



San José-Santa Clara
Regional Wastewater Facility

CIP

CAPITAL IMPROVEMENT PROGRAM

Quarterly Status Report:
July - September 2025

MISSION

Rebuild and revitalize the
Regional Wastewater Facility
and deliver the CIP on time
and within budget.





CAPITAL IMPROVEMENT PROGRAM

HOW ARE WE DOING?

Key Performance Indicators (KPIs) Year-to-Date:

SAFETY

0 Incidents



EXPENDITURES

On Target



ENVIRONMENTAL

0 Permit Violations



The San José-Santa Clara Regional Wastewater Facility (RWF) is one of the largest advanced wastewater treatment facilities in the western United States. The RWF has been treating the South Bay's wastewater and protecting public health and the environment without interruption since 1956. The discharge of clean wastewater into the South San Francisco Bay contributes to diverse and thriving fish and wildlife ecosystems.

Much of the RWF's infrastructure is functioning well beyond its intended use. As a result of a long and thoughtful Master Plan process, a \$2.1 billion, 30-year Capital Improvement Program (CIP) is underway to modernize and refurbish the RWF so its critical work can continue. Homes and businesses in Silicon Valley need a modern, reliable, state-of-the-art treatment plant to ensure a high quality of life and a thriving economy. The CIP is rebuilding RWF infrastructure and updating treatment processes with innovative, efficient new technologies. The first phase of the CIP started in 2014 and is nearing completion. The second phase will soon be underway.

This report summarizes the CIP's progress and highlights accomplishments from July to September 2025.

LEGEND



On Target



Alert



At Risk





CIP Governance Ensures Success Through Clarity and Transparency

By Mariana Chavez-Vazquez, RWF General Manager

We are dedicated to transparency as we manage a \$2 billion 30-year CIP. When the program began over ten years ago, we developed processes and tools to guide how we deliver projects and make big decisions. As we learn, these systems are continuously updated, ensuring clarity and consistency.

Our commitment to being transparent on our delivery process starts at the very beginning – the project initiation stage. Before we spend any money, RWF leaders kick off the planning process by answering four basic questions: what the project need is, possible design options, estimated cost and time, and the proposed project management team.

Once a project is approved, our program controls team begins applying CIP governance systems to ensure we do our due diligence to deliver projects on time, within budget. A detailed budget workbook allows the project manager to estimate construction and delivery costs by phase and fiscal year, and track spending. A comprehensive schedule lays out the progression and duration of all tasks and milestones, ensuring stakeholder alignment.

Each project also maintains a risk register, documenting potential risks, such as unknown underground conditions or delays in obtaining outside permits. We proactively decide how to respond to each risk – whether to avoid, mitigate, enhance, transfer or accept them– and monitor how the risk and response might change over time. Our program controls staff host monthly performance meetings to review the status of projects, quickly flagging potential delays or cost increases to be addressed.

At the heart of our governance framework is the stage gate process, acting as required checkpoints throughout a project's life. Stage gates ensure the project is still aligned with CIP goals, help us keep the scope under control, and provide transparency on how the program manages millions of dollars in costs. The stage gates allow us to stop, review and confirm that we are on the right track before moving ahead, and ensure accountability and effective project coordination.

Ultimately, this internal process leads to transparency for the public, resulting in the CIP quarterly report. This report is shared with the public, the Treatment Plant Advisory Committee (TPAC), and the San José City Council. The CIP report uses Key Performance Indicators to give stakeholders an easy way to see the program's progress, including updates on projects in design and construction, and charts showing forecasted and actual spending. The goal is to communicate the status of the CIP in a clear and transparent way, affirming that tax dollars are being invested wisely and responsibly.

I applaud our CIP team for their continued commitment to this goal.

Aeration Basin Modifications Phase 1 Project (Aeration Project): Largest Design-Build Project at Wastewater Facility Since CIP's Inception

The Aeration Basin Modifications Project—an estimated \$240 million investment—represents the largest single design-build effort in CIP history. The RWF's secondary treatment process will undergo a critical, multi-phase upgrade to protect the environment and ensure a reliable wastewater service.

The core of RWF's secondary treatment—the aeration basins— perform the critical task of removing organics and nutrients from the wastewater. Constructed between the 1960s and 1980s, these aging facilities require major rehabilitation to remain reliable after decades in a harsh, corrosive environment. Upgrades are needed to meet new, stringent environmental permitting limits for Total Inorganic Nitrogen (TIN). Reducing TIN discharge protects sensitive species, keeping the South Bay ecosystem healthy.

The Aeration Project will fully rehabilitate portions of the existing aeration basins. To meet the new TIN limits, a nutrient removal process (Simultaneous Nitrification Denitrification/inDENSE) will be installed. Several nitrification clarifiers will be rehabilitated, including replacing major equipment, repairing concrete floors; and building a new carbon facility. "Given the size and complexity of these facilities, a design-build delivery method to implement improvements to this system was selected," said Project Manager **Dan Peters**.

Currently in the Feasibility/Development Phase, the Aeration Project is moving forward with key procurements. In September, the City hosted a successful Vendor Open House providing essential information to prospective Owner's Advisors and Design-Build teams, including a site tour to familiarize potential vendors with the project's complexity and scope. "By rehabilitating aging infrastructure and implementing process improvements, we are positioning the Wastewater Facility to reliably meet the newly issued TIN limits to continue protecting the Bay," said Project Manager **Deina Aly**.

The Owner's Advisor procurement is expected to run from mid-October 2025 through June 2026. The Design-Build RFQ advertisement is anticipated in April 2027.



Senior Engineer Deina Aly breaks down the scope of the project to firms attending the vendor open house



How the CIP Delivers Projects

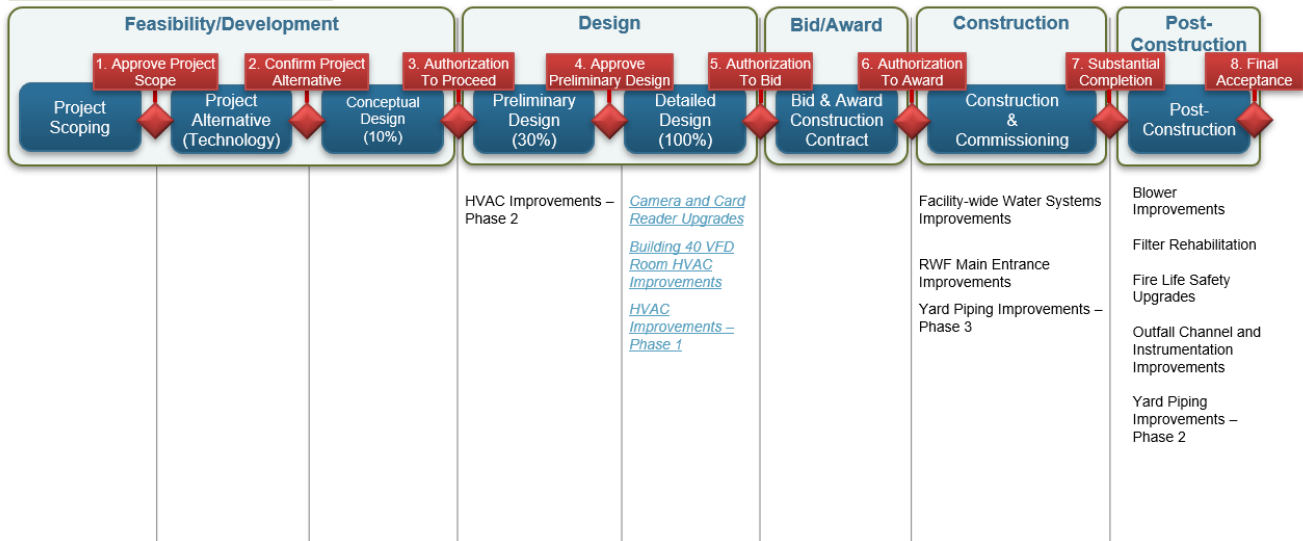
The CIP primarily uses two project delivery methods:

- **Design-Bid-Build** is a commonly used delivery method in which an owner first procures a professional engineering firm to prepare detailed design plans and specifications for a project. The owner then solicits bids for the project and procures a general contractor to construct the project based on the design completed by the engineer.
- **Design-Build** is a two-phase delivery method contracted with a single design-build firm in which the project's design, cost estimating, construction schedule and final guaranteed maximum price (GMP) are developed during the first phase. If the owner and design-builder agree on the schedule and the GMP during the first phase, the final design, construction and commissioning are completed during the second phase.

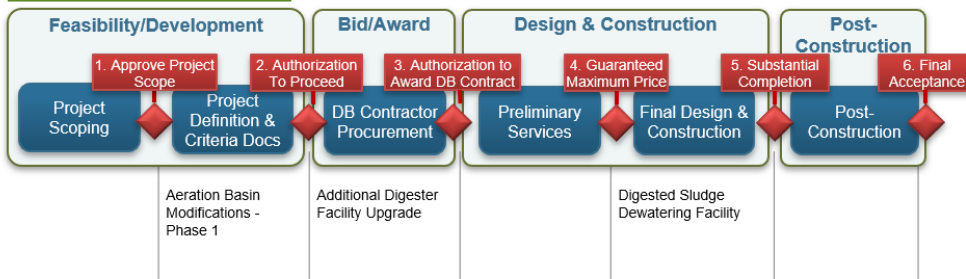
All CIP projects, regardless of project delivery method, follow a consistent process of consecutive delivery stages, each culminating in a stage gate, as presented in the project delivery models below. Stage gates are go/no-go points at which the project team must demonstrate that the project has met predefined evaluation criteria before advancing to the next delivery stage. The benefits of the stage gate process include consistency, quality assurance, ensuring that the scope continues to address existing needs, budget/schedule control, and Operations & Maintenance team engagement.

Active Projects by Delivery Model

Design-Bid-Build Active Projects



Design-Build Active Projects



*Projects shown underlined and in blue and italics have either been initiated or advanced this reporting period.



CIP PROJECTS

The CIP includes projects in both design and construction phases. This update outlines accomplishments for the past quarter in two sections: Projects in Design and Projects in Construction. For projects in construction and post-construction phases, the CIP uses cost and schedule baselines monitored through the City's Capital Project Management System. Access project performance information at the following link:

See Appendix A

Projects in Design

- **Additional Digester Facility Upgrade**

During this period, staff reviewed and evaluated Design-Builder (DB) proposals. City council award of the DB contract is expected in January 2026.

- **Aeration Basin Modifications Phase 1**

In September, staff hosted a vendor open house to share information with potential vendors ahead of the advertisement of the owner's advisor Request for Qualifications.

- **Building 40 VFD Room HVAC Improvements**

In August, consultant Brown and Caldwell submitted the draft 100% design packet for city staff review and input. The final 100% design packet is expected in November, with advertisement of the construction contract to follow in January 2026.

- **Camera and Card Reader Upgrades**

In August, consultant Jacobs submitted the draft 100% design packet. The final 100% design packet is expected in October, with advertisement of the construction contract to follow immediately.

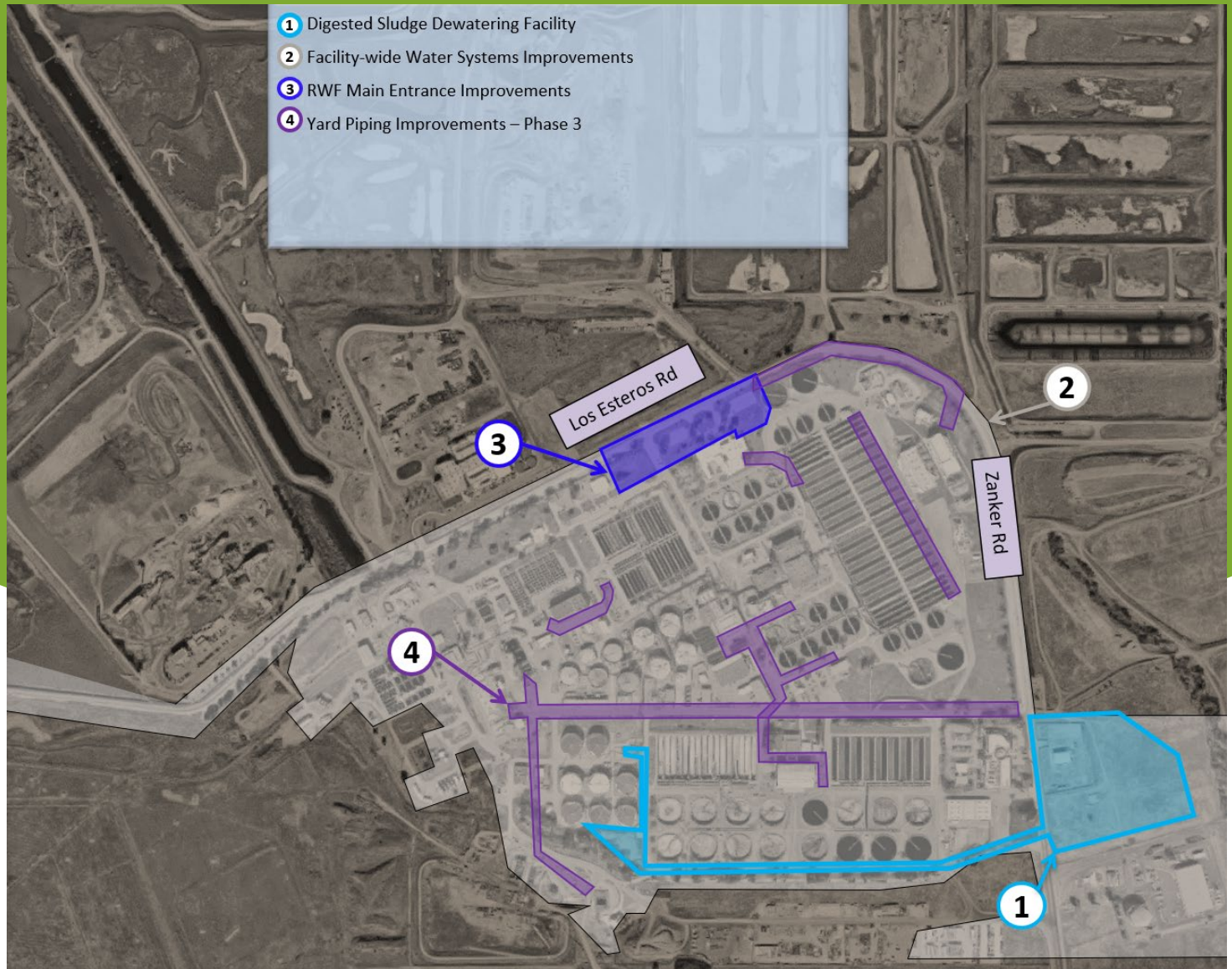
- **HVAC Improvements - Phase 1**

In August, consultant CDM Smith completed the preliminary design submittal. In September, staff advertised the contractor prequalification packet. Statement of Qualifications are due in October, with the City's determination to follow in late November.



Projects in Construction

This aerial map of the RWF shows the CIP's active construction projects.



1

Digested Sludge Dewatering Facility: Drying biosolids more efficiently and effectively



Odor equipment installation

The RWF currently uses an open-air lagoon and drying bed process to stabilize biosolids before landfill disposal. The 2013 Plant Master Plan recommended moving to an enclosed mechanical dewatering process. This project will build a mechanical dewatering facility and support facilities.

Project Budget: \$177.0 million

Expected Beneficial Use: February 2026

Update:

- In the main dewatering building, design-builder Walsh placed concrete and began installing odor equipment and water and drainage piping. Functional testing was performed for sanitary sewer and storm sewer pump stations, sludge feed pumps, and centrifuges. Furniture and computers were installed in personnel areas, and exterior work continued including installation of lighting, irrigation piping and landscaping.
- In the truck loadout facility, functional testing of air handling units and truck scales calibration were concluded. Walsh continued to install siding material along the perimeter, and conduits and controls in the truck driver stations.
- Walsh finished painting the sludge storage tanks, completed functional testing for transfer and transport pumps and ancillary equipment, and installed fencing around the warehouse area. Throughout this period Walsh continued to provide training sessions to RWF Operations and Maintenance staff.

2

Facility-wide Water Systems Improvements: Improving performance and reliability



Newly painted and coated water tank.

The RWF has five water systems: potable water, groundwater, process water (3W), fire protection water, and recycled water. These systems were constructed at separate times as part of various expansions. The aim of this project is to rehabilitate, replace, and/or

extend the RWF's water systems to improve current and future performance and reliability.

Project Budget: \$90.4 million

Expected Beneficial Use: June 2027

Update:

- During this period, contractor Ranger Pipelines replaced pipes in various areas of the RWF, including tunnel penetration installation at the Digesters 5-8 Cooling Water Pump Station. Overhead pipe rack and other pipe supports were installed.
- Ranger also continued concrete and electrical work on the 1W/4W pump station and air gap tanks, and hazardous materials assessment in the Secondary Blower Building area.

3 RWF Main Entrance Improvements: Modernizing the RWF's main entryway



Steel frame and guard house construction

Built in 1988, the existing main gate serves as the RWF's primary vehicle security checkpoint and has lasted beyond its service life. The new entrance will be upgraded to meet Americans with Disabilities Act requirements, the entry and exit lanes will be widened to improve traffic flow for large delivery trucks, and lighting will be improved for clearer nighttime visibility.

Project Budget: \$14.0 million

Expected Beneficial Use: May 2026

Update:

- In July, contractor W.E. Lyons Construction Co. completed major structural and electrical construction milestones for the new guard house, installed landscaping around the Environmental Services Building and began landscaping improvements in front of the Administration Building.
- In August, W.E. Lyons completed the guard station's electrical rough-in work and continued work on the building envelope and underside canopy lighting.

4 Yard Piping Improvements – Phase 3: Rehabilitating Aging Pipe Infrastructure



Temporary flow diversion system including reroute piping and pumps

The RWF has approximately 300,000 linear feet of piping of various age, material, condition, and reliability, some as large as twelve feet across. 70% of these pipes are more than 25 years and well past their lifespan. This project will rehabilitate or replace the pipes that have been identified as being at a high risk of failure.

Project Budget: \$31.6 million

Expected Beneficial Use: January 2027

Update:

- In July, contractor Michels Trenchless completed dewatering, cleaning and concrete repair on the 66-inch raw sewage pipeline.
- In August, Michels installed temporary pumping systems to reroute flows to take depreciated pipes out of service. Michels also completed concrete repair and applied epoxy lining on the interior surface of a 66" raw sewage pipe.
- In September, Michels completed rehabilitation of 1,086 linear feet of an 84" and a section of a 102" raw sewage pipe, marking the 30% completion point of the project.



Three new Centrifugal Blowers for the new Filter Air Scour System

What's Ahead?

In October - December 2025:

- Advertise construction contract for Camera and Card Reader Upgrades.
- Advertise the RFQ for selection of Owner's Advisor for Aeration Basin Modifications Phase 1 project.
- Receive SOQs on contractor prequalification for HVAC Improvements Phase 1 project.
- File the Notice of Completion and Acceptance for two projects - Blower Improvements and Filter Rehabilitation.

Fiscal Year 2025-2026 Program Performance Summary

KPI	Target	Fiscal Year to Date			Fiscal Year End		
		Actual	Status	Trend	Forecast	Status	Trend
Stage Gates	90%	100%			100%		
		3/3 ¹			19/19		
Measurement: Percentage of initiated projects and studies that successfully pass each stage gate on their first attempt. Target: Green: >= 90%; Amber: 75% to 90%; Red: < 75%							
Schedule	90%	N/A			100%		
		0/0			2/2 ²		
Measurement: Percentage of CIP projects delivered within 2 months of approved baseline Beneficial Use Milestone. ³ Target: Green: >90%; Amber: 75% to 90%; Red: < 75%							
Budget	90%	N/A			75%		
		0/0			3/4 ⁴		
Measurement: Percentage of CIP projects that are accepted by the City within the approved baseline budget. Target: Green: >= 90%; Amber: 75% to 89%; Red: < 75%							
Expenditures	\$145M	\$122M			\$162M		
Measurement: CIP FY25-26 committed costs. Target: Committed costs meets or exceeds 70% of planned budget. 70% of \$207M = \$145M. Therefore Fiscal Year End Green: >=\$145M; Red: < \$145M							
Safety	0	0			0		
Measurement: OSHA reportable incidents associated with CIP Delivery for the fiscal year. Criteria: Green: zero injuries requiring hospitalization, zero fatality; Amber: 1 to 2 injuries requiring hospitalization, zero fatality; Red: >2 injuries requiring hospitalization, any fatality							
Environmental	0	0			0		
Measurement: Number of permit violations caused by CIP delivery for the fiscal year. Target: Green: zero incidents; Amber: 1 to 2; Red: > 2							
Vacancy Rate⁵	10%	9%			9%		
		6/69			6/69		
Measurement: Ratio of the number of vacant approved positions to approved positions. Target: Green: <10%; Amber: 10% to 20%; Red: > 20%							

LEGEND	
	On Target
	Alert
	At Risk

See Appendix B

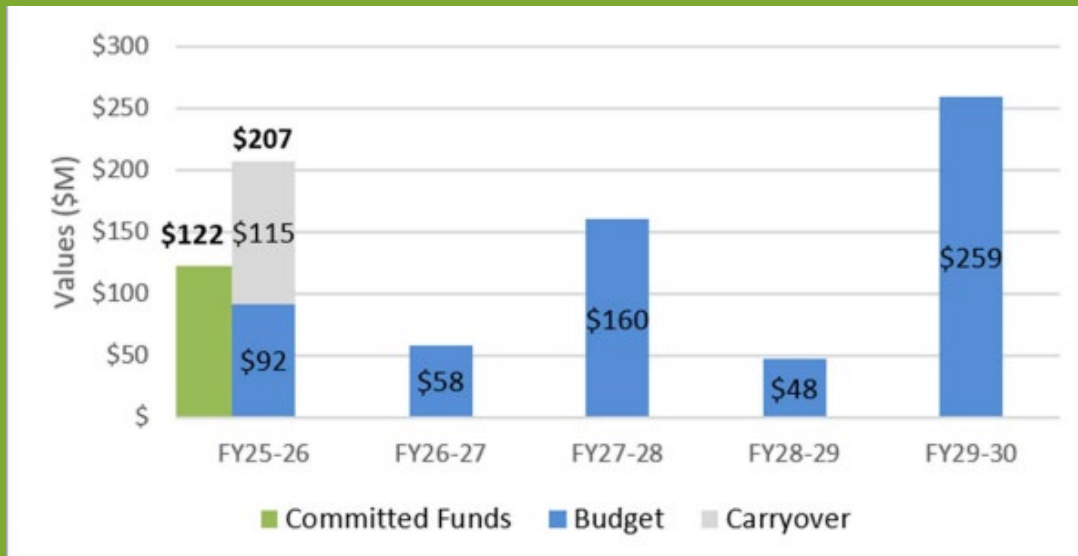




Adopted FY2026-2030 CIP Budget

The chart below shows the Adopted 2026-2030 CIP budget by fiscal year, and the cumulative monthly budget performance for fiscal year 25-26.

Adopted 2026-2030 CIP Budget vs. Committed Funds

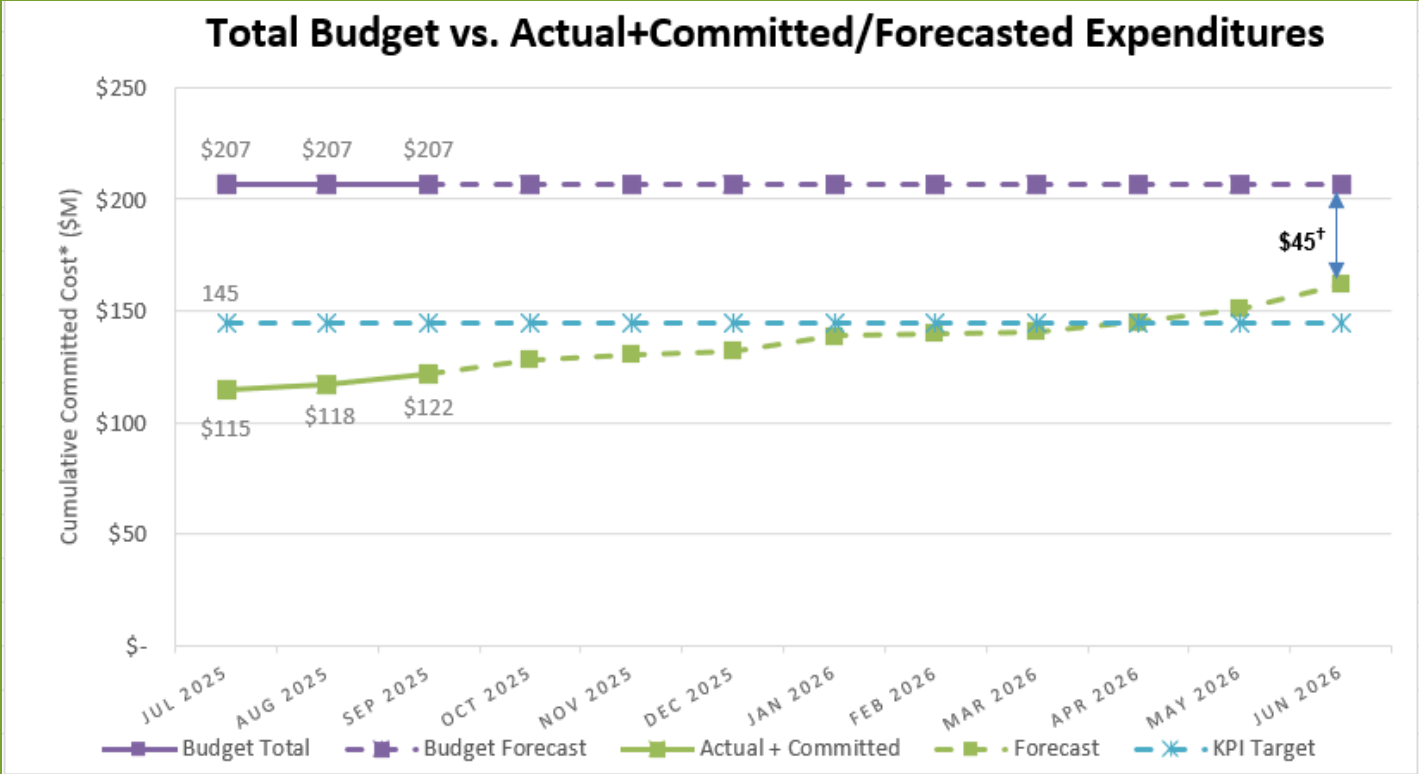


See Appendix C

Fiscal Year 2025-2026 Program Budget Performance

The FY 2025-26 CIP budget is composed of approximately \$92 million in new and re-budgeted funds, plus encumbered carryover of \$115 million, for a total of \$207 million.

FY 2025-26 Program Budget



See Appendix D



Capital Improvement Program Progress



The Aeration Basin Modifications Phase 1 project, featured in [this video](#), will rehabilitate aeration basins, nitrification clarifiers and their associated systems, improving critical secondary treatment infrastructure and efficiency.

Want to learn more?


[@sjenvironment](#)

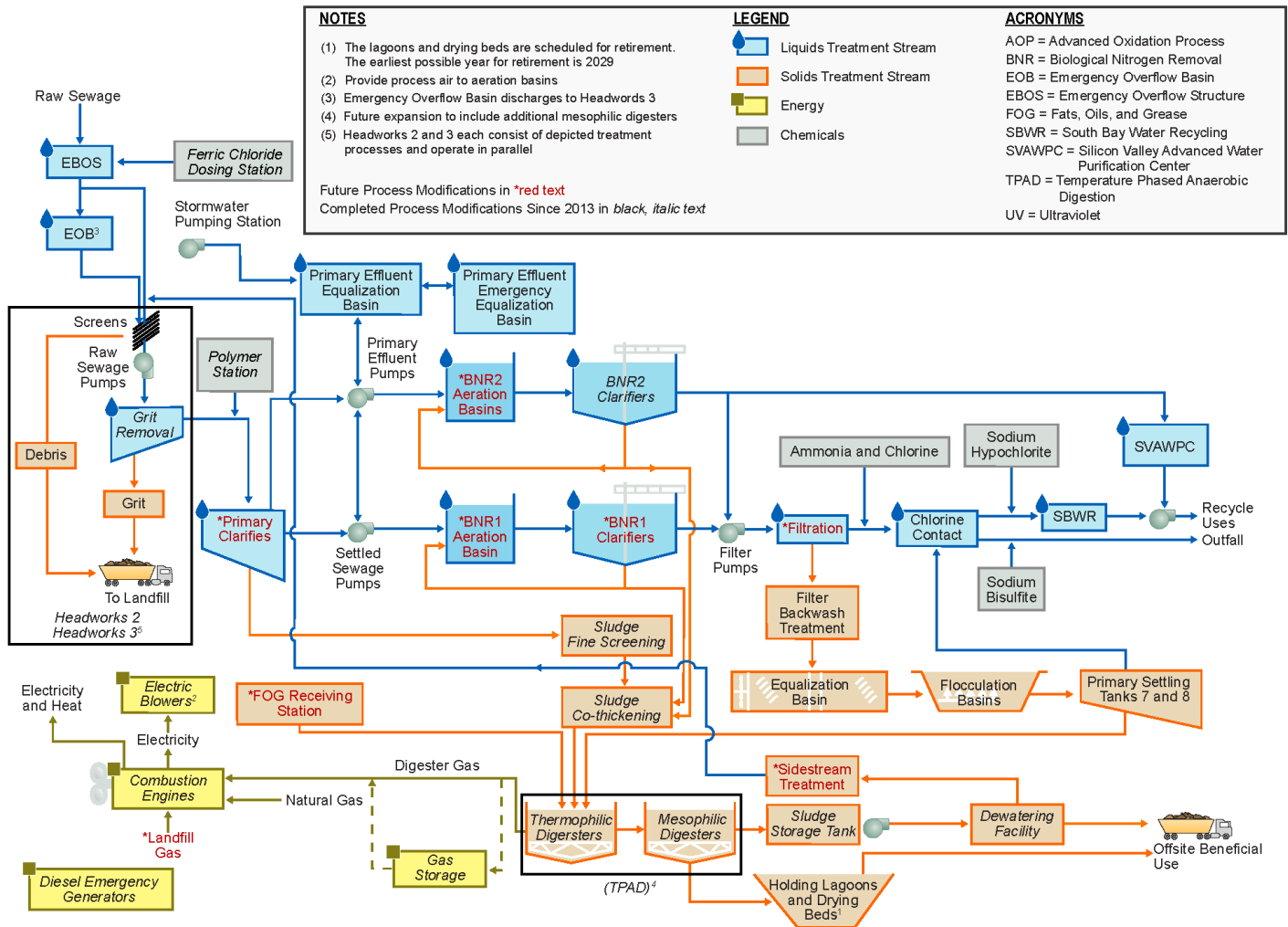

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Regional Wastewater Facility Treatment

Current and Future Treatment Process Flow Diagram



Updated: Aug 2025



Glossary

Beneficial Use	When a CIP project is complete in accordance with contract documents and can be used or occupied by the City, it has achieved beneficial use.
Biogas	A renewable energy source produced by the breakdown of sewage waste in the absence of oxygen. Biogas is composed of methane, carbon dioxide and small amounts of hydrogen sulfide.
Biosolids	Treated sewage sludge.
Bufferlands	Open acreage used by wastewater treatment plants as a buffer between plant operations and nearby communities. Bufferlands minimize odor and operational impacts on plant neighbors and often serve as wildlife habitat.
Commissioning	The process of assuring that all systems and components of a facility, building or plant are designed, installed, tested, operated and maintained according to the owner's requirements.
DAFT	Dissolved air flotation thickener tanks. Dissolved air flotation, or DAF, is a treatment process that clarifies wastewater by removing suspended matter.
EIR	Environmental Impact Report. A public document required under the California Environmental Quality Act to describe potential environmental impacts associated with a project. An EIR also describes measures to mitigate the impacts.
Effluent	Treated wastewater that is discharged from a treatment plant.
Influent	Raw or untreated wastewater that flows into a treatment plant.
FOG	The Fats, Oils and Grease program administered by the City of San José's Environmental Services Department.
Headworks	Facilities that first receive influent at a wastewater treatment plant. The headworks screen and remove sticks, grit and other solid material from influent to protect downstream equipment in the treatment process.
NPDES permit	Under the federal Clean Water Act, the National Pollutant Discharge Elimination System (NPDES) permit program regulates point sources such as pipes and other conveyances that discharge pollutants into water. In California, NPDES permits for the discharge of treated wastewater are issued by the Regional Water Quality Control Boards.
Polymer	Primarily used to help manage the process of drying and consolidating sludge.
Preliminary treatment	The preparatory wastewater treatment stage, in which influent passes through headworks, which screen and remove sticks, rocks and debris; and grit chambers, which remove sand and gravel.
Primary treatment	The initial treatment for incoming wastewater, in which gravity settles solid material and rotating bars skim floating fats, oil and grease from influent.
Secondary treatment	The second stage of wastewater treatment, in which aeration tanks pump air into wastewater to promote the growth of naturally occurring bacteria that remove organic pollutants.
Stormwater	Water from rain that does not seep into the ground but instead flows into storm drains as runoff.
Tertiary treatment	The final stage in advanced wastewater treatment, in which wastewater flows through filter beds, then through chlorinated tanks to become 99% clean.
TIN (Total Inorganic Nitrogen)	The sum of all inorganic forms of nitrogen present in wastewater, primarily ammonia, nitrite, and nitrate. Excessive levels of TIN can lead to environmental and health problems, so it is a key metric of water quality and regulations stipulate how much nitrogen removal must take place during treatment processes.
Wastewater	Water that enters the sanitary sewer system for treatment at a pollution control plant.
Wastewater Cake	Sludge that is compressed after dewatering.
WAS	Waste-activated sludge, or the excess quantity of bacteria and microbes removed from the secondary wastewater treatment process.



Appendix A: Project Performance Summary

There are currently six (6) projects in construction and post-construction, and an additional six (6) projects in feasibility/development; design; and bid and award phases. Projects in the construction phase have established cost and schedule baselines in the budget and are monitored using the City's Capital Project Management System (CPMS). Green/red icons are included in the table below to indicate whether these projects are on budget and schedule.

I. Project Performance – Baselined Projects (construction and post-construction)

Project Name	Phase	Beneficial Use Date ¹	Cost Performance	Schedule Performance ²
1. Blower Improvements	Post-Construction	June 2024	◆	◆
2. Digested Sludge Dewatering Facility	Construction	Feb 2026	●	●
3. Facility-wide Water Systems Improvements	Construction	June 2027	●	●
4. Filter Rehabilitation	Post-Construction	May 2025	●	●
5. RWF Main Entrance Improvements	Construction	May 2026	●	●
6. Yard Piping Improvements – Phase 3	Construction	Jan 2027	●	●

Key:

Cost:	● On Budget	◆ >1% Over Budget	Schedule:	● On Schedule	◆ >2 months delay
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Notes

- Beneficial Use is defined as work that is sufficiently complete, in accordance with contract documents, that it can be used or occupied by the City. Beneficial Use dates are reviewed as part of project schedule reviews.
- Projects completed within two months of the baseline Beneficial Use date are considered to be on-schedule.



Appendix A: Project Performance Summary

II. Project Performance – Pre-Baselined¹ Projects (not yet in construction)

Project Name	Phase	Estimated Beneficial Use Date ²
1. Additional Digester Facility Upgrade	Bid/Award	Jan 2031
2. Aeration Basin Modifications Phase 1	Feasibility/Development	Oct 2033
3. Building 40 VFD Room HVAC Improvements	Design	September 2027
4. Camera and Card Reader Upgrades	Design	Jan 2028
5. HVAC Improvements Phase 1	Design	June 2028
6. HVAC Improvements Phase 2	Design	June 2029

Notes

1. Pre-baselined projects are CIP projects not yet in construction, whose schedule and budget information are not yet baselined in Capital Project Management System (CPMS).
2. Beneficial Use is defined as work that is sufficiently complete, in accordance with contract documents, that it can be used or occupied by the City. Beneficial Use dates are reviewed as part of project schedule reviews.

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Appendix B: FY 2025-2026 Program Performance Summary

Seven key performance indicators (KPIs) have been established to measure overall CIP success. Each KPI represents a metric that will be monitored on a regular basis. Through the life of the CIP, KPIs that best reflect the current program will be selected and measured. KPIs are reset each fiscal year.

Program Key Performance Indicators – Fiscal Year 2025-2026

KPI	Target	Fiscal Year to Date			Fiscal Year End		
		Actual	Status	Trend	Forecast	Status	Trend
Stage Gates	90%	100% 3/3 ¹			100% 19/19		
Measurement: Percentage of initiated projects and studies that successfully pass each stage gate on their first attempt. Target: Green: >= 90%; Amber: 75% to 90%; Red: < 75%							
Schedule	90%	N/A 0/0			100% 2/2 ²		
Measurement: Percentage of CIP projects delivered within 2 months of approved baseline Beneficial Use Milestone. ³ Target: Green: >90%; Amber: 75% to 90%; Red: < 75%							
Budget	90%	N/A 0/0			75% 3/4 ⁴		
Measurement: Percentage of CIP projects that are accepted by the City within the approved baseline budget. Target: Green: >= 90%; Amber: 75% to 89%; Red: < 75%							
Expenditures	\$145M	\$122M			\$162M		
Measurement: CIP FY25-26 committed costs. Target: Committed costs meets or exceeds 70% of planned budget. 70% of \$207M = \$145M. Therefore Fiscal Year End Green: >=\$145M; Red: < \$145M							
Safety	0	0			0		
Measurement: OSHA reportable incidents associated with CIP Delivery for the fiscal year. Criteria: Green: zero injuries requiring hospitalization, zero fatality; Amber: 1 to 2 injuries requiring hospitalization, zero fatality; Red: >2 injuries requiring hospitalization, any fatality							
Environmental	0	0			0		
Measurement: Number of permit violations caused by CIP delivery for the fiscal year. Target: Green: zero incidents; Amber: 1 to 2; Red: > 2							
Vacancy Rate⁵	10%	9% 6/69			9% 6/69		
Measurement: Ratio of the number of vacant approved positions to approved positions. Target: Green: <10%; Amber: 10% to 20%; Red: > 20%							

Notes -

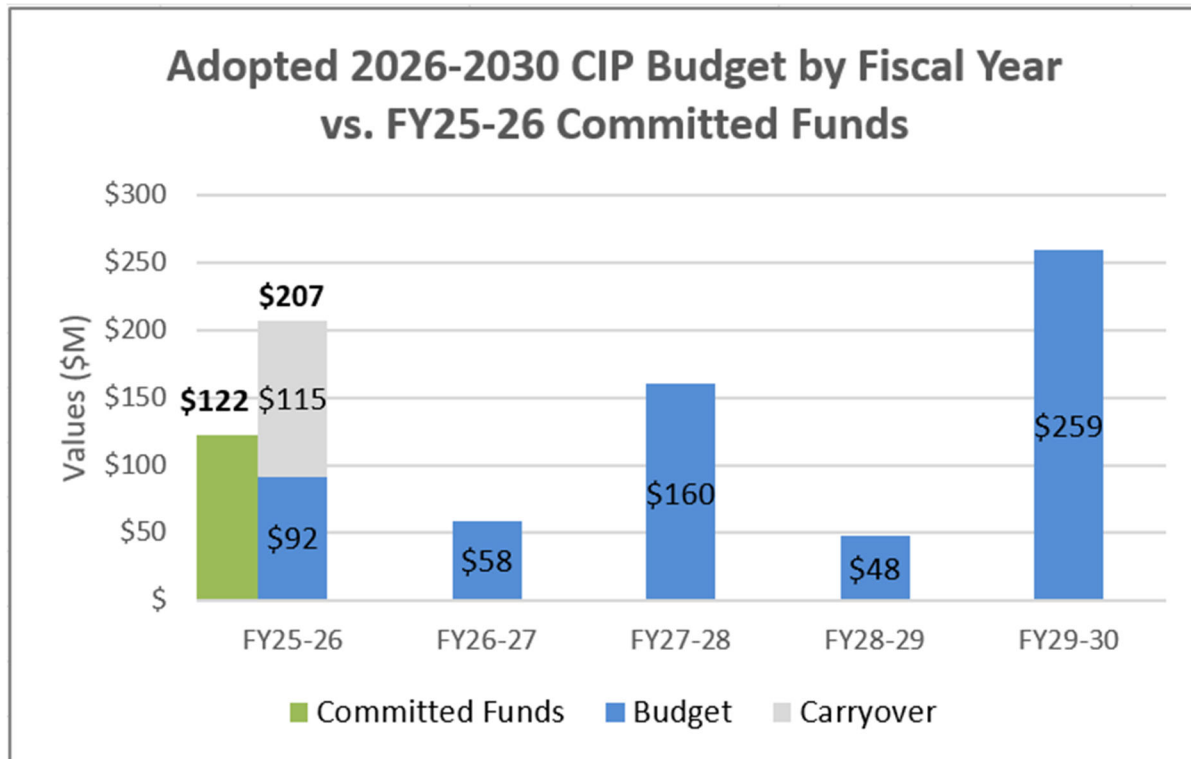
- ESB Laboratory Assessment passed Stage Gate 2 – Final Acceptance in July; Storm Drain Systems Improvements passed Stage Gate 8 – Final Acceptance in August; and New Headworks Access Road passed Stage Gate 7 – Final Acceptance in September.
- Digested Sludge Dewatering Facility and RWF Main Entrance Improvements projects are anticipated to reach Beneficial Use within two months of original schedule baseline or approved rebaseline.
- The baseline Beneficial Use date and the baseline Budget for each project are established at construction contract award and execution.
- Filter Rehabilitation, Digested Sludge Dewatering Facility, and RWF Main Entrance Improvements projects are expected to be accepted within the baseline Budget. Blower Improvements project is expected to be accepted but not within the approved baseline budget.
- The vacancy rate KPI measures CIP-approved positions, including ESD, Public Works, and full-time program staff.

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Appendix C: Adopted 2026-2030 CIP Budget by Fiscal Year vs FY25-26 Committed Funds

The chart below shows the Adopted 2026-2030 CIP budget by fiscal year, and the cumulative monthly budget performance for fiscal year 25-26.



Notes:

Committed Funds: Total of actual expenditures and actual encumbrances through September 2025.

Expenditure: Actual cost expended, either by check to a vendor or through the City's financial system, for expenses such as payroll or for non-personal expenses that do not require a contract.

Encumbrance: Financial commitments such as purchase orders or contracts that are committed to a vendor, consultant, or contractor. An encumbrance reserves the funding within the appropriation and project.

The FY25-26 budget is \$164 million. For purposes of this quarterly report, the adopted FY25-26 budget is adjusted from \$164 million to \$92 million due to the exclusion of certain appropriations that are not measured as part of the expenditure KPI. Excluded appropriations include City Hall and Repayment for CIP Debt Services, Ending Fund Balance and Urgent and Unscheduled Treatment Plant Rehabilitation. Similar adjustments have been made to the budgets for FY26-27 through FY29-30.

Carryover: Encumbrance balances at the end of the previous fiscal year are automatically carried forward to the current fiscal year as carryover funding to pay invoices for approved construction contracts and consultant agreements. FY25-26 carryover is \$115 million.

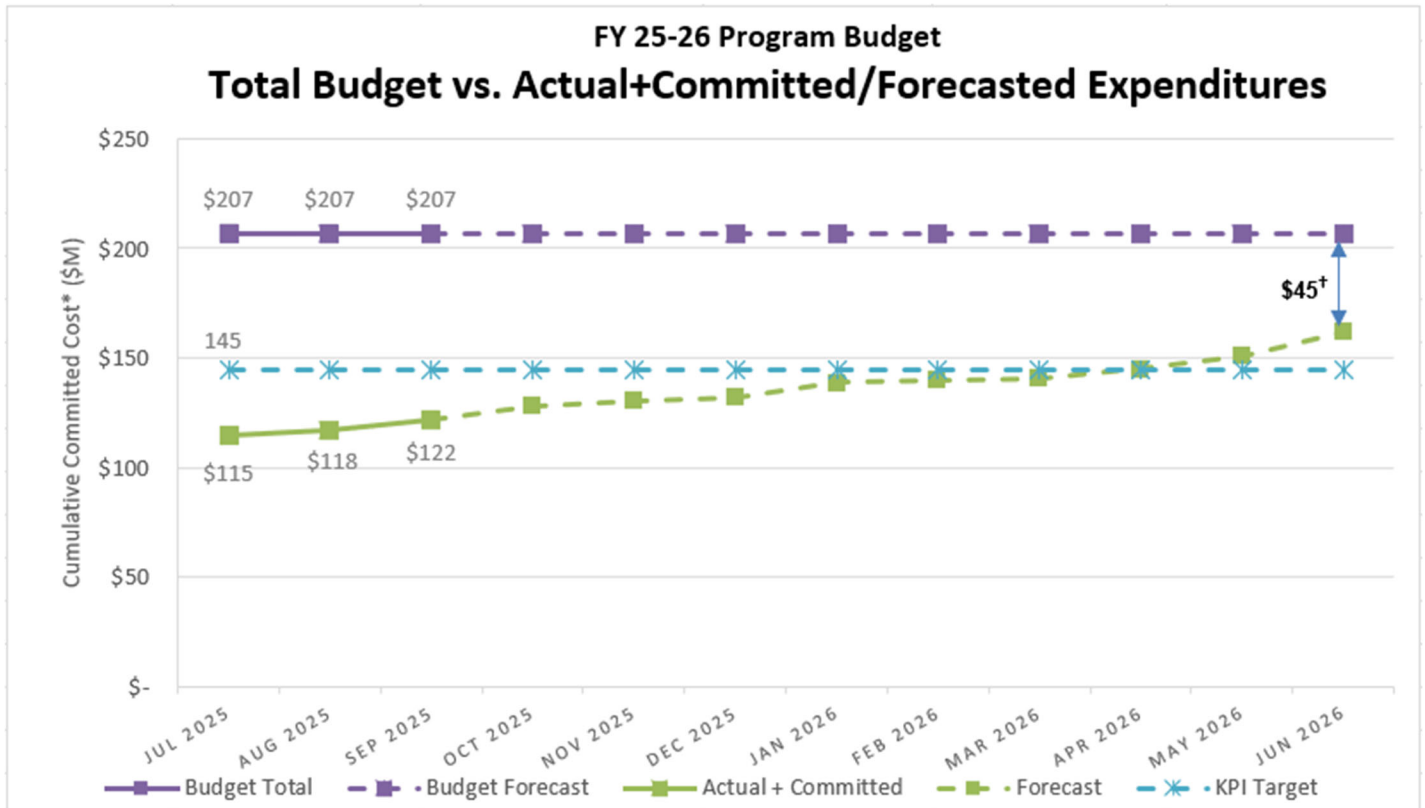
The adjusted budget of \$92 million and carryover of \$115 million totals \$207 million for FY25-26.

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Appendix D: Fiscal Year 2025-2026 Detailed Program Budget Performance

The FY25-26 CIP budget is comprised of approximately \$92 million in new and rebudgeted funds, plus encumbered carryover of \$115 million, for a total of \$207 million. This excludes City Hall Debt Service Fund, Ending Fund Balance and Urgent and Unscheduled Treatment Plant Rehabilitation items. Overall, the forecasted fiscal year-end committed funds exceeds the fiscal year-end target by \$17 million.



Notes:

* Committed costs are expenditures and encumbrance balances, including carryover (encumbrance balances from the previous fiscal year).

† The variance between budget and commitments can be primarily attributed to the following factors:

1. Several minor encumbrances for consultant services are either lower than budgeted or will not be awarded in FY25-26.
2. Several authorized positions remain vacant, resulting in lower personal services expenses than budgeted.
3. Several projects have revised FY25-26 costs due to more refined estimates and schedule adjustments.

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