

May 16, 2017

Priority Update from April 18, 2017 Strategic Plan Review

Table 1. Tier 1 Program and Strategy & Objective Statement

Suggested Priority	Program/Potential Action	Strategy & Objective Statement	Status
1	Groundwater Sustainability Agency (GSA) <i>(§1.3 Water Supply pg. 13)</i>	Strategy: Develop a Groundwater Sustainability Plan (GSP) for the SID GSA in compliance with state law and in coordination with County partners. Objective: Complete the GSP by 2022.	The County of Solano recently ceded groundwater management authority for the portion of groundwater within SID’s jurisdiction. Also, SID had previously filed for GSA status with the State Department of Water Resources. As such, SID is responsible for preparing a GSP and sustainably managing the groundwater within its jurisdiction.
2	SID Fee Program Update <i>(§2.1 Growth & Sustainability pg. 17)</i>	Strategy: Update the District’s fee program for; LAFCo (if appropriate), Detachment from SID and Impact Fees (i.e. PHRE, etc.) Objective : Have updated fees such that SID will receive replacement revenue for lands detaching from the District and updated impact fees for properties developing or building on unimproved lots within various service areas.	We’ve had a DRAFT detachment fee study sitting on the shelf for several months but, it needs substantial update such that it would withstand a legal challenge. Also, staff is planning to update several impact fees as soon as possible (i.e. PHRE, etc.)
3	Communications <i>(Not currently covered)</i>	Strategy is to assess and implement appropriate and potentially successful modes of communication with the District’s various customers and partners.	Improved Communications is in various states. For example, Staff is developing a Communications Strategy to discuss with the Board summer 2017, the Board

		<p>The various programs under the Communications Strategy include:</p> <ul style="list-style-type: none"> • Improve Customer Service • Improve Customer Interface (outreach including the web site, newsletter, etc.) <p>The base assumption is that great customer communications is one of several foundations that lead to great customer service.</p>	<p>already authorized the web site update (should be complete summer 2017) and the Newsletter (ongoing but, started last quarter of 2016).</p> <p>Additionally, staff is implementing various customer training including a Good to Great Committee with the goal of consistently being a good organization.</p>
4	<p>Manage the Replacement Charge program for the M&I Service Areas</p> <p><i>(§5.2 Financial Sustainability pg. 24)</i></p>	<p>Strategy: Manage the existing Capital Replacement Charge program for the Municipal and Industrial service areas to most cost effectively benefit the customers.</p> <p>Objective: for each of the Service Systems to be funded and maintained in such a fashion they are highly reliable with zero or minimal service interruptions.</p>	<p>Currently developing the System-wide “Condition Assessment” and will follow-up with outreach</p> <p>Also, the Gibson Canyon Alt Source Study</p>
5	<p>Update the SID/SSWA JPA</p> <p><i>(§2.4 Growth & Sustainability pg. 18)</i></p>	<p>Strategy: Continue providing water to M&I customers and meet future planning needs.</p> <p>Objective: to redraft the water allocation section of the Agreement making beneficial use of Suisun City's 1,300 ac-ft NBA Allocation, Suisun City's 1,600 SP Allocation and SID's water resources that can work together to meet Suisun City's water needs.</p>	<p>Negotiations currently in process</p>

6	<p>Develop a North Bay Aqueduct (State Water Project) Partnering Plan</p> <p><i>(§1.4 Water Supply pg. 14)</i></p>	<p>Strategy: Add diversity to the District’s water portfolio by identifying, developing, and participating in water transfers, water exchanges and acquisition of new supply.</p> <p>Objective: to develop the ability to exchange Solano Project water with NBA water contractors (Vallejo, Fairfield, Vacaville, Benicia, etc.) and jointly market NBA water to other State Contractors. Also, investigate SID’s ability to acquire NBA allocation.</p>	<p>Ongoing</p> <p>Integral part of current negotiations with the City of Suisun City</p> <p>Also, will develop a plan when District updates the MPWD Agreement (currently under negotiations)</p>
7	<p>Update Short-term Financial Plan</p> <p><i>(§5.1 Financial Sustainability pg. 23)</i></p>	<p>Strategy: Develop and maintain a short-term financial plan on 5 year and 10 year incremental basis.</p> <p>Objective: to develop Short-Term Plan for the next 10 years. Generally adopt rates for 2 to 5 year periods.</p>	<p>Completed in 2016 but, next 5-year cycle should start in 2020 a year ahead of the 2021 expiration of the current. Also, requires detailed review during annual budget preparation.</p>
8	<p>Develop Service Standards for Ag and M&I</p> <p><i>(§4.1 Ag & MI Service Stand pg. 21)</i> <i>(§4.2 Ag & MI Service Stand pg. 22)</i></p>	<p>Strategy: Modernize and clarify the District’s Agricultural and M&I Service Standards.</p> <p>Objective: to develop service standards that guide SID and customer performance expectations. The standards address terminology, water delivery standards, etc.</p>	<p>Planned for future</p>
9	<p>Develop long-term strategy for stabilizing Water Rates for Ag and M&I</p> <p><i>(§5.5 Financial Sustainability pg. 25)</i></p>	<p>Strategy: Stabilize water rates based on customer expectation for business operations rather than significant periodic increases.</p> <p>Objective: to keep long-term stable water rates stable, cover operating costs and a portion of capital replacement costs. A</p>	<p>Partially complete with the adoption of the 5-year Financial Plan in 2016</p> <p>Need, however, long-term analysis</p>

		focus, therefore, is to raise revenue other places in order to stabilize rates.	
10	Develop a Long-term Revenue Plan <i>(§5.3 Financial Sustainability pg. 24)</i>	Strategy: Develop revenue goals for the next 100 years. Objective: to develop revenue goals for the next 100 years. Specifically, develop revenues goals for Rates, Property Tax, Assessment, Stand-by Assessment, Power, other sources of revenue, etc.	Planned for future
11	Develop short-term and long-term funding for the R&B program <i>(§5.4 Financial Sustainability pg. 24)</i>	Strategy: Develop funding for the short and long term CIP. Objective: The short-term objective is oriented towards projects in immanent need of repair (danger of failure), projects SID's own work force can accomplish and for automation/ modernization projects. The long-term objective needs to be oriented towards life-cycle replacement, modernization and automation.	Planned for future
12	Develop a Surface Water Outflow Reclamation/Recovery Plan <i>(§1.3 Water Supply pg. 13)</i>	Strategy: Increase water use efficiency by focusing on delivery flexibility, reducing losses, outflow reclamation/recovery and conjunctive use. Objective: to put SID's water resources to their full beneficial use by focusing on efficiency, reclamation, and recovery.	SID is currently working to finalize the McCune-Sweeney Weir project with will allow SID to significantly increase its ability to recover drain water. Also, following potential USBR grant programs for partial funding at other locations.
13	Policies and Procedures <i>(§6.2 Staff Plan & Prof.Devel. pg. 27)</i>	Strategy: To develop human resource policies and programs that support the District and guide the employees in their career goals.	Ongoing since 2014 with goal of having a complete document by end of 2017. Takes time because we have to “meet and confer” with

		Objective: To maintain and periodically update the existing Board Policies and Procedures.	unions over many policy changes.
14	Code of Ethics <i>(§6.2 Staff Plan & Prof Devl. pg. 27)</i>	Strategy: To develop human resource policies and programs that support the District and guide the employees in their career goals. Objective: to develop an Employee Code of Ethics.	Planned for future
15	Partnership with MPWD <i>(§1.4 Water Supply pg. 14)</i>	Strategy: Add diversity to the District's water portfolio by identifying, developing, and participating in water transfers, water exchanges and acquisition of new supply. Objective: To maximize SID's water resources in partnership with MPWD and others.	Currently drafting update to the MPWD Agreement for another 5 years. The next update, however, will likely be different given SID's intent to reuse drain water Also, will be evaluating exchange options
16	Modernize and Automate the Ag Water Delivery System	Strategy: Improve Ag water supply delivery flexibility, reduce water loss and reduce long-term staffing costs. Objective: To automate the Ag water delivery canals and pipes systematically over time (more than 20 years) by the implementation of the Rubicon Total Chanel Control automation technology. Also, through implementation of automated water ordering.	Planned for 2017
17	Subdivision Evaluation and Election Cycle <i>(Not currently covered)</i>	Strategy is to change the election cycle to evaluate Board Members division boundaries.	Planned for 2017

Table 2. Tier 2 Program and Strategy Statement

Priority	Program/Potential Action	Strategy & Objective Statement	<u>Status</u>
20	DSWA/Dixon's NBA Allocation of 1,300 ac-ft <i>(§1.4 Water Supply pg. 14)</i>	Strategy: Add diversity to the District's water portfolio by identifying, developing, and participating in water transfers, water exchanges and acquisition of new supply. Objective: To make beneficial use of the allocation under DSWA (assuming SID is part of DSWA).	Planned for future
20	Monetizing Assets <i>(§5.6 Financial Sustainability pg. 25)</i>	Strategy: Short-term strategy to monetize non-rate assets. Objective: To monetize assets by selling surplus lands, sign installation, gas production, etc. when appropriate	Ongoing
20	USBR Master Contract Renewal in 2024 <i>(Not currently covered)</i>	Strategy is to remain informed so that the District can provide the best advice and recommendation to SCWA.	Ongoing
20	FERC Relicensing of the Monticello Power House in 2031. <i>(§5.3 Financial Sustainability pg. 24)</i>	Strategy: Develop revenue goals for the next 100 years. Objective: To maximize revenue and avoid water loss in the FERC relicensing process. Also, objective is to avoid revenue loss due to BDCP mitigations.	Planned for future
20	PG&E Power Purchase Agreement	Strategy is to maximize long-term power sales revenue. Objective: To evaluate an early re-negotiation of the PPA.	Planned for future
20	Operation of the Vallejo Lakes potable water system <i>(§2.2 Growth & Sustainability pg. 17)</i>	Strategy: To develop new customers and to convert agricultural customers into M&I customers as the Solano County matures and develops.	Currently in process of drafting a Preliminary Assessment of the system. Will share with County and the LWS customers.

Priority	Program/Potential Action	Strategy & Objective Statement	<u>Status</u>
		Objective: To evaluate the Vallejo RFP for the operations of the Lakes Water System (Green Valley and Gordon Valley) but, at no risk to SID.	
20	CDPH Compliance <i>(§4.3 Ag & MI Service Stand pg. 22)</i>	Strategy: Work toward converting the Bottled Water Services to Potable Water. Objective: To convert the Bottled Water Services to Potable Water.	Current PHRE project is nearing completion Future compliance issues depends on a directive from DDW
20	New M&I Customer Development (i.e. Middle Green Valley, RNV and County Non-Municipal Development). <i>(§2.2 Growth & Sustainability pg. 17)</i>	Strategy: To develop new customers and to convert agricultural customers into M&I customers as the Solano County matures and develops. Objective: To assert SID's first right of refusal as existing LAFCo authority as default water provider for non-municipal development in the County.	Completed an operational contract for RNVWD Other components of this strategy depends on the final outcome of the LWS
20	Long-term Organizational and Staffing Plan <i>(§6.1 Staff Plan & Prof Devl. pg. 26)</i> <i>(§6.2 Staff Plan & Prof Devl. pg. 27)</i>	Strategy: To attract, develop and retain a progressive, creative, and solutions-oriented staff. Strategy: To develop human resource policies and programs that support the District and guide employees in their career goals. Objective: To develop staffing matching SID's needs. For example, automation will drive the need for a higher level of technical positions.	Mostly complete with the General Unit employees. Have a few Supervisorial and Professional Unit adjusting currently under way. Will be complete by 2017 Long-term, however, SID should remain flexible to the changing staffing needs and re-orient itself to meet said needs
20	Consolidated Personnel Policy Handbook <i>(§6.2 Staff Plan & Prof Devl. pg. 27)</i>	Strategy: To develop human resource policies and programs that support the District and guide employees in their career goals. Objective: To update, create and consolidate SID's Personnel Policies into one Handbook.	Ongoing since 2014 with goal of having a complete document by end of 2017. Takes time because we have to “meet and confer” with unions over many policy changes.

Priority	Program/Potential Action	Strategy & Objective Statement	<u>Status</u>
			Also, continually changes with new State law every January
20	<p>Long-term Training and Mentoring Program</p> <p><i>(§6.1 Staff Plan & Prof Devl. pg. 26)</i></p>	<p>Strategy: To attract, develop and retain a progressive, creative, and solutions-oriented staff.</p> <p>Objective: To create a Training and Mentoring program matching the long-term organizational and staffing plan.</p>	Implemented some strategies, however, much more needs to be done
20	<p>Operations</p> <p><i>(§4.1 Ag & MI Service Stand pg. 21)</i></p> <p><i>(§4.2 Ag & MI Service Stand pg. 22)</i></p>	<p>Strategy: Modernize and clarify the District's Agricultural and M&I Service Standards.</p> <p>Objective: For SID to develop rehab, expansion and operations plans for various facilities.</p>	Planned for future
20	<p>Acquire or develop additional water resources</p> <p><i>(§1.4 Water Supply pg. 14)</i></p>	<p>Strategy: Add diversity to the District's water portfolio by identifying, developing, and participating in water transfers, water exchanges and acquisition of new supply.</p> <p>Objective: To grow the ability to serve Ag from existing resources first. Then, develop water resources, if needed, in the future. For example, in past years SID has discussed water supply options from out-of-the-area suppliers (i.e. Tehama Colusa Canal Authority, etc.).</p>	<p>Ongoing through SID's negotiations with Suisun City regarding NBA water</p> <p>Other than that, there are not many new resources available</p> <p>Monitoring the one new project that may provide a new water source, the Sites Reservoir project. The cost of Sites water, however, will be HIGH</p>
20	<p>SCWA Drought Measures Agreement</p> <p><i>(§1.2 Water Supply pg. 13)</i></p>	<p>Strategy: Maximize the beneficial use of ALL of SID's water by developing guidelines and management strategies allowing the District to administer a variety of programs/initiatives during wet, normal, drought and prolonged drought years.</p> <p>Objective: To modernize the Agreement.</p>	Recommend a low priority ... may not be much up-side to SID

Priority	Program/Potential Action	Strategy & Objective Statement	<u>Status</u>
20	Obtain NBA and NDWA water <i>(§1.4 Water Supply pg. 14)</i>	Strategy: Add diversity to the District's water portfolio by identifying, developing, and participating in water transfers, water exchanges and acquisition of new supply. Objective: To gain additional water sources for customers.	Recommend a low priority ... unless something changes and said water is available
20	Develop a Lake Berryessa Water "Carryover" Plan <i>(§1.2 Water Supply pg. 13)</i>	Strategy: Maximize the beneficial use of ALL of SID's water by developing guidelines and management strategies allowing the District to administer a variety of programs/initiatives during wet, normal, drought and prolonged drought years. Objective: to develop policy governing the management of year-to-year Lake Berryessa carryover water to ensure reserves for District customers while allowing for one-time periodic transfers of water to out-of-area customers.	Recommend no longer a priority given SID's relationship with SCWA and their contract with the USBR