



# Official Memorandum

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To: SLDMWA Board of Directors, Alternates  
From: Federico Barajas, Executive Director  
Date: December 11, 2025  
RE: Update on Fiscal Year 2026 Strategic Plan Implementation Progress

## Background

The San Luis & Delta-Mendota Water Authority Board of Directors first adopted a Strategic Plan in July 2019. Subsequently, the Board adopted a 2023 Strategic Plan in October 2023. Staff then created an implementation plan with detail relating to the adopted goals and objectives. This memorandum provides an end of Fiscal Year 2026 update on Strategic Plan implementation progress. No Board action is required.

### 1. Strategic Plan Goals and Objectives

1	GOAL: Sustainable Water Resources.
1.1	OBJECTIVE: South-of-Delta water supply reliability is maximized.
1.2	OBJECTIVE: Pursue water infrastructure projects that benefit south-of-Delta water supplies.
1.3	OBJECTIVE: The Water Authority engages in regulatory, legislative, legal, and administrative venues to optimize water supply.
1.4	OBJECTIVE: The Water Authority's scientific studies and communication are considered credible in relevant legislative, scientific, regulatory, and public arenas.
1.5	OBJECTIVE: The Water Authority is engaged in collaborative efforts to assist disadvantaged communities within its service area to have adequate and safe drinking water.
1.6	OBJECTIVE: The effectiveness and value of the Water Authority's regulatory, legislative, legal, and administrative activities and strategies are periodically evaluated, and appropriate changes are made.
1.7	OBJECTIVE: Activity Agreements are periodically revisited, and the Water Authority's role relative to specific Activity Agreements is modified or ended as appropriate.
2	GOAL: Financial Management is Planned Over the Longest Reasonable Time Frame.
2.1	OBJECTIVE: Long-term financial plans identify all significant long-term costs and funding.
2.2	OBJECTIVE: Water Authority members affirm that financial reporting is clear, adequate, and understandable.
2.3	OBJECTIVE: Grants and other favorable public and private funding help fund water infrastructure projects that benefit south-of-Delta water supplies.
2.4	OBJECTIVE: Audits, accounting true-ups, and related financial reports are completed promptly.
2.5	OBJECTIVE: The cost allocation for the Legislative and CVP Operational Affairs (Leg/Ops) fund has been reevaluated, and changes considered.
3	GOAL: Reliable and Cost-Effective Operations, Maintenance, and Replacement.
3.1	OBJECTIVE: EO&M and RO&M activities are planned and proactively implemented on schedule for the lowest cost and with the least disruption to regular operations.
3.2	OBJECTIVE: Preventive maintenance is undertaken with the longest reasonable planning horizon for long-term cost-effectiveness and reliability.

3.3	OBJECTIVE: The Water Authority is prepared to mitigate and recover from unplanned events and maintain cybersecurity.
3.4	OBJECTIVE: Technology is used to lower costs and improve the quality of EO&M and RO&M projects and activities.
3.5	OBJECTIVE: Communication with the Board, member agencies, and Reclamation on OM&R issues and activities is timely, complete, and clear.
3.6	OBJECTIVE: The Water Authority's office spaces are optimized for location and long-term cost-effectiveness.
4	GOAL: Effective Communication and Engagement with Members and Key Stakeholders.
4.1	OBJECTIVE: General public understanding and support for issues the Water Authority supports is increasing.
4.2	OBJECTIVE: The Water Authority supports collaborative programs to educate the broader public in California about critical issues important to the Water Authority.
4.3	OBJECTIVE: Understanding and support for the Water Authority and its objectives from key identified stakeholders is increasing.
4.4	OBJECTIVE: The Authority's logo and branding design is updated.
5	GOAL: A High-Performing Staff and Board.
5.1	OBJECTIVE: Key positions are identified, and there is at all times more than one person prepared to carry out each identified key role as an interim successor in a reasonably proficient manner.
5.2	OBJECTIVE: A succession and knowledge retention plan is in place for each key position.
5.3	OBJECTIVE: Trained and experienced staff are in place and have the resources to meet the rapidly growing demands of the EO&M program and other critical functions.
5.4	OBJECTIVE: Staff are motivated, trained, and working together effectively to meet the goals and priorities of the Water Authority.
5.5	OBJECTIVE: Staff culture is being actively developed and nurtured.
5.6	OBJECTIVE: The Board's culture, Board and management team roles and relationships, and sense of being a team are actively being developed and nurtured.

## 2. Implementation Plan

Following Board adoption of the 2023 Strategic Plan, staff broke down the various objectives into implementation actions, including internal deadlines, staff leads, and information regarding frequency of recurrence. For Fiscal Year 2026, the following five implementation actions were identified as “Core” actions, and twenty-two actions were identified as “High Priority” actions:

### “CORE” Priority Actions

- 1.1.1: Operate Central Valley Project facilities efficiently, reliably, and cost effectively.
- 1.3.5: Proactively participate in state and federal legislative affairs, consistent with annually adopted Fiscal Year Objectives and Strategic Plan Objectives.
- 2.2.5: Continue providing timely financial updates regarding Activity budgets and cost allocation.
- 3.1.1: Develop and manage an annual OM&R calendar that includes Plant Annual Maintenance activities, approved EO&M projects, Plant Outages/Clearances, and forecasted pumping information, including coordination with Reclamation and member agencies.
- 3.1.2: Continue to develop and manage annual OM&R budgets to ensure facilities remain reliable at a reasonable cost.

### High Priority Actions

- 1.1.4: Establish and implement 2024 Drought Plan Pilot Project.
- 1.2.1: Proactively pursue storage and conveyance projects.
- 1.2.4: Pursue federal, state, regional, local, and private funding opportunities.
- 1.4.2: Improve science communication by coordinating Science Plan implementation with Communications Plan.
- 1.5.3: Develop, in coordination with DAC Stewardship Workgroup established in 1.5.2, a master plan for improving water security for frontline communities in the region.
- 1.7.1: Evaluate future management of Grassland Basin Drainage Management Activity Agreement.
- 1.7.4: If appropriate, develop and initiate transition plan for 1.7.3 [DM Subbasin SGMA Services Activity Agreements].
- 2.1.2: Ensure extraordinary operation, maintenance, and replacement (EO&M) / capital improvement project (CIP) plan reflects accurate project costs that are compliant with Reclamation's Directives and Standards (D&S).
- 2.2.2: Produce monthly reporting that can be easily accessed on the Water Authority website.
- 2.2.3: Implement a structure to produce monthly board packages with sufficient detail to address changes and variances.
- 2.4.2: Transition "Cash Basis" manual accounting process to NetSuite and create processes and procedures to address water accounting within NetSuite.
- 3.1.5: Identify opportunities to streamline procurement and contracting process.
- 3.2.1: Develop and manage an effective PM program for all Water Authority-managed facilities to ensure reliability.
- 3.2.3: Develop, prioritize, and manage annual maintenance activities at each Water Authority-managed facility to ensure reliability of plant(s) and structures.
- 3.3.1: Establish and convene a Cybersecurity Team.
- 3.4.1: Select, install, and implement a document management system.
- 3.4.2: Streamline budgeting process by integrating software tools.
- 3.4.5: Standardize office software to eliminate recurring issues and reduce IT support calls.
- 3.6.1: Identify viable options for Los Banos Administrative Office considering staffing needs and levels.
- 4.4.3: Update website and other materials consistent with new logo/branding, through implementing relevant sections of the communications plan developed in 4.1.1.
- 5.1.2: Identify key positions with specialized knowledge that are more challenging to recruit.
- 5.2.1: Develop and maintain a succession plan for each key position.

**Attachment 1** to this memorandum provides a detailed update on the status of the above actions.

Staff will identify new High Priority actions for Fiscal Year 2027 in the coming months.

## Attachment

Strategic Plan Implementation Progress Document

## Attachment 1 – Strategic Plan Implementation Progress

Goal 1: SUSTAINABLE WATER RESOURCES.		
Objective 1.1 South-of-Delta water supply reliability is maximized.		
IN PROGRESS	1.1.1 <b>CORE</b> : Operate Central Valley Project facilities efficiently, reliably, and cost-effectively.	Major milestone accomplished with completion of Action 5. New ROD signed by Reclamation on 12-04-25.
COMPLETE	1.1.4 <b>HIGH</b> : Establish and implement 2025 Drought Plan Pilot Project.	Working to transition into 2026 Pilot Project.
Objective 1.2 Pursue water infrastructure projects that benefit south-of-Delta water supplies.		
ONGOING	1.2.1 <b>HIGH</b> : Proactively pursue storage and conveyance projects.	Obtained CALTRANS letter significantly reducing Highway 152 costs associated with B.F. Sisk Dam Raise project. Progressed toward initiation of DMC Subsidence Correction Project Phase 1.
ONGOING	1.2.4 <b>HIGH</b> : Pursue federal, state, regional, local, and private funding opportunities.	Numerous opportunities pursued, including by sending letter to President requesting \$250 million for DMC Subsidence Correction Project.
Objective 1.3 The Water Authority engages in regulatory, legislative, legal, and administrative venues to optimize the water supply.		
IN PROGRESS	1.3.5 <b>CORE</b> : Proactively participate in state and federal legislative affairs, consistent with annually adopted Fiscal Year Objectives and Strategic Plan Objectives.	2025 has been a very active year both at State and Federal levels.
Objective 1.4 The Water Authority's scientific studies and communication are considered credible in relevant legislative, scientific, regulatory, and public arenas.		
IN PROGRESS	1.4.2 <b>HIGH</b> : Improve science communication by coordinating Science Plan implementation with Communications Plan.	Science plan being coordinated with other stakeholders.
Objective 1.5 The Water Authority is engaged in collaborative efforts to assist disadvantaged communities within its service area to have adequate and safe drinking water.		
IN PROGRESS	1.5.3 <b>HIGH</b> : Develop, in coordination with DAC Stewardship Workgroup established in 1.5.2, a master plan for improving water security for frontline communities in the region.	Draft document in place; working with DAC Stewardship Workgroup on next steps.
Objective 1.7 Activity Agreements are periodically revisited, and the Water Authority's role relative to specific Activity Agreements is modified or ended as appropriate.		
COMPLETE	1.7.1 <b>HIGH</b> : Evaluate future management of Grassland Basin Drainage Management Activity Agreement.	Plan for activities under Grassland Basin Drainage Management Activity Agreement to be transitioned to Grassland Basin Authority.

<b>IN PROGRESS</b>	1.7.4 <b>HIGH:</b> If appropriate, develop and initiate transition plan for 1.7.3 [DM Subbasin SGMA Services Activity Agreements].	Transition plan in place along with FY27 budget coordination.
<b>Goal 2. FINANCIAL MANAGEMENT IS PLANNED OVER THE LONGEST REASONABLE TIME FRAME.</b>		
<b>Objective 2.1 Long-term financial plans identify all significant long-term costs and funding.</b>		
<b>COMPLETE</b>	2.1.2 <b>HIGH:</b> Ensure extraordinary operation, maintenance, and replacement (EO&M) / capital improvement project (CIP) plan reflects accurate project costs that are compliant with Reclamation's Directives and Standards (D&S).	10 Year plan has been updated with cost estimates provided through a consulting agreement.
<b>Objective 2.2 Water Authority members affirm that financial reporting is clear, adequate, and understandable.</b>		
<b>IN PROGRESS</b>	2.2.2 <b>HIGH:</b> Produce monthly reporting that can be easily accessed on the Water Authority website.	Gravity Budgeting Software will provide this functionality; reporting is being developed.
<b>ONGOING</b>	2.2.3 <b>HIGH:</b> Implement a structure to produce monthly board packages with sufficient detail to address changes and variances.	While reporting is established, continuous improvement/enhancement to the structure is being developed with the Gravity implementation.
<b>ONGOING</b>	2.2.5 <b>CORE:</b> Continue providing timely financial updates regarding Activity budgets and cost allocation.	Process is continuing with expected enhancements in FY27.
<b>Objective 2.4 Audits, accounting true-ups, and related financial reports are completed promptly.</b>		
<b>COMPLETE</b>	2.4.2 <b>HIGH:</b> Transition "Cash Basis" manual accounting process to NetSuite and create processes and procedures to address water accounting within NetSuite.	"Cash Basis" migration to NetSuite for WY24 was completed and development of enhanced reporting continues.
<b>Goal 3. RELIABLE AND COST-EFFECTIVE OPERATIONS, MAINTENANCE, AND REPLACEMENT.</b>		
<b>Objective 3.1 EO&amp;M and RO&amp;M activities are planned and proactively implemented on schedule for the lowest cost and with the least disruption to regular operations.</b>		
<b>IN PROGRESS</b>	3.1.1 <b>CORE:</b> Develop and manage an annual OM&R calendar that includes Plant Annual Maintenance activities, approved EO&M projects, Plant Outages/Clearances, and forecasted pumping information, including coordination with Reclamation and member agencies.	Calendar in place; working to finalize design, format, and content (external vs. internal). Verifying and updating outage dates, special projects, completion dates and data entries. Working with SLDMWA Operations and CVO on approved outage requests from USBR for FY27. Goal is to have the calendar format and management process completed by 12/31/25.
<b>ONGOING</b>	3.1.2 <b>CORE:</b> Continue to develop and manage annual OM&R budgets to ensure	Proposed FY27 Budget has been prepared and submitted for approval.



	facilities remain reliable at a reasonable cost.	
<b>IN PROGRESS</b>	3.1.5 <b>HIGH:</b> Identify opportunities to streamline procurement and contracting process.	Contract Specialist position was moved to the Engineering Department to streamline the EO&M Project contract development, review, approval and administration processes. Development and implementation of a paperless Purchase Order invoicing and closeout procedures is in progress with an anticipated implementation date in early January 2026.
<b>Objective 3.2 Preventive maintenance (PM) is undertaken with the longest reasonable planning horizon for long-term cost-effectiveness and reliability.</b>		
<b>IN PROGRESS</b>	3.2.1 <b>HIGH:</b> Develop and manage an effective PM program for all Water Authority-managed facilities to ensure reliability.	PM program development in progress with an anticipated completion date of fall 2026.
<b>IN PROGRESS</b>	3.2.3 <b>HIGH:</b> Develop, prioritize, and manage annual maintenance activities at each Water Authority-managed facility to ensure reliability of plant(s) and structures.	Annual Maintenance Plan is being developed in conjunction with 3.2.1 PM Program. Anticipated completion is Fall 2026.
<b>Objective 3.3 The Water Authority is prepared to mitigate and recover from unplanned events and maintain cybersecurity.</b>		
<b>COMPLETE</b>	3.3.1 <b>HIGH:</b> Establish and convene a Cybersecurity Team.	Cybersecurity Team established and convened.
<b>Objective 3.4 Technology is used to lower costs and improve the quality of EO&amp;M and RO&amp;M projects and activities.</b>		
<b>IN PROGRESS</b>	3.4.1 <b>HIGH:</b> Select, install, and implement a document management system.	Vendor and solution selected; development and rollout underway. Projected to go live across the organization January 5, 2026.
<b>IN PROGRESS</b>	3.4.2 <b>HIGH:</b> Streamline budgeting process by integrating software tools.	Software tools (Gravity) were used in parallel with previous budgeting methods for the FY27 budget cycle. Streamlining is ongoing, with noted ease of entry on CIP/EO&M, and implementation of additional analytics for RO&M and Activity Agreements for this budget cycle.
<b>IN PROGRESS</b>	3.4.5 <b>HIGH:</b> Standardize office software to eliminate recurring issues and reduce IT support calls.	Office 365 has been selected and will roll out in conjunction with Document Management System as they are both built on the same Microsoft platform.
<b>Objective 3.6 The Water Authority's office spaces are optimized for location and long-term cost-effectiveness.</b>		

<b>ONGOING</b>	3.6.1 <b>HIGH:</b> Identify viable options for Los Banos Administrative Office considering staffing needs and levels.	In process of renewing lease for existing office space.
<b>Goal 4. EFFECTIVE COMMUNICATION AND ENGAGEMENT WITH MEMBER AND KEY STAKEHOLDERS.</b>		
<b>Objective 4.4 The Water Authority's logo and branding design is updated.</b>		
<b>IN PROGRESS</b>	4.4.3 <b>HIGH:</b> Update website and other materials consistent with new logo/branding, through implementing relevant sections of the communications plan developed in 4.1.1.	Communications consultant has been procured and staff currently working to prioritize tasks associated with this priority item.
<b>Goal 5. A HIGH-PERFORMING STAFF AND BOARD.</b>		
<b>Objective 5.1 Key positions are identified, and there is at all times more than one person prepared to carry out each identified key role as an interim successor in a reasonably proficient manner.</b>		
<b>ONGOING</b>	5.1.2 <b>HIGH:</b> Identify key positions with specialized knowledge that are more challenging to recruit.	Working with Chief Operating Officer and recruiting agencies to recruit key positions based on other local available employment opportunities.
<b>Objective 5.2 A succession and knowledge retention plan is in place for each key position.</b>		
<b>ONGOING</b>	5.2.1 <b>HIGH:</b> Develop and maintain a succession plan for each key position.	Working with management to develop succession plans for each department.

**TERMINOLOGY**

<b>COMPLETE:</b>	Action item completed for fiscal year.
<b>IN PROGRESS:</b>	Action item with clear completion has been initiated, but not yet completed.
<b>ONGOING:</b>	Action item with no clear completion (multi-year effort) has been initiated.
<b>NOT YET INITIATED:</b>	Work on action item not yet begun in earnest.