STATE OF CALIFORNIA
COBCP - Narrative
DF-151 (REV 07/21)

Fiscal Year	Business Unit	Department	Priority No.
2026-27	4440	Department of State Hospitals	1

Budget Request Name	Capital Outlay Program ID	Capital Outlay Project ID
4440-059-COBCP-2026-MR	4395	0009434

Project Title
Metropolitan: Central Utility Plant Replacement – Revert and Fund New Construction

Project Status and Type
Status: ☐ New ☒ Continuing Type: ☒Major ☐ Minor

Project Category *(Select one)*

☒CRI *(Critical Infrastructure)*	☐WSD *(Workload Space Deficiencies)*	☐ECP *(Enrollment Caseload Population)*	☐SM *(Seismic)*
☐FLS *(Fire Life Safety)*	☐FM *(Facility Modernization)*	☐PAR *(Public Access Recreation)*	☐RC *(Resource Conservation)*

Total Request (in thousands)	Phase(s) to be Funded	Total Project Cost (in thousands)
-$50,445 (Reversion) + $58,072 (Fund New)	Construction	$ 62,641

Budget Request Summary

The Department of State Hospitals (DSH) requests to revert the existing authority of $50,455,000 from the Public Buildings Construction Fund (lease revenue bonds) and provide $58,072,000 in new lease revenue authority for the construction phase of the DSH-Metropolitan Central Utility Plant (CUP) Replacement Project. With the design now complete, the state's estimate more accurately reflects the true cost of construction. This project will replace the existing CUP, which presently supplies steam for hot water and central heating, as well as chilled water for air conditioning, to 32 patient housing and administrative buildings. The scope of work focuses on replacing aging, inefficient equipment with a newly designed system to modernize energy usage and improve reliability.

Requires Legislation	Code Section(s) to be Added/Amended/Repealed	CCCI
☐ Yes ☒ No		10159

Requires Provisional Language	Budget Package Status
☐ Yes ☒ No	☐ Needed ☐ Not Needed ☒ Existing

Impact on Support Budget

One-Time Costs	☐ Yes	☒ No	Swing Space Needed	☐ Yes	☒ No
Future Savings	☐ Yes	☒ No	Generate Surplus Property	☐ Yes	☒ No
Future Costs	☐ Yes	☒ No			

If proposal affects another department, does other department concur with proposal? ☐ Yes ☐ No
Attach comments of affected department, signed and dated by the department director or designee.

Prepared By	Date	Reviewed By	Date
Robert Horsley		Mark Beckley	
Department Director	**Date**	**Agency Secretary**	**Date**
Stephanie Clendenin		Kim Johnson	

Department of Finance Use Only

Principal Program Budget Analyst	Date submitted to the Legislature
Randall Katz	05/14/2026

A. COBCP Abstract:

The Department of State Hospitals (DSH) requests a net increase of $7,617,000 Public Buildings Construction Fund (lease revenue bonds) through the reversion of $50,455,000 existing authority and provision of $58,072,000 in new authority for the construction phase of the DSH-Metropolitan Central Utility Plant (CUP) Replacement Project. This project will upgrade the plant, lines, and connections to provide hot water and chilled water to over 30 buildings at Metropolitan State Hospital.

Total project costs are estimated at $62,641,000, including preliminary plans ($1,835,000), working drawings ($2,734,000), and construction ($58,072,000). The construction amount includes $49,626,000 for the construction contract, $3,474,000 for contingency, $2,415,000 for architectural and engineering services, and $2,557,000 for other project costs. Preliminary plans were completed in September of 2024. Working drawings began in September of 2024 with an estimated completion date by February of 2027. Construction is scheduled to begin in February of 2027 and be completed by April of 2029.

B. Status of the Project:

The project is currently nearing the completion of the working drawings phase with a planned request to proceed to bid in summer 2026, once regulatory review of final design is complete.

The increased cost reflects the incorporation into the project of a new roof and control room. Specifically, a new roof is needed to accommodate a replacement HVAC system and to ensure the CUP can support exhaust stacks and other roof-mounted systems. The new control room will be a permanent, code-compliant operational space, including nearby storage and restrooms. Other cost driers include providing James Hall and the Library decentralized utilities, versus remaining connected to the CUP. These changes, along with the overall complexity of the project, have led to an approximately 1.5-year delay.

For more detail about the project, please reference the initial 2022-23 COBCP, found at https://dof.ca.gov/.