

April 24, 2023

Prepared by: D. Johnson / M. Robinson /  
E. Akiyoshi

Submitted by: K. Burton

Approved by: Paul A. Cook *PA*

## BOARD WORKSHOP

### CAPITAL BUDGET AND LONG-TERM CAPITAL PROGRAM FOR FISCAL YEARS 2023-24 AND 2024-25

#### SUMMARY:

At the Board Workshop, staff will present the IRWD Capital Budget and Long-Term Capital Program for Fiscal Years (FY) 2023-24 and 2024-25. The forecasted capital expenditures for FY 2023-24 and FY 2024-25 are \$105.1 and \$111.0 million, respectively. Staff recommends that the Board adopt a resolution approving the Capital Budget for Fiscal Years 2023-24 and 2024-25.

#### BACKGROUND:

Since 2019, IRWD has reviewed and approved the Capital Budget on a biennial cycle. The draft presentation, provided as Exhibit “A”, includes a review of the FY 2021-22 and FY 2022-23 earned value, a preview of the forecasted FY 2023-24 and FY 2024-25 capital expenditures, and an update on the Long-Term Capital Program.

For the past two fiscal years (FY 2021-22 and FY 2022-23), forecasted expenditures were originally estimated at \$181.2 million. Actual expenditures are on target for \$145.6 million, approximately 80% of forecasted expenditures. The estimated capital expenditures for FY 2023-24 and FY 2024-25 are \$105.1 and \$111.0 million, respectively.

#### FISCAL IMPACTS:

The following table shows the major expenditure groups for FY 2023-24 and FY 2024-25:

<b>Expenditure Group Description</b>	<b>FY 2023-24 (\$ Million)</b>	<b>FY 2024-25 (\$ Million)</b>
Operational Improvements	34.4	13.9
Replacement – Facilities	33.3	50.2
OC San – CORF	11.9	12.2
Development	6.8	12.4
Water Banking	5.0	5.9
Non-potable Storage	4.3	7.2
General Plant	3.1	2.4
Sewage Treatment	2.7	2.8
Planning	1.9	2.2
Water Resources	1.1	1.1
OCWD Annexation	0.6	0.7
<i>Total:</i>	<i>105.1</i>	<i>111.0</i>

The Capital Budget for FY 2023-24 and 2024-25, provided as Exhibit “B”, provides details on all capital projects with anticipated expenditures in FY 2023-24 and 2024-25 and Exhibit “C” provides a resolution approving the Capital Budgets.

ENVIRONMENTAL COMPLIANCE:

Not applicable.

COMMITTEE STATUS:

This item was reviewed by the Engineering & Operations Committee on April 19, 2023.

RECOMMENDATION:

THAT THE BOARD ADOPT THE FOLLOWING RESOLUTION BY TITLE;

RESOLUTION NO. 2023 – 6

RESOLUTION OF THE BOARD OF DIRECTORS  
OF IRVINE RANCH WATER DISTRICT APPROVING  
THE DISTRICT’S CAPITAL BUDGET FOR FISCAL YEARS 2023-24 AND 2024-25

LIST OF EXHIBITS:

Exhibit “A” – Capital Budget Presentation  
Exhibit “B” – Capital Budget for FY 2023-24 and 2024-25  
Exhibit “C” – Resolution approving the Capital Budget