



MEMORANDUM

TO: SLDMWA Board of Directors, Alternates

FROM: Federico Barajas, Executive Director

DATE: March 9, 2023

RE: Update on Strategic Plan Implementation Progress

BACKGROUND

In April 2019, the San Luis & Delta-Mendota Water Authority Board of Directors adopted Strategic Plan goals and objectives. Staff then created an implementation plan, and brought the entire 2019 Strategic Plan, including implementation plan, to the Board for approval in July 2019. An update on Strategic Plan implementation progress was last provided at the February 2021 Board of Directors meeting. This memorandum provides a 2023 update on Strategic Plan implementation progress for the March 2023 Board meeting. No Board action is required.

1. Strategic Plan Goals and Objectives

1	GOAL: Optimize Water Supplies
1.1	OBJECTIVE: Support member agencies in optimizing water supplies.
1.2	OBJECTIVE: Engage in regulatory, legislative, legal, and administrative forums in support of member agencies to optimize water supply consistent with policies and strategies adopted by the Board.
2	GOAL: Improve Governance and Policy Direction
2.1	OBJECTIVE: Board provides consistent and clear policy direction.
2.2	OBJECTIVE: Policy is established through Board action after informed deliberation.
2.3	OBJECTIVE: Policy direction is based on informed deliberation of the Board.
3	GOAL: Staff Resources Are in Place to Implement Board Goals and Priorities
3.1	OBJECTIVE: Executive Director provides leadership on water policy and operation and maintenance (O&M), assists the Board, manages staff, and implements priorities.
3.2	OBJECTIVE: Staff has skills, experience, and resources to accomplish the Board's goals and priorities.
3.3	OBJECTIVE: Staff is motivated, trained, and working together effectively to meet the goals and priorities of the Authority under the leadership of the Executive Director.
4	GOAL: Effective Operations
4.1	OBJECTIVE: Operate and maintain facilities cost-efficiently and reliably.
4.2	OBJECTIVE: Utilize O&M expertise to optimize operations.
4.3	OBJECTIVE: Plan and implement capital improvements with the longest reasonable planning horizon.

4.4	OBJECTIVE: O&M activities are planned and proactively implemented for the lowest cost and least disruption.
4.5	OBJECTIVE: Technology is used to lower costs and/or improve quality of O&M activities.
4.6	OBJECTIVE: Operations employees are fully trained and growing in skill and experience.
4.7	OBJECTIVE: Communicate effectively with member agencies and U.S. Bureau of Reclamation (USBR) on O&M issues and activities.
5	GOAL: Increase Scientific and Technical Credibility and Influence
5.1	OBJECTIVE: Relevant policy positions are informed by sound science.
5.2	OBJECTIVE: Maximize the effectiveness, influence, and cost-effectiveness of the Science Program by collaborating with science programs of members and others.
5.3	OBJECTIVE: Support and coordinate scientific studies and communicate about them in a way that ensures credibility of the results.
6	GOAL: Effective Communication and Engagement with Key Parties
6.1	OBJECTIVE: Key parties understand the Authority's role in representing its member agencies.
6.2	OBJECTIVE: The Authority supports its member agencies through effective representation of common positions.
6.3	OBJECTIVE: The Authority effectively engages with member agencies and key parties.
6.4	OBJECTIVE: The Authority understands the perspectives of other key parties.
6.5	OBJECTIVE: Support collaborative programs to educate the broader public in California about key issues important to the Authority.
6.6	OBJECTIVE: Ensure home boards are kept up-to-date and supportive of the organization's direction.
7	GOAL: Finances Are Well Understood and Supported by the Board
7.1	OBJECTIVE: Maintain a cost allocation for the Activity Budget supported by the Authority's member agencies.
7.2	OBJECTIVE: Maintain and demonstrate effective cost control.
7.3	OBJECTIVE: Directors, committee members, and member agencies understand Authority finances.
7.4	OBJECTIVE: Board is in control of the Authority's finances.
7.5	OBJECTIVE: Financial planning and reporting extend to the longest practical and beneficial time horizon.

2. Implementation Plan

Following Board adoption of the Strategic Plan goals, staff broke down the various objectives into implementation actions, including internal deadlines, staff leads, and information regarding recurrence. Staff uses the implementation plan to manage and track Strategic Plan activities. The implementation plan is reviewed annually to identify priority items for the upcoming Fiscal Year.

High Priority actions are defined as “must do” actions that are not receiving adequate attention from staff. High Priority actions could also be new or additional efforts for staff to undertake to fulfill a critical goal or objective. For Fiscal Year 2023, the High Priority action list includes fifteen items that are summarized in **Attachment 1** to this memorandum, which provides a status update.

No new High Priority actions have been identified for FY24. Instead, staff will identify new priorities with the Board as part of the upcoming Strategic Plan update process.

Goal 1. OPTIMIZE WATER SUPPLIES.		
Objective 1.1 Support member agencies in optimizing water supplies.		
ONGOING	1.1.4 FY23: Seek funding for infrastructure investment that provides benefits to all member agencies (new and/or improved storage above and below ground and conveyance)	Secured funding from USBR (\$8m) and State (\$23.8m) for DMC Subsidence Correction Project. Also helped secure funding for member agency projects under SGMA and IRWM. BIL application submittal in December 2022. Additional funds for Sisk Dam Raise & Expansion Project (total federal funding available is \$85m).
Goal 2. IMPROVE GOVERNANCE AND POLICY DIRECTION.		
Objective 2.2 Policy is established through Board action after informed deliberation.		
COMPLETE	2.2.1 FY23: Improve processes for informing the Board on policy issues.	Regular email communications by Executive Director, Policy Director, COO, and General Counsel provided. Additional Board presentations regarding DMC Subsidence Correction Project, Sisk Dam Raise and Expansion Project, and San Luis Transmission Project provided in Board and committee meetings as needed, and/or in written updates.
ONGOING	2.2.3 FY23: Establish process for effective management of Activity Agreements.	A member or members of SLDMWA management team is/are directly engaged in each active Activity Agreement to ensure implementation.
Goal 3. STAFF RESOURCES ARE IN PLACE TO IMPLEMENT BOARD GOALS AND PRIORITIES.		
Objective 3.2 Staff has skills, experience, and resources to accomplish the Board's goals and priorities.		
IN PROGRESS	3.2.2 FY23: Maintain a succession plan for key staff.	In FY23, Executive Director and HR Director closely monitored potential work force retirements, and are developing a succession plan for Strategic Plan update process.
Objective 3.3 Staff is motivated, trained, and working together effectively to meet the goals and priorities of the Authority under the leadership of the Executive Director.		
ONGOING	3.3.1 FY23: Ensure staff is well managed, motivated and working effectively in each office location.	Staff has begun reviewing the salary policy, and will bring proposed revisions to the Board as part of the Strategic Plan update process.
Goal 4. EFFECTIVE OPERATIONS.		
Objective 4.1 Operate and maintain facilities cost-efficiently and reliably.		
IN PROGRESS	4.1.2 FY23: Develop and implement master annual work schedule.	Annual maintenance plan developed using Microsoft Outlook during FY23. Ongoing implementation planned.

INITIATED	4.1.4 FY23: Select and implement a document management system.	Staff is reviewing options for a document management system.
Objective 4.3 Plan and implement capital improvements with the longest reasonable planning horizon.		
IN PROGRESS	4.3.2 FY23: Improve cost estimates of each project identified in the 10-year Plan.	Staff utilized a master agreement with a mechanical maintenance and engineering consultant to assist with current year mechanical design and cost estimates. Additional work needed to improve cost estimate process for all EO&M projects on the 10-year plan. Suggested area of focus for Strategic Plan update process.
Goal 5. INCREASE SCIENTIFIC AND TECHNICAL CREDIBILITY AND INFLUENCE.		
Objective 5.2 Maximize the effectiveness, influence, and cost-effectiveness of the Science Program by collaborating with science programs of members and others.		
ONGOING	5.2.1 FY23: Evaluate and consider changes to the Science Program.	Special Programs Manager hired during FY23. Staff intends to develop a science plan to direct implementation and obtain Board direction.
Goal 6. EFFECTIVE COMMUNICATION AND ENGAGEMENT WITH KEY PARTIES.		
Objective 6.6 Ensure home boards are kept up-to-date and supportive of the organization's direction.		
ONGOING	6.6.1 FY23: Attend member agency Board meetings.	Ongoing implementation.
Goal 7. FINANCES ARE WELL UNDERSTOOD AND SUPPORTED BY THE BOARD.		
Objective 7.1 Maintain a cost allocation for the Activity Budget supported by the Authority's member agencies.		
COMPLETE	7.1.1 FY23: Review Leg Ops cost allocation for any changes to allocation methodology.	Management team went through cost allocation effort with Finance & Administration Committee, with options presented to the Board.
IN PROGRESS	7.1.4 FY23: Refine Activity Budget timeline.	Activity Agreement Budget timeline is being adhered to by staff.
INITIATED	7.1.6 FY23: Regularly evaluate the necessity of existing Activity budget funds.	Intended focus in the Strategic Plan update process.
Objective 7.2 Maintain and demonstrate effective cost control.		
ON SCHEDULE	7.2.2 FY23: Transition to a full electronic/automated financial & accounting system.	Baseline has been established and improvements continue, e.g. through utilization of Netsuite. Finance Department intends to explore updates to water accounting systems.
MISCELLANEOUS GOALS		
ONGOING	2021.1 FY23: Increase efforts of implementing record retention and destruction policy.	Ongoing implementation.