

San Lorenzo Valley
Water District

2016 Strategic Plan
Approved 12/01/2016

Mission Statement

Our Mission is to provide our customers and future generations with reliable, safe and high quality water at an equitable price; to create and maintain outstanding service and community relations; to manage and protect the environmental health of the aquifers and watershed; and to ensure the fiscal vitality of the San Lorenzo Valley Water District.

Introduction

Acknowledgements

This Strategic Plan is a collaborative effort involving many individuals; Directors, public, staff and consultants. A most prominent ‘Thank You’ goes out from the District to Mr. Brent Ives, BHI Consulting. Mr. Ives provided key guidance during the creation of the 2015 Strategic Plan, the strong foundation of our District’s future efforts.

What is a Strategic Plan?

A Strategic Plan is the top level planning document for an organization to set clear direction over all operational aspects of its mission. It serves as a framework for decision making over a rolling five-year period. It is a disciplined effort to produce fundamental decisions that shape what a District intends to accomplish by selecting a rational and balanced course of action. At its highest level, this Strategic Plan seeks to strengthen and build upon opportunities while addressing areas of concern all aimed toward forecasting an optimized future condition. A large part of its intended use is to clarify the future for the Board, Staff, and the public.

The District has made a conscientious decision to actively review and adjust its Strategic Plan on a yearly basis. Each year the Board of Directors will review and update the Strategic Plan, where new items may be added and prioritized, completed work will be acknowledged and archived, and items may be removed or re-prioritized. The District recognizes that there are many plans and projects that will require more than five years to accomplish.

The District is committed to conducting the work of prioritizing, planning and implementing Strategic Plan projects in an inclusive and transparent manner. We welcome and encourage input from the entire San Lorenzo Valley Water District community.

This document will introduce each important strategic goal, actions and initiatives in each of the strategic elements.

Introduction

Strategic Elements

Strategic Elements represent the vital areas of the District's operation and management. Thorough analysis of each area assures that implementation fully supports the Mission and Vision in a comprehensive way, properly covering the District in all areas. As such, Strategic Elements are supportive of the foundational Mission and Vision statements of the District.

The Strategic Elements are as follows:

1. Water Management
2. Watershed Stewardship
3. Capital Facilities
4. Wastewater Management
5. Fiscal Planning
6. Public Affairs
7. Strategic Partners
8. Organizational Health/Personnel
9. Administrative Management

Introduction

Board Vision Statement

The San Lorenzo Valley Water District has committed to the following courses of action:

Every December 31st we will have:

- Completed a review of our 5-year Capital Improvement Program.
- Successfully connected with our communities.
- Cooperated with other agencies.
- Remained successful in watershed stewardship.

By December 31, 2016 we will have:

- Achieved water conservation levels such that we are in the top 10% of California Water Districts for conservation as a percentage of 2013 consumption levels,
- A Staffing Plan that will achieve appropriate service and maintenance levels by 2020.
- A Capital Improvement Program that is flexible and achievable, detailing projects and milestones.
- Successfully implemented a Water Audit and Loss Control Program reducing water loss through leakage

By December 31, 2017 we will have:

- A balanced budget that reflects Mission needs,
- A rate study of our wastewater system and a plan to fully fund required operations and maintenance. or we have transferred our wastewater responsibilities to another agency or JPA.

By December 31, 2018 we will have:

- We have completed the Probation Tank Replacement Project,

By December 31, 2019 we will have:

- Reduced our carbon footprint as well as maintained our commitment to compliance with AB-32.

By December 31, 2020 we will have:

- Completing environmental review, design, finance planning and construction-ready plans for utilizing Loch Lomond water.
- Adequate staffing at all levels as defined by the 2016 Staffing Plan.
- A redundant Quail Hollow Well Project.

Introduction

Accomplishments

In 2015 we:

- Achieved a yearly 24.9% reduction in water consumption compared to 2013 levels, placing SLVWD above the 90th percentile for state water district's conservation efforts in 2015.
- Reviewed our Capital Improvement Program, establishing prioritization of planned projects
- Reviewed and Re-Codified Ordinance 8 into four documents:
 - Rules and Regulations
 - Policies and Procedures
 - Schedule of Rates and Charges
 - Definitions
- Successfully connected with our communities through public budget meetings, CIP public meetings, workshops and symposiums, Social Media and Newsletters, and a variety of published opinion pieces and guest articles in local papers.
- Cooperated with other agencies through joint meetings with Scotts Valley Water District, collaborative efforts with the Fall watershed symposium, among others.
- Successfully implemented a water audit and loss control program, reducing our water loss through leakage by 60,000 gallons

In 2016 we:

- Completed the North-South Intertie Project.
- Completed both the 2010 the 2015 Urban Water Management Plans.
- Successfully transitioned Lompico County Water District into the District service area.
- Funded educational projects that enhance the understanding of the San Lorenzo River watershed or improve the watershed's environmental health.
- Collaborated with other agencies and local stakeholders on large landscape and water resource stewardship efforts across the San Lorenzo Watershed

1.0 Water Supply Management

Objective

To ensure water supplies of high quality and quantities are available for existing and future customers. We will do this by responsibly managing all water and watershed resources under the District's control, developing a diversified water supply, and by partnering with and/or influencing agencies that have an impact on the quantity and quality of current and supplemental water supplies available to the District.

5-Year Strategic Goals:

- 1.1 North - South Intertie
- 1.2 Redundant Quail Hollow Well
- 1.3 Water Sources
- 1.4 Water Audit and Loss Control Program
- 1.5 Felton Infrastructure and Source Water

1.0 Water Supply Management

1.1 North/South Intertie

Currently, the District is comprised of three totally independent water systems: the Northern Distribution System located in the San Lorenzo Valley (Boulder Creek, Brookdale, Ben Lomond, Lompico and Zayante), the Southern Distribution System located in the Scotts Valley area, and the Felton System located in Felton. These three independent water supply and distribution systems are interconnected through intertie pump stations. Currently, the pump stations are available for emergencies only. Free interconnection of the systems would allow for increased reliability and allow the South Distribution System to utilize surplus surface water from the Northern Distribution System during the winter months of normal rainfall years, managing the District's groundwater aquifers through conjunctive-use

Within five years, the District will undertake a CEQA review to utilize the North/South Intertie for enhanced water resource management activities such as the utilization of surface water as a water supply source in the Southern Distribution System for in-lieu groundwater aquifer recharge.

SCHEDULED START YEAR: 2015

EST. COMPLETION YEAR: 2018

START DATE: 2016

COMPLETION DATE:

Schedule:



Progress:



STATUS:

03/07/2016 – District staff is preparing budget costs for inclusion in the 16/17 budget year. District staff is analyzing water budgets for each of the three water systems to develop conceptual conjunctive use water transfer quantities.

Summer 2016 – District staff submitted a grant application, in conjunction with the County of Santa Cruz, to conduct appropriate CEQA Study required to lift 'emergency' restriction from intertie use.

1.2 Redundant Quail Hollow Well

1.0 Water Supply Management

The District always strives to properly manage the groundwater aquifers from which it draws. The District operates and maintains two (2) groundwater wells in the Quail Hollow area (Quail Hollow Well No. 4A and Quail Hollow Well No. 5A) of the District's Northern Distribution System. It is assumed that all work activities associated with the Quail Hollow Redundant Well Project would be funded as a budgeted capital outlay project in a future District Annual Budget. At this time, this project is assumed to be a "pay-as-you go" project funded by ongoing revenues received from District water sales and other fees and charges. It is estimated that it would take approximately 36 months to complete the proposed Quail Well Project (Design, CEQA, Permitting, and Construction).

SCHEDULED START YEAR: 2017

EST. COMPLETION YEAR: 2020

START DATE:

COMPLETION DATE:

Schedule:

2017	2018	2019	2020
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Progress:

10%	20%	30%	40%	50%	60%	70%	80%	90%	100%
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STATUS:

Not Started

1.0 Water Supply Management

1.3 Water Sources

The District owns source water rights on multiple streams within San Lorenzo Valley. Additionally, the District has an historical contractual allocation to purchase up to 313 acre-feet per year of raw water from Loch Lomond Reservoir which is owned and operated by the City of Santa Cruz. The District has not utilized Loch Lomond as a source of supply since the late 1970's. A number of project alternatives and accompanying steps exist to revitalize this source of water supply.

The District also owns and operates multiple wells within local groundwater basins. Historically, the groundwater basins utilized by the District have experienced overdraft and the current groundwater levels remain below historical norms.

Groundwater represents the District's only long-term water storage. Reduced groundwater levels cripple the District's ability to withstand prolonged drought events. Environmentally, lower groundwater levels inhibit groundwater contributions to stream flows.

The District desires to utilize winter flows from available stream diversions and available Loch Lomond water in a conjunctive fashion with available groundwater.

Short Term Goal: Diverting winter flows/Loch Lomond water for use in areas normally reliant on groundwater (South Zone and Manana Woods) provides in-lieu recharge of the groundwater basin.

Long Term Goal: Treatment and storage of available winter/Loch Lomond water in local groundwater basins.

Within the scope of this five-year plan, the District anticipates starting a conjunctive use project to achieve the short-term goal of in-lieu recharge, with steps such as environmental review, design, finance planning and completion of construction ready plans.

1.0 Water Supply Management

SCHEDULED START YEAR: 2016

EST. COMPLETION YEAR: 2020

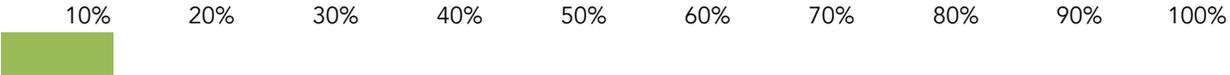
START DATE: 2016

COMPLETION DATE:

Schedule:



Progress:



STATUS:

03/09/2016 - District staff is preparing budget costs for inclusion in the 16/17 budget year. District staff is analyzing water budgets for each of the three water systems to develop conceptual conjunctive use water transfer quantities.

Summer 2016 – In collaboration with the County Water Resources Department, staff has applied for grant funding to fund a conjunctive use plan which would include utilization of Loch Lomond to enhance stream flow in Fall Creek.

Fall 2016 – District staff is engaged in discussions with the City of Santa Cruz, Scotts Valley Water District and Soquel Creek Water District to discuss local projects viewed through a regional lens. District’s use of Loch Lomond water is a part of the discussions.

1.0 Water Supply Management

1.4 Water Audit and Loss Control Program

To provide water service to customers the District conveys water through approximately 150 miles of various sizes and ages of water mains. Water loss through mainline leakage can be as high as 20 percent of total water production in an older distribution system such as the District's. To ensure that the District is using its water supplies efficiently, the District will implement a Water Audit and Loss Control program over the next five years that will, conduct a water audit to assess the efficiency of the water distribution system, perform leak detection, identify leaks throughout the distribution system and facilitate repairs, control apparent losses in metering and billing to recover missed revenues and develop approaches for short-term and long-term goal setting for the loss control program.

SCHEDULED START YEAR: 2015

EST. COMPLETION YEAR: 2020

START DATE: 2016

COMPLETION DATE:

Schedule:



Progress:



STATUS:

03/09/2016 – District conducted first round of leak detection in 2015. District inspected 150 miles of pipeline and repaired 59 previously unknown leaks totaling an estimated 111 gpm (58 MGY). Staff is anticipating a second round of leak detection in the 2017-18 budget year.

1.0 Water Supply Management

1.5 Infrastructure and Source Water

The District conveys water through approximately 180 miles of various sizes and ages of water pipe and appurtenant facilities, including stream/spring diversions, wells and potable water treatment plants.

District infrastructure and water sources are constrained and restricted due to age and deferred maintenance.

Within the next five years the District would like to develop an Infrastructure Master Plan Area that addresses replacement of infrastructure that has reached the end of its useful life.

Within the next five years the District would like to develop a Source Water Master Plan that provides clear goals and objectives to ensure safe and reliable sources of.

SCHEDULED START YEAR: 2016

EST. COMPLETION YEAR: 2020

START DATE: 2016

COMPLETION DATE:

Schedule:



Progress:



STATUS:

03/09/2016 – District staff is preparing budget costs for inclusion in the 16/17 budget year.

2.0 Watershed Stewardship

Objective:

To manage and protect the environmental health of the local aquifers and watersheds.

Summary of 5-year strategic goals:

2.1 Watershed Management Plan

2.2 Environmental Review of Impacts to San Lorenzo River Watershed

2.3 Climate Action Plan

2.4 Education Program

2.0 Watershed Stewardship

2.1 Watershed Management Plan

In 2006 the District began to prepare an update to the existing Watershed Management Plan from 1985 including changes in the districts land ownership and service area, changes in watershed conditions, advances in watershed science and habitat restoration, and changes in regulatory requirements. Over the next five years staff will evaluate and identify data gaps and complete the districts Watershed Management Plan.

SCHEDULED START YEAR: 2015

EST. COMPLETION YEAR: 2020

START DATE: 2016

COMPLETION DATE:

Schedule:



Progress:



STATUS:

Summer 2016- Completed the Plan to Control Invasive Broom and Acacia on the Olympia Watershed

2.0 Watershed Stewardship

2.2 Environmental Review of Potential Impacts to the San Lorenzo River Watershed

Human-induced disturbances in the San Lorenzo River Watershed have altered hydrologic processes by increasing the magnitude and frequency of peak discharges and reducing summer base flows. Urban and rural development is a major source of erosion and sedimentation. Many current and historic human-induced impacts in the San Lorenzo River watershed cause or exacerbate erosion and sedimentation. These impacts to the San Lorenzo River watershed directly impact the San Lorenzo Valley Water District and its community. The District has a long history of watershed stewardship, providing environmental review and comments to proposed projects and plans, which impact the watershed. In the next five years, the District will continue to conduct environmental review on timber harvest, agriculture and development projects that impact the District's water sources and the San Lorenzo River Watershed.

SCHEDULED START YEAR: 2015

EST. COMPLETION YEAR: annually

START DATE: 2015

COMPLETION DATE:

Schedule:



Progress:



STATUS: 2016 – District has actively engaged in public discussions regarding the Mount Herman Activity Bike Park and the County Cannabis Cultivation Ordinance creation, timber harvest operations that impact District water resources.

2.0 Watershed Stewardship

2.3 Climate Action Plan

In 2008 the District Board approved a climate change resolution committing itself to meeting greenhouse gas emissions to AB32 standards. In addition, the resolution committed the District to addressing potential impacts of climate change in all of its planning documents.

In addition to maintaining the District's participation in the Climate Action Registry through regular emissions inventory reporting, the District will include consideration of additional climate change mitigation and adaptation measures in its ongoing operations, including such actions as: energy efficiency, fuel efficiency, encouraging water conservation, use or purchase of renewable energy generation, carbon sequestration, ongoing watershed stewardship and improved water supply resiliency.

Within five years, the District will have: evaluated the potential for and economic viability of additional renewable energy generation on District property, evaluated the potential costs and benefits of becoming 'carbon neutral' or 'carbon free' and if feasible, bringing forward a proposal to reach that goal. Within five years the District will have consulted with local and state experts on climate change impacts and will have incorporated appropriate adaptation considerations into our Watershed Management Plans.

SCHEDULED START YEAR: 2015

EST. COMPLETION YEAR: annually

START DATE: 2015

COMPLETION DATE:

Schedule:



Progress:



STATUS: 2016 – District has begun reviewing alternative energy options for the Bull/Bennett Pipeline. Staff has begun reviewing battery storage options to offset peak usage and reduce carbon footprint.

2.0 Watershed Stewardship

2.4 Education Program

To protect the District's water resources over the long term, it is important to raise awareness of water conservation, and watershed protection and stewardship among residents of and visitors to the San Lorenzo Valley River watershed. The mission of the District's Education Program is to provide funding for educational and other projects that enhance the understanding of the San Lorenzo River watershed or improve the watershed's environmental health. Over the next five years, the District will continue to implement both of the education grant programs: the "classic" program and the "data gaps" program, refining them as necessary. Additionally, the District and its Mission has a fascinating history, one that is relevant to today and the future. As such, it is important to share that story.

SCHEDULED START YEAR: 2015

EST. COMPLETION YEAR: annually

START DATE: 2015

COMPLETION DATE:

Schedule:



Progress:



STATUS:

2016 - Six Classic Watershed Education Grants are funded annually. Community members, teachers, and nonprofits received grants to fund educational programs which have successfully reached students in every public school in the San Lorenzo Valley.

Monthly newsletters with articles regarding water conservation, watershed stewardship and environmental activities and announcements are distributed to the community via email

3.0 Capital Facilities

Objective:

Properly managing our infrastructure through appropriate maintenance, yearly system condition review and assessment and timely replacement of facilities that have reached or exceeded the end of their service life.

Summary of 5-Year Strategic Goals:

3.1 Capital Improvement Program

3.0 Capital Facilities

3.1 Capital Improvement Program

The District has an ongoing Capital Improvement Program. The project planning and development process of the Capital Improvement Program was established to provide an orderly procedure for the identification, evaluation and prioritization of current and future capital needs of the San Lorenzo Valley Water District. The Capital Improvement Program has been utilized to guide the District's long and short-range planning process by matching identified needs, desired priorities and major capital expenditures. The 2010 Capital Improvement Program lists \$27,455,000 dollars of needed improvements. Over the next five years The 2010 Capital Improvement Program will be updated and progress will be published on the District's website describing the schedules for individual projects by activity, processing time frame and estimated costs for each of the on the projects that are anticipated to be completed over the five years.

SCHEDULED START YEAR: 2015

EST. COMPLETION YEAR: annually

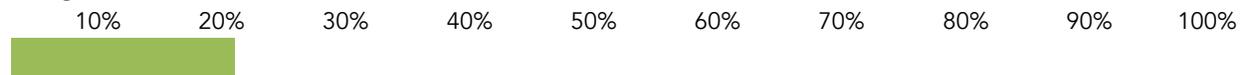
START DATE: 2015

COMPLETION DATE:

Schedule:



Progress:



STATUS: 2016 – District published a ten-year Capital Improvement Plan, including project descriptions and individual project budgets.

4.0 Wastewater Management

Objective:

Properly managing our wastewater operation until the successful transition to a more appropriate entity is achieved. We will work with our wastewater customers and potential successor entities to find a beneficial solution.

Summary of 5-Year Strategic Goals:

4.1 Bear Creek Wastewater Collection and Treatment System

4.0 Wastewater Management

4.1 Bear Creek Wastewater Collection and Treatment System

The District currently owns and operates the Bear Creek Estates Wastewater System which provides wastewater collection and treatment service to approximately 54 single family residences. The District desires to transfer ownership and operation of the wastewater system to a more appropriate agency, such as the County of Santa Cruz, which could operate the system more efficiently. The District will continue to seek resolution of this matter with the County. In the next five years, specific steps toward this goal could include: conducting a rate-study that will establish operational and capital needs of the wastewater system, conduct a Proposition 218 rate increase process that will set rates appropriate to the operational and capital needs of the system, establishing a community dialog with Bear Creek Estates residents, meeting with County representatives on a regular basis to discuss and move this idea forward, and collaboratively establishing a plan with a schedule and key milestones.

SCHEDULED START YEAR: 2016

EST. COMPLETION YEAR: 2020

START DATE: 2016

COMPLETION DATE:

Schedule:



Progress:



STATUS:

2016 – District is completing a wastewater cost-of-service study.

5.0 Fiscal Planning

Objective:

To ensure the short and long-term fiscal vitality of the District. The District will forecast and plan income, reserves and expenditures and provide financial resources sufficient to fund on-going operations and the capital improvement program (CIP).

Summary of 5-Year Strategic Goals:

- 5.1 Fiscal Plan for Support of Strategy
- 5.2 Funding Infrastructure Replacement
- 5.3 Provide Support for Applying for and Securing Grants
- 5.4 Obtain the Comprehensive Annual Financial Report (CAFR) Award
- 5.5 Annual Review of the Reserve Fund Policy
- 5.6 Fiscal Transparency

5.0 Fiscal Planning

5.1 Fiscal Plan for support of Strategy

The District will continue to prepare and adopt annual balanced budgets, which reflect the mission of the District. The maintenance of this Strategic Plan will be integrated into the annual budgeting process. Additionally, it is anticipated that those goals, actions and/or initiatives outlined within this Plan will be reviewed and considered for funding as each annual budget is developed.

The District will conduct a multi-year rate study that will take into consideration as a minimum: continued fiscal impact of the drought, projected operational and staffing needs, conservation incentives, fixed rates vs. commodity rates, capital funding needs, and reserves.

SCHEDULED START YEAR: 2015

EST. COMPLETION YEAR: annually

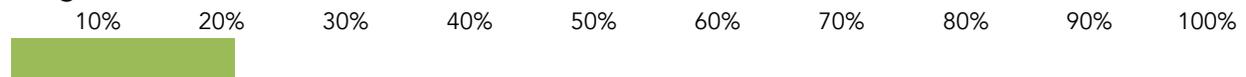
START DATE: 2015

COMPLETION DATE:

Schedule:



Progress:



STATUS:

2016 – District is completing a cost-of-service study.

5.0 Fiscal Planning

5.2 Funding Infrastructure Replacement

The District's ongoing fiscal planning activities will include periodic comprehensive analysis of the infrastructure needs of the District. These are generally outlined in the Capital Improvement Program (CIP). Each year during the budget development process, the capital improvement needs will be considered for inclusion within the upcoming budget for either full or incremental funding.

SCHEDULED START YEAR: 2015

EST. COMPLETION YEAR: annually

START DATE: 2015

COMPLETION DATE:

Schedule:



Progress:



STATUS:

2016 – CIP projects were included in District's budget for the next fiscal year. District applied for two State Revolving Fund loans; one for Probation Tank Replacement project and one for Swim Tank Replacement project.

5.0 Fiscal Planning

5.3 Provide Fiscal Support for Applying for and Securing Grants

Securing grants for various projects within the District is a best practice and leverages District monies, and thus protects rates. The District will determine proper funding and assistance necessary to support an organized effort to seek out and secure grants as project specific revenues for the District.

SCHEDULED START YEAR: 2015

EST. COMPLETION YEAR: annually

START DATE: 2015

COMPLETION DATE:

Schedule:



Progress:



STATUS:

2016 – District applied for two grants; one to conduct an analysis and to plan to conjunctively utilize water resources through the intertie project, to reduce aquifer overdraft and increase stream flow in Fall Creek and the San Lorenzo River during dry periods. The 2nd grant is a collaborative effort to enhance fish habitat in the San Lorenzo River. It includes provisions that would fund the Fall Creek Fish Ladder project, and a large wood project on District and City of Santa Cruz Watershed Property in the Upper Zayante Watershed. Staff anticipates an answer in November 2016.

5.0 Fiscal Planning

5.4 Obtain the Comprehensive Annual Financial Report (CAFR) Award

A Comprehensive Annual Financial Report is a set of financial statements comprising the financial report of the District that complies with the accounting requirements promulgated by the Governmental Accounting Standards Board (GASB). The CAFR may be considered a more thorough review of the District yearly budget. The Government Finance Officers Association (GFAO) provides a CAFR Award which is the highest form of recognition in the area of governmental accounting and financial reporting. The District's CAFR is evaluated and judged by an impartial panel of the GFOA to meet the high standards of the program including demonstrating a constructive "spirit of full disclosure" to clearly communicate its financial story to its users. Within the next five years the District will earn the CAFR Award.

SCHEDULED START YEAR: 2017

EST. COMPLETION YEAR: 2017

START DATE: 2016

COMPLETION DATE:

Schedule:



Progress:



STATUS:

Fall 2016 – District has begun incorporating necessary changes to audit and budget process & documents for near-future CAFR.

5.0 Fiscal Planning

5.5 Annual Review of the Reserve Fund Policy

Adequate reserves for the District operations ensure that customers experience both stable rates for service and the security that the District can respond to emergencies, especially regarding water and wastewater quality issues. Adequate reserves ensure that the District will at all times have sufficient funding available to meet its operating, capital and debt service cost obligations, together with future debt or capital obligations, as well as any unfunded mandates, including costly regulatory requirements. The Reserve Fund Policy should be developed to clearly identify specific designated reserve funds, to clearly identify both reserve fund categories and purposes, and set target levels for reserves that are consistent with the District’s mission statement, the uniqueness of the District, and the philosophy of the District’s Board.

SCHEDULED START YEAR: 2015

EST. COMPLETION YEAR: annually

START DATE: 2015

COMPLETION DATE:

Schedule:



Progress:



STATUS:

2016 – District reviewed and updated its Reserve Fund Policy.

5.0 Fiscal Planning

5.6 Fiscal Transparency

Fiscal transparency is a bulwark ensuring appropriate governing and managing of a public agency. Rate payers have a right to review the financial transactions of the District. Within the next five years the District will adopt a Policy detailing the steps and actions the District will undertake to ensure fiscal transparency is available to the rate payers.

SCHEDULED START YEAR: 2015

EST. COMPLETION YEAR: annually

START DATE: 2016

COMPLETION DATE:

Schedule:



Progress:



STATUS: Not started yet.

6.0 Public Affairs

Objective:

To show solid planning, long-range outlook and overall value to our customers. We will do this by being completely transparent and open in our business and decisions. We will identify and employ effective ways to receive input, educate and inform the public and proactively engage with a variety of local media outlets.

Summary of 5-Year Strategic Goals:

- 6.1 Survey Stakeholder Expectations and Understanding of District Issues
- 6.2 Increase Civic Understanding and Engagement
- 6.3 Technology Plan
- 6.4 SDLF Certificate of Transparency

6.0 Public Affairs

6.1 Survey Stakeholder Expectations and Understanding of District Issues

It is important to gauge stakeholder perceptions of the District on a regular basis, to determine how and if perceptions are changing, to improve our service and/or communications and to identify areas where our message is not getting through clearly. Every five years the District will conduct a customer survey such as it did in 2010 to determine what areas of information our customers were interested in and how they would like to receive the information and ask how we might be able to best serve them.

SCHEDULED START YEAR: 2015

EST. COMPLETION YEAR: 2020

START DATE: 2015

COMPLETION DATE:

Schedule:



Progress:



STATUS:

2015 – District conducted on-line/mail-in poll.

6.0 Public Affairs

6.2 Increase Civic Understanding and Engagement

It is critical that the public, especially our ratepayers, understand the issues that public water agencies face on both the global and local scale. Starting a conversation with ratepayers is a good way to engage them in understanding and solving problems. The Public Relations committee is intended to accomplish this. The outcome and advice of this committee will be considered by the Board of Directors for implementation.

Starting in fiscal 2015/16 the District will conduct a 'State-of-the-District' town hall meeting, presenting to the ratepayers in a concise and engaging manor the current issues impacting the District.

SCHEDULED START YEAR: 2015

EST. COMPLETION YEAR: annually

START DATE: 2015

COMPLETION DATE:

Schedule:



Progress:



STATUS:

2015 – District conducted a State-of-the-District meeting in October.

6.0 Public Affairs

6.3 Technology Plan

The District will prepare a Technology Plan that will outline procedures and policies the District will use to continue managing and refining its website (including such features as a calendar function, search capability, and providing more documentation and information resources) and its internet presence (such as Facebook, Twitter, etc.) to facilitate transparency, availability of information, open communications channels and providing useful information to District residents. Additionally, the Technology Plan will incorporate a replacement schedule to keep the District's electronic equipment (office computers, SCADA equipment, and radios) up to date.

SCHEDULED START YEAR: 2015

EST. COMPLETION YEAR: annually

START DATE: 2017

COMPLETION DATE:

Schedule:



Progress:



STATUS: Not yet started.

6.0 Public Affairs

6.4 SDLF Certificate of Transparency

Within the next five years the District will obtain the Special District Leadership Foundation 'Certificate of Transparency' as a way to help ensure the public that the District is functioning in as transparent a manner as possible.

SCHEDULED START YEAR: 2015

EST. COMPLETION YEAR: 2015

START DATE: 2015

COMPLETION DATE: 2016

Schedule:



Progress:



STATUS:

June 16, 2016 – District received the SDLF Certificate of Transparency in June 2016.

7.0 Strategic Partners

Objectives:

To foster beneficial relationships with strategic partners to accomplish the goals of the District. We will do this by embracing strategic ties with other organizations, the legislature and agencies, working closely with regulators and participating in professional associations.

Summary of 5-Year Strategic Goals:

- 7.1 Develop Strategic Partnerships with Other Agencies
- 7.2 Through Active Participation, Establish Strong Ties with Regional Planning Groups
- 7.3 Work with Neighboring Agencies and Impacted Private Well Owners to develop a Groundwater Sustainability Agency (GSA)

7.0 Strategic Partners

7.1 Develop Strategic Partnerships with Other agencies

The San Lorenzo River Watershed is a shared resource. Various public agencies oversee how the resource is managed. As such, partnerships and our relations with these other agencies are important. The District will cultivate supportive and positive relationships with other agencies that may impact the District's operations and watershed stewardship efforts.

The Board President and District Manager will meet on a semi-regular basis with representatives from local agencies (including Scotts Valley, City of Santa Cruz, and County of Santa Cruz) to discuss topics of regional concern.

SCHEDULED START YEAR: 2015

EST. COMPLETION YEAR: annually

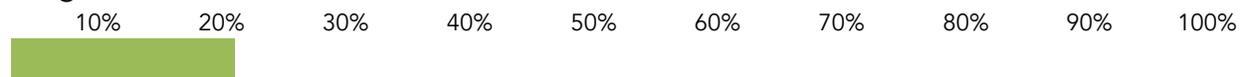
START DATE: 2015

COMPLETION DATE:

Schedule:



Progress:



STATUS:

2016 – District has engaged in regional discussion with representatives from local agencies to discuss topics of regional concern. District has jointly applied with the County on two grant applications. District has met with SWWD and City of Santa Cruz to discuss rate setting process.

Staff is actively collaborating with many groups and agencies to strategize and implement projects and plans which enhance environmental health, sustainability and stewardship in the San Lorenzo Valley. Those groups include but are not limited to:

7.0 Strategic Partners

- Santa Margarita Groundwater Sustainability Agency - Multi Agency Stakeholder group which oversees the sustainable management of our shared aquifer.
- Santa Cruz Mountains Stewardship Network – A multi-agency networks working together to enhance stewardship of large landscapes in the Santa Cruz Mountains
- Water Conservation Coalition- Collaboration of all water districts in Santa Cruz County and the County Water Resources, and Non-Profits to reduce water consumption regionally.
- San Lorenzo 2025- Multi-agency effort to enhance fish habitat in the San Lorenzo River.
- Santa Cruz Mountains Bioregional Council- Dedicated to the preservation and enhancement of regional biodiversity over time through education and dissemination of accurate scientific information and assistance in the planning and coordination and implementation of conservation efforts.
- Felton Library Friends – Community group planning the construction of the new Felton Library and the adjacent Nature Connection Play Area.

7.0 Strategic Partners

7.2 Through Active Participation, Establish Strong Ties with Regional Planning Groups

The District shares the water challenges and opportunities with other public agencies in the region and beyond. This makes the need for positive relations with regional planning groups important to the District. We will proactively seek to play an active role in such activities. Within the next five years the District will join and actively participate in various regional organizations or groups that meet on a semi-regular basis to discuss water related issues and topics of concern to the District.

SCHEDULED START YEAR: 2015

EST. COMPLETION YEAR: annually

START DATE: 2015

COMPLETION DATE:

Schedule:



Progress:



STATUS:

2016 – District has participated in a number of regional group discussions, including:

- Santa Cruz Integrated Regional Water Management Group
- Santa Margarita Groundwater Advisory Group and Sustainable Groundwater Management Act (SGMA) Joint Powers Agency (JPA) formation sub-group.
- Regional Managers water source project review and collaboration summit.
- Regional Managers internship program collaboration summit.

7.0 Strategic Partners

7.3 Work with Neighboring Agencies and Impacted Private Well Owners to develop a Groundwater Sustainability Agency (GSA)

The District shares responsibility for managing the Santa Margarita Groundwater Basin with the County of Santa Cruz, the Scotts Valley Water District and private well owners within the Santa Margarita Groundwater Basin (SMGB). Since the State adoption of the Sustainable Groundwater Management Act (SGMA), the District has started work with our neighbors on developing a Groundwater Sustainability Agency (GSA).

The State defines a GSA as, "One or more local agencies that implement the provisions of SGMA."

The first step in developing a GSA occurred when the District partnered with the County and Scotts Valley Water District to submit a request to the State of California to redefine the boundaries of the SMGB. Prior to our request the State did not recognize SMGB as a medium or high priority basin due to what we believe are clerical errors in the State's defined boundary for the SMGB.

Further accelerated coordination between the District and our partners will be required if the State accepts our request to redefine the SMGB boundaries and adopts the SMGB as a medium priority basin. The formation of a GSA for State identified medium-priority basins is required by June 30, 2017, or two years from basin boundary adjustment, whichever comes later.

Within the next year and a half the District would like to finalize the formation of a GSA with our neighboring agencies and private well owners within the Santa Margarita Groundwater Basin.

SCHEDULED START YEAR: 2015

EST. COMPLETION YEAR: annually

START DATE: 2015

COMPLETION DATE:

Schedule:



7.0 Strategic Partners

Progress:



STATUS:

2015 – District has begun working with Scotts Valley Water District and County of Santa Cruz in drafting the formation documents for future GSA Joint Powers Agency (JPA) for compliance with SGMA and management of our shared groundwater basin.

8.0 Organizational Health/ Personnel

Objectives:

To employ and retain a high quality, motivated workforce. We will do this by utilizing sound policies and personnel practices, offering competitive compensation and benefits, providing opportunities for training, development and professional growth, while ensuring a safe and secure workplace.

Summary of Strategic Goals:

8.1 Staffing Plan

8.2 Compensation and Benefits Benchmarking

8.3 FLSA Audit

8.0 Organizational Health/ Personnel

8.1 Staffing Plan

As the District grows and considers taking on a larger role in water stewardship within the Valley, staffing will need to be thoroughly considered and factored into the budgeting process. Management will assess the staffing needs of the District annually during the budget development process and as the need presents itself.

SCHEDULED START YEAR: 2015

EST. COMPLETION YEAR: annually

START DATE: 2015

COMPLETION DATE:

Schedule:



Progress:



STATUS:

2016 – Proposed staffing plan has been completed.

8.0 Organizational Health/ Personnel

8.2 Compensation and Benefits Benchmarking

Proper consideration for the total compensation for District employees is an important aspect of being effective and efficient with the public funds. The District will perform a comprehensive salary and benefits study to assure a proper baseline of compensation for District employees. It is anticipated that this study will be conducted by a qualified consulting firm.

SCHEDULED START YEAR: 2016

EST. COMPLETION YEAR: 2017

START DATE: 2015

COMPLETION DATE:

Schedule:



Progress:



STATUS: Not yet started.

8.0 Organizational Health/ Personnel

8.3 FLSA Audit

Every five years the District will conduct a Fair Labor Standards Act Audit to ensure that the District is remaining compliant with FLSA rules and regulations.

SCHEDULED START YEAR: 2016

EST. COMPLETION YEAR: 2016

START DATE: 2015

COMPLETION DATE: 2016

Schedule:



Progress:



STATUS:

2016 – Staff, working in conjunction with Paychex (our payroll and HR consultant), conducted an internal FLSA Audit. Determination was that only one position (Board Secretary) was incorrectly assigned per FLSA rules and regulations.

9.0 Administrative Management

Objectives:

Our objective is to create, maintain and implement policies and procedures to ensure sound and efficient management of the District. We will conduct periodic review, refine and implement policies and procedures to ensure that the District Manager and Board have the tools necessary for successfully carrying out the Mission of the District.

Summary of Strategic Goals:

- 9.1 Update Ordinance 8
- 9.2 Board Development
- 9.3 Review Strategic Plan on an Annual Schedule

9.0 Administrative Management

9.1 Update Ordinance 8

Ordinance 8 is the primary source of the District's rules and regulations. Ordinance 8, originally adopted in 1970, has been amended and augmented on numerous occasions by various ordinances and resolutions since the date of adoption. The District will update Ordinance 8, either through a comprehensive review, rewrite and codification or by 'starting fresh', in order to ensure consistency and clear communication between District Board and staff and our customers. Due to the scope and breadth of this project, the District may engage an outside firm to assist with this effort.

SCHEDULED START YEAR: 2015

EST. COMPLETION YEAR: 2018

START DATE: 2015

COMPLETION DATE:

Schedule:



Progress:



STATUS:

2016 – Ord 8 was repealed and replaced with four new documents; Rules and Regulations, Policies and Procedures, Standard Rates and Charges and Definitions. District has begun the process of review and updating individual components of these four documents.

9.0 Administrative Management

9.2 Board Development

It is a best practice of Boards to address their own development and to adopt best practices in their public role. As such, the Board will adopt clear training and orientation methods each year and plan an annualized calendar for Board development and for individual Board members. The Board will also consider and improve its Board Policies and Procedures Manual.

SCHEDULED START YEAR: 2015

EST. COMPLETION YEAR: annually

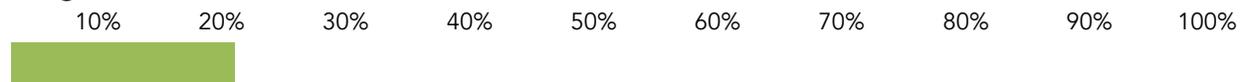
START DATE: 2015

COMPLETION DATE:

Schedule:



Progress:



STATUS:

2016 – Board members have attended local and regional water issues and professional development events such as those presented by ACWA. Board rescinded Ord 8, replacing it with four documents; Policies & Procedures, Rules & Regulations, Standard Rates & Charges and Definitions. Board updated the Board Policy Manual.

9.0 Administrative Management

9.3 Review Strategic Plan on an Annual Schedule.

To properly demonstrate commitment of the District in meeting its mission and vision, we will update this strategic plan annually, usually in February of each year.

SCHEDULED START YEAR: 2016

EST. COMPLETION YEAR: 2020

START DATE: 2016

COMPLETION DATE:

Schedule:



Progress:



STATUS:

2016 – Strategic Plan was reviewed and a final 2016 document was approved at the December 1, 2016 Regular Board Meeting.

San Lorenzo Valley Water District

Element	Start Year	Completion Year
1.0 Water Supply Management		
1.1 North/South Intertie	2015	2018
1.2 Redundant Quail Hollow Well	2017	2020
1.3 Loch Lomond Water	2016	2020
1.4 Water Audit and Loss Control Program	2015	2020
1.5 Felton Infrastructure and Source Water	2016	2020
2.0 Watershed Stewardship		
2.1 Watershed Management Plan	2015	2020
2.2 Environmental Review of Impacts to San Lorenzo River Watershed	2015	annually
2.3 Climate Action Plan	2015	annually
2.4 Education Program	2015	annually
3.0 Capital Facilities		
3.1 Capital Improvement Program	2015	annually
4.0 Wastewater Management		
4.1 Bear Creek Wastewater Change of Ownership	2016	2020
5.0 Fiscal Planning		
5.1 Fiscal Plan for support of Strategy	2015	annually
5.2 Funding Infrastructure Replacement	2015	annually
5.3 Provide Support for Applying for and Securing Grants	2015	annually
5.4 Obtain the Comprehensive Annual Financial Report (CAFR) Award	2017	2017
5.5 Annual Review of Reserve Fund Policy	2015	Annually
5.6 Fiscal Transparency	2016	On-going
6.0 Public Affairs		
6.1 Survey Stakeholders Expectations and Understanding of District Issues	2015 / 2020	2015/ 2020
6.2 Increase Civic Understanding and Engagement	2015	annually
6.3 Technology Plan	2015	annually
6.4 SDLF Certificate of Transparency	2015	2015
7.0 Strategic Partners		
7.1 Develop Strategic Partnerships with Other Agencies	2015	annually
7.2 Through Active Participation, Establish Strong Ties with Regional Planning Groups	2015	Annually
7.3 Work with Neighboring Agencies and Impacted Private Well Owners to develop a Groundwater Sustainability Agency (GSA)	2015	2017
8.0 Organizational Health/Personnel		
8.1 Staffing Plan	2015	annually
8.2 Compensation and Benefits Benchmarking	2016	2017
8.3 FLSA Audit	2016	2016
9.0 Administrative Management		
9.1 Update Ordinance 8	2015	2018

San Lorenzo Valley Water District

9.2 Board Development	2015	annually
9.3 Review Strategic Plan on a Regular Schedule	2015	annually