

TO: BOARD OF DIRECTORS  
FROM: MICHAEL LEBRUN  
DATE: APRIL 9, 2010

**AGENDA ITEM**  
**E-4**  
**APRIL 14, 2010**

**STRATEGIC PLANNING WORKSHOP**

**ITEM**

Brent Ives of BHI Consulting will conduct a workshop focused on an Annual Update of the District's Strategic Plan [CONSIDER WORKSHOP MATERIALS GIVE DIRECTION]

**BACKGROUND**

In 2009, BHI Management Consulting assisted the District in the development and adoption of a 5-year Strategic Plan. Mr. Brent H. Ives has provided a proposal and budget estimate for updating that Plan. (Attached) Mr. Ives proposal is for a total set cost of \$6880.00 with a projected completion date of April 2010.

**FISCAL IMPACT**

Annual update of District Strategic Plan is included in the FY 09-10 Budget.

**RECOMMENDATION**

Staff recommends that the Board participate in the workshop and give direction.

**ATTACHMENTS**

- Draft 2010 Strategic Plan Update

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*Nipomo  
Community  
Services  
District  
Strategic Plan  
2010 Update  
Draft*

*April 14, 2010*



**Board of Directors**

- Jim Harrison, President
- Larry Vierheilig, Vice President
- Ed Eby, Director
- Michael Winn, Director
- Bill Nelson, Director

**District Management Team**

- Michael LeBrun, Interim General Manager
- Peter Sevcik, District Engineer
- Lisa Bognuda, Finance Director/Asst. General Manager
- Tina Grietens, Utility Superintendent

**Strategic Plan Consultant – BHI Management Consulting**

- Brent H. Ives, Principal Consultant



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## **Introduction**

A Strategic Plan is a 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 five-year period. It is a disciplined effort to produce fundamental decisions that shape what a District plans to accomplish by selecting a rational course of action. This planning process began with an environmental scan of the District's business environment including an objective assessment of the District's strengths, weaknesses, opportunities and threats. Input from various stakeholders was gathered and analyzed. Starting with that information the District's Mission, Vision, Core Values and the overall structure of this Strategic Plan were developed by the Board in workshop settings. Within the framework of that structure and the business environment, strategies and goals were developed to sustain and where appropriate improve the District over the next five years. At its highest level, this Strategic Plan seeks to strengthen and build upon opportunities while addressing areas of concern.

This plan also identifies actions, activities, and planning efforts that are currently underway and which are needed for continued success in operations and management of the District, and provides for periodic reviews and updates.

The strategic planning effort has focused on several or all of the following areas:

- Ensuring the District's long term financial health and stability;
- Cost efficiencies;
- Maintaining infrastructure;
- Stewardship of the environment;
- Sustaining a high performing, motivated and adaptable workforce;
- Fostering professional relationships when needed to better achieve our Mission; and
- Assuring clear, proactive and meaningful communications with the community we serve and the regulatory and land use agencies that impact District services.

## Strategic Planning Definitions

Mission Statement: A declaration of the District's purpose which succinctly describes why the District exists. All activities of the District will be in support of the Mission Statement. The Mission Statement is adopted by the Board of Directors. The Mission Statement will be reviewed annually but is intended to be constant over the long term.

Vision Statement: A statement that articulates where the District wants to be over the life of the Strategic Plan. It outlines at the highest level the key changes that must be achieved by the Strategic Plan. The Vision creates and drives strategy and tactics identified elsewhere in the Strategic Plan. The Vision Statement is adopted by the Board of Directors. The Vision Statement will be reviewed annually and will typically change more frequently than the Mission Statement to reflect the direction the Board wants to take the District over the five-year time horizon of the Strategic Plan.

Core Values: A guidepost to the things that the District values when faced with options and alternatives. These are used every time decisions are made as a District. The Core Values are adopted by the Board of Directors. The Core Values are reviewed annually but are intended to be relatively constant over the long term.

Strategic Elements: The broad and primary areas of District operations, planning, and management that are addressed and supported by the Strategic Plan goals. These essentially serve as the outline and organization of the Strategic Plan. The Strategic Elements are adopted by the Board of Directors. The Strategic Elements are reviewed annually but are intended, absent major new issues to be faced, to be relatively constant over the life of the five year Strategic Plan.

- Strategic Element Objective: A concise statement associated with each Strategic Element that describes the objective of that element. It explains why that element is important to the District's overall strategy.
  
- Strategic Element Strategy: A concise statement associated with each Strategic Element that describes how the Objective for that Element will be achieved.
  
- Measurement of Strategic Element: A concise statement associated with each Strategic Element that describes in simple high-level terms how an observer will know if the Objective for the Element is achieved.

Strategic Goals: Short statements of desired success. The goal statement is supported by a narrative that more fully explains the nature of the goal and the issues that the goal intends to address. The Strategic Goals are prepared by management and accepted by the Board. The Strategic Goals will change from year-to-year when the annual assessment is made of the progress on each Strategic Element. The Strategic goals straddle the line between policy (Board responsibility) and implementation (management responsibility) and as such are a collaborative effort of both the Board and management.

Strategic Work Plan: An objective-by-objective prioritized and year-by-year summary of the activities that management anticipates undertaking to achieve the Strategic Goals. The Work Plan is a tool and a road map to prioritize the broad approach to the Strategic Goals. The work plan is not a task or "to-do" list. It is presented at a higher level of milestones that are intended to be accomplished each year to move the District towards success on the broad Strategic Goals. The Strategic Work Plan is prepared by management. To the extent that it prioritizes the undertaking of efforts to implement the Strategic Elements policy direction from the Board is sought by management.

Business Plans: Detailed and shorter to mid-term implementation plans that will be prepared by each operating Division in the District at the time of budget preparation and separately from this over-arching Strategic Plan. The Business Plans identify specifically what each division intends to accomplish, what resources they require to do so and the detailed steps, milestones and metrics that will be used to assess their performance. Business Plans are prepared annually by mid-level management and are to be in alignment with the Strategic Work Plan.

## **Strategic Plan Development**

In FY2008-09, the District retained the services of BHI Management Consulting (BHI) to facilitate and coordinate the development of the District's five-year Strategic Plan. BHI first gathered input from the District employees in a number of meetings so as to allow direct and "ground level" input to Board during their deliberations on the Strategic Plan. To prepare for the Board workshop the Consultant circulated questionnaires to the District Board members on the matters they thought were most relevant to future strategy for the District. The following topics were discussed at all of the input gathering meetings:

- Mission
- Vision
- Core Values
- Current and future issues
- Important future projects

The Board supported this process as a way to allow all to participate in the foundation of the Strategic Plan. A full-day Board workshop was conducted. At the workshop the Board reviewed all input, revisited and refined the existing Mission Statement of the District, created a Vision Statement and developed Core Values for the District. The Board also identified the seven strategic elements providing balanced implementation actions across District operations that will support the Mission and achieve success of the Vision.



A steering committee, consisting of Senior Management and staff, worked with BHI to develop the Strategic Goals that support each Strategic Element. The Strategic Work Plan was developed in a collaborative fashion by Senior Management. District staff was regularly briefed in General Employee and in Division-level meetings about the process and content of the Strategic Plan as it was being developed. Using this process along with both external and internal input the Strategic Plan was assembled in a way that best articulates the Board's Vision and Strategy for the District over the next five years.

### **Continuation Process of the Plan**

A key part of the Strategic Planning process is to conduct an annual review and update of the Plan. This draft represents the first update and was accomplished in April of 2010. These reviews allow for regular maintenance of the Plan so that it reflects the actual progress and needs of the District. The reviews will be documented, and followed up with by either a Plan supplement or an updated Plan. A five-year planning horizon will be maintained with each review effort developing a new fifth year of actions, projects and initiatives.

**DISTRICT MISSION**

***The Nipomo Community Services District's mission is to provide its customers with reliable, quality and cost-effective services now and in the future.***

**DISTRICT CORE VALUES**

- Is it sensitive to rates and cost efficient?***
- Does it support our commitment to maintenance of our facilities and infrastructure?***
- Does it support our ability to provide reliability in the services we provide?***
- Is it open, transparent and responsive to our customers?***
- Does it support the welfare of our employees?***
- Does it protect the rural character of our community?***

## **DISTRICT VISION**

### **The District:**

- **has sufficient water supplies to meet current needs and is actively planning for and funding future needs.**
- **has investments in our infrastructure to maintain reliable and efficient services.**
- **is practicing environmental stewardship to protect our resources**
- **has an understanding of resource limitations, threats to resources, and conveys that information to customers.**
- **has substantially upgraded and continues to upgrade water and wastewater systems to accommodate new water supplies and meet growth and regulatory requirements.**
- **is sustaining a qualified, long-term and productive workforce to assure an effective organization.**
- **continues conservative, well managed finances reaching incremental targeted reserve goals.**
- **customer service, public outreach and information methods have resulted in a high level of public support.**
- **is utilizing proven and cost effective technologies to enhance the performance of our Mission.**
- **has improved relationships with local agencies, regulators and providers.**
- **has constructed and is operating at least one neighborhood park.**

## **Strategic Elements**

Strategic Elements represent the vital areas of the District's operation and management. They assure that the implementation of work to be performed in support of the Mission and Vision are comprehensive in nature and properly cover the District in all areas. Strategic elements are derived from the foundational Mission and Vision statements of the District. They are linked to action and results through the Strategic Goals written in each area and the Strategic Work Plan, Business Plans and Employee Goals. Within the five-year period covered by this Strategic Plan, these Elements assure that all aspects of District operations are well supported and are moving forward in a way that reflects Board priorities and creates balanced implementation. They are not ordered in any particular order but meant to be equally important to the long-term balanced future of the District.

The Strategic Work Plan which contains the supportive actions and initiatives organized and prioritized by year within the planning period, is presented along with each Strategic Goal and is also consolidated in tabular form in Table 1 - Strategic Plan "At-a-Glance" (pg. 20). These too are not prioritized within each section of the Plan but by how they are implemented throughout the five-year term of the Plan. Business Plans and Employee Goals are not a part of the Strategic Plan; these are developed on a one to two year timeframe with tasks, and are handled within the management structure of the District.

The Strategic Elements are:

- 1.0 Water
- 2.0 Wastewater
- 3.0 Partnerships/Regulatory Relations
- 4.0 Personnel/Organization
- 5.0 Administrative Management
- 6.0 Finances
- 7.0 Other Services



## 1.0 Water

**Objective:** *The objective is to ensure that water supplies of high quality and quantity are available for existing and future customers.*

**Strategy:** *We will do this by aggressively managing water resources under the District's control, developing a diversified water supply portfolio, and by partnering with and/or influencing agencies that have an impact on the quantity and quality of the water supplies available to the District.*

### 1.1 Protect, Enhance, and Assess Available Water Supplies

Continuous assessment of available groundwater in storage, quality trends of groundwater, threats to water supplies, and the ability to serve existing and future customers is necessary to maintain adequate service levels. District production wells will be monitored and analyzed to insure operational reliability and water quality. Production parameters and quality will be tracked. District wells will also be monitored in support of District and NMMA Technical Group efforts to understand and manage basin production and health. The District will increase understanding of stormwater and return flow inputs to the local basin in order to inform efforts to maximize quantity and quality of these supply elements. Customers and users of the basin will be informed as to the 'semi-closed loop' nature of the basin and the need to protect the basin at home. ~~The current District practice of monthly well level depth measurement will be replaced by continuous readings and monthly evaluation of District well level depths. Similarly, the practice of semi-annual (Spring and Fall) basin-wide storage calculation based on the County's reading of water well levels, will be augmented to include continuous monitoring of the coastal sentinel wells and the "key" inland wells and the periodic water quality measurements set forth in the 2008 NMMA Annual Report.~~

~~In addition to this high priority continuous reporting conversion,~~ The District will support and advance NMMA Technical Group efforts to monitor and protect area groundwater resources. The NMMA Technical Group has identified six longer term management recommendations including the development of a third Coastal Monitoring Well at Oso Flaco. Implementation of these additional management recommendations will improve the understanding of the groundwater basin and provide information critical to management of the basin. The District will participate in the identification and implementation of Technical Group Annual Report recommendations

Over the past three years, The District has reported the volume of groundwater in storage as an indicator of basin health; however, this measurement metric has been criticized for not accurately representing the basin's geo-hydrology. With the publication of the 2008 NMMA Annual Report, there is now a new metric available that is supported by the technical experts serving on the Technical Group (TG). The District will coordinate with the NMMA TG to periodically assess the basin status and to implement appropriate response plans when the TG or the Court determines that the basin is in a Severe or Potentially Severe Water Shortage situation.

The District's Urban Water Management Plan (UWMP) provides the basis for the District's Water Supply Program and it must be kept current so the District can understand current water resource demands and plan to meet future needs. The State requires updates of the UWMP every five years to be eligible to receive state grant funding. The District will track existing customer demand, commitments to future development, and plans for future development as it actively revises the UWMP in 2010 ~~so that the UWMP can be revised in 2010 as required by the State.~~

## 1.2 Secure New Supplies

WATERLINE INTERTIE PROJECT - As detailed in the 2008 NMMA Annual Report, the average annual consumptive use of water exceeds the average annual deep



percolation by at least one thousand acre feet per year. This situation is not healthy and must be corrected to prevent future saltwater intrusion. The District is proceeding with implementation of the "Business Plan" for development of the Waterline Intertie Project (WIP) including environmental review, design, permits, funding, property acquisition, construction, start up, testing and operations. Once the project is operational, the District will reduce its groundwater pumping and provide new water for development infill within District boundaries, but no new water will be available for annexations. Once the project is completed at least one new operator position will be required to manage the new facilities and treatment processes [ESTIMATED COMPLETION DATE = FY11-12].

**FUTURE WATER SUPPLY AUGMENTATION Desalination-** Additional water, beyond the WIP, will be necessary to support development of the lands within the District's Sphere of Influence. The District will need to develop at least one additional supplemental water project. The District Board has ordered staff to implement a work program for development of a desalination project. This work program will be re-written as a business plan, the initial phase of research will be conducted, potential partnerships will be negotiated and an initial project proposal will be developed within the five year term of this Strategic Plan [ESTIMATED COMPLETION DATE = FY14-15].

### **1.3 Upgrade and Maintain Water Storage and Distribution Works**

**WATER AND SEWER MASTER PLAN** - The District is proceeding with the phased implementation of its Water and Sewer Master Plan. Every year as the budget is adopted, technical staff recommend, and the Board selects, projects to upgrade the storage and distribution works. In FY09-10 NCSD has funded the first phase of the Willow Road extension. In FY10-11 the District will consider funding the second phase of the Willow Road Extension. Additionally, In addition, projects to replace and rehabilitate existing water storage and distribution works are funded each year

including tank rehabilitation, hydrant replacement, valve replacement and well refurbishment [ESTIMATED COMPLETION DATE = FY14-15].

PREVENTIVE MAINTENANCE - Historically, the District has not developed a written preventive maintenance plan and consequently has spent considerable funds to repair problems as they occur on an expensive case-by-case basis rather than efficiently planning for upgrades. The Board has approved an overall Management and Operations Plan that calls for the development of a formalized preventive maintenance program. The District will purchase the program software and fully implement the program by the end of FY10-11 for both water and sewer facilities [ESTIMATED COMPLETION DATE = FY10-11].

SCADA (REMOTE ELECTRONIC MONITORING OF WATER AND SEWER FACILITIES) – The District currently uses a proprietary Supervisory Control and Data Acquisition System (SCADA) that has limited capabilities to monitor, control, and document water and sewer facility performance. These limitations reduce the District's ability to control and manage its water and sewer systems. The District will upgrade its SCADA system to improve the efficiency of operation and to enhance both the evaluation and control of facilities [ESTIMATED COMPLETION DATE = FY10-11] .

GIS - The District currently uses a Geographic Information System (GIS) system that is not accessible to field personnel and is very cumbersome to update. These limitations reduce the ability of staff to get information on water and sewer facilities and to keep information current. The District will upgrade and regularly update this system so that it can be accessed by all field personnel and other relevant agencies and integrated into the Operations and Management Plan [ESTIMATED COMPLETION DATE = FY10-11] .



WATER QUALITY ANALYSIS - The District currently contracts out all laboratory analysis of water quality with both a primary contractor and a control contractor to ensure accuracy. Although the vendors have performed well, reliance on vendors limits the District's ability to timely evaluate the performance of NCSD's water and sewer facilities and to respond to emergencies. Over the next three years, The District will set up an in-house water quality laboratory to provide for internal control and for emergency response [ESTIMATED COMPLETION DATE = FY12-13].

#### 1.4 Consistently Reduce Average Demand per Customer

The District has adopted a comprehensive **Water Conservation Program, which includes twelve major conservation efforts. The goal of the Plan is reduce average demand per customer so that less new water is required. As detailed in the 2005 Urban Water Management Plan, water saved through conservation is much cheaper per unit than water developed through new water supply projects. Staff has been implementing the Water Conservation Program with a fulltime position and budgeted funding. The District is implementing software to track the effectiveness of each effort and to evaluate the actual reduction in demand per customer. The District reduced production per connection by 16% over the last 5-years and will continue efforts to reduce average annual use per connection over the long term(LAFCO BASE YEAR).**

The largest factors that affect the demand per customer are outdoor irrigation and water rates. Implementation of the District's 2008 Water Conservation Plan will be prioritized to focus on reduction of irrigation use. The District's successful Water Conservation Workshops will be expanded with more workshops offered in 2010-11. The Board has agreed to evaluate 2010-2013 Water Rates in 2009 to determine if alternative water rate structures can reduce water usage. The Board has also agreed to evaluate 2012-2015 sewer rates in 2011 to determine if alternative sewer rate structures can reduce water demand.

**1.5 Comply with State and Federal regulations and mandates**

The District must comply with both State and Federal Water Regulations and submit the required water quality reports as well as prepare the annual Consumer Confidence Report. An additional major component of this compliance is tracking changes to the District water system and new regulations and implementing regulations as they become applicable and/or effective. This tracking includes an evaluation of each new regulation to determine the cost to implement, documenting the changes necessary in facilities and operations, commenting to the regulatory body regarding impacts to the District and then implementing the final regulation after it is adopted.[on-going]

## 2.0 Wastewater

**Objective: Collect, treat and beneficially dispose of wastewater and its by-products to meet the needs of existing and future customers.**

**Strategy: We will do this by the careful management of effluent and biosolids, using prudent planning and maintenance, with financial strategies to maintain sufficient capacity and respond to changing regulatory demands.**

### 2.1 Efficiently operate collection, treatment and disposal works

PREVENTIVE MAINTENANCE - Historically, the District has not developed a written preventive maintenance plan and consequently has spent considerable funds to repair problems as they occur on an expensive case-by-case basis rather than efficiently planning for upgrades. The Board has approved an overall Management and Operations Plan that calls for the development of a formalized preventive maintenance program. The District expects to purchase the program software and fully implement the program by the end of FY10-11 for both water and sewer facilities [ESTIMATED COMPLETION DATE = FY10-11].

SCADA (REMOTE ELECTRONIC MONITORING OF WATER AND SEWER FACILITIES) –The District currently uses a proprietary Supervisory Control And Data Acquisition (SCADA) system that has limited capabilities to monitor, control, and document water and sewer facility performance. These limitations reduce the District's ability to control and manage its water and sewer systems creating costs inefficiencies. The District will upgrade its SCADA system to improve the efficiency of operation and to enhance both the evaluation and control of facilities [ESTIMATED COMPLETION DATE = FY10-11].

GIS - The District currently uses a Geographic Information System (GIS) system that is not accessible to field personnel and is very cumbersome to update. These limitations reduce the ability of staff to get information on water and sewer facilities



and to keep information current increasing trip miles and increasing “time to project completion”. The District will upgrade and regularly update this system so that it can be accessed by all field personnel and other relevant agencies and integrated into the Operations and Management Plan [ESTIMATED COMPLETION DATE = FY10-11] .

WASTEWATER QUALITY ANALYSIS - The District currently contracts out all laboratory analysis of wastewater quality with both a primary contractor and a control contractor to ensure accuracy. Although the vendors have performed well, reliance on vendors limits the District’s ability to operate the new Biolac Treatment System, to timely evaluate the performance of NCSD’s water and sewer facilities and to respond to emergencies. Over the next three years, the District will set up an in-house water quality laboratory to provide for internal control & for emergency response [ESTIMATED COMPLETION DATE = FY12-13].

## 2.2 Upgrade and maintain collection and treatment works

SOUTHLAND WASTEWATER TREATMENT FACILITY - The District is proceeding with implementation of the “Business Plan” for development of the Southland WWTF Upgrade Project (SoWWTF) including environmental review, design, permits, funding, construction, start up, testing and operations. *The project will result in improved effluent quality, improved biosolids management, and increased capacity. The Project is planned in three phases. The first Phase is being aggressively pursued. Subsequent Phases will be timed on plant flow and community growth rates. Once this project is completed, two new operator positions will be required to manage the new operation. [ESTIMATED COMPLETION DATE = FY12-13].*

WATER AND SEWER MASTER PLANS - The District is proceeding with the phased implementation of its Water and Sewer Master Plan. Every year as the budget is adopted, the Board endorses projects to upgrade the collection, treatment and disposal works. In FY11-12 the District expects to fund the replacement of the South Frontage Collector. In addition, projects to replace and rehabilitate existing collection

and treatment works are funded each year including lift station rehabilitation, manhole rehabilitation and Closed Circuit Television (CCTV) pipe condition assessment [ESTIMATED COMPLETION DATE = ON-GOING] .

EFFLUENT WATER QUALITY IMPROVEMENT - Separate from the SoWWTF upgrade, the District will pursue improvement of effluent water quality through the following source control efforts:

- The District will develop a Salts Management Program for both the Town Sewer Service Area and for the Blacklake Sewer Service Area. The program will include both a regulatory component prohibiting the installation of new self-regenerative water softeners and an education and rebate component to encourage existing customers who have self-regenerative water softeners to either abandon the use of water softeners or to convert to canister style systems.
- The District will continue implementation of a Fats Oils and Grease reduction program and expand the program to include development of information to residential customers.
- The District will develop education and outreach information about other customer source threats to effluent water quality (medical wastes, grease, oils, fats) and septic tank management. The effort will be integrated with supply water quality education efforts (1.1). [ESTIMATED COMPLETION DATE = FY11-12 and Ongoing].

### 2.3 **Select disposal solution for Southland Effluent and implement**

The District currently discharges the treated wastewater from the Southland WWTF into the adjacent percolation ponds, however, this wastewater hits an earthquake fault that runs along Orchard Road and a subsurface mound has resulted. This mound will grow closer to the surface and ultimately create health problems unless additional disposal solutions can be implemented. The Board has directed staff to implement a work program to evaluate the feasibility of alternative disposal sites and



to compare the most promising disposal sites in the SoWWTF EIR. The District will then propose a subsequent project and develop a business plan for implementation of the selected disposal option. [12-13]

#### **2.4 Select disposal solutions for Southland Bio-Solids and implement**

In addition to creating treated wastewater, both treatment facilities also produce bio-solids. Historically, the District has stockpiled its bio-solids, however, the available storage space has been exhausted and it is now necessary to either recycle/reuse these bio-solids or dispose of them. The District will develop a Biosolids Management Program for both the Town Sewer Service Area and for the Blacklake Sewer Service Area. The program will include the investigation of long-term cost-effective biosolids reuse options and implementation of a strategy. [12-13]

#### **2.5 Comply with State and Federal regulations and mandates**

The District must comply with both State and Federal Water Regulations and submit the required water quality reports as well as continue the electronic reporting of sewer system overflows and complete development of a Sewer System Management Plan. Another major component of this compliance is tracking changes to the District treatment and collection system and new regulations and implementing regulations as they become effective and/or applicable. This tracking includes an evaluation of each new regulation to determine the cost to implement, documenting the changes necessary in facilities and operations, commenting to the regulatory body regarding impacts to NCSD and then implementing the final regulation after it is adopted.

### 3.0 Partnerships/Regulatory Relations

**Objective:** *To foster beneficial relationships to accomplish the goals of the District.*

**Strategy:** *We will do this by embracing strategic ties with other organizations, working closely with regulators, developing a deliberate legislative agenda and participating in professional associations.*

#### 3.1 Strengthen strategic ties with neighboring purveyors and Technical Group

The District shares the Nipomo Mesa Management Area with two other major purveyors (Golden State Water Company, and the Rural Water Company), the Woodlands Mutual Water Company, Mesa Dunes Water Company, 13 other smaller private water companies and thousands of private land/well owners including golf course and agricultural users. The District is also a participant in the Nipomo Mesa Management Area Technical Group along with ConocoPhillips, the Woodlands, Golden State Water Company and the agricultural landowners. To achieve viable management of the groundwater basin and to develop equitable funding for the importation of supplemental water, the District will negotiate agreements with the individual purveyors and fully participate in the Technical Group process. In addition, NCSD will monitor the growth in production and number of NMMA mutual water companies and to seek mechanisms to integrate mutual water company activities into the management of the basin.

#### 3.2 Strengthen strategic ties with County of SLO

All land use decision making for the NMMA is vested in the County of San Luis Obispo. The County needs feedback from the District on the availability of water and sewer capacity in regards to the development of policies and the consideration of private development projects. The District will closely monitor both policy and project under consideration and communicate on each such policy and project so that the County understands the relevant constraints. Where policies conflict, the District will take the additional action necessary to prevent overuse of the resources.

**3.3 Work closely with RWQCB, SWRCB, State DPH, APCD, and County Environmental Health**

As stated above in Goals 1.5 and 2.5, the District is subject to new regulations and once those regulations are promulgated, the District must implement. Prior to adoption, the District will provide feedback to the Regional Board, the State Board, the District Engineer and the County Environmental Health Officer. Pending regulations include the septic management systems (SWRCB and RWQCB), Basin Plan Amendments (RWQCB and State DPH), sludge disposal (County Environmental Health); chipping programs (APCD) and recharge regulations (State DPH).

**3.4 Develop a deliberate legislative Agenda**

The District is subject to the dictates of new state and federal legislation and the requirements of initiatives. The District can also secure funding through the legislative process. The District will monitor proposed bills and initiatives and comment on those bills and initiatives and provide information to the community where appropriate. The District also will lobby for state and federal funding for its major infrastructure projects with the help of professional lobbyists and provision of information to our respective state and federal representatives.

**3.5 Participate in LAFCO, WRAC, IWMA, CSDA, CSDA Chapter, AWWA, CRWA, CWEA**

The District is subject to LAFCO's decisions regarding the District's Sphere of Influence, latent powers and annexation and will track any review of municipal services being conducted by LAFCO. Likewise, the District will participate fully in the SLO County Water Resources Advisory Committee in regards to water resource planning and funding and the Integrated Waste Management Authority regarding solid waste regulations and funding. The District will also take advantage of the information and resources available through CSDA, the SLO County Chapter of CSDA, AWWA, CRWA, and CWEA.



## 4.0 Personnel/Organization

**Objective:** *To employ and retain a high quality, motivated workforce.*

**Strategy:** *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.*

### 4.1 Retain long-term employees & attract new employees by providing industry competitive salary/benefits

Although the District has a good track record in terms of keeping long-term employees, it is becoming very difficult to retain new employees especially where certifications are required. To continue to retain existing employees and to be competitive in regards to new recruitments, the District will need to offer competitive salaries and benefits. The concern of the Board of Directors is that employees will be recognized for the level and scope of work described in their job description and that they are paid on a fair and competitive basis that allows the District to recruit and retain a high-quality staff. NCSD will update the Total Compensation Study every five years. The District most recently conducted this study in 2006).

### 4.2 Provide appropriate training and education for all employees

Currently, other than training for certified operators, a formal program for training staff to improve work knowledge and performance does not exist. Staff is enrolled in training only when requested rather than as a part of an overall strategy. A formal staff development program has been designed using in-house training programs, webinars and other available resources and integrate training goals into the performance management system.

### 4.3 Continue commitment to a safe workplace environment

Each week the District management team meets and discusses and addresses any safety issues, accidents or injuries. The District's Utility Superintendent conducts bi-

weekly safety tailgate meetings and the District's Engineer and Safety Officer conducts safety tailgate meetings with the Utility crew on a monthly basis. In addition, the entire Staff participates in a quarterly safety meeting. At these meetings, various safety topics are addressed. Staff is encouraged to participate and suggestions are encouraged. The District's Safety Officer presents written policies, collectively the 'Safety Policy' on safety-related topics to the Board of Directors for approval. The Safety Officer updates the Safety Policy on an annual basis and as required by changes in operations or regulations. A formal review of the Policy by the Board of Directors is conducted every 5-years or when policy level changes to the Program are required. The Safety Policy (call to attention) is included in the Employee Safety Manual. These programs will continue with an emphasis on finding ways to improve workplace safety.

#### **4.4 Develop and maintain efficient disaster response capability**

The District is committed to continuing hands-on training and education and purchasing the necessary equipment for District personnel to respond to an emergency. District staff received the initial emergency response training during FY08-09 and FY 09-10. The District has established an Emergency Operations Center, updated the Emergency Response Plan, conducted additional emergency response training and will regularly test the District's plan with tabletop exercises. The District has joined and participates in CALWARN, the statewide water sector mutual aid agreement and will integrate CALWARN protocols including resource typing into the District's Emergency Response Plan.

#### **4.5 Integrate technology into operations to maximize productivity & communications**

BILLING AND ACCOUNTING SYSTEM - The District's current utility billing and accounting system was implemented in 2000. It is a DOS based system and sometimes does not provide Staff with flexibility in data retrieval, manipulation and reporting. The District will investigate other utility billing and accounting software and

determine if newer technology would be beneficial to staff and its customers. If these benefits outweigh the costs of conversion, the District will upgrade [ESTIMATED COMPLETION DATE = FY 11-12].

GIS/SCADA - Additionally, the field crew currently has limited access to either the GIS database or the SCADA system when they are in the field. The District will purchase and implement a computer based maintenance management system. [ESTIMATED COMPLETION DATE = FY10-11].

## 5.0 Administrative Management

***Objective:*** To create, maintain and implement policies and procedures to ensure sound management of the District.

***Strategy:*** We will conduct periodic review, refine and implement policies and procedures, and assure that the General Manager has the direction and tools necessary for successful operations throughout the District.

### 5.1 Maintain clear and functional policies and procedures

The District is committed to providing clear and functional policies and procedures for its employees, Board of Directors and customers. The District maintains a Safety Manual and Policy Manual and each employee and Board Member have a copy. These documents are available to the public. District staff monitors these policies and procedures and is committed to keeping them current and up-to-date. The District will train staff on implementation of all new policies and provide refresher information on established policy.

### 5.2 Complete conversion to electronically archived District Records

As with most organizations the volume of historic records has increased to levels that defy manual inspection of paper copies. The District is currently in the process of completing the conversion of its customer utility billing accounts data to electronic format for storage and retrieval so that this information can be organized and accessed. In addition, District Staff has scanned and electronically stored Ordinances, Resolutions, Board Minutes and recorded documents. The District will prepare a plan to scan and electronically store all District documents including project files and provide for redundant back-ups.

**5.3 Provide for excellent Customer Service**

The District is committed to provide excellent customer service. Staff prides itself on being friendly, knowledgeable and helpful. Staff is committed to continuing to have a “real person” answer the phone during business hours.

In the coming years District staff will continue to track and analyze electronic and web based payment methods to facilitate customer service and administrative efficiency.

A review of industry standards and trends in this area will be undertaken by staff in 2010-2011 and a report will be made to the Board of Directors.

## 6.0 Finances

***Objective:*** Recognizing that finances are critical to the ability of the District to effectively carry out the Mission the District must ensure the short-term and long-term fiscal health of the District.

***Strategy:*** The District will forecast and plan income and expenditures and provide financial resources to fund current and planned obligations.

### 6.1 Operate all enterprise funds to be financially sound.

The District is committed to operating all enterprise funds to be balanced and financially sound with reserves that cover both unforeseen emergencies and projected cash flow variations. In order to accomplish this, the rates and charges must reflect the cost of providing the services including the cost of replacing and/or rehabilitating aging facilities. Rates and charges will be reviewed at least every three years by a professional rate consultant.

### 6.2 Achieve and maintain targeted operating reserves

The targeted operating reserve for the Water Fund is 50% of the Operations and Maintenance Budget less Funded Replacement. The targeted operating reserve for the Sewer Funds is 25% of the Operations and Maintenance Budget less Funded Replacement. In the adopted budget for FY2009-10, the targeted operating reserves have been met. The targeted operating reserves will be included in the review of rates and charges at least every three years by a professional rate consultant.

### 6.3 Ensure that decisions consider short-term and long-term fiscal impacts

Every decision made may have a short-term and long-term fiscal impact on the District. Requests to expend funds that are not approved in the adopted annual budget will consider both the short-term and long-term fiscal impacts of the decision and be approved by the Board of Directors.

**6.4 Minimize commitment of discretionary resources to long-term projects**

The District has one major source of discretionary funds -- property tax revenues. Past, property tax revenues are not a guaranteed revenue stream. The State of California ERAF (Educational Revenue Augmentation Fund) has "raided" the District's property taxes every year since 1992, totaling more than \$3.7M. The District will minimize commitment of property taxes to long-term projects and instead use property tax reserves to pay for large one-time projects that benefit a cross section of the community. If property taxes are committed to a long-term project, the District will have a contingency plan in place to provide funding for that project if property taxes cease.

**6.5 Protect Reserves with Sound Investment Policy and Investments**

The District's Investment Policy and investment portfolio are structured to protect the available reserves instead of maximizing interest yield. The District will review its Investment Policy at least annually and adjust to changes in market conditions.



## 7.0 Other Services

**Objective:** *To provide solid waste service and neighborhood parks throughout the District, and street lighting, drainage and street landscape maintenance in designated areas of the District.*

**Strategy:**

- *In the area of Solid Waste we will do this by continually looking for ways to improve the service through judicious contracting, recycling, diversion and assessing alternative methods while being sensitive to rates.*
- *In the area of Street Lighting we will do this by seeking ways to provide reliable street lighting in appropriate areas.*
- *In the area of Drainage we will do this by assuring that the drainage systems are efficient, protect the community from storm related flooding and meet State drainage requirements.*
- *In the area of Parks we will do this by constructing a community park and seek ways to provide increased parks and Open Space for the community.*
- *In the area of Street Landscaping we will do this by continually assessing the type and health of the existing landscaping within our landscape maintenance zone and making appropriate upgrades and performing needed and appropriate maintenance.*

### 7A. Solid Waste

#### 7.A.1 Promote recycling to ensure reduction target compliance

State law requires SLO County to divert at least 50% of the historic base period refuse into recycling and/or green waste. The District will promote recycling and provide maximum education to the Community regarding recycling solutions. The District will practice recycling throughout the organization.

#### 7.A.2 Provide Additional Solid Waste Services

The Franchise Fee paid by the Solid Waste Vendor is available to pay for solid waste services that would otherwise go unmet. The District will promote the two semi-



annual clean up events, the annual Creek Clean Up and the Annual Chipping event and consider other initiatives that achieve solid waste goals.

**7.A.3 Communicate with Customers**

One component of promoting beneficial diversion of waste involves provision of information to customers regarding options to recycle and to minimize solid waste through its newsletter and its outreach program.

**7B. STREET LIGHTING**

**7.B.1. Monitor Maintenance of Facilities and Respond to Observed Problems**

The District is responsible for maintenance of the streetlights in the Fairways Village at Blacklake. The District will respond to complaints and inspect these facilities to determine their need for maintenance. Where maintenance is warranted, the District will budget for the work needed and perform that work.

**7.B.2 Communicate with Customers**

The District relies on feedback from the customers within the Fairways to identify problems and will respond promptly where such reports are rendered.

**7C. DRAINAGE**

**7.C.1. Monitor Maintenance of Facilities and Respond to Observed Problems**

The District is responsible for management of the Folkert Oaks Drainage Basin off of Juniper Road. The District responds to complaints and inspects the drainage basin on an annual basis to determine if maintenance is required. Where maintenance is required, the District will implement.

**7.C.2 Communicate with Customers**

The District relies on feedback from the customers within the Folkert Oaks Mobile Home Park to identify problems and respond promptly where such reports are rendered.

**D. PARKS****7.D.1 Develop Miller Park**

The Community Survey commissioned in 2007 shows a desire for additional park facilities in general and neighborhood parks in specific. The District has a Business Plan for development of Miller Park which includes negotiation of a MOU with SLO County, adoption of a financial plan, application to LAFCO to activate Parks Latent Authority, formation of a zone of benefit regarding assessing properties near the park to pay for a portion of operations cost, completing the environmental review, refining the design, conducting the assessment election, securing LAFCO approval, transferring the property, funding the initial core improvements, constructing the core improvements, funding the secondary improvements, constructing the secondary improvements and operating the park. In December 2009 an assessment vote to fund a portion of Miller Park annual operations costs failed. The District intends to continue with the project. Funding will be established and a final design by FY 12-13. Construction will commence by FY 13-14.

**7.D.2 Communicate with Constituents**

The District will communicate with all of its constituents regarding the progress in development of Miller Park and the consideration of other parks priorities.

**7.D.3 Plan for Other Parks & Open Space**

Once Miller Park is under construction, the District will survey other park or open space development options, develop a draft Parks Master Plan, secure community

feedback on the Draft Plan, agree on the priorities for development of additional facilities and then proceed with the development of the next high priority facility.

**E. STREET LANDSCAPING**

**7.E.1 Monitor landscape maintenance and respond to problems**

The District is responsible for maintenance of some of the street landscaping in the Vista Verde subdivision and contracts with a landscape maintenance firm to perform the actual maintenance. The District will review the work of the then incumbent firm and provide guidance to that firm. Periodically, the District will use an open competition to select the contractor to do the maintenance.

**7.E.2 Communicate with Customers**

The District relies on feedback from the residents within Vista Verde to identify problems and respond promptly where such reports are rendered.

**Table 1 –The Strategic Plan “At a Glance”**

STRATEGIC ELEMENTS	STRATEGIC GOALS	Estimated Completion Date (FY)
<b>1.0 WATER</b>	1.1 Assess available Water Supplies	FY10-11
	1.2 Secure New supplies	FY11-15
	1.3 Upgrade and maintain available storage and distribution works	FY10-15
	1.4 <b>Consistently</b> reduce average demand per customer	FY10-12
	1.5 Comply with State and Fed. regulations	Ongoing
<b>2.0 WASTEWATER</b>	2.1 Efficiently operate collection, treatment and disposal works	FY10-13
	2.2 Improve treatment works	FY12-13 – Ongoing
	2.3 Select disposal solution for Southland	FY12-13
	2.4 Provide for Disposal of Biosolids	FY12-13
	2.5 Comply with State and Federal regulations and mandates	Ongoing
<b>3.0 PARTNERSHIP/ REGULATORY RELATIONS</b>	3.1 Strengthen ties with neighboring agencies and technical groups	Ongoing
	3.2 Strengthen ties with County of SLO	Ongoing
	3.3 Work closely with RWQCB, State DPH and County Environmental Health	Ongoing
	3.4 Develop deliberate legislative agenda	Ongoing
	3.5 Participate in LAFCO, WRAC, IWMA, CSDA, CSDA Chapter, AWWA and CWEF	Ongoing
<b>4.0 PERSONNEL/ ORGANIZATION</b>	4.1 Retain and attract new employees	FY11-12
	4.2 Provide appropriate training and education for employees	Ongoing
	4.3 Continue commitment to a safe workplace environment	Ongoing
	4.4 Develop and maintain efficient disaster response capability	Ongoing
	4.5 Integrate operational technology	FY10-11

<b>5.0 ADMINISTRATIVE MANAGEMENT</b>	5.1 Maintain clear and functional policies and procedures	Ongoing
	5.2 Complete conversion to electronic records	FY10-11 & FY 11-12
	5.3 Provide excellent customer service	FY10-11
<b>6.0 FINANCES</b>	6.1 Operate all enterprise funds to be financially sound	FY09-13
	6.2 Achieve targeted operating and non-operating reserves	FY09-13
	6.3 Ensure that decisions consider short and long term fiscal impacts	Ongoing
	6.4 Minimize commitment of discretionary resource long-term projects	Ongoing
	6.5 Protect reserves with sound investment policy And investments	Ongoing
<b>7.0 OTHER SERVICES</b>	7.A.1 Promote recycling	Ongoing
	7.A.2 Provide additional solid waste services	Ongoing
	7.A.3 Communicate with customers	Ongoing
	7.B.1 Monitor maintenance of facilities	Ongoing
	7.B.2 Communicate with customers	Ongoing
	7.C.1 Monitor maintenance of facilities	Ongoing
	7.C.2 Communicate with customers	Ongoing
	7.D.1 Develop Miller Park	FY11-12
	7.D.2 Communicate with constituents	FY09/10
	7.D.3 Plan for Parks and Open Space	FY11/12
	7.E.1 Monitor Landscape Maintenance	Ongoing
	7.E.2 Communicate with Residents	Ongoing



**Acronyms**

AWWA – American Water Works Association  
CCTV – Closed Circuit Television  
CRWA – California Rural Water Association  
CSDA – California Special Districts Association  
CWEA – California Water Education Association  
EIR – Environmental Impact Report  
GIS – Geographic Information System  
IWMA – Integrated Waste Management Authority  
LAFCO – Local Agency Formation Commission  
NMMA – Nipomo Mesa Management Area  
NMMA TG – NMMA Technical Group  
RWQCB – Regional Water Quality Control Board  
SCADA – Supervisory Control and Data Acquisition  
SoWWTF – Southland Wastewater Treatment Facility  
STATE DPH – State Department of Public Health  
SWRCB – State Water Resources Control Board  
UWMP – Urban Water Management Plan  
WIP – Waterline Intertie Project  
WRAC – Water Resources Advisory Committee