



UTILITIES
Craig Johnson

Mission Statement:

To provide safe and reliable water and wastewater services to its citizens; comply with all environmental and health standards; anticipate and respond to emergencies in a timely, appropriate manner and accommodate growth and new demand within the city.

Department Description:

The Utilities Department serves more than 225,000 people within the City of Glendale. The Department is responsible for treating and distributing potable water that meets all federal and state drinking water standards, collection and treating the city’s wastewater in compliance with all regulatory requirements, implementing odor and roach infestation control measures, and reading all water meters on a monthly basis. The Department receives no revenues from sales or property taxes, but operates solely on funds from rates and service charges. In accordance with City policy, these funds are administered in an enterprise account.

FISCAL YEAR 2012

GOALS	
Goal	Complete the sewer rehabilitation and replacement project to meet the federal and state regulatory requirements. The sewer system will be rehabilitated using state-of- the-art trenchless technologies to reduce construction costs.
Related Council Goal	One community with high quality services for citizens.
Activities	The project includes both design and construction phases. Currently, the project is under construction phase.
Expected Outcomes (Perf. Measures)	Completion of sewer rehabilitation and replacement by October 2011.
Time Commitment	It is an ongoing project and the time commitment is 100%.
Expected Challenges	None.



Goal	Complete the improvements to the Arrowhead Ranch Water Reclamation Facility ultraviolet (UV) disinfectant system. This project will replace the existing Trojan medium pressure UV systems with energy efficient low pressure UV disinfection systems to reduce operating costs and enhance UV system disinfection performance.
Related Council Goal	One community with high quality services for citizens.
Activities	The project includes design and construction phases. Currently, the project is under design phase.
Expected Outcomes (Perf. Measures)	Completion of UV replacement construction by November 2012.
Time Commitment	It is an ongoing project and the time commitment is 100%.
Expected Challenges	None.

FISCAL YEAR 2011

Area of Innovation:

- A water production optimization program was implemented which resulted in approximately \$600,000 annual cost savings in 2011. The Utilities and Environmental Resources Departments was instrumental in generating additional revenues, including amendment of the SROG effluent agreement with the Palo Verde Nuclear Generating Station which resulted in \$0.5 million additional annual revenue in FY 2011.
- Cost savings of \$200,000 in meter replacement in FY 2011 was achieved through the implementation of new procedures for changing out meters.

Accomplishments:

- The Department received the most prestigious Association of Metropolitan Water Agencies Platinum Award for utilities performance excellence in FY 2011. Since 2004, the only cities in Arizona to receive this award have been Tucson Water and the City of Glendale.
- The Department also implemented an annual fire hydrant maintenance program to meet the Insurance Services Office (ISO) requirements and to ensure the existing public fire protection is available to individual property owners. This program has helped lower home owner insurance costs within the city.

GOAL UPDATES	
Goal	Complete the construction phase of the 10 MGD groundwater treatment plant located at the Oasis Water Campus. This facility will augment existing water supplies and help meet demands during peak demand events and periods of canal outages due to scheduled maintenance. This includes hiring a construction manager, a principal contractor, and construction manager at risk for pre-construction and the onset of construction.
Related Council Goal	One community with high quality services for citizens.
Was the goal met?	Yes.
What were the Performance Measures?	The project will be completed by May 2011.
Obstacles/Challenges	None.
GOAL UPDATES	
Goal	Complete the improvements to the Arrowhead Ranch Water Reclamation Facility ultraviolet (UV) disinfectant system. This project will replace the existing Trojan medium pressure UV systems with energy efficient low pressure UV disinfection systems to reduce operating costs and enhance UV system disinfection performance.
Related Council Goal	One community with high quality services for citizens.
Was the goal met?	It is anticipated to meet the goal after project completion.
What were the Performance Measures?	Completion of UV replacement project by November 2012.
Obstacles/Challenges	None.

FISCAL YEAR 2010

Area of Innovation:

- Utilities completed a critical business practice change entailing the use of a paperless work order system. This important business practice change improves response time to a customer generated work order, reduces reliance on paper records, and improves the overall record keeping of the department.

Accomplishments:

- The department implemented numerous cost-reducing measures in order to minimize the need for, and magnitude of, a rate increase.
- The department updated and completed its annual rate study.



GOAL UPDATES	
Goal	Begin the construction phase of the 10 million gallon per day (MGD) groundwater treatment plant located at the Oasis Water Campus. This facility will augment existing water supplies and help meet peak demands.
Related Council Goal	One community with high quality services for citizens.
Was the goal met?	Yes. Construction of some of the key components of the overall project were commenced and completed. The project is ongoing and will be completed in FY 2011.
What were the Performance Measures?	Completion of the groundwater treatment plant construction by November 2011.
Obstacles/Challenges	None.
Goal	Develop a master plan for the West Area Water Reclamation Facility. The study will examine the wastewater demands, evaluate conveyance or treatment alternatives, Environmental Protection Agency regulations, water resources/conservation issues, effluent recharge locations, and the interplay of wastewater treatment with Sub-Regional Operating Group partnership of the Westgate area, 91st to 115th avenues.
Related Council Goal	One community with high quality services for citizens.
Was the goal met?	Yes. A final report has been submitted by the consulting engineer.
What were the Performance Measures?	Completion of the report during FY 2010.
Obstacles/Challenges	Constantly changing landuse plans complicated the study effort but were resolved in a timely manner.



**City of Glendale
Budget Summary by Department**

Utilities

FUND NUMBER / BUDGET BY PROGRAM	FY 2010 Actual	FY 2011 Budget	FY 2011 Estimate	FY 2012 Budget	Percent Over FY 2011 Budget
(2360) Arrowhead Reclamation Plant	\$1,985,990	\$2,176,656	\$2,046,656	\$2,106,685	-3%
(2360) Information Management	\$920,288	\$1,097,575	\$1,097,575	\$1,071,445	-2%
(2360) Property Management	\$94,306	\$87,000	\$87,000	\$87,000	0%
(2360) Public Service Representatives	\$232,975	\$286,629	\$266,629	\$221,824	-23%
(2360) Safety Administration	\$26,575	\$122,107	\$107,107	\$0	-100%
(2360) System Security	\$486,631	\$667,683	\$617,683	\$771,316	16%
(2360) Utilities Administration	\$8,243,375	\$6,343,982	\$6,301,682	\$6,433,504	1%
(2360) West Area Plant	\$3,474,060	\$3,699,346	\$3,438,346	\$3,560,668	-4%
(2400) Central System Control	\$1,004,554	\$1,415,952	\$1,165,952	\$1,312,765	-7%
(2400) Central System Maintenance	\$369,176	\$758,316	\$708,316	\$706,057	-7%
(2400) Cholla Treatment Plant	\$3,221,671	\$3,681,059	\$3,181,059	\$3,459,182	-6%
(2400) Customer Service - Field	\$954,716	\$1,082,739	\$1,082,739	\$1,186,886	10%
(2400) Irrigation	\$187,923	\$193,583	\$188,583	\$195,269	1%
(2400) Meter Maintenance	\$669,091	\$1,348,944	\$1,113,944	\$1,208,990	-10%
(2400) Oasis Water Campus	\$3,113,823	\$4,277,656	\$3,827,656	\$4,104,326	-4%
(2400) Pyramid Peak Plant	\$1,780,221	\$1,627,555	\$1,607,555	\$1,712,457	5%
(2400) Raw Water Usage	\$3,144,952	\$3,482,182	\$3,482,182	\$3,382,182	-3%
(2400) Water Distribution	\$3,105,131	\$3,536,368	\$3,366,368	\$3,424,134	-3%
(2420) 99th Avenue Interceptor	\$309,613	\$0	\$200,000	\$200,000	NA
(2420) Pretreatment Program	\$475,754	\$533,992	\$532,992	\$526,731	-1%
(2420) SROG (91st Ave) Plant	\$2,547,780	\$4,500,000	\$3,400,000	\$3,700,000	-18%
(2420) Wastewater Collection	\$2,354,389	\$3,278,968	\$3,044,468	\$3,182,901	-3%
Total - Utilities	\$38,702,994	\$44,198,292	\$40,864,492	\$42,554,322	-4%



City of Glendale Budget Summary by Department

Utilities

BUDGET BY CATEGORIES OF EXPENDITURES	FY 2010 Actual	FY 2011 Budget	FY 2011 Estimate	FY 2012 Budget	Percent Over FY 2011 Budget
Wages/Salaries/Benefits	\$11,829,113	\$13,458,255	\$13,437,877	\$13,415,240	0%
Supplies and Contracts	\$20,559,946	\$24,415,625	\$21,102,302	\$22,715,085	-7%
Internal Premiums	\$1,093,829	\$1,196,456	\$1,196,456	\$1,214,903	2%
Internal Service Charges	\$5,213,976	\$5,591,004	\$5,591,004	\$5,440,756	-3%
Operating Capital	\$6,130	\$39,000	\$38,901	\$23,687	-39%
Work Order Credits		(\$502,048)	(\$502,048)	(\$255,349)	-49%
Total - Utilities	\$38,702,994	\$44,198,292	\$40,864,492	\$42,554,322	-4%

STAFFING BY PROGRAM	FY 2010 Actual	FY 2011 Budget	FY 2011 Estimate	FY 2012 Budget	Percent Over FY 2011 Budget
(2360) Arrowhead Reclamation Plant	13	13	13	13	0%
(2360) Information Management	6	6	6	6	0%
(2360) Public Service Representatives	4	4	3	3	-25%
(2360) Safety Administration	1	1			
(2360) System Security	8	8	10	10	25%
(2360) Utilities Administration	10	10	10	10	0%
(2360) West Area Plant	14	14	14	14	0%
(2400) Central System Control	9	9	9	9	0%
(2400) Central System Maintenance	6	6	6	6	0%
(2400) Cholla Treatment Plant	9	9	8	8	-11%
(2400) Customer Service - Field	15	15	16	16	7%
(2400) Irrigation	1	1	1	1	0%
(2400) Meter Maintenance	11	11	11	11	0%
(2400) Oasis Water Campus	15	15	15	15	0%
(2400) Pyramid Peak Plant	10	10	11	11	10%
(2400) Water Distribution	30	30	29	29	-3%
(2420) Pretreatment Program	6	6	6	6	0%
(2420) Wastewater Collection	19	19	19	19	0%
Total -Utilities	187	187	187	187	0%

ENVIRONMENTAL RESOURCES

Doug Kukino

Mission Statement:

The department’s mission is to ensure the city has sufficient water resources for sustainable development and is a leader in environmental stewardship.

The Environmental Division establishes and implements an environmental management system that assists the city to operate in an environmentally responsible manner.

The Office of Conservation and Sustainable Living provides programs to inform and educate our residents, businesses, and neighborhood communities about good environmental practices.

The Water Quality Laboratory protects public health and the environment by testing and documenting the quality of drinking and reclaimed water, and reporting the results to regulatory agencies and the public.

Department Description:

The Environmental Resources Department provides policy analysis and planning services to city leadership and departments on issues pertaining to water resources, water quality, conservation, air quality, and environmental management. The department assists the city in conducting its operations in an environmentally responsible manner and creating organizational culture that strives for excellence in environmental stewardship and performance.

FISCAL YEAR 2012

GOALS	
Goal	To create an organizational culture that strives for high-level and continual improvement in environmental stewardship and performance.
Related Council Goal	One community with high quality services for citizens.
Activities	Prepare a written Storm Water Management Plan by August 27, 2011. Involve several city departments in the planning process. Proper implementation of the plan will also involve several city departments.
Expected Outcomes (Perf. Measures)	The Stormwater Management Plan needs to be implemented and comply with the city’s new storm water permit. The plan will include procedures, processes, measures and programs to maintain storm water basins and pipes; inspect commercial, industrial and construction activities; provide public education, assure spill planning and response; perform stormwater quality monitoring; provide employee training; assure illicit discharge detection and enforcement; and provide program management and evaluation.



Time Commitment	The plan is being completed by existing staff and will take several months to prepare. The plan will also need to be periodically updated as needed. Implementation of the plan is an ongoing commitment. Annual reports describing accomplishments are also required by the State of Arizona.
Expected Challenges	The plan is complex and implementation will involve commitments by, and resources from, several city departments, including Utilities, Field Operations, Fire, Engineering, Parks and Recreation, Code Compliance and Environmental Resources.
Goal	To ensure that the city has sustainable water resources to meet current and future demand.
Related Council Goal	One community with high quality services for citizens.
Activities	A Water Production Plan for 2012 will be prepared by October 2011, jointly by Environmental Resources and Utilities departments.
Expected Outcomes (Perf. Measures)	The 2012 Water Production Plan will build on the optimization concepts implemented in FY 2011. The possibility of exchanging reclaimed water for Central Arizona Project water in the amount of approximately 5,000 acre-feet is being explored for FY 2012. If successful, the exchange is expected to result in savings of up to \$750,000 in FY 2012.
Time Commitment	In order for the water exchange to occur, the city will need to obtain approvals from the Central Arizona Project and the Arizona Department of Water Resources. This process is expected to take several months. If successful, the city intends to seek water exchanges in future years, as appropriate.
Expected Challenges	Obtaining necessary approvals will require approvals from two external agencies/organizations. The city will need to provide documentation supporting its request for the water exchange.

FISCAL YEAR 2011

Area of Innovation:

- The Environmental Resources Department negotiated an alternative way to meet the City's regional air quality commitments while saving the city money. To control dust, the city will use asphalt millings to improve 10 curb miles of unpaved (road) shoulders instead of paving. The use of asphalt millings has an equivalent air quality benefit as paving, and the city saves \$413,000.
- The Department is utilizing the city's Innovate program to assess the city's current multi-departmental approach to implementing and complying with the new municipal separate storm sewer system permit that was issued to Glendale by the state of Arizona. The goal

is to identify new practices to most effectively use existing staff to implement and comply with the stormwater permit requirements. The Innovate assessment is being conducted in FY 2011 and recommendations are expected in FY 2012.

Accomplishments:

- The Environmental Resources Department partnered with the Utilities Department to prepare the 2011 Glendale water supply/production plan. The plan integrates water resources/supplies with water infrastructure (water treatment plants and wells) to optimize water production and to reduce operating costs by as much as \$1.2 million in FY 2011.

GOAL UPDATES	
Goal	To ensure that the city has sustainable water resources to meet current and future demand.
Related Council Goal	One community with high quality services for citizens.
Was the goal met?	Yes. The City received a new Designation of Assured Water Supply demonstrating sufficient water resources to meet both current water demand and the water demand of plats reasonably projected to be approved through the year 2025.
What were the Performance Measures?	Obtain a new Designation of Assured Water Supply for the City’s water service area from the Arizona Department of Water Resources.
Obstacles/Challenges	The process to obtain a new Designation of Assured Water Supply took longer than the city expected due to the extensive State of Arizona review and approval process.
Goal	To create an organizational culture that strives from high-level and continual improvement in environmental stewardship and performance.
Related Council Goal	One community with high quality services for citizens.
Was the goal met?	Yes. The city received a new municipal separate storm sewer system permit from the Arizona Department of Environmental Quality in 2010. The city has also developed a draft storm water ordinance and administrative procedures for program implementation. Council will be asked to adopt the ordinance in FY 2011.
What were the Performance Measures?	Obtain a new municipal separate storm sewer system permit from the Arizona Department of Environmental Quality and administer/implement the program requirements.
Obstacles/Challenges	The process to obtain a new storm water permit took longer than the city expected due to the extensive State of Arizona permit development and approval process. Securing the permit required coordination, communication, and involvement from several city departments.



FISCAL YEAR 2010

Area of Innovation:

- Revenue generation. The Environmental Resources Department initiated the sale of 9,950 acre-feet of long-term stored water credits to the Central Arizona Project which generated nearly \$1.3 million dollars in proceeds. The sale did not negatively impact the city’s ability to maintain its 100-year Assured Water Supply Designation.

Accomplishments:

- The Environmental Resources Department administered the city’s approval of a new long-term effluent sales agreement between the Sub-Regional Operating Group partners, of which Glendale is a member, and the Palo Verde Nuclear Generation Station partners. Glendale expects its effluent sales revenue (from the 91st Avenue Wastewater Treatment Plant) to increase from \$350,000 today up to \$1 million in each of the first four years of the agreement.
- Prepared a white paper on Green Buildings and Solar Power for the Council Sustainability Subcommittee. Expanding public information and outreach on energy and sustainability to the public and business community through the city’s Green website. Obtained federal energy block grant funds through the American Recovery and Reinvestment Act to establish an energy efficiency outreach and education program.

GOAL UPDATES	
Goal	To ensure that the city has sustainable water resources to meet current and future demand.
Related Council Goal	One community with high quality services for citizens.
Was the goal met?	Yes, partially. Prepared the 2010 Glendale water supply/demand plan taking into consideration: 1) water supplies/rights; 2) water production (treatment plants and wells) infrastructure; 3) operating costs; 4) expected water demand; 5) water quality; and 6) legal and regulatory requirements.
What were the Performance Measures?	To provide high quality water, satisfying customer water demand, in a cost effective manner. By temporarily increasing reliance on water from wells, the city is expected to save up to \$750,000 in operational cost in calendar year 2010.
Obstacles/Challenges	Due to heavy seasonal rainfall, the water supply/demand plan could not be fully implemented. The city scaled back the amount of water it recovered from groundwater wells, which resulted in reduced anticipated savings in operational costs.
Goal	To protect public health and the environment by testing, documenting and reporting the quality of drinking water and reclaimed water.

Related Council Goal	One community with high quality services for citizens.
Was the goal met?	Yes. The Water Quality Laboratory maintained all necessary state laboratory certifications necessary for operations and collected and analyzed over 14,000 water samples to ensure the quality and safety of Glendale drinking water. The Water Quality Laboratory completed and submitted all required compliance-related water quality reports to the Arizona Department of Environmental Quality on time with no significant errors. The Glendale Water Quality Annual Report was prepared and distributed to residents and businesses in May 2010.
What were the Performance Measures?	Provide timely and accurate analysis of Glendale’s drinking water. Maintain all necessary state laboratory certifications to continue operations. Perform over 95% of water quality tests using in-house chemists. Ensure that the Utilities Department receives timely and accurate water quality information.
Obstacles/Challenges	Due to budgetary constraints, the Water Quality Laboratory worked with the Utilities Department to identify water quality tests that are not required by law/regulation and could be temporarily discontinued. The Laboratory continued to perform all water quality tests that are required by federal and state laws/regulations.



**City of Glendale
Budget Summary by Department**

Env. Resources

FUND NUMBER / BUDGET BY PROGRAM	FY 2010 Actual	FY 2011 Budget	FY 2011 Estimate	FY 2012 Budget	Percent Over FY 2011 Budget
(1000) HazMat Incidence Response	\$12,581	\$26,845	\$26,845	\$26,845	0%
(2360) Environmental Resources	\$508,393	\$524,231	\$517,342	\$537,929	3%
(2360) Water Quality	\$968,381	\$1,162,187	\$1,108,775	\$1,155,382	-1%
(2400) Water Conservation	\$245,596	\$320,901	\$294,429	\$315,811	-2%
Total - Env. Resources	\$1,734,951	\$2,034,164	\$1,947,391	\$2,035,967	0%

BUDGET BY CATEGORIES OF EXPENDITURES	FY 2010 Actual	FY 2011 Budget	FY 2011 Estimate	FY 2012 Budget	Percent Over FY 2011 Budget
Wages/Salaries/Benefits	\$1,302,622	\$1,397,426	\$1,397,426	\$1,387,136	-1%
Supplies and Contracts	\$398,811	\$654,331	\$567,558	\$634,070	-3%
Internal Premiums	\$18,747	\$22,335	\$22,335	\$21,844	-2%
Internal Service Charges	\$14,771	\$22,013	\$22,013	\$21,660	-2%
Work Order Credits		(\$61,941)	(\$61,941)	(\$28,743)	-54%
Total - Env. Resources	\$1,734,951	\$2,034,164	\$1,947,391	\$2,035,967	0%

STAFFING BY PROGRAM	FY 2010 Actual	FY 2011 Budget	FY 2011 Estimate	FY 2012 Budget	Percent Over FY 2011 Budget
(2360) Environmental Resources	5	5	5	5	0%
(2360) Water Quality	10	10	10	10	0%
(2400) Water Conservation	2	2	2	2	0%
Total -Env. Resources	17	17	17	17	0%