Item 05b

CITY OF SANTA BARBARA

PUBLIC WORKS DEPARTMENT WATER RESOURCES DIVISION

Memorandum

DATE: January 16, 2025

TO: Water Commission

VIA: Joshua Haggmark, Water Resources Manager

FROM: Gabriele Cook, Water Commission Financial Officer

SUBJECT: Wastewater and Water Fiscal Years 2026-2030 Capital Improvement Programs

RECOMMENDATION

That the Water Commission receive a report on the Wastewater and Water Capital Programs for Fiscal Years 2026 through 2030.

DISCUSSION

The City of Santa Barbara Capital Improvement Program (CIP) presents a forecast of the City's capital needs over a five-year period, incorporating the goals, policies, and long-range plans of each program into the CIP document. Capital projects are generally large-scale endeavors in terms of cost, size, and benefit to the community. The goal of the CIP is to provide a City-wide planning document for capital improvements, identify unmet capital needs, and prioritize projects for funding in the next two-year budget cycle. To that end, both funded and unfunded projects are included in the CIP, showing the level of pay-as-you-go funding, debt financing, and unmet funding needs for the City. The first two years of the CIP form the basis of the upcoming capital budget for each department, with the three remaining years providing a forecast of future projects. The CIP is reviewed, updated, and adopted every two years. There are no new projects in the FY26-30 CIP for Water Resources since it was presented as part of the rate study completed last year. However, project costs have been updated from the FY24-28 CIP to reflect most recent engineering estimates.

The underlying strategy of the CIP is to plan for major renewal and replacement of public infrastructure necessary for the safe and efficient provision of services, long-term facility maintenance and repair, the staffing resources to support the CIP, and ultimately the revenue needed.

Both the Wastewater and Water Funds have completed long-range infrastructure plans. The El Estero Facility Plan identifies capital improvements needed in the next 20 years, which has been incorporated into the CIP document for those projects that fall within the planning period of Fiscal Years 2026 through 2030. Similarly, the Water Distribution Infrastructure Plan (WDIP), a 30-year planning document for investment in the water system's aging infrastructure looking out to 2050, has also been included in the CIP. The long-range infrastructure planning efforts along with this five-year CIP planning effort are used to inform both Wastewater and Water rates studies.

Wastewater

- Braemar Lift Station Rehabilitation
- El Estero Water Resource Center Electrical Distribution Renewal
- El Estero Water Resource Center Maintenance Program

- El Estero Water Resource Center Strategic Plan Implementation
- Lift Station Maintenance Program
- Sanitary Sewer Capacity Improvement Program
- Sanitary Sewer Overflow Compliance Program
- Sea-Level Rise Adaptation Program: Wastewater Infrastructure

Water

- Cater Reservoir Resiliency Project
- Cater Treatment Plant Maintenance Program
- Desalination Program
- Groundwater Program
- Pump Station Program
- Recycled Water Program
- Reservoir Program
- Sea-Level Rise Adaptation Program: Water Infrastructure
- Vic Trace Reservoir Replacement and Resiliency Project
- Water Main Replacement Program
- Water Meter Program

ATTACHMENT: Draft Wastewater and Water Capital Improvement Plans

CITY OF SANTA BARBARA

PUBLIC WORKS DEPARTMENT **WATER RESOURCES DIVISION**

WASTEWATER CAPITAL IMPROVEMENT PROGRAMS

PROJECT	2025-2026	2026-2027	2027-2028	2028-2029	2029-2030	FUTURE NEEDS	TOTAL
Braemar Lift Station Rehabilitation – SRF Loan	**$2,734,721**	**$0**	**$0**	**$0**	**$0**	**$0**	**$2,734,721**
El Estero Water Resource Center Electrical Distribution Renewal – SRF Loan	**$16,000,000**	**$14,748,491**	**$0**	**$0**	**$0**	**$0**	**$30,748,491**
El Estero Water Resource Center Maintenance Program	**$200,000**	**$500,000**	**$500,000**	**$10,000,000**	**$500,000**	**$15,000,000**	**$26,700,000**
Debt Issuance	$0	0	$0	$7,000,000	$0	$14,500,000	$21,500,000
Cash Funded	$200,000	$500,000	$500,000	$3,000,000	$500,000	$500,000	$5,200,000
El Estero Water Resource Center Strategic Plan Implementation	**$0**	**$0**	**$0**	**$0**	**$100,000**	**$100,000**	**$200,000**
Lift Station Maintenance Program	**$4,750,000**	**$150,000**	**$850,000**	**$200,000**	**$4,000,000**	**$4,250,000**	**$14,200,000**
Debt Issuance	$0	$0	$0	$0	$2,000,000	$4,000,000	$6,000,000
Cash Funded	$4,750,000	$150,000	$850,000	$200,000	$2,000,000	$250,000	$8,200,000
Sanitary Sewer Capacity Improvement Program	**$550,000**	**$3,750,000**	**$250,000**	**$500,000**	**$5,000,000**	**$500,000**	**$10,550,000**
Debt Issuance	$0	$35,00,000	$0	$0	$3,000,000	$0	$6,500,000
Cash Funded	$550,000	$250,000	$250,000	$500,000	$2,000,000	$500,000	$4,050,000
Sanitary Sewer Overflow Compliance Program	**$1,800,000**	**$2,426,350**	**$3,472,000**	**$3,635,000**	**$3,834,000**	**$4,221,400**	**$19,388,750**
Debt Issuance	$0	$536,350	$1,487,000	$1,535,000	$1,634,000	$1,921,400	$7,113,750
Cash Funded	$1,800,000	$1,890,000	$1,985,000	$2,100,000	$2,200,000	$2,300,000	$12,275,000
Sea-Level Rise Adaptation Program: Wastewater Infrastructure	**$52,500**	**$55,000**	**$58,000**	**$61,000**	**$64,000**	**$67,000**	**$357,500**
Grand Total	**$26,087,221**	**$21,629,841**	**$5,130,000**	**$14,396,000**	**$13,498,000**	**$24,138,400**	**$104,879,462**

***Note**: Unless otherwise noted, projects listed above are cash funded.*

SOURCES OF FUNDS: TOTALS	2025-2026	2026-2027	2027-2028	2028-2029	2029-2030	FUTURE NEEDS	TOTAL
SRF Loan	$18,734,721	$14,748,491	$0	$0	$0	$0	$33,483,212
Debt Issuance	$0	$4,036,350	$1,487,000	$8,535,000	$6,634,000	$20,421,400	$41,113,750
Cash Funded	$7,352,500	$2,845,000	$3,643,000	$5,861,000	$6,864,000	$3,717,000	$30,282,500
Grand Total	**$26,087,221**	**$21,629,841**	**$5,130,000**	**$14,396,000**	**$13,498,000**	**$24,138,400**	**$104,879,462**

ONE WATER
CITY OF SANTA BARBARA

Braemar Lift Station Rehabilitation

Infrastructure: Water & Wastewater

Description:

This is the largest wastewater lift station in the City's collection system with a pumping capacity of 1,000 gallons per minute. The purpose of this project is to make major upgrades to the mechanical and electrical equipment of the lift station and harden the facility against flooding. This lift station last saw major upgrades in 1991 and the aging mechanical and electrical equipment is nearing the end of its useful life.

Specific Plans or Policies Relating to this Project:

The project is confirmed consistent with the City's Sea Level Rise program through hydrologic modeling of the site. The project will provide continued environmental sustainability and reliability to the Arroyo Burro area. The project will improve energy efficiency for the largest lift station in the collection system through modernization of mechanical and electrical equipment combined with control modifications that meet current best practice.

Status:

The project is currently in construction and is anticipated to be completed in 2025.

Capital Costs:

Funding Sources	Proposed	Prior Yr. Expense	Current Yr. Budget	2025-2026	2026-2027	2027-2028	2028-2029	2029-2030	Future Needs	*Total*	*Project Total*
SRF Loan	☑	1,616,660	5,000,000	2,734,721	0	0	0	0	0	$2,734,721	$9,351,381
Total		1,616,660	5,000,000	2,734,721	0	0	0	0	0	$2,734,721	$9,351,381

Include in the HMP: No

El Estero Water Resource Center Electrical Distribution Renewal

Infrastructure: Water & Wastewater

Description:

The purpose of this project is to replace the existing electrical distribution system at El Estero Water Resource Center. The project will replace the nearly 50 year old electrical distribution system, including the main electrical panel and all five substations. It has been sized to meet future electrical demands, maximize use of renewable energy, designed to provide redundancy, and improve overall reliability.

Specific Plans or Policies Relating to this Project:

Replacement of the electrical distribution system was identified as the top priority in the El Estero Facility Master Plan. El Estero operates under a federal National Pollutant Discharge Elimination System Permit. This permit requires regular assessment, refurbishment, and improvement of equipment in order to maintain continued compliance. In addition, El Estero's electrical infrastructure cannot currently support the development of additional potential renewable energy projects. This infrastructure upgrade will allow for the development of solar, battery, and additional cogeneration power plants that would help the City maintain its 100 percent renewable electricity goal.

Status:

The project is currently in construction and is expected to be completed in 2028. Staff are processing an amendment to the approved agreement for the State Water Resources Control Board State Revolving Fund (SRF) loan to fund project costs beyond the original agreement amount.

Capital Costs:

Funding Sources	Proposed	Prior Yr. Expense	Current Yr. Budget	2025-2026	2026-2027	2027-2028	2028-2029	2029-2030	Future Needs	*Total*	*Project Total*
SRF Loan	☑	3,814,404	16,000,000	16,000,000	14,748,491	0	0	0	0	$30,748,491	$50,562,895
Total		3,814,404	16,000,000	16,000,000	14,748,491	0	0	0	0	$30,748,491	$50,562,895

Include in the HMP: No

El Estero Water Resource Center Maintenance Program

Infrastructure: Water & Wastewater

Description:

An annual program of capital maintenance to replace electrical and mechanical equipment in a timely manner to keep the El Estero Water Resource Center operating at a fully functional level. This program includes items such as an ongoing program of equipment rehabilitation or replacement, continued integration of plant processes to the Supervisory Control and Data Acquisition program, ongoing program of pipe replacement throughout the plant, and hardscape improvements.

Upcoming projects include rehabilitation and reconfiguration of the chlorine contact chamber and updates to El Estero's thickening process, such as a new dissolved air flotation thickener/gravity thickener and control building.

Specific Plans or Policies Relating to this Project:

The El Estero Facility Master Plan has identified a series of projects required to maintain treatment plant process facilities, address aging infrastructure needs, improve equipment reliability, and to upgrade the plant to current regulatory and sustainable standards in order to ultimately remain in compliance with the City's Federal National Pollutant Discharge Elimination System Permit.

Status:

This program will be ongoing annually to design and construct smaller capital-funded maintenance-related projects at the El Estero Water Resource Center. For example, the Chlorine Contact Chamber Improvements Project is currently in construction and is expected to be completed in 2025.

Capital Costs:

Funding Sources	Proposed	Prior Yr. Expense	Current Yr. Budget	2025-2026	2026-2027	2027-2028	2028-2029	2029-2030	Future Needs	*Total*	*Project Total*
Wastewater	☑	**326,153**	**3,800,138**	**200,000**	**500,000**	**500,000**	**3,000,000**	**500,000**	**500,000**	**$5,200,000**	**$9,326,291**
Debt Issuance	☐	**0**	**0**	**0**	**0**	**0**	**7,000,000**	**0**	**14,500,000**	**$21,500,000**	**$21,500,000**
Total		**326,153**	**3,800,138**	**200,000**	**500,000**	**500,000**	**10,000,000**	**500,000**	**15,000,000**	**$26,700,000**	**$30,826,291**

Include in the HMP: No

El Estero Water Resource Center Strategic Plan Implementation

Infrastructure: Water & Wastewater

Description:

A capital program providing planning for the betterment of major equipment and process components used to treat wastewater at the El Estero Water Resource Center. The program is renewed annually to study alternative process options, updates to previous master plan studies, and other studies that support moving forward with the development of a Capital Improvement Project. Prior year projects have included flow monitoring and sampling, Inflow and Infiltration (I&I) studies, and asset management program development.

Specific Plans or Policies Relating to this Project:

El Estero operates under a Federal National Pollutant Discharge Elimination System Permit. This permit requires regular assessment, refurbishment, and improvement of unit process equipment to maintain continued compliance with applicable requirements, and Climate Change Adaptation Planning requirements. In the next three years our APCD (Air Pollution Control District) permit will need to be revised and a system-wide study will need to be completed to support the new regulations and standards that will be incorporated in the revised permit. A master planning effort to evaluate and plan for future solids handling at the plant will be initiated through this program.

Status:

Annual, ongoing program.

Capital Costs:

Funding Sources	Proposed	Prior Yr. Expense	Current Yr. Budget	2025-2026	2026-2027	2027-2028	2028-2029	2029-2030	Future Needs	*Total*	*Project Total*
Wastewater	☑	**63,204**	**150,000**	**0**	**0**	**0**	**0**	**100,000**	**100,000**	**$200,000**	**$413,204**
Total		**63,204**	**150,000**	**0**	**0**	**0**	**0**	**100,000**	**100,000**	**$200,000**	**$413,204**

Include in the HMP: No

Lift Station Maintenance Program

Infrastructure: Water & Wastewater

Description:

An annual program of capital maintenance to keep all wastewater lift stations fully operational. Timely replacement of motor control centers, pumps, motors, water level sensors and other electrical and mechanical equipment prevents lift station failures that otherwise could result in wastewater collection system overflows.

Specific Plans or Policies Relating to this Project:

Proper operation and maintenance is a requirement of the City's waste discharge permit.
Work includes rerouting of the Via Lucero Lift Station force main, wet well lining, manhole linings, and concrete repairs for El Camino De La Luz, La Colina, Linda, and Via Lucero lift stations.

Status:

This program involves annual construction projects to be located at the City's sewer lift stations. Individual projects' scope of work and cost will vary on an ongoing basis. For example, the Via Lucero Force Main Project is currently in design and construction is expected to begin in 2026.

Capital Costs:

Funding Sources	Proposed	Prior Yr. Expense	Current Yr. Budget	2025-2026	2026-2027	2027-2028	2028-2029	2029-2030	Future Needs	*Total*	*Project Total*
Wastewater	☑	**101,174**	**500,000**	**4,750,000**	**150,000**	**850,000**	**200,000**	**2,000,000**	**250,000**	**$8,200,000**	**$8,801,174**
Debt Issuance	☐	**0**	**0**	**0**	**0**	**0**	**0**	**2,000,000**	**4,000,000**	**$6,000,000**	**$6,000,000**
Total		**101,174**	**500,000**	**4,750,000**	**150,000**	**850,000**	**200,000**	**4,000,000**	**4,250,000**	**$14,200,000**	**$14,801,174**

Include in the HMP: No

Sanitary Sewer Capacity Improvement Program

Infrastructure: Water & Wastewater

Description:

The Sanitary Sewer Capacity Improvement Program is comprised of projects that will help relieve capacity restraints due to increased development and during wet weather events in order to prevent sewage spills. This level of program funding primarily supports the design and construction of projects that reduce constrictions or maintenance within the collection system during wet weather events.

Specific Plans or Policies Relating to this Project:

Spills from the City's wastewater collection system are prohibited by the Clean Water Act and the State Water Resources Control Board Waste Discharge Requirements. In order to respond to the City's Master Development Plan, the City's collection system must be brought up to date to handle the additional flows generated from the further development of the community. The City's Sewer System Management Plan sets forth the manner in which the municipal wastewater collection system will be managed to prevent sanitary sewer overflows and the priorities of each constraint.

In the coming years, the major projects that will be addressed in this program will be revisiting and updating the Inflow & Infiltration Study (in progress), the Calle Real Capacity Improvement Project (in planning), and implementing priority improvements.

Status:

Projects associated with this program are actively managed on an ongoing basis.

Capital Costs:

Funding Sources	Proposed	Prior Yr. Expense	Current Yr. Budget	2025-2026	2026-2027	2027-2028	2028-2029	2029-2030	Future Needs	*Total*	*Project Total*
Wastewater	☑	**61,430**	**250,000**	**550,000**	**250,000**	**250,000**	**500,000**	**2,000,000**	**500,000**	**$4,050,000**	**$4,361,430**
Debt Issuance	☐	**0**	**0**	**0**	**3,500,000**	**0**	**0**	**3,000,000**	**0**	**$6,500,000**	**$6,500,000**
Total		**61,430**	**250,000**	**550,000**	**3,750,000**	**250,000**	**500,000**	**5,000,000**	**500,000**	**$10,550,000**	**$10,861,430**

Include in the HMP: No

Sanitary Sewer Overflow Compliance Program

Infrastructure: Water & Wastewater

Description:

The Sanitary Sewer Overflow (SSO) Compliance Program is comprised of projects that will help prevent sewage spills. This level of program funding primarily supports structural rehabilitation of approximately 1% of the public sewage collection system mains and manholes.

Specific Plans or Policies Relating to this Project:

Spills from the City's wastewater collection system are prohibited by the Clean Water Act and the State Water Resources Control Board Waste Discharge Requirements. The City's Sewer System Management Plan sets forth the manner in which the municipal wastewater collection system will be managed to prevent sanitary sewer overflows.

Status:

Projects associated with this program are actively managed on an ongoing basis.

Capital Costs:

Funding Sources	Proposed	Prior Yr. Expense	Current Yr. Budget	2025-2026	2026-2027	2027-2028	2028-2029	2029-2030	Future Needs	*Total*	*Project Total*
Wastewater	☑	**2,630,176**	**4,175,500**	**1,800,000**	**1,890,000**	**1,985,000**	**2,100,000**	**2,200,000**	**2,300,000**	**$12,275,000**	**$19,080,676**
Debt Issuance	☐	**0**	**0**	**0**	**536,350**	**1,487,000**	**1,535,000**	**1,634,000**	**1,921,400**	**$7,113,750**	**$7,113,750**
Total		**2,630,176**	**4,175,500**	**1,800,000**	**2,426,350**	**3,472,000**	**3,635,000**	**3,834,000**	**4,221,400**	**$19,388,750**	**$26,194,426**

Include in the HMP: No

Sea-Level Rise Adaptation Program - Wastewater Infrastructure

Infrastructure: Water & Wastewater

Description:

This program supports ongoing planning efforts that are needed to adapt the wastewater system to the impacts of sea-level rise. The program will assist with the Wastewater and Water System Sea-Level Rise Adaptation Options feasibility study (see project in Sustainability and Resilience Department) and implement the chosen actions resulting from that study. Relocation and/or flood proofing of the sewer trunk main and associated sewer collection infrastructure currently located south of Cabrillo Boulevard will be the first and highest priority project.

Specific Plans or Policies Relating to this Project:

Sea-Level Rise Adaptation Plan

Status:

Sea-Level Rise Adaptation Plan was approved in February 2021. Wastewater system specific adaptation study is fully funded by grants and currently underway.

Capital Costs:

Funding Sources	Proposed	Prior Yr. Expense	Current Yr. Budget	2025-2026	2026-2027	2027-2028	2028-2029	2029-2030	Future Needs	*Total*	*Project Total*
Wastewater	☑	**0**	**50,000**	**52,500**	**55,000**	**58,000**	**61,000**	**64,000**	**67,000**	**$357,500**	**$407,500**
Total		**0**	**50,000**	**52,500**	**55,000**	**58,000**	**61,000**	**64,000**	**67,000**	**$357,500**	**$407,500**

Include in the HMP: No

WATER CAPITAL IMPROVEMENT PROGRAMS

PROJECT	2025-2026	2026-2027	2027-2028	2028-2029	2029-2030	FUTURE NEEDS	TOTAL
Cater Reservoir Resiliency Project – SRF Loan	**$22,000,664**	**$22,000,663**	**$0**	**$0**	**$0**	**$0**	**$44,001,327**
Cater Treatment Plant Maintenance Program	**$405,000**	**$426,000**	**$950,000**	**$2,000,000**	**$2,000,000**	**$525,000**	**$6,306,000**
Desalination Program	**$1,000,000**	**$1,000,000**	**$1,165,000**	**$1,725,000**	**$10,325,000**	**$10,650,000**	**$25,865,000**
SRF Loan	$0	$0	$0	$750,000	$9,450,000	$10,000,000	$20,200,000
Cash Funded	$1,000,000	$1,000,000	$1,165,000	$975,000	$875,000	$650,000	$5,665,000
Groundwater Program	**$235,000**	**$595,000**	**$255,000**	**$675,000**	**$4,300,000**	**$300,000**	**$6,360,000**
Pump Station Program	**$120,000**	**$125,000**	**$130,000**	**$135,000**	**$141,000**	**$148,000**	**$799,000**
Recycled Water Program	**$232,000**	**$245,000**	**$256,000**	**$270,000**	**$290,000**	**$300,000**	**$1,593,000**
Reservoir Program	**$1,050,000**	**$1,400,000**	**$500,000**	**$520,000**	**$545,000**	**$8,075,000**	**$12,090,000**
SRF Loan	$0	$0	$0	$0	$0	$7,500,000	$7,500,000
Cash Funded	$1,050,000	$1,400,000	$500,000	$520,000	$545,000	$575,000	$4,590,000
Sea-Level Rise Adaptation Program: Water Infrastructure	**$52,500**	**$55,000**	**$58,000**	**$61,000**	**$64,000**	**$67,000**	**$357,500**
Vic Trace Reservoir Replacement and Resiliency Project	**$5,000,000**	**$5,086,061**	**$37,500,000**	**$37,500,000**	**$37,500,000**	**$0**	**$122,586,061**
Debt Issuance	$0	$0	$0	$37,500,000	$37,500,000	$0	$75,000,000
SRF Loan	$5,000,000	$5,086,061	$37,500,000	$0	$0	$0	$47,586,061
Water Main Replacement Program	**$17,350,000**	**$16,850,000**	**$17,675,000**	**$18,550,000**	**$19,800,000**	**$20,500,000**	**$110,725,000**
Water Meter Program	**$178,000**	**$116,000**	**$122,500**	**$130,000**	**$135,000**	**$145,000**	**$826,500**
Grand Total	**$47,623,164**	**$47,898,724**	**$58,611,500**	**$61,566,000**	**$75,100,000**	**$40,710,000**	**$331,509,388**

***Note**: Unless otherwise noted, projects listed above are cash funded.*

SOURCES OF FUNDS	2025-2026	2026-2027	2027-2028	2028-2029	2029-2030	FUTURE NEEDS	TOTAL
SRF Loan	$27,000,664	$27,086,724	$37,500,000	$750,000	$9,450,000	$17,500,000	$119,287,388
Cash Funded	$20,622,500	$20,812,000	$21,111,500	$23,316,000	$28,150,000	$23,210,000	$137,222,000
Debt Issuance	$0	$0	$0	$37,500,000	$37,500,000	$0	$75,000,000
Grand Total	**$47,623,164**	**$47,898,724**	**$58,611,500**	**$61,566,000**	**$75,100,000**	**$40,710,000**	**$331,509,388**

Cater Reservoir Resiliency Project

Infrastructure: Water & Wastewater

Description:

The Cater Water Treatment Plant (Cater) clear well serves as the finished water reservoir for the plant and is a key facility. The Cater Clear Well Reservoir Resiliency Project addresses seismic deficiencies within the reservoir, ensures chlorine contact time for regulatory compliance, and adds storage capacity and redundancy. The existing clear well/reservoir was constructed in 1962, and studies have identified deficiencies and cost-effective solutions to increase the resiliency for this critical facility. The project includes modifications to the interior of the reservoir and increases storage by an additional 2.5 million gallons. Total project costs are currently estimated at $46 million.

Specific Plans or Policies Relating to this Project:

This project was identified in the Water Distribution Infrastructure Plan.

Status:

The design phase of the Cater Reservoir Resiliency Project (Project) is nearing completion. Staff are preparing an application for a Drinking Water State Revolving Fund (DWSRF) loan for planning, design, and construction costs.
Note: Design will be cash funded and reimbursed at a later time.

Capital Costs:

Funding Sources	Proposed	Prior Yr. Expense	Current Yr. Budget	2025-2026	2026-2027	2027-2028	2028-2029	2029-2030	Future Needs	*Total*	*Project Total*
SRF Loan	☑	**1,371,445**	**473,419**	**22,000,664**	**22,000,663**	**0**	**0**	**0**	**0**	**$44,001,327**	**$45,846,191**
Total		**1,371,445**	**473,419**	**22,000,664**	**22,000,663**	**0**	**0**	**0**	**0**	**$44,001,327**	**$45,846,191**

Include in the HMP: Yes

Cater Treatment Plant Maintenance Program

Infrastructure: Water & Wastewater

Description:

Program addresses baseline capital improvements such as filter media replacement, equipment upgrades, and process improvements.

Specific Plans or Policies Relating to this Project:

Routine equipment rehabilitation is an important part of asset management at Cater Water Treatment Plant (Cater).

Status:

Annual, ongoing program.

Capital Costs:

Funding Sources	Proposed	Prior Yr. Expense	Current Yr. Budget	2025-2026	2026-2027	2027-2028	2028-2029	2029-2030	Future Needs	*Total*	*Project Total*
Water	☑	538,203	700,000	405,000	426,000	950,000	2,000,000	2,000,000	525,000	$6,306,000	$7,544,203
Total		538,203	700,000	405,000	426,000	950,000	2,000,000	2,000,000	525,000	$6,306,000	$7,544,203

Include in the HMP: No

Desalination Program

Infrastructure: Water & Wastewater

Description:

Program addresses capital improvements for the Desalination Plant and Conveyance System. Projects include expanding the Desalination Plant, upgrading the Desal Pump Station, hardening the Desal pump platform using FEMA grant funds (75%), and constructing the Desal administration building.

Specific Plans or Policies Relating to this Project:

Construction of the desalination conveyance system will improve supply reliability, water quality, and add resiliency. Additionally, the new conveyance system will support the Water Supply Agreement with the Montecito Water District.

Status:

Annual, ongoing program.

Capital Costs:

Funding Sources	Proposed	Prior Yr. Expense	Current Yr. Budget	2025-2026	2026-2027	2027-2028	2028-2029	2029-2030	Future Needs	*Total*	*Project Total*
Water	☑	**4,344,547**	**3,525,000**	**1,000,000**	**1,000,000**	**1,165,000**	**975,000**	**875,000**	**650,000**	**$5,665,000**	**$13,534,547**
Grant	☑	**778,404**	**4,208,000**	**0**	**0**	**0**	**0**	**0**	**0**	**$0**	**$4,986,404**
SRF Loan	☐	**0**	**0**	**0**	**0**	**0**	**750,000**	**9,450,000**	**10,000,000**	**$20,200,000**	**$20,200,000**
Total		**5,122,951**	**7,733,000**	**1,000,000**	**1,000,000**	**1,165,000**	**1,725,000**	**10,325,000**	**10,650,000**	**$25,865,000**	**$38,720,951**

Include in the HMP: No

Groundwater Program

Infrastructure: Water & Wastewater

Description:

Program addresses capital improvements for the City's groundwater system, which is an important water supply. Specific projects include well cleaning, pump and motor upgrades, well rehabilitation, and consultation for groundwater program projects and management.

Specific Plans or Policies Relating to this Project:

Groundwater is part of the City's adopted Long-Term Water Supply Plan and Water Supply portfolio. It is an important water source, especially during times of drought when surface water supplies are dwindling.

Status:

Annual, ongoing program.

Capital Costs:

Funding Sources	Proposed	Prior Yr. Expense	Current Yr. Budget	2025-2026	2026-2027	2027-2028	2028-2029	2029-2030	Future Needs	*Total*	*Project Total*
Water	☑	**155,963**	**460,000**	**235,000**	**595,000**	**255,000**	**675,000**	**4,300,000**	**300,000**	**$6,360,000**	**$6,975,963**
Total		**155,963**	**460,000**	**235,000**	**595,000**	**255,000**	**675,000**	**4,300,000**	**300,000**	**$6,360,000**	**$6,975,963**

Include in the HMP: No

Pump Station Program

Infrastructure: Water & Wastewater

Description:

Program addresses baseline capital improvements for the City's Water Distribution Pump Stations. Major work includes replacing large electrical, mechanical, and control components at various pump stations. For example, the Sheffield Pump Station Upgrades Project is currently in final design and will upgrade the pumps and electrical equipment.

Specific Plans or Policies Relating to this Project:

The City's water pump stations are critical infrastructure that require routine rehabilitation and maintenance.

Status:

Annual, ongoing program. The Sheffield Pump Station Upgrades Project is currently in final design.

Capital Costs:

Funding Sources	Proposed	Prior Yr. Expense	Current Yr. Budget	2025-2026	2026-2027	2027-2028	2028-2029	2029-2030	Future Needs	*Total*	*Project Total*
Water	☑	**164,226**	**1,150,000**	**120,000**	**125,000**	**130,000**	**135,000**	**141,000**	**148,000**	**$799,000**	**$2,113,226**
Total		**164,226**	**1,150,000**	**120,000**	**125,000**	**130,000**	**135,000**	**141,000**	**148,000**	**$799,000**	**$2,113,226**

Include in the HMP: No

Recycled Water Program

Infrastructure: Water & Wastewater

Description:

Program addresses capital improvements for the City's recycled water system, which is an important water supply for the City. Specific projects include upgrades to the Recycled Water Treatment Plant, pump stations, recycled water reservoirs, and distribution system.

Specific Plans or Policies Relating to this Project:

The Recycled Water Program is an important part of the City's adopted Long-Term Water Supply Plan.

Status:

Annual, ongoing program.

Capital Costs:

Funding Sources	Proposed	Prior Yr. Expense	Current Yr. Budget	2025-2026	2026-2027	2027-2028	2028-2029	2029-2030	Future Needs	*Total*	*Project Total*
Water	☑	**569,457**	**365,000**	**232,000**	**245,000**	**256,000**	**270,000**	**290,000**	**300,000**	**$1,593,000**	**$2,527,457**
Total		**569,457**	**365,000**	**232,000**	**245,000**	**256,000**	**270,000**	**290,000**	**300,000**	**$1,593,000**	**$2,527,457**

Include in the HMP: No

Reservoir Program

Infrastructure: Water & Wastewater

Description:

Program addresses capital improvements for the Water Distribution potable storage reservoirs and Gibraltar reservoir. Major efforts include consolidating storage in the Water Distribution System and replacing control systems that supply water to and from the reservoirs.

Specific Plans or Policies Relating to this Project:

Maintenance of the City's Distribution Reservoirs is necessary to ensure that the City has safe drinking water supplies in compliance with Federal and State drinking water standards.

Status:

Annual, ongoing program to maintain the City's 13 reservoir facilities. For example, a recent asset inventory of the Gibraltar Dam and Reservoir facility identified multiple projects needed in the coming years to maintain this important asset, including potentially significant repairs to the dam's concrete spillways as required by the Division of Safety of Dams, and upgrades to the caretaker's facilities to rehabilitate/replace the house, add a potable water source, and add a reliable power source.

Capital Costs:

Funding Sources	Proposed	Prior Yr. Expense	Current Yr. Budget	2025-2026	2026-2027	2027-2028	2028-2029	2029-2030	Future Needs	*Total*	*Project Total*
Water	☑	**2,133,896**	**1,200,000**	**1,050,000**	**1,400,000**	**500,000**	**520,000**	**545,000**	**575,000**	**$4,590,000**	**$7,923,896**
SRF Loan	☐	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**7,500,000**	**$7,500,000**	**$7,500,000**
Total		**2,133,896**	**1,200,000**	**1,050,000**	**1,400,000**	**500,000**	**520,000**	**545,000**	**8,075,000**	**$12,090,000**	**$15,423,896**

Include in the HMP: No

Sea-Level Rise Adaptation Program - Water Infrastructure

Infrastructure: Water & Wastewater

Description:

This program supports ongoing planning efforts that are needed to adapt the water system to the impacts of sea-level rise. The study will identify triggers for action and potential mid- and long-term adaptation options for the water system, including but not limited to the Charles E. Meyer Desalination Plant, Storage Unit 1 groundwater wells, the Ortega Groundwater Treatment Plant, and distribution piping and appurtenances located in low lying areas.

Specific Plans or Policies Relating to this Project:

Sea-Level Rise Adaptation Plan

Status:

The Draft Sea-Level Rise Adaptation Plan was adopted by City Council in 2021. The Adaptation Plan acknowledged impacts to water infrastructure and additional study is needed to identify triggers and actions for both mid- and long-term adaptation options. Water system specific adaptation study is fully funded by grants and currently underway.

Capital Costs:

Funding Sources	Proposed	Prior Yr. Expense	Current Yr. Budget	2025-2026	2026-2027	2027-2028	2028-2029	2029-2030	Future Needs	*Total*	*Project Total*
Water	☑	**0**	**50,000**	**52,500**	**55,000**	**58,000**	**61,000**	**64,000**	**67,000**	**$357,500**	**$407,500**
Total		**0**	**50,000**	**52,500**	**55,000**	**58,000**	**61,000**	**64,000**	**67,000**	**$357,500**	**$407,500**

Include in the HMP: No

Vic Trace Reservoir Replacement and Resiliency Project

Infrastructure: Water & Wastewater

Description:

Vic Trace reservoir is the City's second largest reservoir and serves as a ten million gallon distribution hub for the downtown and West side area. The reservoir was originally constructed in 1952. Through condition assessment, careful study, and analysis, the reservoir has been prioritized for replacement. The reservoir's elevation, size, and location make it a key asset for the City.

Specific Plans or Policies Relating to this Project:

This project was identified in the Water Distribution Infrastructure Plan.

Status:

The project is currently in preliminary design and will continue into environmental review this fiscal year. Staff will prepare an application for Council approval for a Drinking Water State Revolving Fund (DWSRF) loan for planning, design, and construction costs.
Note: Design will be cash funded and reimbursed at a later time.

Capital Costs:

Funding Sources	Proposed	Prior Yr. Expense	Current Yr. Budget	2025-2026	2026-2027	2027-2028	2028-2029	2029-2030	Future Needs	*Total*	*Project Total*
SRF Loan	☑	413,939	2,000,000	5,000,000	5,086,061	37,500,000	0	0	0	$47,586,061	$50,000,000
Debt Issuance	☐	0	0	0	0	0	37,500,000	37,500,000	0	$75,000,000	$75,000,000
Total		413,939	2,000,000	5,000,000	5,086,061	37,500,000	37,500,000	37,500,000	0	$122,586,061	$125,000,000

Include in the HMP: Yes

Water Main Replacement Program

Infrastructure: Water & Wastewater

Description:

Program addresses capital improvements for the City's approximately 307 miles of water mains and related appurtenances, such as valves, fire hydrants, and pressure reducing stations. City Council has set a goal of annually replacing approximately 2%, or 6 miles, of the City's water mains.

Specific Plans or Policies Relating to this Project:

Council's goal is to annually replace 2% of the distribution system infrastructure.

Status:

Annual, ongoing program to replace aging water mains.

Capital Costs:

Funding Sources	Proposed	Prior Yr. Expense	Current Yr. Budget	2025-2026	2026-2027	2027-2028	2028-2029	2029-2030	Future Needs	*Total*	*Project Total*
Water	☑	10,656,847	16,450,000	17,350,000	16,850,000	17,675,000	18,550,000	19,800,000	20,500,000	$110,725,000	$137,831,847
Total		10,656,847	16,450,000	17,350,000	16,850,000	17,675,000	18,550,000	19,800,000	20,500,000	$110,725,000	$137,831,847

Include in the HMP: No

Water Meter Program

Infrastructure: Water & Wastewater

Description:

Program addresses improvements for the City's water metering system. Specific projects include an Advance Metering Infrastructure (AMI) Project. Baseline capital work includes ongoing replacement of the City's water meters and associated improvements, including replacing meter boxes and related infrastructure as needed.

Specific Plans or Policies Relating to this Project:

Accurate measurement of customer water use is the foundation for sustaining a trust and high regard of our customers and a best management practice for operation of a water system. Ongoing maintenance and replacement of water meters will ensure water measurement accuracy, which will provide customers with an accurate accounting and billing of water use and will enable the City to accurately account for water sales.

Status:

The City is scheduled to complete AMI implementation by FY2024.

Capital Costs:

Funding Sources	Proposed	Prior Yr. Expense	Current Yr. Budget	2025-2026	2026-2027	2027-2028	2028-2029	2029-2030	Future Needs	*Total*	*Project Total*
Water	☑	**1,027,550**	**171,000**	**178,000**	**116,000**	**122,500**	**130,000**	**135,000**	**145,000**	**$826,500**	**$2,025,050**
Grant	☑	**1,500,000**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**$0**	**$1,500,000**
Total		**2,527,550**	**171,000**	**178,000**	**116,000**	**122,500**	**130,000**	**135,000**	**145,000**	**$826,500**	**$3,525,050**

Include in the HMP: No