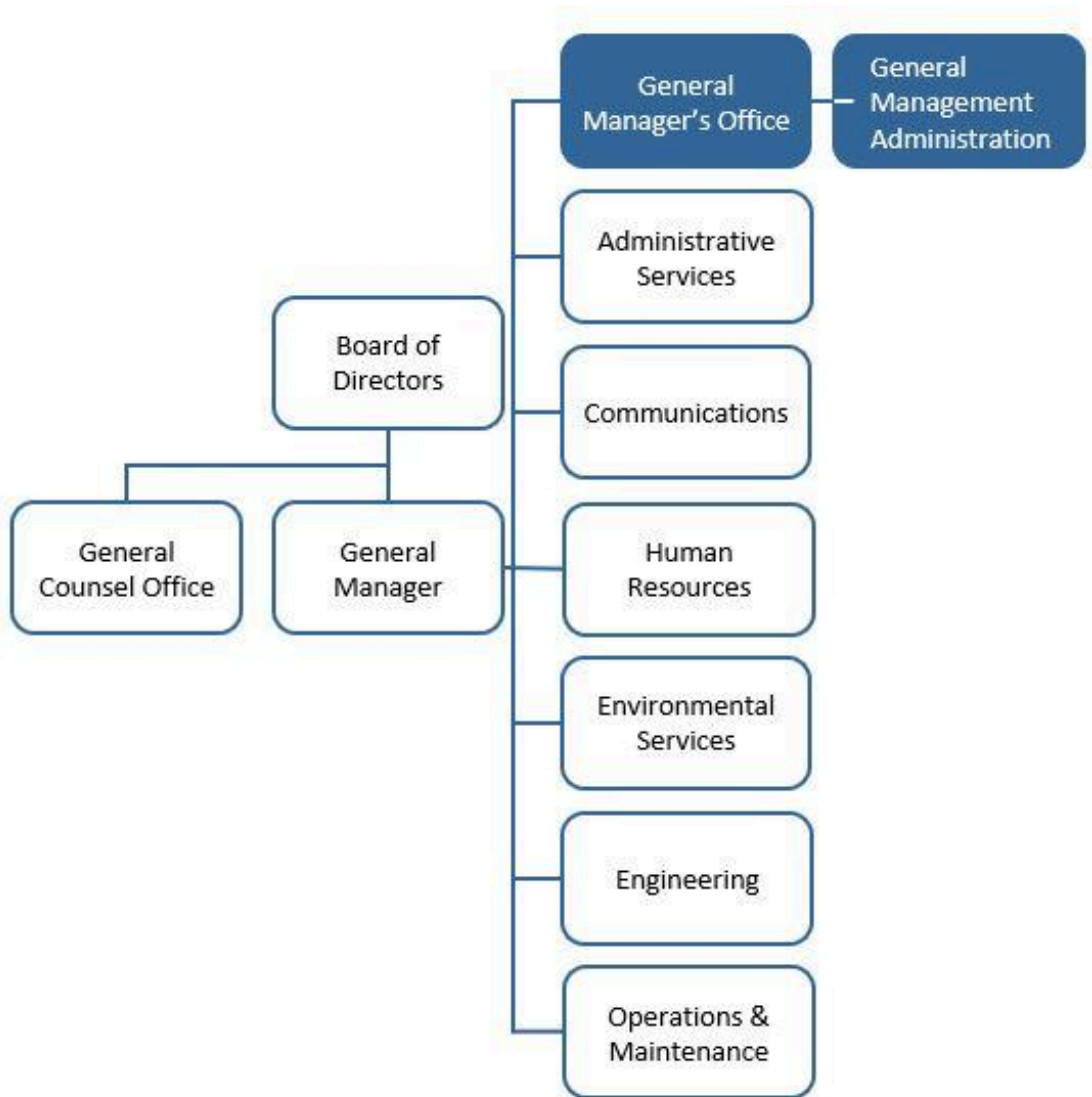
Operations and Maintenance

Budget \$142.5M
Staffing 265 FTEs

The Operations and Maintenance Department is responsible for the operation and maintenance of OC San's two wastewater treatment plants as well as the sanitary sewer system pipeline and pumping facilities. The department also provides fleet management services for OC San.

FTEs = Full-Time Equivalent Positions

GENERAL MANAGER



Service Description

The General Manager reports directly to the Board of Directors and provides general oversight to all OC San operations, interagency relations, legislative activities, communications, and the strategic planning.

General Management Administration is responsible for working with the Board of Directors to establish standards, policies and procedures, and the overall goals and Strategic Plan of the agency.

GENERAL MANAGER

Description	2024-25 Adopted	2024-25 Projected	2025-26 Adopted	2025-26 Proposed
Personnel	\$ 1,672,880	\$ 1,673,353	\$ 1,759,496	\$ 1,787,759
Supplies	467,525	382,296	497,075	340,775
Professional & Contractual Services	250,000	573,996	250,000	560,000
Research & Monitoring	-	-	-	-
Repairs & Maintenance	-	-	-	-
Utilities	-	-	-	-
Other	700	1,900	700	700
Total	\$ 2,391,105	\$ 2,631,546	\$ 2,507,271	\$ 2,689,234

Budget Overview

The FY 2025-26 propsed budget for the General Manager's Office reflects an increase of 7.3 percent over the FY 2025-26 adopted budget. The increase is primarily due to increases in costs for personnel, and other professional services.

Performance Objectives / Measures

Ensure that the Board approved Strategic Plan is implemented.

Create a new Work Plan for Fiscal Years (FY) 2024-25 and 2025-26.

Update Two-Year Strategic Plan & Recommend for Board Adoption in FY 2025-26.

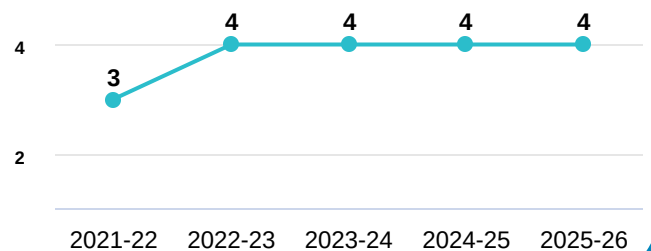
Managing operating expenditures to within 96 to 100 percent of the approved budget.

Ensure OC San does not exceed authorized FTEs.

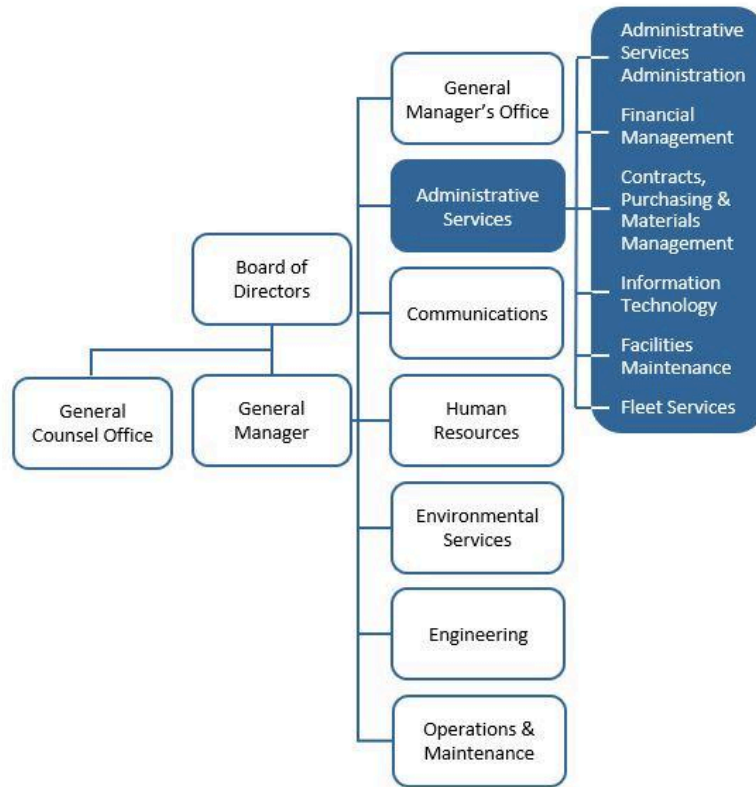
FY25-26 Authorized FTE Positions

Executive Managers	2
Supervisors / Professionals	1
Confidential	1
Total	4

Staffing Trends



ADMINISTRATIVE SERVICES



Service Description

The Administrative Services Department oversees all of OC San's finance, contracts/purchasing, information technology, facilities maintenance, and fleet services activities, including both day-to-day operations and strategic planning. The department serves as a liaison to Executive Management, the Board of Directors, and other departments of OC San. The department includes seven divisions:

Administrative Services provides leadership and oversight to all Administrative Services divisions.

Consolidated Services accounts for various OC San expenses that are not attributed to one division.

Financial Management oversees and administers all OC San's funds and accounts. Programs include treasury and debt management, accounts receivable and payable, user fees, payroll, financial reporting, fixed assets accounting, project controls, and coordinating the capital and operating budget process.

Contracts, Purchasing, and Materials Management is responsible for contract administration and procurement for all departments. Additionally, this division manages OC San's warehouse, receives and maintains inventory, and distributes supplies, materials, and equipment.

Information Technology is responsible for customer support related information technology assets and services, networking and infrastructure, telecommunications service operation and maintenance, databases and programming, solutions and application support, and cyber security.

Facilities Maintenance is responsible for management and maintenance the OC San facilities. This includes support for the treatment plants, collection systems, laboratory, and headquarters buildings. Additionally, the division addresses real estate matters such as easements, acquisitions, legal issues, property condition assessments, and overall property management.

Fleet Services provides vehicles and equipment to serve the logistics and mobility needs of all OC San staff. The division ensures vehicles and equipment are reliably maintained and readily available and provides crane services and tour bus operation.

ADMINISTRATIVE SERVICES

Description	2024-25 Adopted	2024-25 Projected	2025-26 Adopted	2025-26 Proposed
Personnel	\$ 21,047,228	\$ 23,461,819	\$ 22,123,181	\$ 25,965,154
Supplies	2,601,091	2,206,578	3,209,740	3,156,094
Professional & Contractual Services	6,847,200	7,833,833	6,656,275	9,846,667
Research & Monitoring	-	-	-	-
Repairs & Maintenance	3,993,700	7,967,330	3,833,620	8,600,738
Utilities	1,672,800	1,779,782	1,704,200	1,769,200
Other	5,144,808	3,524,808	5,513,702	5,565,603
Total	\$ 41,306,827	\$ 46,774,150	\$ 43,040,720	\$ 54,903,456

Budget Overview

The FY 2025-26 proposed budget for the Administrative Services Department reflects a 27.6 percent increase from the FY 2025-26 adopted budget. The increase is primarily due to an increase in FTE's, personnel costs, small computer items, minor furniture and fixtures, training and meetings, tools, legal services, other professional services, and service maintenance agreements, due to the transfer for the facilities maintenance and fleet services functions being transferred to this department.

Performance Objectives / Measures

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

Comply with the California State Government Code 100 percent of the time with all treasury investments.

Submit the annual sewer service fee property parcel database to the County in time for placement on annual secured property tax bills.

Continue the cycle count program and maintain a 97 percent accuracy rate or better.

Replace obsolete desktop, mobile, server computers, and network infrastructure for OC San's office computing.

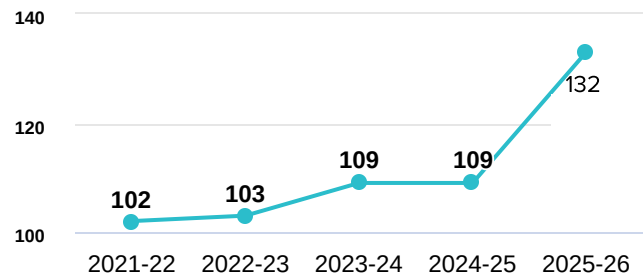
Cyber Security Awareness Protection – report on the overall effectiveness of phishing campaign.

Maintain a Work Order backlog of less than 5 weeks.

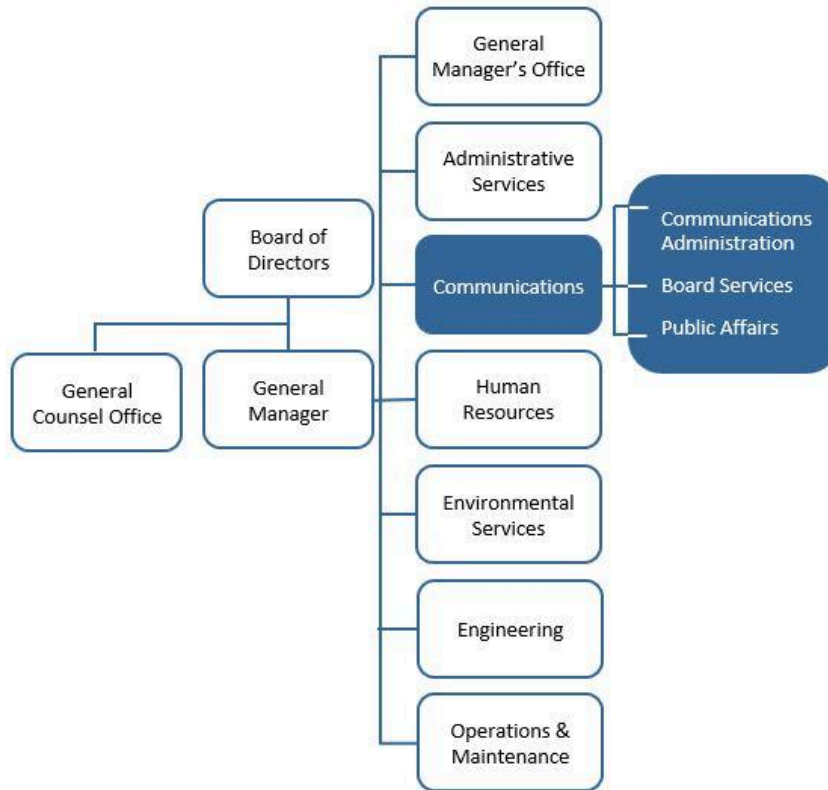
FY25-26 Authorized FTE Positions

Executive Managers	1
Managers	4
Supervisors / Professionals	75
Operations & Maintenance	17
Administrative & Clerical	24
Technical Services	11
Total	132

Staffing Trends



COMMUNICATIONS



Service Description

Communications Administration 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. Communications Administration oversees the Board Services and Public Affairs Divisions.

Board Services provides a high level of customer service through the Clerk of the Board's office. The Clerk of the Board'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.

Public Affairs provides services and implements programs to meet the communications and legislative needs of both internal and external audiences for the OC San. The division plans and implements media relations, website content, community relations, community education and outreach, employee newsletter, intranet development, 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.

COMMUNICATIONS

Description	2024-25 Adopted	2024-25 Projected	2025-26 Adopted	2025-26 Proposed
Personnel	\$ 2,572,960	\$ 2,567,344	\$ 2,700,234	\$ 2,727,521
Supplies	183,970	175,817	169,595	219,895
Professional & Contractual Services	560,000	370,390	450,000	764,500
Research & Monitoring	-	-	-	-
Repairs & Maintenance	-	-	-	-
Utilities	-	-	-	-
Other	290,640	290,631	295,640	295,640
Total	\$ 3,609,570	\$ 3,404,182	\$ 3,615,469	\$ 4,007,556

Budget Overview

The FY 2025-26 proposed budget for Communications reflects an increase of 10.8 percent over the FY 2025-26 adopted budget. The increase is primarily due to increases in professional services.

Performance Objectives / Measures

Maintain the Special District Leadership Foundation (SDLF) District Transparency Certificate of Excellence.

Ensure that the Board approved Strategic Plan is implemented.

Managing operating expenditures to within 96 to 100 percent of the approved budget.

Respond to 95 percent of public records requests within seven business days.

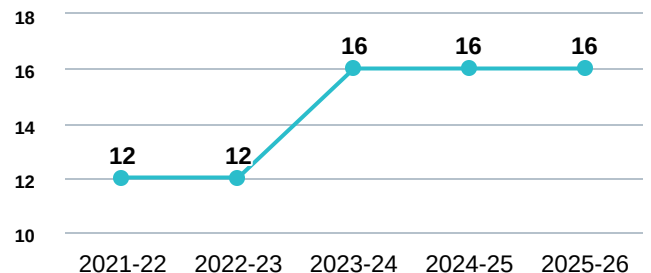
Provide services and implement programs that meet the communications needs of OC San's internal audiences by producing a minimum of 500 internal communication pieces.

Provide services and implement programs that meet communication needs of OC San's external audience by reaching a minimum of 25,000 people.

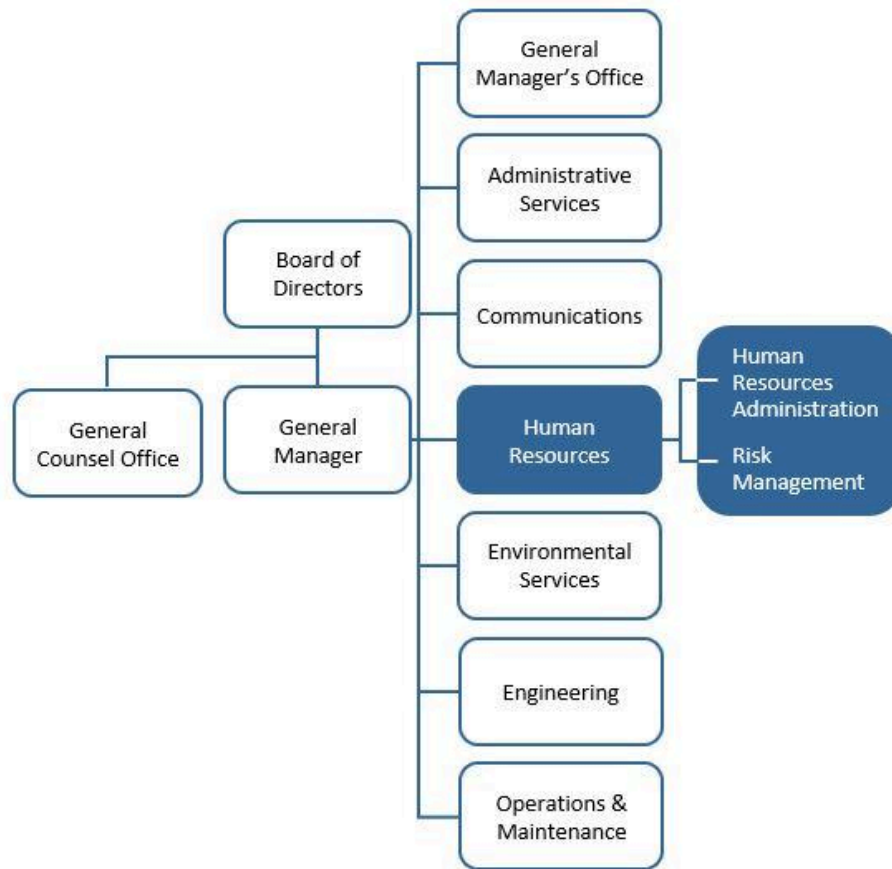
FY25-26 Authorized FTE Positions

Executive Managers	1
Supervisors / Professionals	6
Administrative & Clerical	7
Confidential	2
Total	16

Staffing Trends



HUMAN RESOURCES



Service Description

Human Resources is a full-service centralized department responsible for Human Resources and Risk Management programs and services. These include managing OC San's human capital, developing and administering programs that are legally compliant and ensuring a productive and safe workplace that attracts and retains top talent, and contributes to operational efficiency and a resilient workforce. The Human Resources Department is committed to a workplace grounded in fair and equitable employment decisions and safe work practices. This department serves as a strategic partner and advisor to the General Manager, executive staff, OC San departments, and all staff by delivering high quality services.

Human Resources serves as a strategic partner to departments on employment matters and organizational programs. The division ensures compliance with labor and employment laws and develops 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 and expert consultation in key areas, including workforce planning, recruitment and selection, classification and compensation, benefits, training and development, employee and labor relations, leave administration, performance management and employee engagement strategies. Additionally, the division is responsible for developing and implementing organizational policies and procedures ensuring alignment with legal requirements and evolving business needs.

Risk Management is dedicated to protecting the wellbeing of employees through robust safety and health programs. The division proactively identifies and mitigates potential hazards, ensures compliance with regulations, delivers safety training, conducts incident investigations, facility inspections and industrial hygiene assessments, oversees construction contractors and develops and implements injury and illness prevention strategies. These measures effectively reduce workplace accidents and injuries, enhance productivity and efficiency and contribute to employee retention and job satisfaction. The team also manages emergency preparedness and response efforts, including developing and leading emergency exercises and minimizing organizational disruptions in the event of a disaster. Additionally, the division is responsible for physical security contract oversight, controlled access, and critical infrastructure surveillance. These efforts are crucial to safeguard assets, operations and employees and ensure business continuity and a safe and secure workplace.

HUMAN RESOURCES

Description	2024-25 Adopted	2024-25 Projected	2025-26 Adopted	2025-26 Proposed
Personnel	\$ 5,357,116	\$ 5,400,575	\$ 5,659,162	\$ 5,697,937
Supplies	567,544	419,573	511,137	772,930
Professional & Contractual Services	2,021,196	1,069,600	2,001,196	2,004,700
Research & Monitoring	-	-	-	-
Repairs & Maintenance	37,550	43,136	37,550	47,245
Utilities	-	-	-	-
Other	162,050	154,830	162,050	162,050
Total	\$ 8,145,456	\$ 7,087,714	\$ 8,371,095	\$ 8,684,862

Budget Overview

The FY 2025-26 proposed budget for the Human Resources Department reflects a 3.7 percent increase from the FY 2025-26 adopted budget. The increase is primarily due to the addition of supplies.

Performance Objectives / Measures

Work with upper management to resolve issues at the lowest level through focused training and conflict resolution techniques.

Complete labor negotiations with all bargaining units.

Full implementation of a centralized training program and employee development plans.

Meet the training level of service of 40-45 hours per employee.

Ensure 100% completion of safety training and contractor safety orientations.

Ongoing evaluation of safety and health programs through third party safety audits, periodic inspections, and key performance indicators.

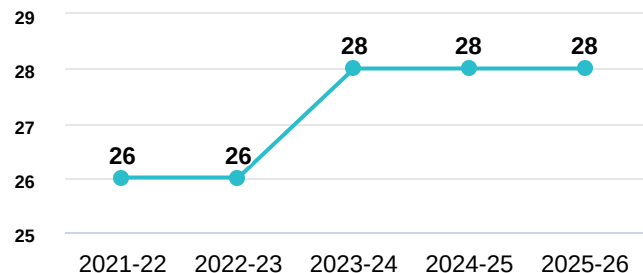
Ongoing implementation of physical security plans on new designs and renovation projects.

Develop and conduct routine emergency response exercises and facilitate emergency response training.

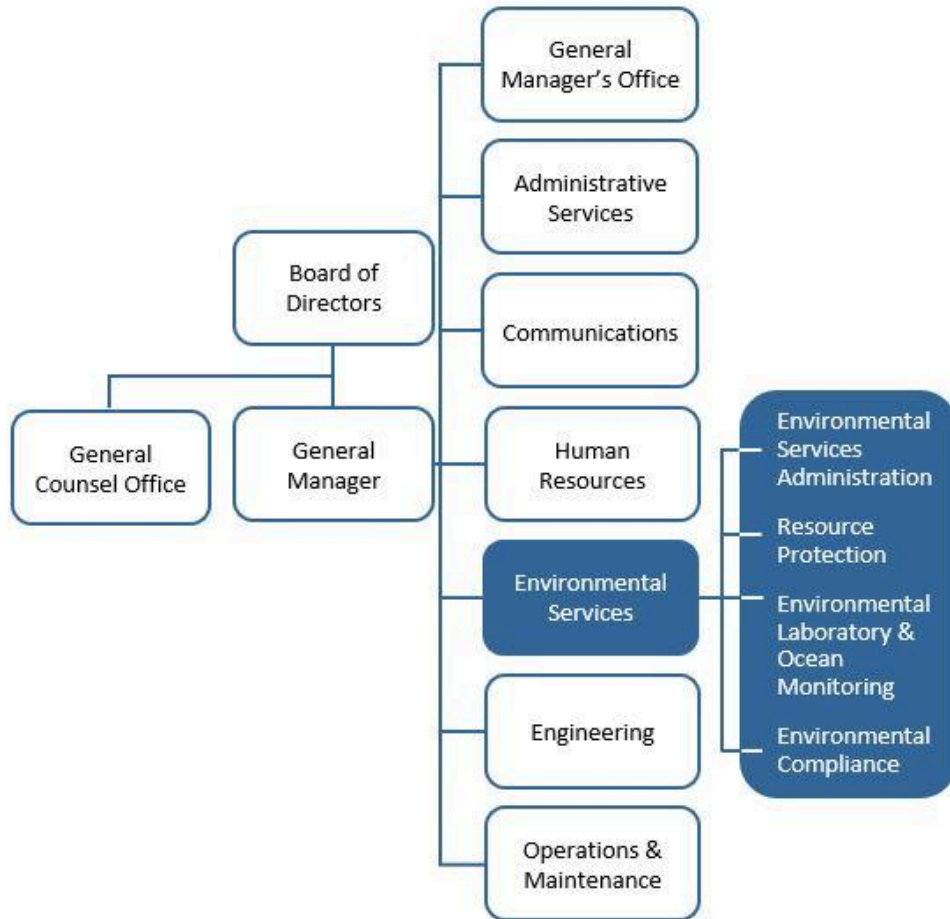
FY25-26 Authorized FTE Positions

Executive Managers	1
Managers	2
Supervisors / Professionals	20
Administrative & Clerical	4
Confidential	1
Total	28

Staffing Trends



ENVIRONMENTAL SERVICES



Service Description

The Environmental Services Department manages OC San's environmental monitoring, laboratory services, environmental compliance, pretreatment enforcement, and compliance reporting elements to ensure that OC San meets the requirements of federal, state, and local regulations for ocean discharge, water recycling, air emissions, industrial waste, dry weather urban runoff diversion, biosolids, and on-site stormwater management. The Environmental Services Department consists of four divisions:

Environmental Services Administration provides leadership, support, and management oversight for the Department to accomplish OC San's Strategic Plan and departmental annual goals.

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

Environmental Laboratory and Ocean Monitoring provides sampling, wastewater treatment process monitoring, ocean operations, laboratory analysis, and environmental research services to support 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.

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

ENVIRONMENTAL SERVICES

Description	2024-25 Adopted	2024-25 Projected	2025-26 Adopted	2025-26 Proposed
Personnel	\$ 17,708,278	\$ 16,663,109	\$ 18,547,269	\$ 18,193,575
Supplies	1,132,235	1,527,272	1,133,670	1,375,295
Professional & Contractual Services	2,292,100	2,484,024	1,975,600	2,300,600
Research & Monitoring	2,135,754	1,982,067	2,022,637	2,174,637
Repairs & Maintenance	496,000	496,000	558,000	573,000
Utilities	-	-	-	-
Other	1,890,730	1,917,121	1,993,493	1,993,493
Total	\$ 25,655,097	\$ 25,069,593	\$ 26,230,669	\$ 26,610,600

Budget Overview

The FY 2025-26 proposed budget for the Environmental Services Department reflects an increase of 1.5 percent from the FY 2025-26 adopted budget. The increase is primarily due to legal services, engineering services, environmental scientific consulting, and regulatory operating fees.

Performance Objectives / Measures

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

Ensure that reporting divisions achieve no less than 90 percent of individual performance objectives.

Ensure that all environmental compliance reporting requirements are met on or before required submission dates.

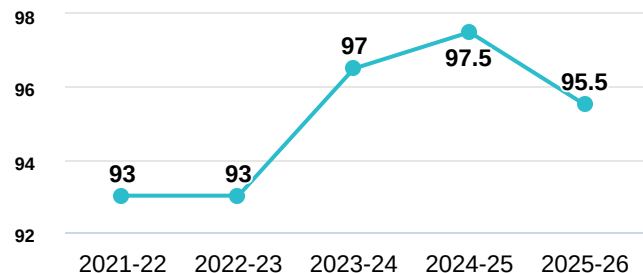
Conduct audits of all major environmental permits at least once every three years.

Complete 100 percent of Safety Scorecard requirements each quarter.

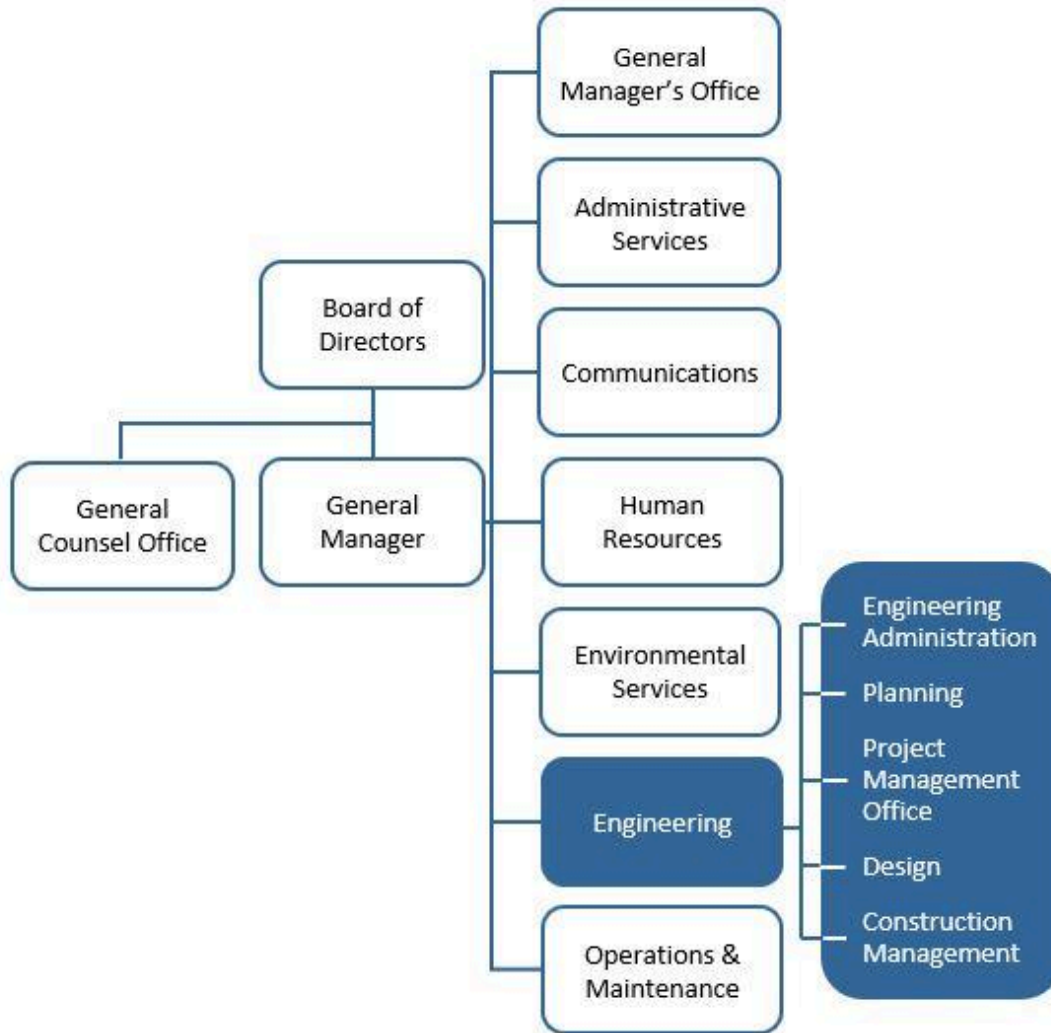
FY25-26 Authorized FTE Positions

Executive Managers	1
Managers	3
Supervisors / Professionals	65.5
Administrative & Clerical	6
Technical Services	20
Total	95.5

Staffing Trends



ENGINEERING



Service Description

The Engineering Department is responsible for the planning and execution of OC San's Capital Improvement Program, the Asset Management Program, and interagency coordination. The Engineering Department is comprised of five divisions:

Engineering Administration provides management to all Engineering Divisions.

Planning is responsible for developing and maintaining a comprehensive Capital Improvement Program for OC San considering projected capacity requirements, condition of assets, anticipated regulatory and level of service changes, and technological opportunities. Planning is responsible for OC San's Asset Management program to ensure that required levels of service are met by performing planned repair, rehabilitation, and replacement of facilities at optimal lifecycle costs. In addition, this division is responsible for California Environmental Quality Act preparation and review, and performs services for annexations, connection permitting, and interagency agreements.

Project Management is responsible for the timely delivery of planning studies and capital and facilities repair projects.

Design provides technical leadership, engineering design and quality assurance, design standards development and management, control systems design and programming, and commissioning oversight.

Construction Management provides construction engineering, quality control inspection, commissioning execution, and other technical support for construction projects.

ENGINEERING

Description	2024-25 Adopted	2024-25 Projected	2025-26 Adopted	2025-26 Proposed
Personnel	\$ 25,784,434	\$ 25,411,944	\$ 26,933,129	\$ 27,133,732
Supplies	300,722	301,954	221,137	433,800
Professional & Contractual Services	1,641,000	1,618,850	1,505,000	1,770,000
Research & Monitoring	-	-	-	-
Repairs & Maintenance	700	(84,876)	700	1,610
Utilities	-	-	-	-
Other	4,960	4,960	4,960	5,000
Total	\$ 27,731,816	\$ 27,252,832	\$ 28,664,926	\$ 29,344,142

Budget Overview

The FY 2025-26 proposed budget for the Engineering Department reflects a 2.4 percent increase from the FY 2025-26 adopted budget. The increase is primarily due to an increase in personnel costs, training and meetings, and software programing consulting.

Performance Objectives / Measures

Expend 90 to 105 percent of project annual Capital Improvement Program cash flows.

Manage operating expenditures to within 90 to 100 percent of the approved budget.

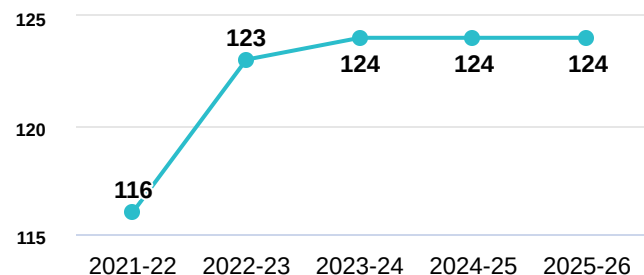
Ensure that reporting divisions achieve 90 percent of individual performance objectives.

Prepare and maintain a 20-year Capital Improvement Program coordinating condition assessment, regulatory requirements, changing levels of service, and projected capacity requirements.

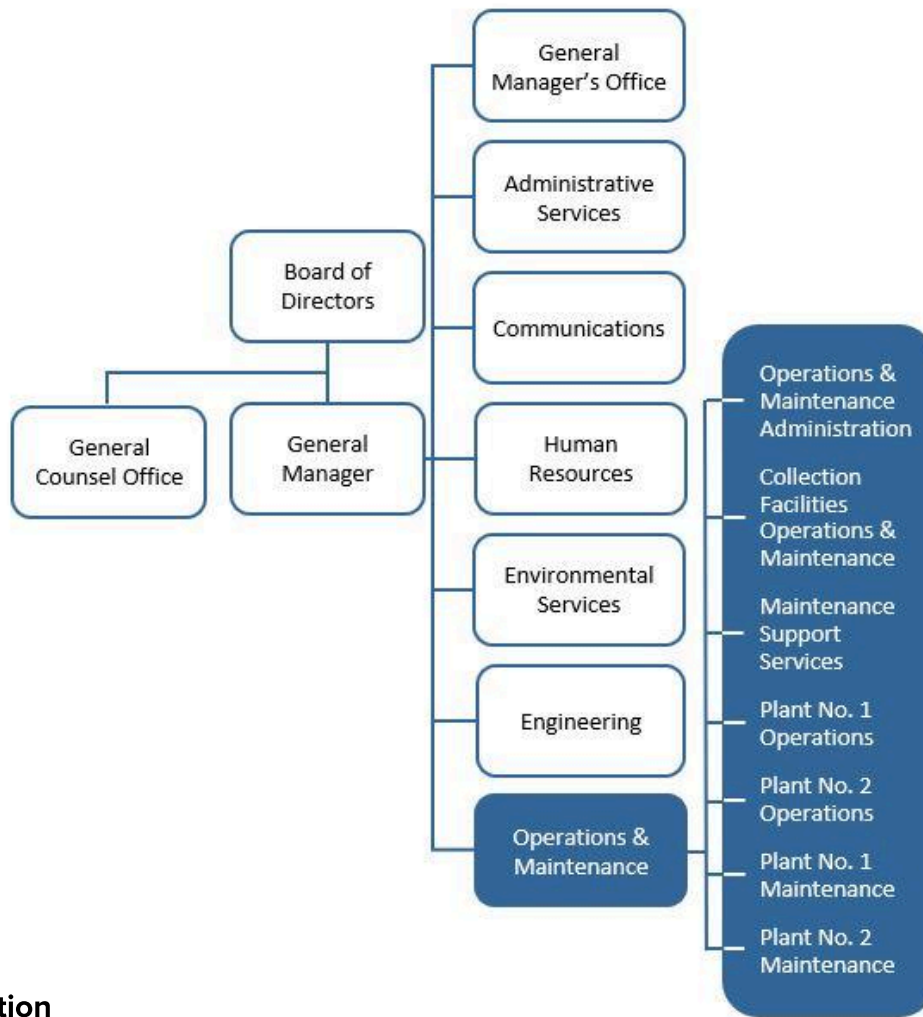
FY25-26 Authorized FTE Positions

Executive Managers	1
Managers	4
Supervisors / Professionals	93
Administrative & Clerical	26
Total	124

Staffing Trends



OPERATIONS AND MAINTENANCE



Service Description

The Operations and Maintenance (O&M) Department is responsible for treating wastewater, reusing or disposing of the treated wastewater and all residuals, providing maintenance support to all treatment facilities, operating and maintaining the sanitary sewer system pipeline and pumping facilities, and for providing fleet management services. The Department consists of seven divisions:

Operations and Maintenance Administration provides leadership and oversight to all O&M divisions.

Collection Facilities Operations and Maintenance operates and maintains the regional facilities which include gravity sewers, pumping facilities, and the Regional Odor and Corrosion Control System (ROCCS). Coordinates with Resource Protection to ensure compliance with all regulatory permits. Collections Maintenance also includes planning for all maintenance activities as well as reliability engineering for both Plants and the Collections System.

Plant No. 1 and Plant No. 2 Operations are responsible for the daily management of the wastewater treatment processes, sludge and biosolids treatment and loading processes, odor and air quality control processes, and digester gas transmission. Activities also include ensuring compliance with all Federal and State regulatory permits, support of the Capital Improvement Program, Asset Management, and coordination of construction and maintenance work. Plant No. 1 and Plant No. 2 Operations also ensures the delivery of specification water to the Groundwater Replenishment System for recycling.

Plant No. 1 and Plant No. 2 Maintenance are responsible for civil, electrical, facilities, instrumentation, and mechanical maintenance of the two treatment plants and pump stations facilities. Operates and maintains Central Generation facilities

OPERATIONS AND MAINTENANCE

Description	2024-25 Adopted	2024-25 Projected	2025-26 Adopted	2025-26 Proposed
Personnel	\$ 49,951,644	\$ 45,309,070	\$ 52,398,949	\$ 49,392,922
Supplies	31,042,805	29,921,494	31,143,395	31,420,981
Professional & Contractual Services	17,797,290	17,699,985	18,345,791	17,905,127
Research & Monitoring	-	-	-	-
Repairs & Maintenance	31,777,949	34,783,047	31,241,072	28,426,520
Utilities	14,458,574	13,079,988	14,732,572	15,203,572
Other	177,378	125,432	178,767	132,407
Total	\$ 145,205,640	\$ 140,919,015	\$ 148,040,546	\$ 142,787,529

Budget Overview

The FY 2025-26 proposed budget for the Operations and Maintenance Department reflects a 3.8 percent decrease from the FY 2025-26 adopted budget. The decrease is primarily due to the transfer of facilities maintenance and fleet services to the Administrative Services department.

Performance Objectives / Measures

Achieve zero enforceable compliance actions for water, solids, and air requirements.

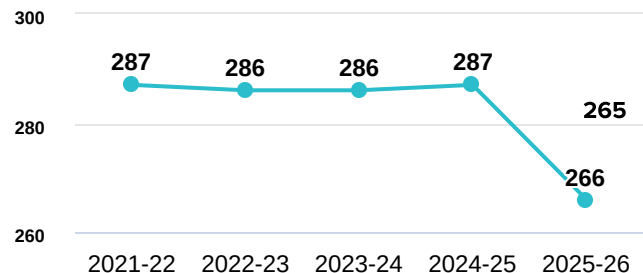
Achieve 100 percent compliance level of 90 to 100 percent of the Levels of Service targets.

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

FY25-26 Authorized FTE Positions

Executive Managers	1
Managers	3
Supervisors / Professionals	61
Operations & Maintenance	194
Administrative & Clerical	6
Total	265

Staffing Trends



APPENDIX

CASH FLOW PROJECTION

Orange County Sanitation District Consolidated Cash Flow Projections

Ref	Description	Prelim. 25-26	Prelim. 26-27	Prelim. 27-28	Prelim. 28-29	Prelim. 29-30	Prelim. 30-31
	Revenues:						
1	General User Fees	360,777,442	371,600,765	375,081,033	395,134,668	416,252,824	438,444,096
2	Permitted User Fees	16,593,000	17,090,790	17,693,488	18,554,485	19,458,532	20,405,628
3	IRWD Assessments	20,699,390	20,707,437	19,599,864	20,718,773	22,236,440	22,728,419
4	SAWPA Assessments	93,250	93,343	136,651	140,067	143,569	147,158
5	Property Taxes	123,698,000	127,408,940	131,231,208	135,168,144	139,223,189	143,399,884
6	New COP Issues	-	-	-	-	-	-
7	Interest Revenues	26,474,000	27,268,220	26,637,715	24,682,633	22,102,984	19,060,685
8	Capital Facilities Capacity Charges	21,671,000	22,321,130	22,188,684	22,937,548	23,725,704	24,555,258
9	Other Revenues	18,138,500	31,101,735	18,702,000	19,022,000	19,348,000	19,683,000
10	Revenues	588,144,582	617,592,360	611,270,643	636,358,318	662,491,241	688,424,129
	Requirements:						
11	Oper & Mtce Exp	246,365,399	252,865,399	259,187,034	265,666,710	272,308,378	279,116,087
12	Capital Improvement Program (CIP)	288,950,719	296,952,291	374,799,149	407,681,526	452,403,442	465,000,757
13	Less: CIP Savings & Deferrals	(34,674,086)	(35,647,560)	(45,214,075)	(49,670,106)	(56,172,992)	(59,410,547)
14	Allocation for Future Rehabilitation	-	110,705	1,984,812	6,236,025	15,704,823	30,087,132
15	COP Debt Service	60,431,104	60,304,604	64,461,104	64,457,604	64,457,354	62,950,104
16	Reduction of Long-Term Liabilities	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000
17	Other Requirements	10,245,565	3,500,000	5,166,529	5,166,529	5,166,529	5,166,529
18	Requirements	581,318,701	588,085,440	670,384,553	709,538,288	763,867,534	792,910,063
19	Revenues-Requirements:	6,825,881	29,506,920	(59,113,910)	(73,179,970)	(101,376,293)	(104,485,933)
	Accumulated Funds:						
20	Beginning of Year	894,466,842	901,292,723	930,799,643	871,685,733	798,505,763	697,129,470
21	End of Year	901,292,723	930,799,643	871,685,733	798,505,763	697,129,470	592,643,537
22	Consolidated Reserve Policy:	574,388,848	573,977,079	573,358,634	572,196,510	570,877,011	569,352,031
23	Over (Under) Reserve Policy:	326,903,875	356,822,564	298,327,099	226,309,253	126,252,459	23,291,506
	Sewer Service User Fees:						
24	Avg SFR Annual User Fee	\$ 385	\$ 397	\$ 411	\$ 431	\$ 452	\$ 474
25	Percentage Change	3.77%	3.12%	3.53%	4.87%	4.87%	4.87%
26	Equivalent Dwelling Units	936,177	938,986	941,803	944,628	947,462	950,304
27	SFR Connection Fee	\$ 6,576	\$ 8,606	\$ 7,044	\$ 7,396	\$ 7,766	\$ 8,154
28	Outstanding COPs	\$ 572,030,000	\$ 538,700,000	\$ 503,830,000	\$ 463,060,000	\$ 420,255,000	\$ 375,310,000
	Reserve Policy:						
29	50% Next Year Operating Expense	126,432,700	129,593,517	132,833,355	136,154,189	139,558,044	143,046,995
30	10% Next Year Operating Expense	25,286,540	25,918,703	26,566,671	27,230,838	27,911,609	28,609,399
31	100% Next Year AUG COP Svc.	12,717,302	11,845,552	10,826,302	9,756,177	8,632,552	7,415,331
32	50% Average Ten-Year CIP Balance	177,749,306	177,749,306	177,749,306	177,749,306	177,749,306	177,749,306
33	Debt Svc @ 10% Outstanding COP	57,203,000	53,870,000	50,383,000	46,306,000	42,025,500	37,531,000
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	574,388,848	573,977,079	573,358,634	572,196,510	570,877,011	569,352,031
	COP Ratios:						
38	Sr Lien Coverage, Min 1.25	5.30	5.68	5.12	5.40	5.69	6.11

CASH FLOW PROJECTION

Orange County Sanitation District Consolidated Cash Flow Projections

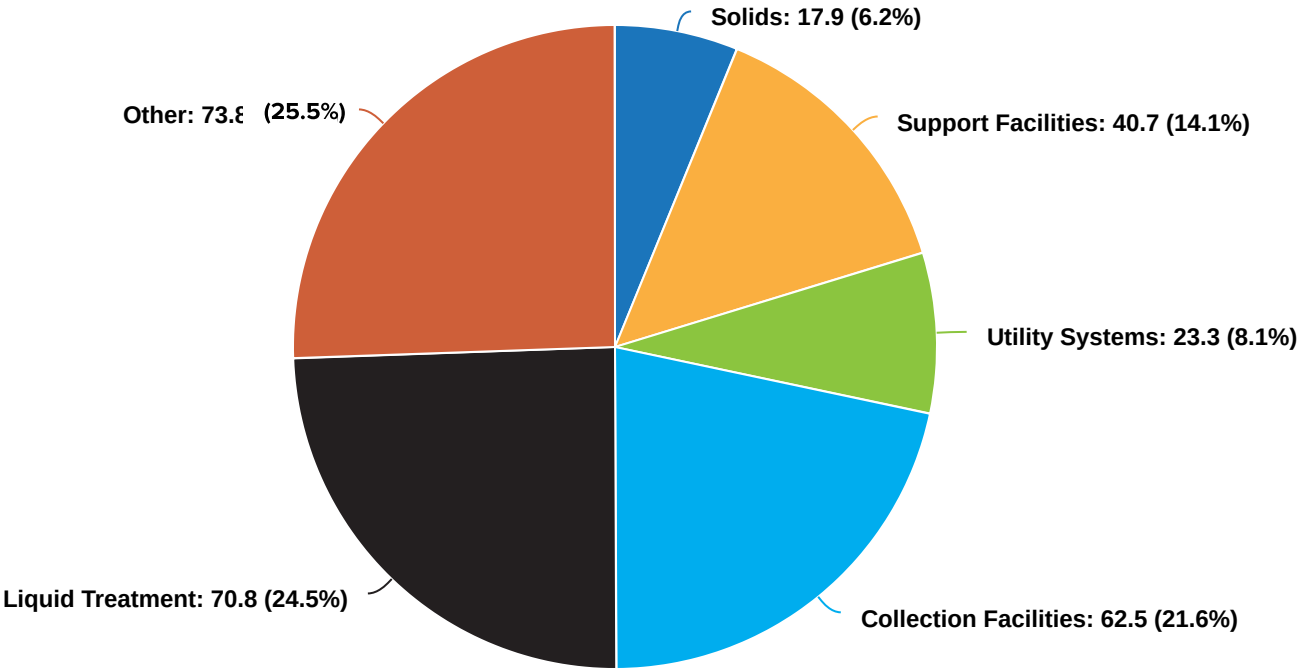
Ref	Description	Prelim. 31-32	Prelim. 32-33	Prelim. 33-34	Prelim. 34-35	10 - Year Total
	Revenues:					
1	General User Fees	461,718,035	486,083,294	512,508,454	540,043,352	4,357,643,963
2	Permitted User Fees	21,395,775	22,428,971	23,548,267	24,710,613	201,879,550
3	IRWD Assessments	22,106,841	21,135,565	21,807,905	20,932,341	212,672,974
4	SAWPA Assessments	150,837	154,608	158,473	162,435	1,380,392
5	Property Taxes	147,701,881	152,132,937	156,696,926	161,397,833	1,418,058,943
6	New COP Issues	-	-	-	-	-
7	Interest Revenues	16,570,405	15,670,364	16,194,682	18,215,927	212,877,615
8	Capital Facilities Capacity Charges	25,428,386	26,347,421	27,314,778	28,333,043	244,822,952
9	Other Revenues	20,026,000	20,378,000	20,378,000	20,378,000	207,155,235
10	Revenues	715,098,161	744,331,160	778,607,484	814,173,545	6,856,491,623
	Requirements:					
11	Oper & Mtce Exp	286,093,990	293,246,339	300,577,498	308,091,935	2,763,518,771
12	Capital Improvement Program (CIP)	411,219,552	343,544,925	298,410,605	202,805,233	3,541,768,199
13	Less: CIP Savings & Deferrals	(55,815,675)	(50,385,379)	(51,898,821)	(45,881,595)	(484,770,835)
14	Allocation for Future Rehabilitation	53,911,072	76,333,232	134,079,571	179,541,390	497,988,762
15	COP Debt Service	68,545,662	63,305,374	49,913,374	50,037,856	608,864,140
16	Reduction of Long-Term Liabilities	10,000,000	10,000,000	10,000,000	10,000,000	100,000,000
17	Other Requirements	5,166,529	5,166,529	5,166,529	5,166,529	55,077,797
18	Requirements	779,121,130	741,211,021	746,248,756	709,761,349	7,082,446,833
19	Revenues-Requirements:	(64,022,969)	3,120,139	32,358,729	104,412,196	(225,955,211)
	Accumulated Funds:					
20	Beginning of Year	592,643,537	528,620,568	531,740,707	564,099,435	
21	End of Year	528,620,568	531,740,707	564,099,435	668,511,631	
22	Consolidated Reserve Policy:	567,892,297	565,648,492	564,095,395	563,736,330	
23	Over (Under) Reserve Policy:	(39,271,729)	(33,907,785)	4,040	104,775,302	
	Sewer Service User Fees:					
24	Avg SFR Annual User Fee	\$ 497	\$ 521	\$ 547	\$ 574	
25	Percentage Change	4.85%	4.83%	4.99%	4.94%	
26	Equivalent Dwelling Units	953,155	956,014	958,882	961,748	
27	SFR Connection Fee	\$ 8,562	\$ 8,990	\$ 9,440	\$ 9,912	
28	Outstanding COPs	\$ 329,625,000	\$ 275,910,000	\$ 225,070,000	\$ 185,080,000	
	Reserve Policy:					
29	50% Next Year Operating Expense	146,623,170	150,288,749	154,045,968	157,897,117	
30	10% Next Year Operating Expense	29,324,634	30,057,750	30,809,194	31,579,423	
31	100% Next Year AUG COP Svc.	6,232,687	4,961,687	3,983,928	3,002,483	
32	50% Average Ten-Year CIP Balance	177,749,306	177,749,306	177,749,306	177,749,306	
33	Debt Svc @ 10% Outstanding COP	32,962,500	27,591,000	22,507,000	18,508,000	
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	-	-	-	-	
37	Total	567,892,297	565,648,492	564,095,395	563,736,330	
	COP Ratios:					
38	Sr Lien Coverage, Min 1.25	5.89	6.71	9.03	9.55	

PROJECT SUMMARY

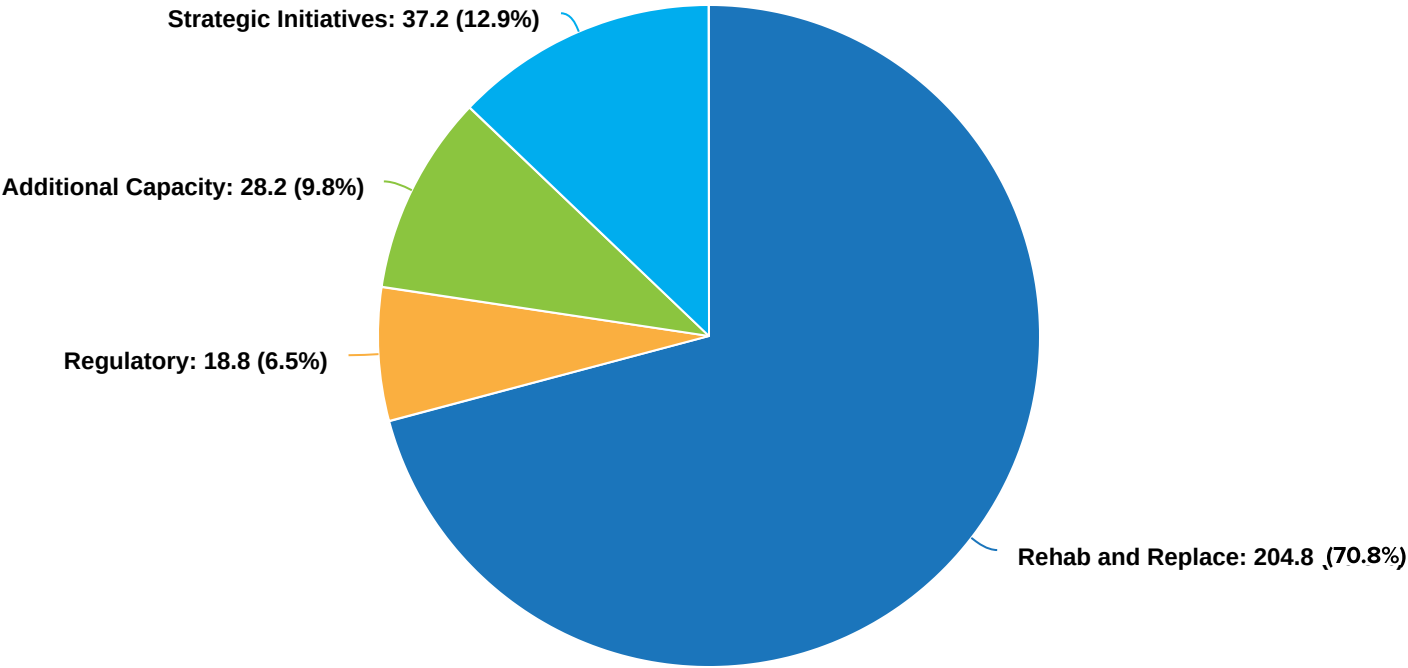
Project Summary FY 2025-26

Item	Rehabilitation and Replacement	Strategic Initiatives	Additional Capacity	Regulatory	Total Budget Authority
Collections Facilities	\$ 52,296,354	\$ 749,321	\$ 9,368,954	\$ 59,313	\$ 62,473,942
Solids Handling & Digestion	13,372,233	4,362,951	155,158	-	17,890,341
Support Facilities	27,544,955	5,747,637	3,658,572	3,725,941	40,677,105
Utility Systems	22,129,143	1,139,071	-	-	23,268,213
<u>Liquid Treatment:</u>					
Headworks	24,184,260	-	-	-	24,184,260
Primary Treatment	26,982,022	178,025	-	-	27,160,046
Ocean Outfall Systems	3,719,693	5,546,665	-	-	9,266,358
Secondary Treatment	10,184,148	-	-	-	10,184,148
Liquid Treatment Subtotal	65,070,123	5,724,689	-	-	70,794,812
<u>Other:</u>					
Information Management Systems	6,933,043	796,601	-	-	7,729,643
Equipment	14,787,129	14,787,129	14,787,129	14,787,129	59,148,516
Research	-	2,108,754	-	-	2,108,754
Strategic & Master Planning	2,662,694	1,331,347	221,891	221,891	4,437,824
Others	-	421,569	-	-	421,569
Water Management Projects	-	-	-	-	-
Other Subtotal	24,382,866	19,445,400	15,009,020	15,009,020	73,846,306
Grand Total	204,795,673	37,169,068	28,191,704	18,794,274	288,950,719
Less: CIP Savings & Deferrals	-	-	-	-	(34,674,086)
Allocation for Future Rehab.	-	-	-	-	-
Proposed Net CIP Outlay	-	-	-	-	\$ 254,276,633

SUMMARY OF CAPITAL REQUIREMENTS



FY 2025-26 Capital Improvement Program Outlay by Process - \$289.0 Million
Net CIP Outlay - \$254.3 Million



FY 2025-26 Capital Improvement Program Outlay by Driver - \$289.0 Million
Net CIP Outlay - \$254.3 Million

SUMMARY OF CAPITAL REQUIREMENTS

Summary of Capital Requirement - Collection System Improvement Projects

	Project Number	Total Project Budget	Proposed 2025-26 Outlay	Future Outlay
Collections Facilities				
Edinger Pump Station Repl.	11-33	\$ 36,500,000	\$ 1,261,043	\$ 32,322,036
Slater Pump Station Rehab.	11-34	45,600,000	-	45,583,520
North Huntington Beach Sewer Rehab.	11-35	9,274,000	-	9,274,000
Santa Ana Trunk Sewer Rehab.	1-23	55,800,000	4,555,304	47,010,183
Greenville Trunk Impr.	1-24	2,161,000	58	-
Taft Branch Impr.	2-49	30,200,000	7,584,218	16,887,512
Fullerton - Placentia Sewer Facilities Demo. & Rehab.	2-73	21,700,000	219,002	21,397,019
Atwood - Santa Ana Canyon Sewer Rehab.	2-78	23,802,000	-	23,802,000
Knott - Miller Holder Artesia Branch Rehab.	3-60	19,700,000	406,090	18,122,595
Westminster Blvd Force Main Repl.	3-62	43,900,000	-	-
Rehab. of Western Regional Sewers	3-64	96,300,000	5,750,397	42,109,947
I-405 Widening Project Impacts on OCSD Sewers	3-66	500,000	59,313	11,477
Seal Beach Pump Station Repl.	3-67	132,500,000	17,302,710	91,966,505
Seal Beach Sewer Facilities Impr.	3-68	115,198,000	-	115,198,000
Crystal Cove Pump Station Rehab.	5-66	17,774,000	-	17,774,000
Bay Bridge Pump Station Repl.	5-67	172,000,000	6,821,424	122,200,991
Newport Beach Pump Station Pressurization Impr.	5-68	2,700,000	263,669	-
East Coast Highway Sewer Rehab.	5-69	19,422,000	445,720	18,976,280
Fairview Sewer Rehab.	6-20	25,000,000	661,935	22,757,247
MacArthur Pump Station Rehab.	7-63	16,200,000	147,342	16,019,832
Main Street Pump Station Rehab.	7-64	45,234,000	-	45,234,000
Gisler-Red Hill Interceptor & Baker Force Main Rehab.	7-65	55,500,000	16,115,339	3,839,772
MacArthur Force Main Impr.	7-68	6,400,000	533,299	3,635
North Tustin-Orange Sewer Rehab.	7-69	33,800,000	347,079	33,265,530
Collections Facilities Total		\$ 1,027,165,000	\$ 62,473,942	\$ 743,756,081

SUMMARY OF CAPITAL REQUIREMENTS

Summary of Capital Requirement - Treatment System Improvement Projects

	Project Number	Total Project Budget	Proposed 2025-26 Outlay	Future Outlay
Equipment				
Equipment Purchases	Equipment	59,148,516	-	-
Equipment Total		59,148,516	-	-
Headworks				
Headworks Rehab. at P1	P1-105	340,000,000	24,184,260	107,096,834
Headworks Total		340,000,000	24,184,260	107,096,834
Primary Treatment				
Primary Sed. Basins No. 3-5 Repl. at P1	P1-126	201,000,000	4,199,476	185,412,488
Primary Sed. Basins No. 6-31 Reliability Impr. at P1	P1-133	12,100,000	356,049	590,325
B/C-Side Primary Sed. Basins Rehab. at P2	P2-133	305,928,000	-	305,928,000
Primary Treatment Rehab. at P2	P2-98	188,000,000	22,604,521	50,221,967
Primary Treatment Total		707,028,000	27,160,046	542,152,780
Secondary Treatment				
Activated Sludge-1 Rehab. at P1	P1-140	470,000,000	5,580,737	453,368,823
Trickling Filter Media Repl. at P1	P1-142	42,000,000	2,506,135	38,946,619
Activated Sludge Aeration Basin Rehab. at P2	P2-136	65,600,000	2,097,276	60,762,092
Secondary Treatment Total		577,600,000	10,184,148	553,077,534
Solids Handling & Digestion				
Deep Well Biosolids Mgmt. Facility	J-143	78,563,000	310,315	78,252,685
Interim Food Waste Receiving Facility	P2-124	10,000,000	129,531	8,193,680
Digester Repl. at P2	P2-128	588,000,000	14,094,930	534,180,372
Digesters Rehab. at P2	P2-137	51,200,000	2,739,421	42,490,517
Truck Loading Bay Odor Control Impr. at P2	P2-140	9,700,000	616,144	8,905,879
Solids Handling & Digestion Total		737,463,000	17,890,341	672,023,133
Ocean Outfall System				
Ocean Outfall System Rehab.	J-117	176,600,000	6,751,099	12,476,808
Ocean Outfalls Rehab.	J-137	100,000,000	1,474,008	97,608,283
Chemical Systems Rehab. at P2	P2-135	9,430,000	966,681	6,698,916
Emergency Overflow Pipes & Wingwalls Rehab. at P2	P2-139	7,500,000	74,570	7,304,985
Ocean Outfall Systems Total		293,530,000	9,266,358	124,088,992

SUMMARY OF CAPITAL REQUIREMENTS

Summary of Capital Requirement - Treatment System Improvement Projects

	Project Number	Total Project Budget	Proposed 2025-26 Outlay	Future Outlay
Utility Systems				
Digester Gas Facilities Rehab.	J-124	190,000,000	5,683,443	162,730,375
Cen Gen Engine Overhauls at P1 & 2	J-135	72,200,000	10,065,452	30,770,060
J-138 CenGen & Support Buildings Seismic Impr. at P1 & ...	J-138	17,500,000	86,185	17,407,128
Public Address System Repl.	J-141	12,208,000	175,010	12,032,990
Power Distribution Systems & Power Building C Repl.s at P...	J-142	54,934,000	793,770	54,140,230
Electrical Power Distribution System Impr.	J-98	43,000,000	3,515,299	34,742,180
Uninterruptable Power Supply Impr. at P1	P1-132	9,600,000	1,578,239	1,005,003
Industrial Control System & IT Data Center Relocation at P1	P1-138	16,500,000	795,665	15,551,948
Headworks Electrical Distribution Impr. at P2	P2-141	34,652,000	575,150	33,938,908
Utility Systems Total		450,594,000	23,268,213	362,318,822

Information Management Systems

Process Control Systems Upgrades	J-120	32,500,000	5,832,634	11,900,768
Project Mgmt. Information System	J-128	2,280,000	50,729	497,425
Process Control System Alarm Optimization	J-139	6,439,000	354,537	6,007,541
Information Technology Capital Program	M-MC-IT	10,000,000	1,491,743	7,126,145
Information Management Systems Total		51,219,000	7,729,643	25,531,879

Strategic & Master Planning

Planning Studies Program	M-STUDIES	25,000,000	4,437,824	12,458,799
Strategic & Master Planning Total		25,000,000	4,437,824	12,458,799

Water Management Projects

GWRS Final Expansion Coordination	J-36-2	1,400,000	-	-
Water Management Projects Total		1,400,000	-	-

Research

Research Program	M-RESEARCH	10,000,000	2,108,754	1,384,711
Research Total		10,000,000	2,108,754	1,384,711

SUMMARY OF CAPITAL REQUIREMENTS

Summary of Capital Requirement - Treatment System Improvement Projects

	Project Number	Total Project Budget	Proposed 2025-26 Outlay	Future Outlay
Support Facilities				
Laboratory Repl. at P1	J-133	129,300,000	1,325,327	127,774,440
CenGen Monitoring System Impr. at P1 & No.2	J-140	17,121,000	186,276	16,934,724
Small Construction Projects Program	M-FE	125,000,000	35,035,544	39,660,021
Headquarters Complex	P1-128	171,000,000	179,707	-
South Perimeter Security & Utility Impr. at P1	P1-134	8,150,000	-	-
Support Buildings Seismic Impr. at P1	P1-137	30,500,000	1,187,363	26,786,675
Administrative Facilities Demo.	P1-141	4,286,000	415,812	3,729,964
Collections Yard Relocation & Warehouse Demo. at P2	P2-127	9,400,000	794,279	281,738
Operations & Maintenance Complex at P2.	P2-138	178,000,000	1,246,216	169,677,457
Oxygen Gas Generation Facility at P2	P2-142	20,319,000	44,970	20,274,030
Waste Sidestream Pump Station A Impr. at P2	P2-143	12,352,000	261,611	12,090,389
Support Facilities Total		705,428,000	40,677,105	417,209,438

Others				
Capital Improvement Program Mgmt. Services	SP-195	2,000,000	421,569	358,323
Others Total		2,000,000	421,569	358,323

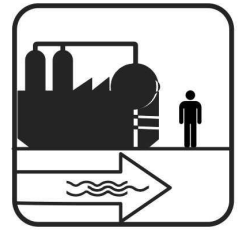
Total Treatment and Disposal Projects	3,901,262,000	167,328,261	2,817,701,245
Total Collections Facilities	1,027,165,000	62,473,942	743,756,081
Capital Equipment Purchases	59,148,516	59,148,516	-
Total Capital Improvement Program Budget	\$ 4,987,575,516	\$288,950,719	\$ 3,561,457,326
Less: CIP Savings & Deferrals	-	(34,674,086)	-
Proposed Net CIP Outlay	-	\$254,276,633	-

CIP PROJECT DETAIL SHEETS

Project Name & Number	CenGen Monitoring System Impr. at P1 & No.2 - J-140		
Project Category	Support Facilities	Project Status:	New

Description

This project will replace the obsolete Central Generation engine and generator vibration monitoring systems at Plant Nos. 1 & No. 2 with new condition monitoring systems; incorporate new vibration sensors for all engines, generators, and turbochargers; install new pressure sensors on the engine cylinders; and provide additional instrumentation to monitor auxiliary systems.



Support Facilities

Justification

The existing vibration monitoring systems are obsolete and need to be replaced. The engine peak firing pressures are currently measured manually using a portable analyzer. The new monitoring systems with additional instrumentation on the engines, generators, and auxiliary systems will help provide early warning of adverse conditions and will enable live data monitoring to support operational and maintenance decision-making to ensure safe, reliable operation.

Financial Consideration

The project's estimated construction contract cost is \$10,730,000.

Budget Projections

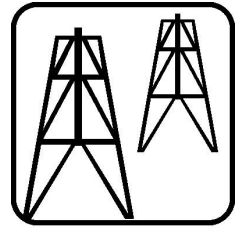
Budget Phase	Cost to Date	2024-2025	2025-2026	2026-2027	2027-2028	2028-2029	Thereafter	Total Project Budget
Proj Dev	-	-	-	-	-	-	-	-
Prelim Design	-	-	-	-	-	-	-	-
Design	-	-	186,276	601,518	398,206	-	-	1,186,000
Construction	-	-	-	-	397,249	4,582,528	7,745,223	12,725,000
Commissioning	-	-	-	-	-	-	-	-
Close-out	-	-	-	-	-	-	-	-
Contingency	-	-	-	-	-	-	3,210,000	3,210,000
Total	-	-	\$ 186,276	\$ 601,518	\$ 795,455	\$ 4,582,528	\$ 10,955,223	\$ 17,121,000

CIP PROJECT DETAIL SHEETS

Project Name & Number	Public Address System Repl. - J-141		
Project Category	Utility Systems	Project Status:	New

Description

This project will install a new public address system at both reclamation plants and the seven coastal pump stations in Newport Beach. The new system will be an ethernet/IP based system and will integrate into OC San's other alert systems such as fire and mass messaging.



Utility Systems

Justification

The current public address system is both nearing the end of its useful life and doesn't provide the full desired coverage of OC San's facilities. Repairing the existing system is becoming increasingly difficult with some parts becoming obsolete. A functional public address system is critical to maintaining safety at the reclamation plants and critical pump stations during emergencies.

Financial Consideration

The project's estimated construction contract cost is \$7,450,000.

Budget Projections

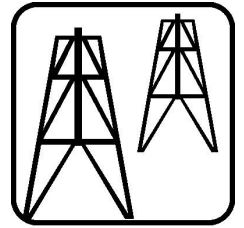
Budget Phase	Cost to Date	2024-2025	2025-2026	2026-2027	2027-2028	2028-2029	Thereafter	Total Project Budget
Proj Dev	-	-	-	-	-	-	-	-
Prelim Design	-	-	-	-	-	-	-	-
Design	-	-	175,010	448,611	450,406	331,973	-	1,406,000
Construction	-	-	-	-	-	138,114	8,443,886	8,582,000
Commissioning	-	-	-	-	-	-	-	-
Close-out	-	-	-	-	-	-	-	-
Contingency	-	-	-	-	-	-	2,220,000	2,220,000
Total	-	-	\$ 175,010	\$ 448,611	\$ 450,406	\$ 470,087	\$ 10,663,886	\$ 12,208,000

CIP PROJECT DETAIL SHEETS

Project Name & Number	Power Distribution Systems & Power Building C Repl.s at P1 & No. 2 - J-142		
Project Category	Utility Systems	Project Status:	New

Description

This project will replace the Central Generation and Service Center medium voltage switchgear, motor control centers and other power distribution equipment along with cabling infrastructure at Plant No. 1. This project will also construct a new Power Building C and demolish the existing power building at Plant No. 2. The new power building will include all new electrical equipment including transformers, switchgear, motor control centers, generators, distribution panelboards and battery system.



Utility Systems

Justification

The electrical equipment and cabling infrastructure inside the Central Generation Facility and Service Center is approaching the end of useful life requiring replacement. The existing Power Building C electrical equipment is also approaching end of useful life. A new Power Building C will ensure long term electrical reliability for Digesters P, Q, R and S while simplifying construction sequencing and replacement of these digesters in the future.

Financial Consideration

The project's estimated construction contract cost is \$30,190,000.

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	-	-	-	-	-	-	-	-
Prelim Design	-	-	-	-	-	-	-	-
Design	-	-	793,770	2,679,179	2,689,896	1,318,155	-	7,481,000
Construction	-	-	-	-	-	1,627,613	36,795,387	38,423,000
Commissioning	-	-	-	-	-	-	-	-
Close-out	-	-	-	-	-	-	-	-
Contingency	-	-	-	-	-	-	9,030,000	9,030,000
Total	-	-	\$ 793,770	\$ 2,679,179	\$ 2,689,896	\$ 2,945,768	\$ 45,825,387	\$ 54,934,000

CIP PROJECT DETAIL SHEETS

Project Name & Number	Deep Well Biosolids Mgmt. Facility - J-143		
Project Category	Solids Handling & Digestion	Project Status:	New

Description

This project will construct a deep well injection facility at Plant No. 1 for the storage and disposal of biosolids into porous underground geological formations. The facility will handle biosolids from Reclamation Plant No. 1 and No. 2. The major process equipment will include a receiving facility for hauled biosolids, biosolids screening facility, injection pumps, injection wells, flush water facility, and an electrical building.



**Solids Handling
& Digestion**

Justification

Currently OC San produces approximately 550 wet tons per day of Class B dewatered biosolids. The dewatered biosolids are trucked to Arizona and various composting facilities within California. The hauling cost budget for 2025 is approximately \$14,000,000. Potential future regulations could limit OC San's ability to beneficially reuse biosolids for land application and options for disposal of biosolids are not guaranteed. Deep well injection of biosolids will provide a reliable, long-term disposal option for biosolids and yield significant operational savings related to the dewatering and hauling of biosolids.

Financial Consideration

The project's estimated construction contract cost is \$49,260,000.

Budget Projections

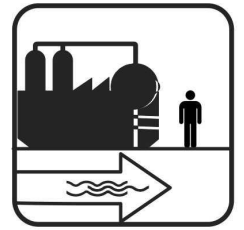
Budget Phase	Cost to Date	2024-2025	2025-2026	2026-2027	2027-2028	2028-2029	Thereafter	Total Project Budget
Proj Dev	-	-	-	-	-	-	-	-
Prelim Design	-	-	-	-	-	-	-	-
Design	-	-	310,315	1,278,213	1,596,567	1,583,846	671,059	5,440,000
Construction	-	-	-	-	-	-	58,393,000	58,393,000
Commissioning	-	-	-	-	-	-	-	-
Close-out	-	-	-	-	-	-	-	-
Contingency	-	-	-	-	-	-	14,730,000	14,730,000
Total	-	-	\$ 310,315	\$ 1,278,213	\$ 1,596,567	\$ 1,583,846	\$ 73,794,059	\$ 78,563,000

CIP PROJECT DETAIL SHEETS

Project Name & Number	Oxygen Gas Generation Facility at P2 - P2-142		
Project Category	Support Facilities	Project Status:	New

Description

This project will install an oxygen generation facility for the secondary treatment process at Reclamation Plant No. 2. This facility will serve as the primary source for the oxygen and the existing liquid oxygen storage and supply system will provide reliable back-up and peaking service. The generation facility will include sound attenuation to mitigate equipment noise.



Support Facilities

Justification

OC San currently purchases liquid oxygen to supply oxygen needed for secondary treatment at Reclamation Plant No. 2. Onsite oxygen generation will increase the reliability of oxygen supply, mitigate future liquid oxygen supply risks, and provides long-term savings when compared to the purchase of LOX

Financial Consideration

The project's estimated construction contract cost is \$12,740,000.

Budget Projections

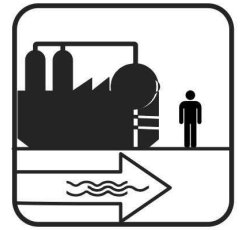
Budget Phase	Cost to Date	2024-2025	2025-2026	2026-2027	2027-2028	2028-2029	Thereafter	Total Project Budget
Proj Dev	-	-	-	-	-	-	-	-
Prelim Design	-	-	-	-	-	-	-	-
Design	-	-	44,970	255,727	444,999	441,454	219,850	1,407,000
Construction	-	-	-	-	-	-	15,102,000	15,102,000
Commissioning	-	-	-	-	-	-	-	-
Close-out	-	-	-	-	-	-	-	-
Contingency	-	-	-	-	-	-	3,810,000	3,810,000
Total	-	-	\$ 44,970	\$ 255,727	\$ 444,999	\$ 441,454	\$ 19,131,850	\$ 20,319,000

CIP PROJECT DETAIL SHEETS

Project Name & Number	Waste Sidestream Pump Station A Impr. at P2 - P2-143		
Project Category	Support Facilities	Project Status:	New

Description

This project will replace the Waste Sidestream Pump Station A (WSSPS-A) pumps; repair the wet well concrete; repair the pump pit surrounding tunnels; replace associated electrical equipment; replace portions of the piping, valves and, ventilation equipment; and install a new 10-inch discharge from WSSPS-A to the new A-side Primary Clarifier Complex being constructed by Project P2-98A.



Support Facilities

Justification

The WSSPS-A is located in a recessed area within Tremblay Tunnel that is subject to flooding. New pumps are required to mitigate associated risks to assuring long-term operation and reliability. Structural rehabilitation and equipment replacement is required due to age and associated conditions. Routing the WSSPS-A discharge to the A-side Primary Clarifier complex will prevent recirculation of scum which is currently causing process challenges resulting in additional maintenance efforts.

Financial Consideration

The project's estimated construction contract cost is \$6,540,000.

This project will not have an impact on operational budgets.

This project is being converted from Project No. X-007 to Project P2-43

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	-	-	261,611	637,050	669,331	172,008	-	1,740,000
Construction	-	-	-	-	-	2,181,929	6,480,071	8,662,000
Commissioning	-	-	-	-	-	-	-	-
Close-out	-	-	-	-	-	-	-	-
Contingency	-	-	-	-	-	-	1,950,000	1,950,000
Total	-	-	\$ 261,611	\$ 637,050	\$ 669,331	\$ 2,353,937	\$ 8,430,071	\$ 12,352,000

CAPITAL EQUIPMENT BUDGET SUMMARY

Proposed Capital Equipment Budget FY 2025-26

Division	Trucks & Vehicles 09410000	Other Mobile Eq 09410001	Machine Eq & Tools 09410002	Comm Equipment 09410003
General Management Admin	-	-	-	-
Financial Management	-	-	-	-
Contracts, Purch, & Materials Mgmt	-	-	-	-
Information Technology	-	-	-	-
Fleet Services	1,470,000	761,300	184,000	-
Resource Protection	-	-	-	-
Environmental Laboratory and Ocean Monitoring	-	-	-	-
Design	-	-	-	-
Collection Facilities O&M	-	-	600,000	-
Maintenance Support Services	-	-	560,014	-
Plant No. 1 Operations	-	-	-	-
Plant No. 1 Maintenance	-	-	1,451,332	-
Plant No. 2 Maintenance	-	-	1,161,238	-
Total Proposed Capital Equipment	1,470,000	761,300	3,956,584	-

Continued to next page

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
General Management Admin	-	-	42,000,000	-	42,000,000
Financial Management	-	-	-	500,000	500,000
Contracts, Purch, & Materials Mgmt	-	-	-	100,000	100,000
Information Technology	-	-	-	2,395,632	2,395,632
Fleet Services	-	-	-	31,735	2,447,035
Resource Protection	122,038	-	-	21,600	143,638
Environmental Laboratory and Ocean Monitoring	716,740	6,465,074	-	-	7,181,814
Design	-	-	-	67,800	67,800
Collection Facilities O&M	-	-	-	-	600,000
Maintenance Support Services	211,800	-	-	-	771,814
Plant No. 1 Operations	20,000	-	-	-	20,000
Plant No. 1 Maintenance	-	-	-	-	1,451,332
Plant No. 2 Maintenance	241,713	66,500	-	-	1,469,451
Total Proposed Capital Equipment	1,312,291	6,531,574	42,000,000	3,116,767	59,148,516

Continued from previous page

CAPITAL EQUIPMENT BUDGET DETAIL

Division	Equipment Type		Proposed Equipment Budget
110 - General Management Admin	Property Purchase		42,000,000
		Total	42,000,000
220 - Financial Management	Customer Portal		500,000
		Total	500,000
230 - Contracts, Purch, & Materials Mgmt	OpenGov Procurement Software		100,000
		Total	100,000
250 - Information Technology	Automated Records Retention		115,000
250 - Information Technology	SBITA renewals		1,375,632
250 - Information Technology	Network TAPS for ICS and Office		280,000
250 - Information Technology	Zero Trust Network Access		280,000
250 - Information Technology	Outdoor wireless AP Replacement		250,000
250 - Information Technology	O365 Cloud Backup		35,000
250 - Information Technology	CCTV Husky Server		35,000
250 - Information Technology	Self-Password Reset Solution		25,000
		Total	2,395,632
261 - Fleet Services	Portable Pump, Trailer Mounted, 4-inch, AQMD/CARB Approved		92,100
261 - Fleet Services	Portable Pump, Trailer Mounted, 8-inch, AQMD/CARB Approved		183,000
261 - Fleet Services	Electric Cart (O&M)		350,700
261 - Fleet Services	Generator, 200kW, Skid Mounted, AQMD/CARB Approved		135,500
261 - Fleet Services	KEY MANAGEMENT SYSTEM		31,735
261 - Fleet Services	SELF-LEVELING SCISSOR LIFT		74,800
261 - Fleet Services	PERSONAL DRIVEABLE MAST LIFT		29,000
261 - Fleet Services	FLEET CUSTOM EQUIPMENT - PULL RIG		744,000
261 - Fleet Services	HEAVY DUTY VEHICLES - ROLLOVER		726,000
261 - Fleet Services	NARROW ARTICULATING BOOM LIFT		80,200
		Total	2,447,035
620 - Resource Protection	Tablets for field data entry, photone evidence		21,600
620 - Resource Protection	HACH Autosamplers		122,038
		Total	143,638
630 - Environmental Laboratory and Ocean Monitoring	Oil and Grease Extractor		61,137
630 - Environmental Laboratory and Ocean Monitoring	Liquid Chromatograph/Tandem Mass Spectrometer (LC-MS/MS)		458,000
630 - Environmental Laboratory and Ocean Monitoring	Ocean Monitoring Program Research Vessel		6,465,074
630 - Environmental Laboratory and Ocean Monitoring	Benchtop Fume Hood		20,950
630 - Environmental Laboratory and Ocean Monitoring	Sulfur Chemiluminescence Detector (SCD)		121,653
630 - Environmental Laboratory and Ocean Monitoring	HACH Autosampler		55,000
		Total	7,181,814

CAPITAL EQUIPMENT BUDGET DETAIL

Division	Equipment Type		Proposed Equipment Budget
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
821 - Maintenance Support Services	ROTAGLIGN TOUCH WITH COMPLETE BRACKET KITS		92,314
821 - Maintenance Support Services	Faro Vantage S6 Max Tracker		209,000
821 - Maintenance Support Services	SDT 340 Ultrasound		143,225
821 - Maintenance Support Services	Alta Solutions 30 Channel Analyzer		68,575
821 - Maintenance Support Services	Schenk HM30BU/CAB820 Balancing Machine		145,000
821 - Maintenance Support Services	Ercolina Angle and Pipe Roller		35,000
821 - Maintenance Support Services	Burr King Vibratory Tumbler		26,200
821 - Maintenance Support Services	RDI Data Acquisition Unit		52,500
		Total	771,814
830 - Plant No. 1 Operations	Jerome 631		20,000
		Total	20,000
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	Sunflower Gear Box and Rotating Parts		175,450
870 - Plant No. 1 Maintenance	Cooper LSVB Intake Manifolds		105,882
		Total	1,451,332
880 - Plant No. 2 Maintenance	Emergency Capital Critical Spares for plant and collections ...		1,000,000
880 - Plant No. 2 Maintenance	Trickling Filter Critical Spare Parts		55,355
880 - Plant No. 2 Maintenance	Additional Bar Screen Work Platform		66,500
880 - Plant No. 2 Maintenance	Portable External Flowmeter System		66,150
880 - Plant No. 2 Maintenance	Portable Network Cable Testing/Analyzer Kit		82,563
880 - Plant No. 2 Maintenance	Calibration Work Station		93,000
880 - Plant No. 2 Maintenance	Cooper LSVB Intake Manifolds		105,883
		Total	1,469,451
Total Proposed Budget			\$ 59,148,516

LEVELS OF SERVICE

ENVIRONMENTAL STEWARDSHIP	FY 2023-24 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	2.81 MGD	Up to 10 MGD
Major non-conformance audit findings	0	< 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	11 events for both plants combined 10 events for collection system	< 5 per events per treatment plant < 12 per events for collection system
Sanitary Sewer Spills per 100 miles	0	< 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%

LEVELS OF SERVICE

	FY 2023-24 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	0%	25% of the properties
Annual inspection, documentation, and evaluation of collection system	38.4 miles of sewer 373 manholes	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 6% 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	2.6	< 4.4
Annual days away from work, restricted activity, or job transfer resulting from a work-related injury	2.85 days	< 2.5
Annual training hours per employee	100%	45 hours

SELF-FUNDED INSURANCE PLANS

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.

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 million. 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 \$98 million for the Property and General Liability program, appropriations for in-lieu premiums charged to the operating divisions are recommended at \$4.6 million for FY 2025-26.

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 million for the Workers' Compensation program, appropriations for in-lieu premiums charged to operating divisions are recommended \$791,455 for FY 2025-26.

DESCRIPTION OR ACCOUNT TITLE	General Liability Self-Insurance	Workers Compensation Self-Insurance	Total Self-Insurance Fund
Beginning Reserves	\$ 98,000,000	\$ 2,000,000	\$ 100,000,000
<u>Revenues</u>			
In-Lieu Premiums	4,649,886	791,455	5,441,341
Reserve Contribution	644,679	534,545	1,179,224
Service Department Allocation	25,000	100,000	125,000
Total Revenues	5,319,565	1,426,000	6,745,565
<u>Expenses</u>			
Benefits/Claims	400,000	600,000	1,000,000
Legal Services	-	250,000	250,000
Professional Services	20,000	100,000	120,000
Subtotal	420,000	950,000	1,370,000
Policy Premium Expense	4,899,565	476,000	5,375,565
Total Expenses	5,319,565	1,426,000	6,745,565
Excess Revenue (Expenses)	-	-	-
Ending Reserves	\$ 98,000,000	\$ 2,000,000	\$ 100,000,000

STAFFING ALLOCATION

Department and Division Name	Authorized FTEs 22-23	Authorized FTEs 23-24	Authorized FTEs 24-25	Authorized FTEs 25-26	Proposed FTEs 25-26
<u>General Manager's Office Header</u>					
General Manager Administration	4.00	5.00	4.00	4.00	4.00
General Manger's Office	4.00	5.00	4.00	4.00	4.00
<u>Administrative Services Department</u>					
Administrative Services Administration	2.00	2.00	4.00	4.00	2.00
Financial Management	23.00	26.00	25.00	25.00	25.00
Contracts, Purchasing and Materials Management	31.00	29.00	30.00	30.00	31.00
Information Technology	47.00	49.00	50.00	50.00	51.00
Facilities Maintenance	0	0	0	0	15
Fleet Services	0	0	0	0	8
Administrative Services	103.00	106.00	109.00	109.00	132.00
<u>Communications Department</u>					
Communications Administration			1.00	1.00	1.00
Board Services	6.00	7.00	7.00	7.00	7.00
Public Affairs	6.00	7.00	8.00	8.00	8.00
Communications	12.00	14.00	16.00	16.00	16.00
<u>Human Resources Department</u>					
Human Resources Administration			1.00	1.00	1.00
Human Resource	16.00	17.00	16.00	16.00	16.00
Risk Management/Safety/Security	10.00	11.00	11.00	11.00	11.00
Human Resources	26.00	28.00	28.00	28.00	28.00
<u>Environmental Services Department</u>					
Environmental Services Administration	12.50	13.00	2.00	2.00	2.00
Resource Protection	37.00	37.00	37.00	37.00	36.00
Environmental Laboratory and Ocean Monitoring	43.50	44.00	47.00	47.00	47.00
Environmental Compliance			11.50	11.50	10.50
Environmental Services	93.00	94.00	97.50	97.50	95.50
<u>Engineering Department</u>					
Engineering Administration	4.00	2.00	2.00	2.00	2.00
Planning	15.00	15.00	16.00	16.00	16.00
Project Management Office	21.00	21.00	21.00	21.00	21.00
Design	34.00	37.00	37.00	37.00	37.00
Construction Management	49.00	48.00	48.00	48.00	48.00
Engineering	123.00	123.00	124.00	124.00	124.00
<u>Operations and Maintenance Department</u>					
Operations and Maintenance Administration	2.00	1.00	1.00	1.00	1.00
Collection Facilities Operations and Maintenance	30.00	26.00	26.00	26.00	26.00
Maintenance Support Services	0	0	0	0	32
Fleet Services (old)	9.00	9.00	9.00	9.00	0
Plant No. 1 Operations	52.00	52.00	52.00	52.00	52.00
Plant No. 2 Operations	45.00	44.00	44.00	44.00	44.00
Plant No. 1 Maintenance	94.00	98.00	97.00	97.00	58.00
Plant No. 2 Maintenance	54.00	55.00	56.00	56.00	52.00
Operations and Maintenance	286.00	285.00	285.00	285.00	265.00
Grand Total - All Departments	647.00	655.00	663.50	663.50	664.50

HISTORICAL STAFFING DETAIL

Division & Position	Authorized FTEs 2022-23	Authorized FTEs 2023-24	Authorized FTEs 2024-25	Authorized FTEs 2025-26	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	1.00
Administration Manager	1.00	1.00	-	-	-
Principal Staff Analyst	-	1.00	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	4.00	5.00	4.00	4.00	4.00
100 - General Manager	4.00	5.00	4.00	4.00	4.00
Assistant General Manager	1.00	-	-	-	-
Director of Finance	-	1.00	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	1.00
Administrative Assistant	1.00	1.00	-	-	-
210 - Administrative Services Admin	2.00	2.00	4.00	4.00	2.00
Controller	1.00	-	-	-	-
Finance & Procurement Manager	-	1.00	1.00	1.00	1.00
Accounting Supervisor	3.00	3.00	3.00	3.00	3.00
Principal Project Controls Analyst	1.00	-	-	-	-
Principal Accountant	1.00	3.00	3.00	3.00	3.00
Principal Staff Analyst	3.00	4.00	3.00	3.00	3.00
Senior Accountant	3.00	2.00	1.00	1.00	1.00
Senior Staff Analyst	2.00	3.00	3.00	3.00	3.00
Accountant	2.00	3.00	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	5.00
Accounting Assistant II	5.00	-	-	-	-
Administrative Assistant	-	-	1.00	1.00	1.00
220 - Financial Management	23.00	26.00	25.00	25.00	25.00

HISTORICAL STAFFING DETAIL

Division & Position	Authorized FTEs 2022-23	Authorized FTEs 2023-24	Authorized FTEs 2024-25	Authorized FTEs 2025-26	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	1.00
Principal Contracts Administrator	2.00	2.00	2.00	2.00	3.00
Senior Contracts Administrator	3.00	3.00	3.00	3.00	3.00
Principal Buyer	1.00	-	-	-	-
Contracts Administrator	3.00	3.00	3.00	3.00	3.00
Senior Buyer	3.00	3.00	2.00	3.00	2.00
Senior Staff Analyst	1.00	-	-	-	-
Buyer	2.00	2.00	3.00	2.00	4.00
Contract/Purchasing Technician	-	4.00	4.00	4.00	3.00
Contracts/Purchasing Assistant	4.00	-	-	-	-
Lead Storekeeper	2.00	-	-	-	-
Lead Materials Management Clerk	-	1.00	1.00	1.00	1.00
Senior Storekeeper	3.00	-	-	-	-
Materials Management Clerk	-	6.00	6.00	6.00	6.00
Storekeeper	3.00	-	-	-	-
Materials Management Technician	-	1.00	1.00	1.00	1.00
Office Assistant	1.00	1.00	1.00	1.00	1.00
230 - Contracts, Purch, & Materials Mgmt	31.00	29.00	30.00	30.00	31.00
Information Technology Manager	1.00	1.00	1.00	1.00	1.00
Information Technology Supervisor	3.00	3.00	3.00	3.00	4.00
Principal Information Technology Analyst	7.00	8.00	8.00	8.00	8.00
Senior Information Technology Analyst	12.00	10.00	11.00	11.00	11.00
Information Technology Analyst III	7.00	9.00	9.00	9.00	9.00
Information Technology Analyst II	3.00	5.00	5.00	5.00	6.00
Data Management Technician II	7.00	6.00	6.00	6.00	5.00
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	-	-	-	-
Information Technology Technician	-	2.00	2.00	2.00	2.00
250 - Information Technology	47.00	49.00	50.00	50.00	51.00

HISTORICAL STAFFING DETAIL

Division & Position	Authorized FTEs 2022-23	Authorized FTEs 2023-24	Authorized FTEs 2024-25	Authorized FTEs 2025-26	Proposed FTEs 2025-26
Facilities Worker	-	-	-	-	5.00
Maintenance Specialist	-	-	-	-	2.00
Principal Staff Analyst	-	-	-	-	1.00
Electrical Tech II	-	-	-	-	2.00
Building Maintenance Tech	-	-	-	-	1.00
Lead Elec Tech	-	-	-	-	1.00
Maintenance Manager	-	-	-	-	1.00
Lead Facilities Worker	-	-	-	-	1.00
Maintenance Supervisor	-	-	-	-	1.00
260 - Facilities Maintenance	-	-	-	-	15.00
Maintenance Supervisor	-	-	-	-	1.00
Lead Mechanic	-	-	-	-	2.00
Automotive/ Heavy Equipment Technician	-	-	-	-	3.00
Mobile Crane Operator	-	-	-	-	2.00
261 - Fleet Services	-	-	-	-	8.00
200 - Administrative Services	103.00	106.00	109.00	109.00	132.00
Administration Manager	-	-	1.00	-	-
Director of Communications	-	-	-	1.00	1.00
310 - Communications Administration	-	-	1.00	1.00	1.00
Clerk of the Board	1.00	1.00	1.00	1.00	1.00
Assistant Clerk of the Board	1.00	2.00	2.00	2.00	2.00
Data Management Technician I	1.00	-	-	-	-
Records Management Technician	-	1.00	1.00	1.00	1.00
Program Assistant	2.00	1.00	1.00	1.00	1.00
Office Assistant	1.00	2.00	2.00	2.00	2.00
320 - Board Services	6.00	7.00	7.00	7.00	7.00
Public Affairs Supervisor	-	1.00	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	2.00	2.00	2.00
Administrative Assistant	1.00	1.00	1.00	1.00	1.00
340 - Public Affairs	6.00	7.00	8.00	8.00	8.00
300 - Communications	12.00	14.00	16.00	16.00	16.00

HISTORICAL STAFFING DETAIL

Division & Position	Authorized FTEs 2022-23	Authorized FTEs 2023-24	Authorized FTEs 2024-25	Authorized FTEs 2025-26	Proposed FTEs 2025-26
Director of Human Resources	-	-	1.00	1.00	1.00
510 - Human Resources Administration	-	-	1.00	1.00	1.00
Director of Human Resources	1.00	1.00	-	-	-
Human Resources and Risk Manager	1.00	-	-	-	-
Human Resources Manager	-	1.00	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	3.00	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	1.00
Human Resources Assistant	2.00	-	-	-	-
Human Resources Technician I	-	1.00	1.00	1.00	1.00
520 - Human Resources	16.00	17.00	16.00	16.00	16.00
Safety and Health Manager	-	1.00	1.00	1.00	1.00
Safety & Health Supervisor	1.00	-	-	-	-
Principal Safety & Health Specialist	-	2.00	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	-	-	-	-
Safety Inspector	-	2.00	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	-	-	-	-
Human Resources Technician II	-	1.00	1.00	1.00	1.00
Administrative Assistant	1.00	-	-	-	-
530 - Risk Management	10.00	11.00	11.00	11.00	11.00
500 - Human Resources	26.00	28.00	28.00	28.00	28.00

HISTORICAL STAFFING DETAIL

Division & Position	Authorized FTEs 2022-23	Authorized FTEs 2023-24	Authorized FTEs 2024-25	Authorized FTEs 2025-26	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	-	-	-
Regulatory Specialist	3.00	3.00	-	-	-
Principal Environmental Specialist	1.50	2.00	-	-	-
Senior Environmental Specialist	3.00	3.00	-	-	-
Executive Assistant	1.00	-	-	-	-
Administrative Assistant	-	1.00	1.00	1.00	1.00
610 - Environmental Services Administration	12.50	13.00	2.00	2.00	2.00
Environmental Protection Manager	1.00	1.00	1.00	1.00	1.00
Engineering Supervisor	2.00	2.00	2.00	2.00	2.00
Environmental Supervisor	1.00	1.00	1.00	1.00	1.00
Senior Engineer	2.00	1.00	1.00	1.00	1.00
Engineer	5.00	4.00	4.00	4.00	4.00
Associate Engineer	2.00	3.00	3.00	3.00	3.00
Senior Regulatory Specialist	-	1.00	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	5.00	5.00	5.00	5.00
Source Control Inspector I	3.00	4.00	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	-
620 - Resource Protection	37.00	37.00	37.00	37.00	36.00

HISTORICAL STAFFING DETAIL

Division & Position	Authorized FTEs 2022-23	Authorized FTEs 2023-24	Authorized FTEs 2024-25	Authorized FTEs 2025-26	Proposed FTEs 2025-26
Environmental Protection Manager	-	1.00	1.00	1.00	1.00
Environmental Lab & Ocean Monitoring Manager	1.00	-	-	-	-
Environmental Supervisor	3.00	3.00	3.00	3.00	3.00
Senior Scientist	3.00	1.00	2.00	2.00	2.00
Scientist	2.00	4.00	3.00	3.00	3.00
Principal Environmental Specialist	8.50	8.00	8.00	8.00	8.00
Senior Environmental Specialist	14.00	14.00	15.00	15.00	15.00
Environmental Specialist	7.00	6.00	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	1.00
Administrative Assistant	1.00	1.00	1.00	1.00	1.00
Environmental Technician	3.00	4.00	6.00	6.00	6.00
630 - Environmental Laboratory and Ocean Monito...	43.50	44.00	47.00	47.00	47.00
Environ Protection Manager	-	-	1.00	1.00	1.00
Pr Environmental Specialist	-	-	2.50	2.50	1.50
Senior Regulatory Specialist	-	-	2.00	2.00	2.00
Sr Environmental Specialist	-	-	3.00	3.00	3.00
Regulatory Specialist	-	-	3.00	3.00	3.00
650 - Environmental Compliance	-	-	11.50	11.50	10.50
600 - Environmental Services	93.00	94.00	96.50	97.50	95.50
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
Staff Analyst	1.00	-	-	-	-
Administrative Assistant	1.00	-	-	-	-
710 - Engineering Admin	4.00	2.00	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	7.00	7.00	7.00
Principal Staff Analyst	1.00	1.00	1.00	1.00	1.00
Associate Engineer	1.00	-	2.00	2.00	2.00
Engineering Associate	1.00	1.00	-	-	-
Assistant Engineer	-	1.00	1.00	1.00	1.00
740 - Planning	15.00	15.00	16.00	16.00	16.00

HISTORICAL STAFFING DETAIL

Division & Position	Authorized FTEs 2022-23	Authorized FTEs 2023-24	Authorized FTEs 2024-25	Authorized FTEs 2025-26	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	3.00
Engineering Associate	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	3.00	3.00	3.00	3.00
Information Technology Supervisor	-	1.00	1.00	1.00	1.00
Senior Engineer	11.00	9.00	9.00	9.00	9.00
Principal Information Technology Analyst	3.00	4.00	3.00	3.00	3.00
Engineer	7.00	9.00	9.00	9.00	9.00
Senior Information Technology Analyst	3.00	4.00	2.00	2.00	2.00
Associate Engineer	2.00	1.00	1.00	1.00	1.00
Information Technology Analyst III	1.00	1.00	3.00	4.00	4.00
Information Technology Analyst II	1.00	1.00	2.00	1.00	1.00
Staff Analyst	-	1.00	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	1.00
760 - Design	34.00	37.00	37.00	37.00	37.00
Engineering Manager	1.00	1.00	1.00	1.00	1.00
Engineering Supervisor	3.00	3.00	3.00	3.00	3.00
Construction Inspection Supervisor	3.00	3.00	3.00	3.00	3.00
Senior Engineer	4.00	4.00	4.00	4.00	4.00
Engineer	8.00	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	1.00
Senior Construction Inspector	8.00	8.00	8.00	8.00	8.00
Construction Inspector	13.00	11.00	11.00	11.00	11.00
Engineering Assistant II	3.00	-	-	-	-
Engineering Technician	-	3.00	3.00	3.00	3.00
Administrative Assistant	1.00	1.00	1.00	1.00	1.00
770 - Construction Management	49.00	48.00	48.00	48.00	48.00
700 - Engineering	123.00	123.00	124.00	124.00	124.00

HISTORICAL STAFFING DETAIL

Division & Position	Authorized FTEs 2022-23	Authorized FTEs 2023-24	Authorized FTEs 2024-25	Authorized FTEs 2025-26	Proposed FTEs 2025-26
Director of Operations & Maintenance	1.00	1.00	1.00	1.00	1.00
Senior Staff Analyst	1.00	-	-	-	-
810 - O & M Administration	2.00	1.00	1.00	1.00	1.00
Maintenance Manager	1.00	1.00	1.00	1.00	1.00
Maintenance Supervisor	2.00	2.00	2.00	2.00	2.00
Engineering Supervisor	1.00	-	-	-	-
Principal Staff Analyst	1.00	-	-	-	-
Associate Engineer	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	10.00
Environmental Specialist	-	-	-	1.00	1.00
Administrative Assistant	1.00	1.00	1.00	1.00	1.00
Mechanic	7.00	6.00	6.00	6.00	3.00
Maintenance Worker	-	1.00	1.00	1.00	1.00
Environmental Technician	1.00	1.00	1.00	-	-
820 - Collection Facilities O&M	30.00	26.00	26.00	26.00	26.00
Senior Mechanic	-	-	-	-	2.00
Reliability Maintenance Technician	-	-	-	-	4.00
Maintenance Specialist	-	-	-	-	14.00
Welder/Fabricator	-	-	-	-	3.00
Lead Electrical Technician	-	-	-	-	2.00
Associate Engineer	-	-	-	-	1.00
Machinist	-	-	-	-	1.00
Maintenance Supervisor	-	-	-	-	4.00
Lead Mechanic	-	-	-	-	1.00
821 - Maintenance Support Services	-	-	-	-	32.00
Maintenance Supervisor	1.00	1.00	1.00	1.00	-
Lead Mechanic	1.00	1.00	1.00	2.00	-
Automotive/ Heavy Equipment Technician	4.00	4.00	4.00	3.00	-
Mobile Crane Operator	2.00	2.00	2.00	2.00	-
Program Assistant	1.00	1.00	1.00	1.00	-
822 - Fleet Services	9.00	9.00	9.00	9.00	-

HISTORICAL STAFFING DETAIL

Division & Position	Authorized FTEs 2022-23	Authorized FTEs 2023-24	Authorized FTEs 2024-25	Authorized FTEs 2025-26	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	1.00	2.00
Engineer	1.00	1.00	2.00	2.00	1.00
Associate Engineer	2.00	2.00	1.00	1.00	1.00
Lead Plant Operator	4.00	4.00	4.00	4.00	4.00
Senior Plant Operator	14.00	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	18.00	18.00	18.00	18.00	18.00
Program Assistant	-	-	1.00	1.00	1.00
830 - Plant No. 1 Operations	52.00	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
Senior Plant Operator	14.00	13.00	14.00	14.00	14.00
Administrative Assistant	1.00	1.00	1.00	1.00	1.00
Plant Operator	18.00	18.00	17.00	17.00	17.00
840 - Plant No. 2 Operations	45.00	44.00	44.00	44.00	44.00

HISTORICAL STAFFING DETAIL

Division & Position	Authorized FTEs 2022-23	Authorized FTEs 2023-24	Authorized FTEs 2024-25	Authorized FTEs 2025-26	Proposed FTEs 2025-26
Maintenance Manager	1.00	1.00	1.00	1.00	1.00
Maintenance Superintendent	1.00	2.00	2.00	2.00	2.00
Maintenance Supervisor	9.00	9.00	9.00	9.00	4.00
Engineer	1.00	-	-	-	-
Associate Engineer	1.00	1.00	1.00	1.00	-
Maintenance Specialist	14.00	17.00	17.00	17.00	1.00
Lead Instrumentation Technician	2.00	2.00	2.00	2.00	2.00
Lead Electrical Technician	4.00	5.00	5.00	5.00	2.00
Lead Power Plant Operator	2.00	2.00	2.00	2.00	2.00
Reliability Maintenance Technician	4.00	4.00	5.00	5.00	1.00
Instrumentation Technician II	8.00	9.00	9.00	9.00	9.00
Electrical Technician II	8.00	8.00	10.00	10.00	8.00
Lead Mechanic	2.00	4.00	3.00	3.00	1.00
Power Plant Operator II	8.00	8.00	8.00	8.00	9.00
Machinist	1.00	1.00	1.00	1.00	-
Senior Staff Analyst	-	1.00	1.00	1.00	1.00
Administrative Assistant	1.00	1.00	1.00	1.00	1.00
Senior Mechanic	17.00	13.00	12.00	12.00	11.00
Welder/Fabricator	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	-	-	-	-
Electrical Technician I	2.00	2.00	-	-	-
Facilities Worker/Painter	1.00	-	-	-	-
Facilities Worker/Builder	1.00	-	-	-	-
Facilities Worker	-	2.00	2.00	2.00	-
Mechanic	1.00	2.00	2.00	2.00	2.00
870 - Plant No. 1 Maintenance	94.00	98.00	97.00	97.00	58.00

HISTORICAL STAFFING DETAIL

Division & Position	Authorized FTEs 2022-23	Authorized FTEs 2023-24	Authorized FTEs 2024-25	Authorized FTEs 2025-26	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	7.00	7.00	9.00	9.00	9.00
Electrical Technician II	7.00	7.00	9.00	9.00	9.00
Lead Mechanic	3.00	2.00	3.00	3.00	4.00
Senior Mechanic	16.00	15.00	15.00	15.00	16.00
Administrative Assistant	1.00	1.00	1.00	1.00	1.00
Lead Facilities Worker	1.00	1.00	1.00	1.00	-
Instrumentation Technician I	2.00	2.00		-	-
Electrical Technician I	2.00	2.00		-	-
Facilities Worker/Painter	1.00	-	-	-	-
Facilities Worker/Builder	2.00	-	-	-	-
Facilities Worker	-	3.00	3.00	3.00	-
Mechanic	1.00	3.00	3.00	3.00	2.00
Maintenance Worker	-	1.00	1.00	1.00	-
880 - Plant No. 2 Maintenance	54.00	55.00	56.00	56.00	52.00
800 - Operations & Maintenance	286.00	285.00	285.00	285.00	265.00
Orange County Sanitation District	647.00	655.00	663.50	663.50	664.50

APPROPRIATIONS LIMIT

Article XIIB 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 2025-26 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 2025-26. The increase in the limit is based upon population changes ranging from negative 0.41 percent to positive 0.68 percent for representative cities within the Orange County Sanitation District's service area and a per capita personal income change of 6.44 percent, as provided by the State Department of Finance.

Annual Appropriation Limits:

FY 2023-24	\$137,371,868
FY 2024-25	\$142,444,371
FY 2025-26	\$151,435,847

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.

MISCELLANEOUS STATISTICS

General Information

Year of Formation	1948	Miles of Sewers	more than 380 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	Approximately 2.6 million	WDR Order No. 2006-0003
2024-25 Assessed Value	\$613.8 Billion	Authorized Staff (Full-Time Equivalent)	664.5

Treatment Information

FY23-24 Influent BOD:

Plant No. 1	279 milligrams per liter
Plant No. 2	215 milligrams per liter

FY23-24 Influent Suspended Solids:

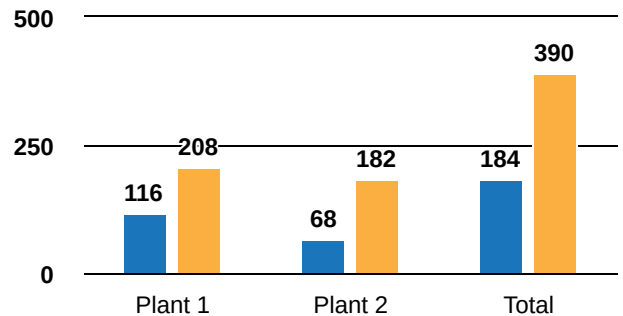
Plant No. 1	282 milligrams per liter
Plant No. 2	298 milligrams per liter

FY23-24 Effluent BOD 16 milligrams per liter

FY23-24 Effluent Suspended Solids 6 milligrams per liter

FY23-24 Biosolids Produced & Reused 187,156 wet tons

Daily Influent Flow to Total Primary Capacity Comparison (in MGD)



- 2023-24 Estimated Influent
- Primary Treatment Capacity (includes stan...

Primary Treatment Capacity (includes standby):

Plant No. 1	182 MGD
Plant No. 2	208 MGD
TOTAL	<u>390 MGD</u>

2024-25 Estimated Average Daily Influent:

Plant No. 1	116 MGD
Plant No. 2	68 MGD
TOTAL	<u>184 MGD</u>

Secondary Treatment Capacity:

Plant No. 1.....	182 MGD
Plant No. 2	150 MGD
TOTAL	<u>332 MGD</u>

2024-25 Estimated Electricity Generated:

Plant No. 1	42,704,236 kwh
Plant No. 2	52,293,180 kwh
TOTAL	<u>94,997,416 kwh</u>

Legend:

MGD – million gallons per day
kWh – kilowatts per hour

MISCELLANEOUS STATISTICS

Financial Information

<u>Fees and Charges:</u>	2023-24 Actual	2024-25 Adopted	2025-26 Adopted	2025-26 Proposed
One-Time 3-Bedroom Residence Connection	\$ 5,719.00	\$ 6,388.00	\$ 6,388.00	\$ 6,388.00
Average Annual Single-Family Residence Fee	\$ 358.00	\$ 371.00	\$ 384.00	\$ 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	\$ 3,054.47	\$ 3,445.75	\$ 3,526.32	\$ 3,648.44

Summary of COP Issues:

Series	Outstanding Par
2010A Series	80,000,000
2010C Series	22,830,000
2016A Series	115,850,000
2017A Series	65,815,000
2021A Series	76,705,000
2022A Series	81,620,000
2024A Series	129,210,000
Total Outstanding COP Balance	\$ 572,030,000

