



Official Memorandum

PO Box 2157
Los Banos, CA 93635
sldmwa.org

To: SLDMWA Board of Directors, Alternates
From: Federico Barajas, Executive Director
Date: May 14, 2026
RE: Report on Strategic Plan Implementation

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 details 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.

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.

Implementation Plan

Update Regarding Fiscal Year 2026 Priority Implementation Actions

Following Board adoption of the 2023 Strategic Plan, staff broke down the various objectives into a few implementation actions, including internal deadlines, staff leads, and information regarding recurrence. Annually, staff identifies priority implementation actions for that year. For Fiscal Year 2026 (FY 2026), five implementation items were identified as “Core” actions, and twenty-two actions were identified as “High Priority” actions.

An update regarding progress toward these actions was provided to the Board in November 2025. **Attachment 1** to this memorandum provides a final update on FY 2026 action implementation progress.

Identification of Fiscal Year 2027 Priority Implementation Actions

For FY 2027, staff has identified eight “core” priority items, to be maintained across years, and twenty-four high priority items to be targeted specifically during the fiscal year:

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.
- 3.3.4: Continue to invest in Cybersecurity training for information technology (IT) and operational technology (OT) staff.
- 4.1.2: Implement relevant sections of the communications plan developed in 4.1.1.
- 5.4.4: Review and update Employee Handbook.

High Priority Actions

- 1.1.2: Contract allocations: Pursue more effective forecasting tools and advocate for earlier and adequate contract allocations.
- 1.2.3: Develop and foster partnerships with federal and state government regarding infrastructure projects.
- 1.4.1: Implement and update Science Plan.
- 1.4.2: Improve science communication by coordinating the implementation of the Science Plan implementation with Communications Plan.
- 1.5.2: Identify member agencies for DAC stewardship program and establish workgroup.
- 1.7.2: If appropriate, develop and initiate transition plan for 1.7.1 [future management of Grassland Basin Drainage Management Activity Agreement].
- 2.4.1: Ensure adequate staffing levels to keep processes on schedule.
- 2.4.3: Ensure sufficient accounting and internal audit controls are in place and documented to support current and reconciled financial records.
- 2.4.4: Contemporaneously monitor and track project expenses and progress. Collaboration between Accounting and Engineering is necessary to define workflow and roles.
- 3.1.3: Plan EO&M and RO&M activities in a way to minimize impacts on water supply.
- 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.
- 3.3.3: Establish a Cybersecurity, Disaster Recovery, and Business Operations Continuity Plan (including a Cybersecurity Incidence Response Program) that includes training.
- 3.4.1: Select, install, and implement a document management system.
- 3.4.5: Standardize office software to eliminate recurring issues and reduce IT support calls.
- 3.4.6: Implement a standardized platform for virtual meetings.
- 3.5.1: Evaluate and establish standardized protocol for communicating and documenting OM&R issues, including outages and resolution.



- 4.1.1: Update communications plan with internal and external components to educate key stakeholders and the public about the Water Authority’s interests and policy positions, and key information about California water supply.
- 5.1.1: Evaluate organizational structure and implement appropriate changes.
- 5.1.3: Increase apprenticeship and internship opportunities to improve recruitment pipeline.
- 5.3.1: Evaluate organizational structure and implement appropriate changes to address EO&M needs.
- 5.3.2: Assess staffing and consulting needs relative to large EO&M projects.

Staff will provide an update on Strategic Plan implementation progress in advance of Board consideration of the FY 2028 budget.

Attachment

Strategic Plan Implementation Progress Document

Attachment 1 – Update on FY26 Strategic Plan Implementation

Goal 1: SUSTAINABLE WATER RESOURCES.		
Objective 1.1 South-of-Delta water supply reliability is maximized.		
IN PROGRESS	1.1.1 CORE: 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 HIGH: Establish and implement 2025 Drought Plan Pilot Project.	Established 2026 Pilot Project.
Objective 1.2 Pursue water infrastructure projects that benefit south-of-Delta water supplies.		
ONGOING	1.2.1 HIGH: Proactively pursue storage and conveyance projects.	Obtained CALTRANS’ letter significantly reducing Highway 152 costs associated with B.F. Sisk Dam Raise project. Initiating DMC Subsidence Correction Project Phase 1 with additional \$235 Million non-reimbursable funding from OBBB.
ONGOING	1.2.4 HIGH: Pursue federal, state, regional, local, and private funding opportunities.	Numerous successful opportunities pursued, including awards for the Delta-Mendota Canal, San Luis Canal, B.F. Sisk Dam Raise and Reservoir Expansion and member agency projects.
Objective 1.3 The Water Authority engages in regulatory, legislative, legal, and administrative venues to optimize the water supply.		
IN PROGRESS	1.3.5 CORE: Proactively participate in state and federal legislative affairs, consistent with annually adopted Fiscal Year Objectives and Strategic Plan Objectives.	Substantial progress at state and federal levels on policy related matters; state legislature success rate was approximately 70% on adopted positions; federal legislative session still ongoing.
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 HIGH: Improve science communication by coordinating Science Plan implementation with Communications Plan.	Coordination meetings established with external stakeholders; implementing Communications workgroup, which will include specific Science Program communications.
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 HIGH: 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.	In progress; pursuing federal appropriation to fund development of Master Plan.
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 HIGH: 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 drafted.
IN PROGRESS	1.7.4 HIGH: If appropriate, develop and initiate transition plan for 1.7.3 [DM Subbasin SGMA Services Activity Agreements].	Activity Agreements terminated; fiscal and administrative services transitioned to Delta-Mendota Subbasin JPA for FY27.
Goal 2. FINANCIAL MANAGEMENT IS PLANNED OVER THE LONGEST REASONABLE TIME FRAME.		
Objective 2.1 Long-term financial plans identify all significant long-term costs and funding.		
COMPLETE	2.1.2 HIGH: 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.
Objective 2.2 Water Authority members affirm that financial reporting is clear, adequate, and understandable.		
IN PROGRESS	2.2.2 HIGH: Produce monthly reporting that can be easily accessed on the Water Authority website.	Gravity Budgeting Software reporting is still being developed but progress will be dependent on roll out of website functionality.
ONGOING	2.2.3 HIGH: Implement a structure to produce monthly board packages with sufficient detail to address changes and variances.	Gravity budget to Actual Reporting will be fully developed after budget book configuration is completed. External to Gravity, a template model for the Treasurers Report was developed and is in production.
ONGOING	2.2.5 CORE: Continue providing timely financial updates regarding Activity budgets and cost allocation.	Activity Budgets have been loaded into NetSuite from Gravity as an interim step in timely budget to actual reporting. Managers needing access to AA budget to Actual information can access it for FY27 through NetSuite.
Objective 2.4 Audits, accounting true-ups, and related financial reports are completed promptly.		
COMPLETE	2.4.2 HIGH: 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. Enhanced report development continues with the use of NetSuite Analytics.
Goal 3. RELIABLE AND COST-EFFECTIVE OPERATIONS, MAINTENANCE, AND REPLACEMENT.		
Objective 3.1 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.		
IN PROGRESS	3.1.1 CORE: Develop and manage an annual OM&R calendar that includes Plant Annual Maintenance activities, approved EO&M projects, Plant Outages/Clearances, and forecasted	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

	pumping information, including coordination with Reclamation and member agencies.	Operations and CVO on approved outage requests from USBR for FY27. Goal is to have the calendar format and management process completed by 4/30/26.
ONGOING	3.1.2 CORE: Continue to develop and manage annual OM&R budgets to ensure facilities remain reliable at a reasonable cost.	The FY28 Budget Formulation Process is ramping up in Gravity. The O&M Technical Committee meetings have been scheduled.
IN PROGRESS	3.1.5 HIGH: 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 May 2026.
Objective 3.2 Preventive maintenance (PM) is undertaken with the longest reasonable planning horizon for long-term cost-effectiveness and reliability.		
IN PROGRESS	3.2.1 HIGH: 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.
IN PROGRESS	3.2.3 HIGH: 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.
Objective 3.3 The Water Authority is prepared to mitigate and recover from unplanned events and maintain cybersecurity.		
COMPLETE	3.3.1 HIGH: Establish and convene a Cybersecurity Team.	Cybersecurity Team established and convened.
Objective 3.4 Technology is used to lower costs and improve the quality of EO&M and RO&M projects and activities.		
IN PROGRESS	3.4.1 HIGH: Select, install, and implement a document management system.	Vendor and solution selected; development and rollout underway. Legal, HR and Policy projected to go live across the organization May 11, 2026.
IN PROGRESS	3.4.2 HIGH: Streamline budgeting process by integrating software tools.	Gravity Budget Book development is still underway with additional data elements identified to properly classify Activity Agreement Expenses to align with budgeted sections.
IN PROGRESS	3.4.5 HIGH: Standardize office software to eliminate recurring issues and reduce IT support calls.	Office 365 has been rolled out to approximately 60% of WA in conjunction with Document Management System as they are both built on the same Microsoft platform. Initial basic Training of 365 and

		Document Management completed last week of FY26.
Objective 3.6 The Water Authority’s office spaces are optimized for location and long-term cost-effectiveness.		
ONGOING	3.6.1 HIGH: Identify viable options for Los Banos Administrative Office considering staffing needs and levels.	3-Year Lease was renewed on February 28, 2026.
Goal 4. EFFECTIVE COMMUNICATION AND ENGAGEMENT WITH MEMBER AND KEY STAKEHOLDERS.		
Objective 4.4 The Water Authority’s logo and branding design is updated.		
IN PROGRESS	4.4.3 HIGH: Update website and other materials consistent with new logo/branding, through implementing relevant sections of the communications plan developed in 4.1.1.	Website and communications consultant contracted; site migration in progress; anticipate launch of new website in the June timeframe. Collateral material is all updated with brand guideline in place.
Goal 5. A HIGH-PERFORMING STAFF AND BOARD.		
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.		
ONGOING	5.1.2 HIGH: 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.
Objective 5.2 A succession and knowledge retention plan is in place for each key position.		
ONGOING	5.2.1 HIGH: Develop and maintain a succession plan for each key position.	Working with management to develop succession plans for each department.

TERMINOLOGY

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