

2017-2021 Business Plan

PERFORMANCE REPORT - October 1 through December 31, 2016

sdcwa.org/mission-vision-values-strategies

STATUS LEGEND



Objective was completed by the original target date.



Objective is on track to be completed by the original target date.



Objective is not on track to be completed by the original target date.



Objective is deleted or delayed due to a decision by the Water Authority Board.



Objective is deleted or delayed due to factors outside of the Water Authority's control.

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WATER SUPPLY - Imported Water						
No.	Objective Description	Target Date	Revised Date	Status	Comments	Management Strategies*
1	Develop demonstration projects, through coordination with Imperial Irrigation District and other stakeholders that provide enhanced flexibility of annual transfer volumes and efficiency-based conservation targets.	Jun-2017			Staff notified MWD in November 2016 of the potential for extra conserved water from Imperial Irrigation District (IID) in CY 2017 and continues to explore additional water opportunities with IID based on need.	D, H
2	Prepare a comprehensive financial analysis of the California WaterFix project cost allocation data to assess the project's cost-benefit to Water Authority ratepayers as compared to other water supply alternatives.	Dec-2017			Staff anticipates additional information relating to cost allocation for the California WaterFix project will emerge in 2017, which will allow further analysis by the Water Authority to determine a recommended policy position for consideration by the Board of Directors. At this time, there is inadequate information relative to cost allocation, identification of funding sources, and projections of total costs to undertake a comprehensive financial analysis of the project.	A, B, C
3	Perform a comprehensive, long-term analysis of the Exchange and Transfer Agreements to recommend extension or early termination options to the Water Authority Board.	Dec-2017			Analysis is underway and staff presented an overview of the agreements to the Colorado River Subcommittee in November 2016. Additional updates will occur throughout the course of 2017.	G
4	Communicate the Water Authority's perspectives on developing responsible mitigation and restoration plans for the Salton Sea to secure the support of the QSA parties, the Governor's Office, elected officials, and opinion leaders.	Dec-2017			Water Authority staff met with key officials in Washington D.C. in September 2016 to discuss the Salton Sea. Staff have also conducted several briefings with the San Diego state legislative delegation and legislative staff, Governor's office staff, and Administration officials. Staff will continue to reach out to key stakeholders in 2017.	G, H, J
5	Lead quarterly stakeholder briefings with the farming community and other Imperial Valley stakeholders to enhance relationships and exchange perspectives on efficiency-based water conservation and Salton Sea issues.	Dec-2017			Staff led a tour to Imperial Valley with the full Board in November 2016 with participation from Imperial Valley farming groups and Imperial Irrigation District. Outreach will continue in 2017.	E, F, H
6	Achieve final decision in MWD rate litigation through legal avenues and secure award of damages.	Dec-2017			Staff continues to provide input to the rate litigation team on issues related to, or impacted by, the rate challenge. Regular meetings are ongoing.	I, J, K, L
7	Establish a Water Authority Intentionally Created Surplus account for temporary storage of Colorado River supplies in Lake Mead.	Jun-2019			Meetings and discussions with the Bureau of Reclamation and others regarding establishment of a Water Authority Intentionally Created Surplus account are ongoing.	D, H
8	Communicate the Water Authority's perspectives on any project intended to serve as a Delta fix to secure the support of the San Diego business community, civic leaders, opinion leaders, and media for a Water Authority supported Bay-Delta solution.	Dec-2019			Water Authority staff recently shared correspondence - originally sent to CA Natural Resources Secretary John Laird - with regional community stakeholders and opinion leaders, regarding the Water Authority's perspectives on the California WaterFix project. Staff is currently pursuing additional cost allocation and financial planning data and information upon which to develop an appropriate cost-benefit analysis of the project.	A, B
9	Obtain support from key stakeholders to encourage MWD to adopt a long-term finance plan.	Dec-2019			Water Authority continues to advocate through letters, delegates comments and at the staff level, for MWD to adopt policies and programs that are prudent and fiscally sustainable, as well as ongoing participation in treatment fixed charge discussions.	I, J, L

10	Obtain San Diego business community, civic leaders, opinion leaders, and media opposition to a Bay-Delta solution that would require urban water ratepayers to underwrite or subsidize a new conveyance facility, including costs shifted from agricultural to urban water users.	Dec-2020			Staff anticipates additional information relating to cost allocation for the California WaterFix project will emerge in 2017, which will allow further analysis by the Water Authority to determine a recommended policy position for consideration by the Board of Directors.	A, C
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WATER SUPPLY - Local Water						
No.	Objective Description	Target Date	Revised Date	Status	Comments	Management Strategies*
1	Facilitate a member agency workgroup to develop tailored outreach assistance in support of member agency potable reuse projects.	Dec-2017			In coordination with the Public Outreach and Conservation department, staff convened a member agency workgroup in November 2016 to begin developing outreach assistance.	E
2	Facilitate a member agency workgroup to engage with the State Water Resources Control Board to provide coordinated regional comments on the proposed statewide Mercury Plan and the proposed state beneficial use categories.	Dec-2017			Staff will convene a workgroup after the State Water Board releases its draft Mercury Plan and/or proposed beneficial use categories; expected to be released sometime in March 2017.	A, D
3	Lead a member agency workgroup to develop a strategy for permitting treatment plant residual discharges.	Dec-2017			Member agency workgroup participants have been identified and initial meeting is scheduled for February 2017.	A, B
4	Lead the member agency supported Potable Reuse Coordination Committee to develop and provide comments on (1) the State Water Resources Control Board's report to the legislature on the feasibility of adopting regulations for direct potable reuse and (2) proposed Surface Water Augmentation Regulations.	Mar-2018			Comments on the State Board's report to the legislature on direct potable reuse were developed in coordination with the member agency Potable Reuse Coordinating Committee (PRCC) and provided to the State Board on October 25, 2016. The proposed Surface Water Augmentation Regulations are expected to be released for public review in early 2017, after which staff will work with the PRCC to develop and provide comments.	B, C, E
5	Facilitate a member agency workgroup to provide coordinated regional comments on an update to the State Water Resources Control Board's Recycled Water Policy.	Jun-2018			The State Board adopted a resolution in December 2016 to update its Recycled Water Policy, directing its staff to release a public review draft in March 2018. After the public review draft is released, Water Authority staff will convene and facilitate a member agency workgroup to develop coordinated regional comments.	A
6	Develop technical data comparing subsurface and open-ocean intake facility performance through the Camp Pendleton Desalination Intake Testing Program, and share results with stakeholders.	Sep-2018	Jul-2019		This project has been delayed by 10 months due to an unanticipated determination by the San Diego Regional Water Quality Control Board through its interpretation of the Ocean Plan Amendment (OPA). Staff is currently working with Regional Board staff to classify the project as exempt from the requirements of the OPA that apply to full-scale projects. While progress has been made, the initial finding caused the project to miss the current construction window. Construction is now expected to begin in October 2017, with operations expected to begin in January 2018 and continue for a year. This delay is the Water Authority's consultant's risk and no budget impacts are anticipated.	D, H
7	Support Otay Water District efforts to authorize the construction, connection, operation, and maintenance of a United States and Mexico cross-border pipeline facility to import desalinated water from the proposed Rosarito desalination facility.	Oct-2018			Water Authority staff has been supportive of Otay's efforts to secure desalinated water. Presidential permit applications have been filed by the project sponsor to authorize the project and staff anticipates a decision in the next reporting period.	A, H
8	Complete all submittal reviews within the Water Purchase Agreement required timeframe during oversight of the design, construction, and commissioning of the Claude "Bud" Lewis Carlsbad Desalination Plant's new intake and discharge facilities.	Dec-2018			Poseidon has hired a 30 percent design consultant to develop bridging documents for the design build of the intake modifications. Water Authority reviews for this effort are anticipated to begin in late January 2017. The design build contractor is anticipated to be hired in Summer 2017.	F, G

9	Develop a Basin Plan amendment that supports potable reuse and reservoir operations in collaboration with member agencies and the San Diego Regional Water Quality Control Board.	Jul-2021			In collaboration with the member agencies, staff developed a draft proposal for a Basin Plan amendment that supports potable reuse and reservoir operations and presented it to the San Diego Regional Water Quality Control Board for feedback on December 9, 2016.	A, B
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WATER SUPPLY - Resource Planning						
No.	Objective Description	Target Date	Revised Date	Status	Comments	Management Strategies*
1	Obtain Board approval for the updated Water Shortage and Drought Response Plan reflecting lessons learned from previous shortage periods.	Apr-2017			Staff has initiated the work effort and is on schedule for Board adoption in April 2017.	E, F
2	Obtain Board approval for the revised 2008 Model Drought Response Conservation Ordinance to achieve consistency with the Water Shortage and Drought Response Plan update.	Apr-2017			Staff has initiated the work effort and is on schedule for Board adoption in April 2017.	E, F
3	Amend the Shortage Contingency Analysis contained in the 2015 Urban Water Management Plan to comply with updated state requirements and ensure consistency with the Water Shortage and Drought Response Plan update.	Dec-2018			Staff anticipates initiating work efforts in 2018.	E, D
4	Develop a centralized database covering five water-use efficiency programs to improve data management and performance reporting.	Dec-2018			The database is now operational with 2 of 5 programs: WaterSmart Landscape Makeover Series and Sustainable Landscape Program (SLP) Incentives. Metabase dashboard is operational for SLP incentives and actively supporting program administration. A third database (Field Services) is expected to be added by June 2017.	G, J
5	Obtain Board approval for the updated Integrated Regional Water Management Plan to comply with state requirements.	Jun-2019			Water Authority received a \$250,000 planning grant from the Department of Water Resources to support the IRWM plan update. Work on the update is anticipated to begin in 2017.	A, D
6	Secure \$2.5 million in external funding such as grant awards, utility funding, and in-kind contributions to support water-use efficiency programs.	Jun-2021			Secured \$108,000 as of December 2016 from SDG&E, Solana Center, Hans Doe, and artificial turf discount program. Additional grant opportunities expected in early 2017. (Note: Execution of \$3.8 million Prop 84 Final Round grant expected by Jan. 2017).	G, H, I, J
7	Update the Urban Water Management Plan to identify supplies necessary to meet future demands and comply with the planned revision of the Urban Water Management Plan Act.	Jun-2021			Work on this objective will begin in Fiscal Year 2019.	C, D
8	Secure the San Diego Region's allocated share of approximately \$38 million in IRWM grant funding from Proposition 1 funds, administered by the Department of Water Resources.	Jun-2021			The first of four anticipated grants from DWR totaling \$38 million in Proposition 1 funds was received in the amount of \$250,000. In October 2016, the Board also approved submittal of a Disadvantaged Community Engagement Planning Grant application for \$5,305,040 under Proposition 1 funding program.	A, B, D

WATER FACILITIES - Infrastructure/CIP						
No.	Objective Description	Target Date	Revised Date	Status	Comments	Management Strategies*
1	Complete the Nob Hill Improvements project to avoid excessive hydraulic transient pressures within Pipelines 3 and 4, under certain operational flow scenarios involving the Rancho Peñasquitos Pressure Control/ Hydroelectric Facility and San Vicente Pump Station.	Apr-2017			Construction is on schedule. Shutdown is scheduled in January 2017 to complete final aqueduct connections.	E, G, H
2	Complete the planning process and development of preliminary member agency agreements for the ESP - North County Pump Station project to allow treated water deliveries to portions of the North County service area during an emergency event.	Jun-2017			Final Planning Study is anticipated in January 2017. Principles of Understanding between the Water Authority and impacted member agencies have been drafted and are under review by all parties. All planning efforts on track for completion in Fiscal Year 2017.	C, D
3	Complete the Miramar Pump Station Rehabilitation project to improve operations and reliability, and ensure the pump station remains fully operational after an emergency event.	Jun-2017			Construction is on schedule. All major construction activities are expected to be completed by January 2017 with final start-up and testing scheduled for March 2017.	E, F, G, H
4	Obtain Board approval of contract amendments to the 2006 East County Regional Treated Water Improvement Program agreements, in cooperation with member agencies, which reflect the projected demand for treated water, provide water system flexibility and ensure full reimbursement of capital costs.	Jun-2017			Work group, consisting of Water Authority and participating member agencies, has been formed and continues to work on financial accounting related to the East County Agreements. Member agencies are currently working on draft language for amendments to the agreements.	D, G
5	Obtain Board approval for Administrative Code additions for decommissioning of Service Connections to reduce risk and maintenance costs.	Dec-2017			The Water Authority has begun discussions with the Member Agency General Managers on proposed Administrative Code additions. Based on discussions, changes may be incorporated into the draft Administrative Code additions.	A
6	Develop a plan to evolve from standard preventative maintenance to agile predictive maintenance, using Asset Management data to revise maintenance schedules and practices in order to increase productivity and efficiency.	Jun-2018			Work on this objective is scheduled to begin in February 2017.	A
7	Complete the San Diego 12 Flow Control Facility Rehabilitation project to improve operations and the reliable delivery of untreated water to the city of San Diego's Alvarado Water Treatment Plant.	Sep-2019			Planning is complete and a design contract is expected to be awarded in Spring 2017.	A, C, E, F, G, H
8	Complete the Hauck Mesa Storage Reservoir and Pipeline Surge Protection project to provide operational flexibility on the First Aqueduct and long-term surge protection for the Valley Center Pipeline.	Dec-2019			Midpoint design is expected to be completed by the end of the Fiscal Year 2017.	C, D, E, F, G, H
9	Complete the Carlsbad 5 Flow Control Facility project to allow desalinated water delivery directly from the Carlsbad Desalination Plant to the Carlsbad Municipal Water District.	Dec-2019			Design has begun with design completion scheduled for late 2017. A budget increase to fund the construction will be requested via the upcoming two-year budget development process. This is a fully reimbursable project with the City of Carlsbad.	E, F, G, H
10	Evaluate and utilize tools and technology which can be used for robotic pipeline inspections to reduce water discharge, labor costs, and risk of pipeline failures.	Jun-2020			The team is exploring options used in other industries (oil, gas, nuclear), which could be modified to meet the Water Authority's needs. Staff expects to issue a Request for Proposals in June 2017 and test options in the Winter of 2018.	B

11	Complete the Mission Trails Flow Regulatory Storage II/Lake Murray Control Valve project to mitigate existing operational risks and meet future untreated water demands for the central and south county service areas.	Jun-2021			The project is in the planning phase with completion of the planning report expected by January 2017.	C, D, E, G, H
12	Complete the ESP - North County Pump Station project to provide treated water deliveries to portions of the North County service area during an emergency event.	Jun-2021			Completion of the planning phase is expected by the end of Fiscal Year 2017 (see Objective 2 above).	C, D, E, G, H
13	Complete an additional 8 miles of priority pipeline relining, extending the service life of the identified segments of the aqueduct system.	Jun-2021			Construction of one mile of pipeline relining is underway with completion anticipated in May 2017. An additional 4.3 miles of pipeline relining is in the final design stages with advertising for construction bids expected to begin in Spring 2017.	A, E, G, H

WATER FACILITIES - Sustainability

No.	Objective Description	Target Date	Revised Date	Status	Comments	Management Strategies*
1	Develop a database and management plan to proactively track mitigation credit inventory at Water Authority sites in support of anticipated Water Authority needs, and allow for potential marketing of excess credits.	Jun-2017			Staff is currently developing a scope of work with AECOM to add mitigation credit inventory tracking to the Natural Community Conservation Plan/Habitat Conservation Plan database. Work is anticipated to begin in early 2017.	D, F
2	Facilitate development of the Water Utility Climate Alliance 2017-2021 Strategic Plan and participate in resulting work plan initiatives to evaluate where climate change information is being used in member utility business decisions.	Dec-2017			The 2017-2021 Strategic Plan and 2017 Work Plan were adopted in October 2016. Water Authority staff is participating on key Work Plan items including; Business Process Mapping project (team kick-off meeting held November 2016) and Best Practices in Climate Adaptation (project kick-off scheduled for early-2017).	B, C
3	Develop an environmental awareness training program on current California Environmental Quality Act and permitting requirements, in collaboration with regulatory agency staff, and present it to 90 percent of targeted Engineering and Operations & Maintenance staff.	Mar-2018			Staff initiated development of environmental awareness training program scope with AECOM and anticipates beginning formal training in Summer 2017.	E
4	Meet 2020 Climate Action Plan emission targets by using adaptive management strategies developed for further reduction of carbon emissions.	Dec-2019			Water Authority is on track to meet its 2020 emission targets. The 2016 annual report, showing progress towards the 2020 target, will be completed by September 2017.	A, B, C
5	Obtain Board approval for the updated Climate Action Plan to ensure conformity of greenhouse-gas inventory calculation with the Climate Registry's current General Reporting Protocol.	Dec-2019			Work on this objective will begin in Fiscal Year 2019.	B, C
6	Obtain partnerships on leading-edge climate science projects on adaptation, sustainability, and resiliency strategies, and evaluate opportunities to incorporate research findings into facility and supply planning processes.	Jun-2021			Staff is currently evaluating climate science research partnership opportunities.	B, C
7	Develop a minimum of three acres of wetland mitigation at the San Luis Rey Kendall site for ability to mitigate impacts of near-term Capital Improvement Program projects.	Jun-2021			Staff initiated a feasibility planning study in November 2016 under a new AECOM task order. Completion of the feasibility study is anticipated in early Fiscal Year 2018.	D, F

WATER FACILITIES - Water System Management

No.	Objective Description	Target Date	Revised Date	Status	Comments	Management Strategies*
1	Secure a business arrangement for the Rancho Peñasquitos Hydroelectric Facility to maximize the value of the energy generated at the facility.	Jan-2017			The team is working with CA Independent System Operator (CAISO) to allow sales of the power generated by the Rancho Penasquitos Hydroelectric Facility into the CAISO wholesale market. Completion of these activities is expected to align with the expiration of the existing Power Purchase Agreement with SDG&E in late January 2017.	A, B
2	Perform physical security assessments and develop improvement plans for critical facilities for continued water system protection against potential treats.	Jun-2017			Staff is developing a scope of work, standardized assessment forms, and a schedule. The initial assessment is scheduled to be completed in May 2017.	E, F, G
3	Complete installation of battery systems at Kearny Mesa Headquarters (30 kilowatt) and Twin Oaks Valley Water Treatment Plant to reduce energy demand charges (1 megawatt).	Jun-2017			Agreement with the battery vendor is in place. The Water Authority will apply for the 2017 Self Generation Incentive Program (SGIP) funds in January 2017. Battery installation is on track for completion by the target date, pending receipt of the SGIP funds.	B
4	Implement the most effective option for future operations and maintenance of the Hodges Pump Storage facility.	Oct-2017			The Water Authority is currently evaluating options to perform future Operations and Maintenance of the Lake Hodges facility. The recommended option will be discussed with the General Manager as part of the Department Major Initiatives in January 2017.	I
5	Acquire a distribution tariff from local electrical utility to allow delivery of wholesale energy to the Water Authority and member agency facilities.	Oct-2017			Discussions with SDG&E have been on-going over the past year on this issue. Staff will continue dialogue during the first quarter of 2017.	A, B, C, D
6	Obtain Board approval and finalize a partnership agreement with the City of San Diego for the San Vicente Energy Storage Facility, Phase 3 work.	Dec-2017			Staff is conducting a formal outreach process to assess interest from potential partners. The Request for Letters of Interest is scheduled to advertise in early January 2017, with the entire process being complete by April 2017.	B
7	Develop a new hire and refresher training program for emergency response staff to support emergency response requirements.	Dec-2017			Work on this objective is scheduled to begin in April 2017.	E, F
8	Obtain Board approval of an energy policy that addresses both procuring wholesale renewable energy and supplying self-generated energy to member agencies.	Jun-2018			Work on the draft energy policy began in November 2016. Staff is preparing the first draft. Finalization of the policy is on track for completion by the target date.	A, B, C
9	Complete installation of 6 megawatts of floating solar at Olivenhain Reservoir to generate renewable energy and reduce energy costs.	Dec-2018			An agreement was executed with the floating solar firm. Grid interconnection studies will begin in January 2017. The objective is on track for completion by the target date.	B
10	Perform an Escondido Facility Needs Assessment to determine if any changes to existing facilities are required for efficient function and operations.	Dec-2018			A budget estimate has been developed for a facility needs assessment. This will be included into the fiscal years 2018 and 2019 budget process.	I
11	Formalize a field employee training program designed for new hires including training for common procedures.	Dec-2018			Work on this objective is scheduled to begin in May 2017.	H, I, J
12	Complete replacement of the instrumentation communication network at Rancho Peñasquitos and San Vicente Pump Station to increase operational reliability of these facilities.	Dec-2019			Preliminary instrumentation communication network upgrade work has begun at Rancho Penasquitos, with additional work scheduled to occur during a scheduled shutdown of the facility in January 2017. Preliminary draft scope of work has been developed for the San Vicente Pump Station upgrades/improvements.	I

BUSINESS SERVICES - Communication and Messaging						
No.	Objective Description	Target Date	Revised Date	Status	Comments	Management Strategies*
1	Complete a social media marketing assessment and optimization plan to enhance outreach efforts.	Dec-2017			A plan to enhance outreach efforts is underway for 2017. A new Request for Proposals was issued for digital advertising in November 2016.	D, E
2	Develop a long-term strategy, in conjunction with statewide stakeholders through the Association of California Water Agencies and WaterReuse, for advancing a flexible approach to approving direct potable reuse projects in California.	Jun-2018			In October 2016, in conjunction with seven member agencies, staff provided comments to the State Board on the Draft Report on the Feasibility of Adopting Regulations for Direct Potable Reuse. Staff coordinated with ACWA, CUWA, and WaterReuse on a comment letter. After the report is finalized, staff will coordinate with WaterReuse and ACWA on proposed legislation to move potable reuse forward.	H, I, J
3	Execute communications and outreach activities that result in at least 70 percent of the public viewing municipal water service as a "good" or "excellent" value through the public opinion poll.	Jun-2019			Based on the March 2015 public opinion poll, performance was at 67 percent. Staff will continue to implement communications and outreach activities to increase poll numbers. The next poll is scheduled for Spring 2017.	D, E, F
4	Execute communications and outreach that result in 3,000 customers participating in the WaterSmart Landscape Makeover Program via classes, workshops, and videos.	Jun-2019			Advertising partnership with the San Diego Union-Tribune is underway and staff is evaluating other potential efforts. The WaterSmart Landscape Makeover Program had 828 participants through this quarter.	A, D, E
5	Create a new Water Authority branding platform.	Jun-2019			Planning is underway. Activity is expected to commence in Fiscal Year 2018.	D, E
6	Execute a minimum of three significant programs or events to commemorate the Water Authority's 75th Anniversary.	Dec-2019			Staff has met to begin the planning process to include potential events in the Fiscal Years 2018 and 2019 budget.	A, D, E, F
7	Execute effective advocacy strategies to defeat all legislation that the Water Authority Board opposes each year.	Jun-2020			Legislation for the 2017-2018 legislative session has just begun to be introduced. The Board has not yet considered adoption of any formal positions on measures at this time.	B, K
8	Achieve passage of one or more Water Authority sponsored bills annually.	Jun-2021			The Water Authority is in discussion with potential bill authors regarding two Water Authority sponsored bills for the 2017 legislative session. Staff anticipates sponsored legislation will be introduced in early 2017.	A, B
9	Participate with water supply stakeholders to support development of an amicus brief on the court proceedings for Waters of the United States.	Jun-2021			Participated in Amicus Brief on the U.S. Environmental Protection Agency's Waters of the U.S. Rule, filed in 6th Circuit Court of Appeals on November 4, 2016. Brief was filed in conjunction with Eastern MWD, Santa Fe ID, Helix WD, and Santa Margarita WD.	H, J
10	Provide at least one briefing annually to each member of the San Diego state legislative delegation to enhance support for advancing and protecting the Water Authority's legislative interests.	Jun-2021			In December 2016, Water Authority board members and staff engaged in legislative briefings with members of the San Diego legislative delegation within their district offices, and are planning a full-day session of legislative briefings in Sacramento in January 2017.	A, B
11	Increase awareness and understanding of the Water Authority's interests by providing at least one briefing annually to each member of the San Diego congressional delegation in Washington, D.C. and the San Diego district office.	Jun-2021			In September 2016, Water Authority board members and staff, in conjunction with the San Diego Regional Chamber of Commerce, traveled to Washington, D.C. and briefed members of the San Diego congressional delegation on issues of importance to the San Diego Region. On September 2, 2016, Water Authority staff provided a briefing to Representative Scott Peters regarding Quantification Settlement Agreement implementation and Salton Sea restoration issues. It is anticipated that Water Authority board members and staff will participate in the February 2017 ACWA Washington, D.C. conference, and will have additional opportunities for briefings with members of the San Diego congressional delegation.	A, B

12	Strengthen relationships with state and federal legislators by conducting at least two legislative roundtable events at the Water Authority headquarters during each calendar year.	Jun-2021			Staff is in the planning stages for identifying potential participants and scheduling for state legislative and congressional roundtable events during 2017.	A, B
13	Engage in outreach efforts that result in at least 50 percent of Citizens Water Academy alumni engaging in at least one alumni activity through Fiscal Year 2021.	Jun-2021			As of November 2016, 115 of 311 alumni (37 percent) have attended alumni events, tours, or submitted advocacy letters for the Water Authority.	E, F

BUSINESS SERVICES - Financial Management						
No.	Objective Description	Target Date	Revised Date	Status	Comments	Management Strategies*
1	Develop a long-term strategic plan for the execution of anticipated bond transactions, including pipeline and the Claude "Bud" Lewis Carlsbad Desalination Plant bonds.	Jan-2017			A Refunding Alternative and Risk Analysis for financing options for the pipeline, intake, and plant bonds was completed in October 2016. In November 2016, a strategic plan of execution was determined for the financing of the intake and pipeline bonds. Staff is also evaluating the consideration of future refunding or Early Buy Out of plant bonds.	D, F, K
2	Complete the "Agreed upon Procedures" document for Desalination Billing & Invoicing.	Mar-2017			Flow charting the desalination billing process has been completed. Determining the agreed upon procedures for the auditors is in process. The auditors will begin work on this project during the first quarter of calendar year 2017.	A, B, C
3	Complete a Cost of Service Study and obtain Board approval of updated annexation fees and capacity charges.	Jun-2017			Staff is working with Carollo Engineers, an independent Cost of Service Consultant, to develop the study. Objective is on schedule to meet the target deadline.	I, J, K
4	Compile a comprehensive listing of all Water Authority capital assets and establish procedures for year-end reconciliation.	Jun-2017			The report detailing all of the Water Authority's capital assets has been created, user departments are reviewing, and responses will be used to update our capital assets listing.	A
5	Develop a training program for the Financial Rate Model Program to increase staff knowledge of the rate and charge model.	Dec-2017			Development of the training program will begin in Fall 2017.	A, J, K
6	Implement a new or upgraded Water Billing software module that syncs with historical data.	Dec-2017			A Request for Proposals for a needs assessment and recommendation of a wholesale water utility billing and information management software application was completed, with Harris Consulting being selected. In March 2017, the consultant will supply a recommendation. The Water Authority will evaluate the recommendation and put together an RFP for the database management and billing platform components.	A, C
7	Update budgeting processes to ensure efficiency and continued best practices in accordance with Government Finance Officers Association standards.	Jan-2018			Working with the departments to gather input and feedback regarding current budget processes. On track to complete by the target deadline.	A, C, H
8	Implement Other Post-Employment Benefits (OPEB), Government Accounting Standards Board (GASB) 74 and GASB 75 pronouncements, and develop a funding policy to ensure adequate resources exist to pay current and future retiree health benefits.	Jun-2018			Research and data gathering of relevant policies and practices of other agencies has begun. The formulation of preliminary funding approaches, based on the Water Authority's specific needs, will be discussed during the first quarter of calendar year 2017, with the expectation of incorporating results into the Fiscal Years 2018 and 2019 Budget.	C
9	Advocate Water Authority position through participation in two industry conferences per year via speaking engagements and achieve membership in industry committees and boards, such as California Society of Municipal Finance Officers, Government Finance Officers Association, and Bond Buyer.	Jun-2021			Finance industry committee participation for 2016 includes the Government Finance Officers Association Debt and Nomination Committees, and the American Water Works Association Rates and Charges Committee. Finance industry speaking engagements include the J.P. Morgan Transportation and Utility Investor Forum in 2017.	E, K

BUSINESS SERVICES - Technology						
No.	Objective Description	Target Date	Revised Date	Status	Comments	Management Strategies*
1	Transition email, office applications, and the sdcwa.org website to cloud based platforms to maximize resilience against loss of service.	Aug-2017			Email, office applications, and the sdcwa.org website are now housed in the cloud. This objective was completed in November 2016.	A, B, E, F, G, H, I, J
2	Develop an Operational IT Resource Deployment Plan based on stakeholder input that provides a comprehensive view of long-term IT objectives.	Oct-2017			Development of this plan will begin in July 2017.	D, G, H
3	Automate three organization-wide business processes to increase ease of use and staff productivity.	Nov-2018			The business plan and innovation ideas tracking were completed using ServiceNow. The Human Resources training requests are the next process to be automated by January 2017.	B, G, H, I, J
4	Implement Microsoft SharePoint content management system to provide next-generation intranet solution that enhances information sharing across the organization.	Mar-2019			Information Technology staff are currently working on the technical configuration of the content management system. In late Spring 2017, a web team will be formed to help prepare and design the transition to the new SharePoint platform.	A, B, C, E, F, G, I, J, K
5	Complete major upgrades to PeopleSoft Enterprise Resource Planning software, the Prima water billing system, and Asset Management applications to ensure future compatibility with changing regulations and requirements.	Oct-2019			The PeopleSoft upgrade is on schedule to go live by June 2017. The Prima Water Billing system is being assessed to define requirements for a replacement system. The assessment is scheduled to be completed by March 2017. The Asset Management application update was completed in Summer 2016.	B, C, D, E, F, H, I, K
6	Conduct an organization-wide cybersecurity review and complete the recommended technical enhancements to optimize the cybersecurity defense model (organizational team, strategies, policies, and funding).	Oct-2019			An internal cyber-security assessment has been completed and two more are planned; one with a private firm beginning December 2016, and one with the Department of Homeland Security to begin in Spring 2017. A new Information Technology Initiative for cyber-security has been prepared and recommended for inclusion in the Fiscal Years 2018 and 2019 budget.	A, B, C, D, E, H, I, K
7	Implement wireless communication in the Escondido office, enhance the Maximo computer maintenance management system for use in the field, and implement a "unified communication" system (combined messaging, presence, phone, video conferencing, voicemail, and email) to expand organization-wide mobile computing capabilities.	Sep-2020			The installation of wireless communication in Escondido and enhancement of Maximo for use in the field will begin in July 2017. Implementation of the unified communication system will begin in January 2020.	C, E, F, G, H, I, J, K
8	Develop comprehensive dashboard reporting systems for the Capital Improvement Program and the Business Plan, and Technology Initiatives to enhance transparency of organization-wide efforts.	Dec-2020			A dashboard was built for the Business Plan using ServiceNow. The dashboard is embedded in the application and is currently being used for tracking and reporting. Engineering has submitted an Information Technology Initiative for a CIP dashboard that, if approved in the Fiscal Years 2018 and 2019 budget, is scheduled to be completed in June 2018. Development for a dashboard to track IT Initiatives will begin in June 2017.	C, D, F, G, J, K

BUSINESS SERVICES - Workforce Management						
No.	Objective Description	Target Date	Revised Date	Status	Comments	Management Strategies*
1	Achieve and maintain an employee turnover rate of 6 percent or less annually (factoring out retirements) for employees meeting or exceeding overall performance standards.	Jun-2017			The employee turnover rate for Fiscal Year 2017 (through December 31, 2016), is 1.28 percent. The Fiscal Year 2016 employee turnover rate was 6.07 percent, and the Fiscal Year 2015 rate was at 3.3 percent.	E, G, H
2	Develop organization-wide mentoring program designed to empower early and mid-career professionals, increase diversity, attract high performing employees, and foster a culture of continuous learning and knowledge transfer.	Jun-2017			The Mentoring Program is on track to be released in early 2017.	E, H
3	Reduce the number of days lost due to workplace injury to 10 percent below industry standards by achieving 100 percent hazard identification and remediation.	Jun-2017			Hazard identification and remediation for Fiscal Year 2017 to date (12/13/16) is 100 percent; 0 days lost to workplace injury.	A, B
4	Achieve 90 percent "meets expectations" or better rating from participating member agencies and other stakeholders of the San Diego Regional Water/Wastewater and Drought Internship Programs.	Aug-2017			Through Rotation #1 of the 2016 - 2017 Regional Water/Wastewater Internship program (August to October 2016), 100 percent of the host agencies returned evaluations at the "meets expectations" or better level.	F
5	Complete Water Authority training needs analysis model including a training and development web portal for employees.	Sep-2017			Staff compiled all training requirements and options for Water Authority positions for inclusion in the web portal. The training and development web portal is ahead of schedule and will be completed by January 2017.	E, H
6	Develop comprehensive quality-of-hire metrics such as new hire attrition, job performance, and employee engagement to ensure alignment with the Water Authority's mission and values.	Dec-2017			Metric development will begin in early 2017.	E
7	Develop metrics evaluating employee engagement to ensure employees are connected to the Water Authority's mission, vision and values.	Jun-2018			Development of metrics and programs is underway. Staff is on track to complete by the target deadline.	D
8	Produce a minimum of 15 communication videos per year providing updates on current projects, staff initiatives, and Water Authority updates.	Jun-2018			Five communication videos have been produced since in July 2016 (monthly, July-Nov).	C, D
9	Achieve 56 percent internal promotions for qualified vacant positions meeting the Western Region American Water Works Association standard.	Sep-2018			The internal promotion rate for the last 18 months is 49 percent. Interviewing 101 and Career Management training sessions (Summer 2016) had 115 attendees. Additional career training and management is underway.	C, E, G
10	Develop and implement Wellness Initiatives to improve health and wellness of employees; develop employee satisfaction survey regarding wellness; and achieve 20 percent increase in satisfaction from baseline results.	Jun-2019			The Wellness program is in development. An interest survey will be sent to staff in early 2017.	B
11	Enroll over 150 Water Authority employees each fiscal year in the supervisory training provided by the Liebert Cassidy Whitmore Employee Relations Consortium.	Jun-2019			In Fiscal Year 2017 (through October 2016), 16 employees attended supervisory training provided by Liebert Cassidy Whitmore. In Fiscal Years 2015 and 2016, 110 employees attended the supervisory training.	G, H
12	Ensure proper administration and documentation of the Affordable Care Act's excise tax on certain employer- sponsored health plans.	Jun-2020			Currently there is no update on the implementation date of the Affordable Care Act excise tax. Staff is kept current on any excise tax updates from the Federal government.	E

13	Develop a Water Authority Alumni Network and hold annual meetings with the Alumni group.	Jun-2021			One alumni meeting was held in June 2016; a second meeting is tentatively planned for early 2017. Alumni have completed training for inclusion as special event staff for calendar year 2017.	D
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Appendix

Program Focus Areas and Management Strategies

(Business Plan Document Excerpt)

The following Appendix provides detail for the letter references found in the **Management Strategies** column of the report.

Business Plan Structure



Appendix Table of Contents by Program

A-1	Imported Water
A-2	Local Water
A-3	Resource Planning
A-4	Infrastructure/CIP
A-5	Sustainability
A-6	Water System Management
A-7	Communication and Messaging
A-8	Financial Management
A-9	Technology
A-10	Workforce Management

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Program Focus Areas Management Strategies

BAY-DELTA

- A. Advocate Board policies regarding Bay-Delta issues, funding initiatives, and the California WaterFix to federal, state, local, and other stakeholders.
- B. Influence the selection of a right-sized Bay-Delta conveyance project based on firm financial commitments by water contractors.
- C. Ensure ratepayers are not burdened with California WaterFix costs without real, commensurate, and demonstrable water supply reliability benefits.

COLORADO RIVER

- D. Develop alternative Quantification Settlement Agreement implementation strategies.
- E. Safeguard Water Authority investments from outside influences.
- F. Ensure completion of Quantification Settlement Agreement environmental mitigation milestones and Salton Sea activities.
- G. Analyze and recommend options related to reducing the duration of the IID water transfer or extending the duration of the MWD exchange agreement.
- H. Advance Water Authority Quantification Settlement Agreement policy through continuing dialogue with governing bodies, elected officials, and the public.

METROPOLITAN WATER DISTRICT

- I. Support MWD Delegates in identifying and maintaining Water Authority strategic goals at MWD.
- J. Influence policy decisions at MWD to ensure its long-term sustainability as an imported water supplier.
- K. Ensure the Water Authority receives its fair share of investments at MWD.
- L. Advocate for equity and transparency in MWD's decision making process.

Program Focus Areas Management Strategies

MEMBER AGENCY SUPPLY

- A. Improve regulatory flexibility and streamlining for local supplies.
- B. Protect and improve source water quality for water supply in the San Diego region.

POTABLE REUSE

- C. Engage in regulatory and legislative processes to ensure regulatory pathways are available for approval of local potable reuse projects.
- D. Assess and recognize the benefits of water quality improvements associated with new local supplies.
- E. Encourage public support, implement public outreach, and offer technical assistance to support reuse and recycled water projects.

SEAWATER DESALINATION

- F. Ensure compliance with Claude "Bud" Lewis Carlsbad Desalination Plant Water Purchase Agreement.
- G. Ensure continued operation of Claude "Bud" Lewis Carlsbad Desalination Plant and compliance with Ocean Plan Amendment.
- H. Implement an adaptive management approach for future seawater desalination supplies.

Program Focus Areas Management Strategies

WATER MANAGEMENT PLANNING

- A. Implement an Integrated Regional Water Management Plan that reflects stakeholder consensus and complies with evolving state requirements.
- B. Pursue funding for implementation of projects that achieve San Diego Integrated Regional Water Management Program goals.
- C. Develop a regional Urban Water Management Plan that complies with evolving state requirements and ensures a reliable water supply for the San Diego region.
- D. Update water management plans to maintain eligibility for state funding.

WATER SHORTAGE AND DROUGHT RESPONSE MANAGEMENT

- E. Ensure planning documents are consistent and relevant to properly manage and respond to supply shortages.
- F. Ensure that proposed drought response actions are appropriate, progressive, and may be reasonably implemented by the Water Authority and its member agencies.

WATER USE EFFICIENCY

- G. Implement best-practices to manage and deliver water-use efficiency programs and services in a timely, convenient, and courteous manner.
- H. Plan, develop, implement, or administer water efficiency programs and tools that meet the needs of member agencies and water users.
- I. Support policies and actions that advance long-term water-use efficiency best practices, behaviors, and market transformations.
- J. Leverage ratepayer investments by securing grants or other external funding sources and advocating for equitable benefits from MWD water-use efficiency programs.
- K. Advocate for long term water use efficiency policies that benefit the San Diego region.

Water Facilities INFRASTRUCTURE/CAPITAL IMPROVEMENT PROGRAM

Program Focus Areas Management Strategies

ASSET MANAGEMENT

- A. Ensure the prioritization, optimum maintenance, and rehabilitation of assets.
- B. Pioneer technology to reduce risk and increase productivity and efficiency.

INFRASTRUCTURE PLANNING

- C. Coordinate and align project scope and schedules within the Master Plan Update and the Asset Management Program to achieve the optimum balance between regional water reliability and cost.
- D. Optimize use of existing treatment, storage, and conveyance facilities to meet projected member agency water demands.

NEW FACILITIES

- E. Employ pioneering technology and best management practices for all CIP projects.
- F. Develop business policies, practices, and procedures that are aligned with smaller contracts.
- G. Collaborate with member agencies and other external stakeholders on the Capital Improvement Program.
- H. Coordinate with internal functional groups and stakeholders to promote the efficient and most cost-effective delivery of projects.

Program Focus Areas Management Strategies

CLIMATE CHANGE

- A. Implement cost-effective measures that reduce greenhouse-gas emissions to comply with emission targets contained in the Climate Action Plan.
- B. Advance climate science research and mainstreaming adaptation strategies into business practices.
- C. Ensure resiliency of infrastructure and supplies in response to climate change impacts.

ENVIRONMENTAL MANAGEMENT

- D. Incorporate advance planning to ensure Water Authority compliance with environmental regulations.
- E. Strengthen inter-departmental coordination of environmental compliance.
- F. Ensure sustainable mitigation is obtained in advance of project needs.

Program Focus Areas Management Strategies

ENERGY INITIATIVES

- A. Leverage power market opportunities that maximize the value of existing energy facilities.
- B. Pursue new energy initiatives that reduce energy costs.
- C. Develop energy policies that support member agency needs.
- D. Influence energy rule-making by engaging in legislative and regulatory processes.

FACILITIES SECURITY AND EMERGENCY RESPONSE

- E. Provide necessary facilities, staffing, and funding to support security and emergency response requirements.
- F. Comply with applicable state and federal regulations regarding security.
- G. Engage in water related security and emergency response issues at the local and national levels.

OPERATIONS AND MAINTENANCE

- H. Continue development of well-trained and highly skilled staff.
- I. Maintain water system reliability and efficient operations through staff development and facility improvements.
- J. Enhance proactive maintenance practices.

Program Focus Areas Management Strategies

GOVERNMENT RELATIONS OUTREACH

- A. Strengthen relationships with the San Diego local, state, and federal legislative delegations, other key legislators, legislative staff, and the state and federal administrations.
- B. Engage and influence relevant legislation, regulatory matters, and funding requests in the Legislature, Congress, and state and federal administrations.
- C. Sponsor and promote legislation that positively impacts the region and conveys San Diego's role as a statewide water community leader.

PUBLIC OUTREACH

- D. Enhance public understanding and support for Water Authority and member agency strategies, policies, and programs
- E. Implement innovative and effective public outreach programs and tools that deliver Water Authority messages to key stakeholders.
- F. Promote greater public awareness of local water issues and wise water use by building relationships and partnerships with compatible organizations and institutions.

REGULATORY POLICY SUPPORT

- G. Maximize flexibility and sustainability in water supply development and management, water-use efficiency, and water quality protection.
- H. Foster collaborative relationships with regulatory agencies.
- I. Engage in policy and regulatory development under state and federal water, energy, and environmental laws.
- J. Inform and obtain feedback from Water Authority departments and member agencies on regulatory and permitting issues.

Program Focus Areas Management Strategies

ACCOUNTING

- A. Provide relevant, accessible, and useable financial data and other key information.
- B. Analyze revenue and expense trends proactively to anticipate early budget variances and formulate actions to ensure fiscal sustainability.
- C. Assess industry best practices and new accounting standards for applicability to Water Authority financial operations.

DEBT AND INVESTMENT MANAGEMENT

- D. Ensure Water Authority credit ratings through sound financial management.
- E. Ensure strong financial industry presence for the Water Authority.
- F. Strategically optimize the resources of the full bond team to execute future bond transactions successfully – resulting in good pricing, new investors including retail, and maintenance of strong ratings.
- G. Optimize the capital financing mix to achieve the lowest cost of funds and minimize interest rate risk.

FINANCIAL PLANNING

- H. Develop detailed cost projections for Capital Improvement Program projects and operations to develop long-term rate projections.
- I. Analyze and recommend, as appropriate, the rate and charge goals of cost efficiency, predictable rates, and intergenerational equity.
- J. Provide high level of service to member agencies while ensuring equitable rates and charges.
- K. Ensure financial policies are aligned with the long-term fiscal sustainability of the Water Authority.

Program Focus Areas Management Strategies

CYBERSECURITY

- A. Provide backup and recovery capability to protect critical records for business continuity.
- B. Provide a safe and secure computing environment.
- C. Educate employees to be technically skilled, well informed, alert, and vigilant.

IT INFRASTRUCTURE AND OPERATIONS

- D. Engage in comprehensive strategic planning and governance to align with business needs.
- E. Maintain and replace critical hardware and network infrastructure to meet changing computing requirements.
- F. Continually improve business processes by increasing automation, flexibility, ease of use, and mobility.
- G. Promote a culture of innovation and continuous improvement and professional development.

IT SERVICES AND APPLICATIONS

- H. Coordinate and prioritize projects to balance resources and manage interdependencies.
- I. Upgrade, enhance, and support critical software applications to leverage new functionality, maintain compliance and compatibility, and improve productivity.
- J. Provide a high level of customer service to increase day-to-day efficiency.
- K. Promote timely and informed decision making through analytic, knowledge based technology.

Program Focus Areas Management Strategies

INJURY AND ILLNESS PREVENTION	INTERNAL COMMUNICATION	RECRUITMENT AND RETENTION	TRAINING AND DEVELOPMENT
<p>A. Preserve employee safety and reduce work-related injuries through employee participation, hazard identification and remediation, training, and program evaluation.</p> <hr/> <p>B. Improve employee health and wellness through wellness initiatives.</p>	<p>C. Foster a workplace culture in which employee engagement and efficiency is optimized.</p> <hr/> <p>D. Maintain open and effective communication with current and former employees.</p>	<p>E. Implement a comprehensive approach to workforce recruitment, hiring, retention, and planning, resulting in an effective workforce to meet the Water Authority’s current and future needs.</p> <hr/> <p>F. Provide member agencies with support for recruitment and selection to address industry needs (e.g. Water/Wastewater and Drought Internship).</p>	<p>G. Strengthen leadership capability and capacity to encourage performance excellence and productivity.</p> <hr/> <p>H. Provide staff training and development to increase knowledge and expertise.</p>