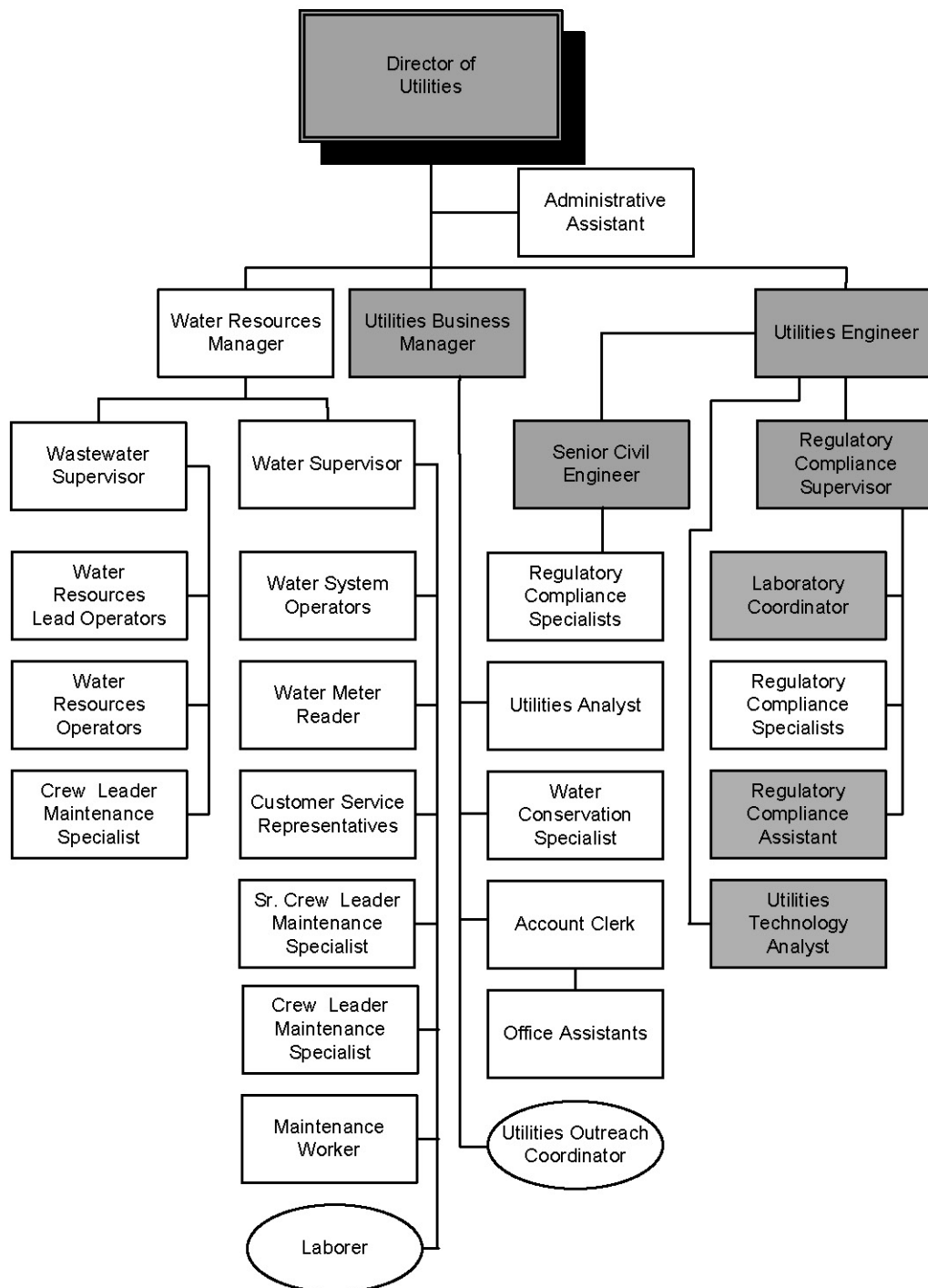
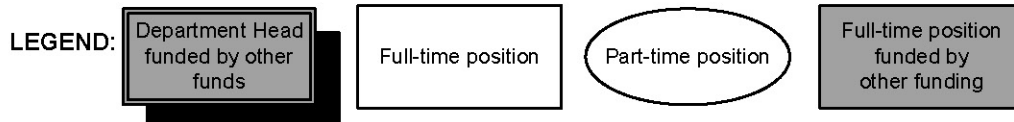


WATER RESOURCES



The above organizational chart depicts full-time and part-time employees only



UTILITIES

DEPARTMENT: Utilities
DIVISION: Water Resources

PROGRAM: Water/Wastewater Services
FUND: Water Resources Fund

	Actual 2012-13	Adopted 2013-14	Year-End Estimated 2013-14	Proposed 2014-15	Proposed 2015-16
PROGRAM EXPENSES/REVENUES					
Salaries & Benefits	\$ 4,346,420	\$ 4,870,190	\$ 4,075,780	\$ 4,823,390	\$ 4,907,950
Services & Supplies	5,856,350	6,096,160	6,312,280	6,133,030	6,215,060
Total Operating Cost	10,202,770	10,966,350	10,388,060	10,956,420	11,123,010
State Water & CCWA Contract	15,962,670	19,250,800	19,350,800	18,961,160	19,476,330
Capital	1,557,500	1,488,500	1,835,650	8,299,370	11,635,850
Debt Service	2,416,670	4,900,000	4,854,130	4,629,380	4,629,380
Transfers	541,170	541,170	541,170	903,620	558,060
Total Cost	\$30,680,780	\$37,146,820	\$36,969,810	\$43,749,950	\$47,422,630

SUMMARY OF SERVICE PROGRAMS

Water	\$25,105,330	\$31,081,650	\$31,377,100	\$31,966,910	\$32,148,300
Utility Billing	694,420	711,770	649,620	216,800	221,150
Total Water	25,799,750	31,793,420	32,026,720	32,183,710	32,369,450
Wastewater	3,827,880	4,480,020	3,695,470	8,056,970	8,076,810
Utility Billing				216,760	221,150
Drainage	476,230	553,190	683,250	844,920	865,300
Sewers	576,920	320,190	564,370	2,447,590	5,889,920
Total Wastewater	4,881,030	5,353,400	4,943,090	11,566,240	15,053,180
Water Resources Total	\$30,680,780	\$37,146,820	\$36,969,810	\$43,749,950	\$47,422,630

SUMMARY OF POSITIONS

FULL-TIME

Account Clerk I	1	1	1	0	0
Account Clerk II	0	0	0	1	1
Administrative Assistant	1	1	1	1	1
Business Services Manager	1	1	1	0	0
Crew Leader/Maint. Spec.	2	2	2	2	2
Customer Service Rep.	2	2	2	2	2
Director of Utilities	1	1	1	1	1
Laboratory Coordinator	0	0	0	1	1
Office Assistant I/II	2	2	2	2	2
Regulatory Compliance Assist.	1	1	1	1	1
Regulatory Compliance Coord.	1	1	1	0	0
Regulatory Compliance Spec.	2	2	2	2	2
Sr. Crew Leader/Maint. Spec.	1	1	1	1	1
Utilities Business Manager	0	0	0	1	1
Utilities Technology Analyst	1	1	1	1	1
Wastewater Supervisor	0	0	0	0	1
Water Conservation Specialist	1	1	1	1	1
Water Distribution Supervisor	1	1	1	1	0

UTILITIES

DEPARTMENT: Utilities
 DIVISION: Water Resources

PROGRAM: Water/Wastewater Services
 FUND: Water Resources Fund

	Actual 2012-13	Adopted 2013-14	Year-End Estimated 2013-14	Proposed 2014-15	Proposed 2015-16
<u>SUMMARY OF POSITIONS (continued)</u>					
Water Supervisor	0	0	0	0	1
Water Meter Reader	1	1	1	1	1
Water Res. Lead Operator	2	2	2	2	2
Water Resources Operator	8	8	8	8	8
Water Resources Manager	1	1	1	1	1
Water Resources Supervisor	1	1	1	1	0
Water System Operator I	6	6	6	6	6
Water System Operator II	3	3	3	3	3
TOTAL	40	40	40	40	40
<u>PART-TIME</u>					
Laborer III	1	1	1	1	1
TOTAL	1	1	1	1	1
GRAND TOTAL	41	41	41	41	41
<u>TEMPORARY (FTE)</u>					
General Laborer	0.5	0.5	0.5	0.5	0.5
TOTAL TEMPORARY (FTE)	0.5	0.5	0.5	0.5	0.5

PROGRAM DESCRIPTION

Water

Water Production and Distribution groups are responsible for supplying Santa Maria residents with an adequate supply of potable water for domestic and industrial purposes, and fire protection.

Water Production and Distribution groups have two primary objectives: to produce the highest quality water possible for City customers and distribute water that meets customers' demands for peak water flow. The City produces drinking water from imported State Water supplies and water wells located throughout the Santa Maria service area. The City has six active and three standby groundwater production water wells, and a total of 20 million gallons of reservoir capacity. Combined well production and reservoir capacity must supply a peak demand of over 17 million gallons per day, plus an additional 6,000 gallons per minute for at least six hours for firefighting purposes. In the event that two of the larger water sources are out of service, this capability must be maintained. In 1997, the City began receiving State Water. State Water provides the City with a good quality water source, and is the first priority water source for the foreseeable future. When State Water is not available in sufficient quantities, groundwater production wells located throughout Santa Maria produce safe and reliable drinking water to maintain the City's water supply. The Santa Maria Valley Groundwater Basin has ample resources to supplement reduced State Water deliveries and can provide 100 percent of water delivery without presenting any threat to the groundwater basin.

The water distribution system delivers water from the State Water turnout and water wells to areas throughout the City. Water is provided to approximately 21,400 accounts through over 328 miles of water main. The City performs routine preventive maintenance on a continual basis and includes an annual flushing program, valve

UTILITIES

DEPARTMENT: Utilities
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turning, and hydrant maintenance. Distribution staff perform meter reading, customer service, and maintain all water distribution facilities, including water mains, water services, and water meters. Additional maintenance duties include: storm drain maintenance and flood control.

Wastewater

The Water Resources group is responsible for providing safe, economical, and efficient treatment of domestic and industrial wastewater, accomplished by operating and maintaining a two-stage trickling filter Wastewater Treatment Plant (WWTP), and ensuring high quality influent through a pretreatment program. The City treats and disposes of an average of 8.8 million gallons of wastewater per day within State Water Quality Control Board and Air Pollution Control District (APCD) standards. In addition, the WWTP has a septage receiving station that accepts septage from Santa Maria Valley and surrounding communities. The Water Resources group hydraulically cleans approximately 120 miles of sewer line annually, and identifies and corrects sewer system deficiencies including cracked pipe, line offsets, root intrusion, and manhole deterioration.

Regulatory Compliance

The Regulatory Compliance group is responsible for the administration of all regulatory programs related to water and wastewater, and preparation of quarterly and annual reports for various agencies. These include: the California Integrated Waste Management Board, Regional Water Quality Control Board (RWQCB), State Department of Health Services, and APCD.

Engineering

The Engineering Division of the Public Works Department administers and coordinates all capital improvement programs for the Utilities Department. Major areas of responsibility include: construction of capital and maintenance projects that improve and expand existing facilities. In addition, Engineering staff provide support and makes technical recommendations concerning new programs and treatment processes.

SUBPROGRAMS AND THEIR OBJECTIVES

Water Production and Water Distribution

The Water Production group provides high quality water to satisfy domestic water demands of the community through operation and maintenance of water facilities including groundwater wells, a blending/disinfection facility, and storage reservoirs. Potable water supplies meet or exceed safe drinking water standards and City-adopted standards for total dissolved solids and hardness by blending State Water and groundwater prior to entering the City's water system.

The Water Distribution group implements and maintains an effective customer service, water meter reading/replacement program, and a distribution/flood control maintenance program. Excellent customer service performance standards are implemented, measured, and performed in a timely and efficient manner. Water meters are read monthly and customers receive bills with accurate water usage statistics. Fixed-base meter reading technology reduces meter reading time while maintaining high customer service, and reduces wasted water through identification of customers' leaks. The City maintains over 10,000 line and control valves and approximately 3,300 fire hydrants. Annually, a quarter of the system's distribution and transmission lines are flushed.

Wastewater

The Wastewater program is comprised of two subprograms: WWTP Operation and Maintenance, and Sewer Cleaning and Maintenance.

WWTP Operation and Maintenance:

The WWTP, a Grade 4 Treatment Plant, has a capacity of 13.5 million gallons per day. Influent is conveyed from privately-maintained sewer laterals to City-maintained sewer pipes and mains and discharges to the WWTP. After about 90 percent of impurities are removed and treated, the remaining treated effluent percolates back into the groundwater basin, removing any remaining contamination. To ensure wastewater is effectively and economically treated, and complies with APCD and RWQCB standards, WWTP operations include specific

UTILITIES

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operational parameters. Proper operations require staff maintain appropriate conditions for complex biological populations to thrive, and staff must maintain State-required certifications. The WWTP has numerous blowers, motors, boilers, pumps, compressors, and concrete structures that require regular skilled maintenance.

The preventive maintenance program consists of routine maintenance that extends the life of wastewater facilities, while detecting malfunctioning equipment to avoid costly repairs. Routine maintenance provides lubrication, adjustments, and inspections on a daily, weekly, monthly, quarterly, semi-annual, and annual basis, allowing operation staff to perform corrective maintenance work in a timely, cost-effective manner. On a semi-annual schedule, all 750 valves are exercised to maintain proper operation. Prevention includes maintaining a sufficient number of tools, spare parts, and equipment for response to malfunctions or emergencies within the 812 miles of current sewer lines.

Sewer Cleaning & Maintenance:

The Water Resources group provides overall maintenance and repair of the City's wastewater collection system and ensures the safe conveyance of domestic and industrial wastewater for treatment.

The Water Resources group provides routine wastewater collection system maintenance consistent with its Sanitary Sewer Management Program required by the State Water Resources Control Board. Most sanitary sewer system mains are cleaned once each year. Sewer lines are videoed on a schedule that enables videoing the entire system within 20 years, an industry standard, and system deficiencies are noted and prioritized for repair. Water Resources staff address small repairs at a rate of two repairs per month. Larger repairs are bid to local contractors, and overseen by Water Resources staff. While the goal of the sewer maintenance program is to minimize collection system back-ups and overflows, in the event that these occur, Water Resources staff respond at any hour to minimize impact to the public.

Regulatory Compliance

Regulatory Compliance administers the regulatory permits for the Solid Waste and Water Resources Divisions. For Water Resources, these include: water, wastewater, and stormwater permits. Monthly, semi-annual, and annual reports are prepared in conformance with permit guidelines. Laboratory tests, engineering calculations, site inspections and other environmental monitors are reviewed to ensure the City is operating within permit parameters.

Laboratory:

The Regulatory Compliance group provides the expertise for routine biological, chemical, and physical analysis wastewater and water processes and products. The onsite laboratory is registered as an environmental laboratory by State Department of Health Services Certification No. 1083, and as such is acceptable by the RWQCB to perform mandated routine analysis for wastewater parameters. This is the basis for performance reports required by regulatory agencies and modification of water and wastewater operations. The laboratory is a resource that provides analytical support for the plant process control, the Industrial Pretreatment Program, and occasional requests from other City divisions and consulting engineers. All potable water analysis occurs at a commercial laboratory.

Industrial Pretreatment Program:

The Industrial Pretreatment Program regulates over 450 businesses and industries within the City, assuring compliance with all Federal, State and local regulations that apply to wastewater discharge. Nine of these are considered Significant Industrial Users and one is a Categorical Industrial User requiring frequent site inspections and sampling. Routine pretreatment operations include: permit application review; permit issuance; data review; inspections; sampling and monitoring; and communication with business/industry owners and Federal and State regulators.

UTILITIES

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Septage Receiving:

The Regulatory Compliance group operates the Septage Receiving Facility at the WWTP, and issues permits to waste haulers. The only facility of its kind on the Central Coast, this facility provides an important service to surrounding communities. The facility accepts deposited waste from portable toilets and residential and commercial septage, and allows haulers to dewater and store grease from restaurants.

Water Backflow Prevention:

Backflow prevention protects the City's drinking water system. Regulatory Compliance staff track approximately 2,596 backflow prevention assemblies within the City at over 1,106 locations including schools; churches, clubs, businesses, and industries. More than 200 of these backflow prevention assemblies are City-owned at various City facilities. These assemblies prevent contamination from entering the drinking water system through backflow or back siphonage. The City inspects all newly installed assemblies and works with businesses to ensure each backflow prevention assembly is tested upon installation and annually thereafter.

Regulatory Compliance staff maintain a database that documents test, repair, and replacement records for each separate assembly, and regularly interact with property owners, tenants, certified backflow prevention testers, as well as Federal, State, and local regulators.

Flood Control:

The City maintains and operates extensive stormwater and flood control systems including drainage structures, culverts, open channel drainage ditches, and underground storm drains that convey stormwater to downstream facilities in the Santa Maria River. The City works very closely with the Santa Barbara County Flood Control District to ensure stormwater-flooding impacts are minimized.

Regulatory Compliance staff also work in conjunction with the Santa Barbara County Flood Control District and the U.S. Army Corps of Engineers on Santa Maria River Levee improvements to ensure the integrity of the levee, and that it meets design standards to protect the City from flooding.

Storm Drain System

The storm drain system includes conveyance facilities, drainage inlets, and numerous basins that receive untreated runoff and help prevent and control flooding within the City. Basins prevent flooding and promote the recharge of underlying aquifers, and the storm drain system routes all runoff to the Santa Maria River. Maintenance of the City's storm drain system is the responsibility of Water Resources staff.

The City is subject to requirements of the Clean Water Act adopted in 1972, designed to restore the integrity of U.S. waters. The Act requires the City have numerous permits addressing stormwater and Total Maximum Daily Loads (TMDLs). In 2011, the EPA issued a memorandum encouraging EPA regions to work with states to allow for comprehensive and integrated planning to assist municipalities in identifying efficiencies in implementing sometimes overlapping and competing requirements that arise from separate waste- and storm-water programs. In May 2012, the EPA issued the "Integrated Municipal Stormwater and Wastewater Planning Approach Framework" ("Framework"). The Framework identifies the operating principles and essential elements of an integrated plan. The EPA has placed agencies on integrated plans and, while the EPA has opened the door to a voluntary use of an integrated plan, no agency in the Nation has thus far stepped forward.

Committed to the long-term improvement of waters within the Santa Maria Valley, the City is working with the RWQCB and Environmental Protection Agency (EPA) to voluntarily develop an Integrated Water Plan. A first of its kind in the nation, the Plan's intent is to consolidate and coordinate a daunting and complex set of requirements, spread amongst numerous permits, into one unified plan. The City has chosen to do this as a proactive approach to demonstrate an economy of resources and its commitment to preserving the health of its watershed and groundwater basin.

Engineering

The Engineering Division of the Public Works Department prepares the capital program for the Utilities Department including water and sewer mainline replacement, and WWTP expansion.

UTILITIES

DEPARTMENT: Utilities
DIVISION: Water Resources

PROGRAM: Water/Wastewater Services
FUND: Water Resources Fund

PERFORMANCE/WORKLOAD MEASURES	ACTUAL 2010-12	ESTIMATED 2012-14	PROJECTED 2014-16
<u>WATER</u>			
DEMAND/WORKLOAD			
Water Accounts	21,200	21,400	21,600
Customer Service Calls	26,030	27,000	27,500
Water Demand (acre-feet)	324	328	332
Miles of Pipe	9,300	9,490	9,600
Valves	3,350	3,400	3,500
Hydrants			
EFFECTIVENESS/EFFICIENCIES			
State Water Received (acre-feet)	23,030	15,500	12,000
Well Water Pumped (acre-feet)	3,000	11,500	14,500
Mains Flushed (miles)		60	120
Valves Exercised	1,784	2,000	2,300
Documented Water Savings (acre-feet)	12	15	18
Secondary System Water Delivered (acre-feet)	93	96	160
<u>WASTEWATER</u>			
DEMAND/WORKLOAD			
Wastewater Flow (millions of gallons per day)	8.0	8.4	8.8
EFFECTIVENESS/EFFICIENCIES			
Average Effluent BOD (mg/L)	44	43	43
Maximum Effluent BOD (mg/L)	51	52	53
Average TSS (mg/L)	35	35	35
Maximum TSS (mg/L)	42	45	47
<u>SEWER/DRAINAGE</u>			
DEMAND/WORKLOAD			
Customer Calls	156	160	160
Miles of Sewer Main	218	221	224
Miles of Drainage Pipe	104	106	108
Number of Manholes	3,900	4,000	4,100
EFFECTIVENESS/EFFICIENCIES			
Sewer Mains Cleaned (miles)	226	240	240
Sewer Mains Videoed (miles)	27	30	20
Sewer Repairs Completed	37	48	48
Drainage System Trash Removed (tons)	30	30	30

UTILITIES

DEPARTMENT: Utilities
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GOALS AND OBJECTIVES

- Complete the Utility Master Plan Update, also known as the Utility Strategic Scoping Study, to properly assess water and wastewater infrastructure needs that support the City's vision as defined in the General Plan.
- Continue to build upon the success of telephone notification of delinquent bills (a system started in July 2010), and achieve increased contact with customers. The Department continues to modify the telephone list to increase successful calls, reduce the number of homes tagged, and redirect employees for other customer service calls.
- Continue expansion of the secondary irrigation system for delivery of untreated groundwater to large landscaped areas, saving valuable State Water and providing a cost savings to the General Fund. In February 2014, construction began to connect the line to Allan Hancock College.
- Continue to work with the RWQCB on implementation of Hydromodification Control and Low Impact Development to comply with the City's Stormwater Permit and ensure the fulfillment of the City's General Plan.

NOTEWORTHY BUDGET HIGHLIGHTS

- The City projects a decrease in State Water costs of \$614,390 in 2014-15, primarily due to decreased Department of Water Resources (DWR) fixed cost projections from the CCWA. This will be followed by a projected increase of \$515,170 in 2015-16 due to increases in fixed and variable costs from those agencies, as well as increases in assessments for the Bay Delta Conservation Project (BDCP). Variable costs include expenses such as operation and maintenance charges to operate the pumping stations and reservoirs. The CCWA began assessing funds for the BDCP in 2013-14. In anticipation of offsetting some of those increases, the City decreased debt service costs by nearly \$2 million annually by refinancing the 1993 and 1997 Water Revenue Bonds in 2012.
- Significant capital expenditures are being proposed during the next two-year period. Some of the most noteworthy capital improvements are depicted below.

Appropriations of \$1,782,000 in 2014-15 and \$5,220,500 in 2015-16 are requested to allow improvements of sewer mains pursuant to the completion of the Utility Scoping Study, to ensure sufficient sewer capacity for continued development of the City as identified in the City's General Plan and to maintain public health and safety. These expenditures have been deferred due to lack of new development over the last couple of years, but will now be needed because of an increase of new development.

Appropriations of \$300,000 each year are proposed for replacement of failed waterlines. City staff evaluated old waterlines and found some were still in good condition, saving the City hundreds of thousands of dollars in unnecessary replacement. However, staff found that some of the older lines are in need of replacement. These funds are to replace those waterlines in need of replacement because of a high number of leaks or tuberculation (build up of material inside the line).

At a cost of \$974,000 in 2014-15 and \$1.1 million in 2015-16, the Department will perform significant maintenance and/or replacement of mechanical, electrical, and structural components of the WWTP to provide adequate treatment and reliability, as part of the department's extensive capital replacement program. The elements slated for maintenance and/or replacement are those considered most critical to the operation.

An appropriation of \$2.5 million in 2014-15 followed by \$2.1 million in 2015-16, is requested to phase-in new percolation ponds to be installed on City property across Black Road from the existing WWTP site. This includes the planning, design, and construction of new ponds on previously acquired land. This will ensure sufficient percolation pond capacity to handle the projected population at full build-out of the City.

The Department proposes to invest \$210,000 annually to improve the integrity of sewer main lines, reducing the potential for overflows and decreasing rainwater infiltration per the Sanitary Sewer Management Plan

UTILITIES

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required by the RWQCB. The project addresses needed repairs to deficient sewer lines identified through the City's sewer videoing system.

At a cost of \$300,000 in 2014-15 and \$300,000 in 2015-16, the Department will improve percolation ability within the WWTP percolation ponds through rehabilitation. Facilities will run closer to design capacity when properly maintained, ensure compliance with regulatory agencies, and help avoid treatment plant backups.

Improvements and repairs to the storm drain system to alleviate flooding in problematic areas, mitigate environmental concerns associated with channel maintenance, and repairs to failing structures will be performed using \$324,000 in 2014-15 and \$330,700 in 2015-16. The City will take a proactive approach to stormwater infrastructure repair to avoid costly emergency repairs and flooding conditions.

At a cost of \$85,000 in 2014-15 and \$500,000 in 2015-16, the Department will study, design and construct septage receiving station upgrades to facilitate reduced staff costs and increase efficiencies for this vitally important function. The Septage Receiving Station Improvements will streamline and modernize the way septage is accepted and processed at the WWTP. Septage receiving equipment will be installed that will measure and test the makeup of the septage and grind any solid or debris. The septage will then flow into the WWTP. The new equipment will require less staff time for operations and less offsite testing. The site will also be reconfigured to allow for better WWTP vehicle circulation and appearance.

To complete repairs to damaged and non-functioning water meters because the current radio transmitter technology is now obsolete, the Department requests an allocation of \$215,000 in 2014-15 and \$220,380 in 2015-16. Failed transmitters will be replaced with fixed-base transmitters that quickly detect leaks, and register accurate usage.

The Department requests \$450,000 in 2014-15 and \$216,000 in 2015-16 to ensure waterlines can be repaired in the event of an emergency to avoid contamination of the water distribution system and infrastructure damage.

The Department will invest \$150,000 each year for two years to install the Blosser Infiltration Channel Project on the west side of North Blosser Road between Atlantic Place and Canal Street. This project uses low impact design principles to capture, treat, and infiltrate urban stormwater runoff from approximately 1,200 acres in the northwest portion of the City tributary to the Blosser Channel before it flows into the Santa Maria River. This project accomplishes its goals of improving water quality and increasing groundwater supply by removing pollutants from the stormwater and infiltrating it back into the groundwater basin.

- The Department proposes to fund half of the ongoing annual expenditures for the City's Federal legislative advocacy program for important local and regional programs and services. Those advocacy programs will address the Integrated Water Plan and revisions to the Federal Flood Insurance Program.
- The Utilities Department will seek three (3) consecutive years of five-percent (5%) annual rate increases starting on July 1, 2015, through the mandatory Proposition 218 process. The process will commence with notification to system customers in January 2015 and be followed with community workshops to present issues facing the fund and to acquire input from the ratepayers. City Council consideration of a rate increase is preliminarily scheduled for April 2015.
- The Utilities Department was formed 10 years ago and its structural analysis has not been re-evaluated since its inception. Consequently, the Department has requested the re-assessment of its current organizational structure in an effort to realign its current operations in Water Resources.

The Water Resources Division has three personnel changes that are the result of a Department-wide organizational analysis. An independent consultant performed the analysis and consulted the City Manager's Office on the proposed personnel changes. These improvements include a parity adjustment (salary increase) for the Water Resources Manager to align this position with positions that have similar responsibilities at other agencies and within the City; and, the salary upgrade of the Water Supervisor and Wastewater Supervisor positions, which are being submitted concurrently in that both positions affect one another and will align required certifications in the respective fields eliminating the need for dual certifications.

