

CASTAIC LAKE WATER AGENCY

2015

STRATEGIC PLAN

JULY 2015



FINAL



CASTAIC LAKE

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2015

STRATEGIC PLAN

JULY 2015

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The Mission of the Agency is to provide reliable, quality water at a reasonable cost to the Santa Clarita Valley.



INTRODUCTION

The Castaic Lake Water Agency Strategic Plan serves as a blueprint for decision-making for the upcoming budget fiscal year. This document is forward thinking and reflects careful consideration on the part of the Board of Directors and Agency staff for the long-term health of the Agency and its ability to meet current and future water needs.

The Agency works to meet a diverse set of expectations and requirements based on the needs and priorities of its many customers and stakeholders, including but not limited to its customers and ratepayers, four local water retailers, the counties of Los Angeles and Ventura and the City of Santa Clarita.

Agency Service Area

The Castaic Lake Water Agency (Agency) is located in the northwestern portion of Los Angeles County, approximately 35 miles from downtown Los Angeles. The Agency's wholesale service area, depicted on the facing page, has a population of approximately 287,000 and covers an area of roughly 195 square miles, or 124,800 acres.

The majority of the Agency's service area is located in Los Angeles County, encompassing most of the valley and adjacent hill country along the upper Santa Clara River. Approximately 20 square miles of the service area extend into rural portions of Ventura County. The service area is a semi-arid region and includes the City of Santa Clarita, plus surrounding unincorporated portions of Los Angeles and Ventura Counties. Communities in the unincorporated areas include Castaic, Newhall, Saugus, Stevenson Ranch and Valencia.

A Brief History

The Castaic Lake Water Agency was originally organized as the Upper Santa Clara Valley Water Agency on April 20, 1962. The Agency was formed to bring a supplemental water supply to its service area from the State Water Resources Development System, more commonly known as the State Water Project (SWP). The Agency was charged with providing the necessary treatment and conveyance facilities to treat and deliver this water to service area customers.

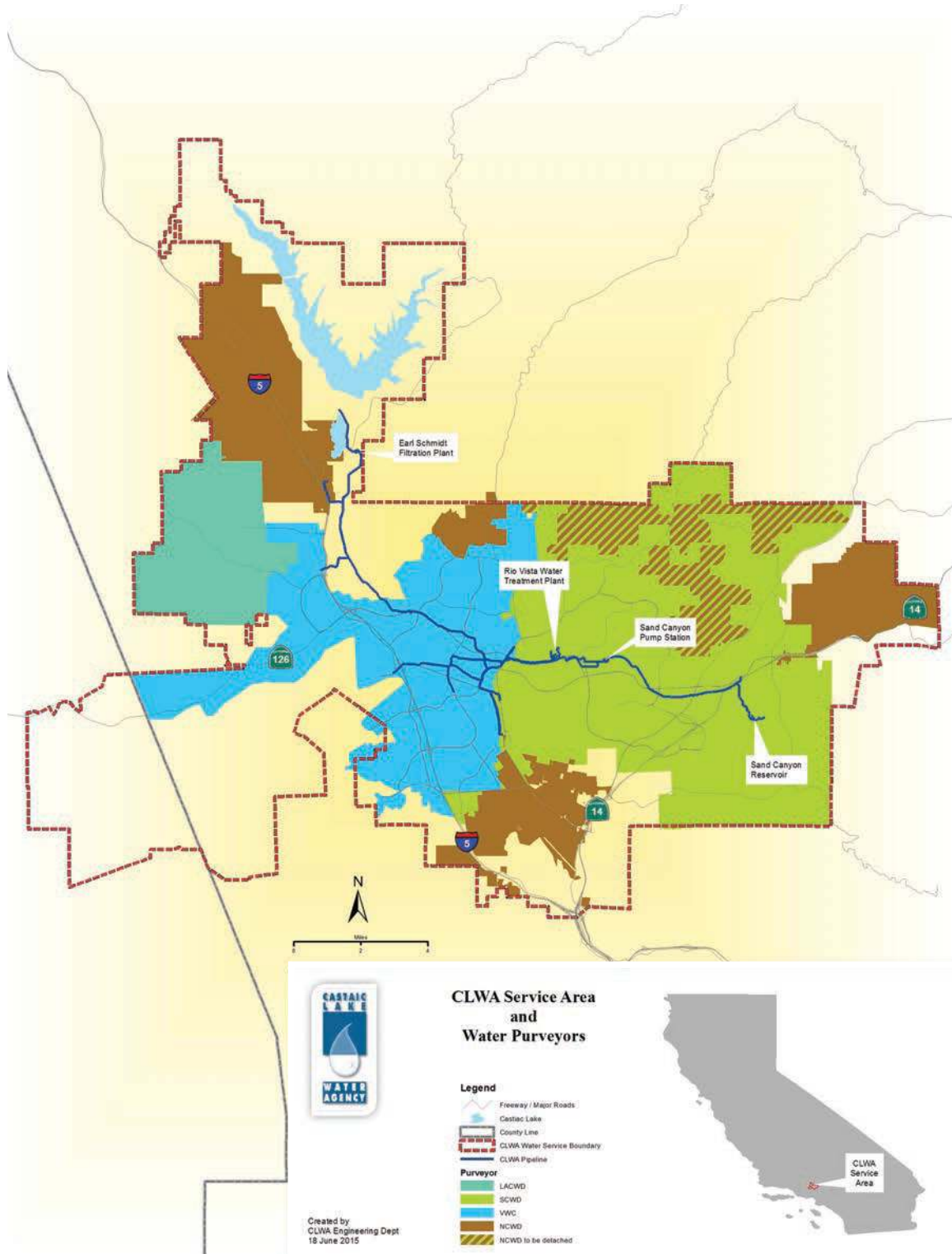
Enactment of the "1986 Amendment" (Chapter 832, California Statutes of 1986) expanded the Agency's role as a local water retailer by strengthening its authority to plan for and finance additional water facilities for the wholesale service area.

Today, the Agency provides supplemental wholesale water to four local water retailers. The Agency owns and operates one local water retailer, the Santa Clarita Water Division (SCWD). In 2012, the Agency acquired 100 percent of the stock of the Valencia Water Company (VWC), another water retailer in its service area.

Water Supply Sources and Facilities

On April 30, 1963, the Agency entered into an agreement with the California Department of Water Resources (DWR) for a contract amount of 41,500 acre-feet (AF) of water per year. CLWA's imported water supply has since grown, from the SWP original contract amount to 95,200 AF per year plus another 11,000 AF per year of "high flow" Kern River water acquired from two water districts in Kern County.

Figure 1. Castaic Lake Water Agency Service Area



I: Introduction

Since 2002, the Agency has undertaken water banking and exchange programs. The current balance quantity of water available from these programs is approximately 140,000 AF of water. With respect to SCWD and VWC (the two local water retailers under Agency ownership), the supply sources include imported water purchased from the Agency and local groundwater.

In FY 2003/04, the Agency began recycled water sales. Sales were 433 AF in FY 2014/15 with an estimated 2,150 AF of sales anticipated in FY 2015/16. The Agency and local water retailers are planning for the expansion of the recycled water system to help meet the Santa Clarita Valley's (Valley or SCV) growing water demand in the coming years.

The Agency owns and operates water conveyance pipelines and water treatment facilities to supply imported water to the four local water retailers. During FY 2015/16 it is estimated that the Agency will deliver 34,750 AF of supplemental water, including 4,100 AF of remediated groundwater. As of December 31, 2014, the local water retailers serve 72,156 connections.

The Agency's major facilities consist of:

- The Earl Schmidt Intake Pump Station (ESIPS)
- The 56 million gallons per day (mgd) Earl Schmidt Filtration Plant (ESFP)
- The Rio Vista Intake Pump Station (RVIPS)
- The 66 mgd Rio Vista Water Treatment Plant (RVWTP)
- The Sand Canyon pipeline, pump station and reservoir
- A system of pipelines and ancillary facilities that convey treated water to the four local water retailers
- The Saugus perchlorate treatment facility, which remediates contamination of certain portions of the service area's Saugus Formation aquifer

Castaic Lake is the terminal reservoir of the West Branch of the California Aqueduct and one of the largest recreational lakes of the State Water Project. DWR transports water via the California Aqueduct to Castaic Lake, which stores approximately 320,000 AF of water.

In 2012, the Agency purchased a 3.5 megawatt solar photovoltaic power plant to offset the off-site energy used by the Agency and SCWD in the treatment and transport of water supplies.



CLWA LAKE LEVEL (MAY 20, 2015 – UPPER LAKE)



CALIFORNIA AQUEDUCT



ENVIRONMENTAL SCAN

Community Profile

The Agency’s service area is considered a premier community for raising families and building businesses.

Overall, the area is known for its attractive residential neighborhoods, low crime rate and excellent schools.

A number of recreational and historical amenities are located in the Santa Clarita Valley, including nearby Castaic Lake, Six Flags Magic Mountain and Vasquez Rocks County Park. The Valley is also part of a comprehensive transportation network that includes three major freeways, a commuter rail line that serves over 2,000 passengers daily, and easy access to the ports of Los Angeles and Long Beach.



Prior to 2009, the Agency service area (along with most of California) experienced significant increases in residential, commercial and industrial construction, after which the economy experienced significant decline. While uncertainty following the economic recession remains, the Valley is showing signs of growth and, overall, is considered well positioned for a strong recovery. The Valley's population continues to increase, construction has resumed in some sectors, and employment levels are on the rise.

From 2000 to 2010, the City of Santa Clarita's population grew by 17.5 percent. Today, Santa Clarita is the fourth largest city in Los Angeles County. Area employment ranks favorably compared to other communities in the region, and the city has one of the lowest unemployment rates in Los Angeles County (6.7% in May 2015, compared to 7.3% for Los Angeles County).

Santa Clarita's economy is primarily service and retail-based. The manufacturing, finance, insurance, real estate and construction sectors also account for a notable portion of the local economy. Santa Clarita's top employers include Six Flags Magic Mountain, Saugus and William S. Hart Union School Districts, Princess Cruises, the U.S. Postal Service, College of the Canyons and Henry Mayo Memorial Hospital. Long-term prospects for the economic growth of the area are excellent.

Related Planning Efforts

Several recent or concurrent planning efforts provide a context and the information needed to help guide the Agency's strategic planning efforts. Most important, the goal of the Bay Delta Conservation Plan is to restore the Sacramento-San Joaquin River Delta's ecosystem while also assuring a reliable water supply system for California. The Agency continues to participate in this process and related efforts to address the many critical needs and issues of the Delta and the State Water Project system. The Draft Bay Delta Conservation Plan is available for public review.

The Santa Clarita Valley Area Plan ("One Valley One Vision"), a component of the Los Angeles County General Plan, was adopted by the Los Angeles County Board of Supervisors in November 2012. The plan is intended to guide the regulation of development within the unincorporated portions of the Santa Clarita Valley and, among other things, help ensure coordination of water supply and land use planning. Plan development was a joint effort led by the City of Santa Clarita and the Los Angeles County Department of Regional Planning.

The Upper Santa Clara River Integrated Regional Water Management Plan (IRWMP) is a cooperative regional effort that integrates water management and watershed planning and implementation with the goal of improving water supply reliability, water recycling, water conservation, recreation, and environmental and habitat protection in the upper Santa Clara Watershed. As part of the effort, the Agency and stakeholders are preparing a salt/nutrient management plan.

The Agency and the local water retailers have updated the Santa Clarita Valley Water Use Efficiency Strategic Plan. This comprehensive, long-term conservation plan is designed to promote cost-effective and proven conservation practices. The Agency will soon update the 2002 Recycled Water Master Plan as well.

The 2010 Santa Clarita Valley Urban Water Management Plan (UWMP) will be updated during 2015 and completed by July 2016. This document provides important data and policy guidance related to water use, water resources, recycled water, water quality, reliability planning, demand management measures and water shortage contingency planning. The UWMP has a planning horizon to the year 2050. The operating and capital programs in the Castaic Lake Water Agency Budget support the existing UWMP and are updated annually to support the goals of the updated Plan.



CLWA DEMONSTRATION GARDEN

Agency Strengths

During past Strategic Planning Workshops, the Board of Directors has identified the Agency's many strengths.

Critical to the Agency's success are:

- Reliable management of water resources
- Long-range strategic planning
- Responsible financial management
- Proactive pursuit of new water resource opportunities
- Strong relationships with local water retailers
- Effective collaboration with regional partners

Related Agency strengths include:

- Strong business development and staff communications
- Technical and management talent
- A strong in-house public relations team and the new Blue Ribbon Committee
- Multiple revenue sources
- Ability to provide quality information to support decision-making
- Positive Agency profile at the state level
- Organizational agility
- Competent legal counsel



CLWA HEADQUARTERS

Strategic Issues

Each year, the Board also reviews key challenges and strategic issues related to water resources management and effective Agency operation. Many have been identified as challenges beyond the Agency's control that create uncertainty for future operations. These issues are interrelated and fall into four broad categories: environmental, legal and regulatory, economic and political, and financial.

Environmental Challenges

Key environmental challenges affecting water supply include the severe drought faced by California and the impact of climate change. Drought management is a pivotal topic for the Agency and for water wholesalers and retail suppliers throughout the State. Deteriorating conditions in the Delta have also negatively impacted the availability of the SWP water supply.

The Agency Board is committed to addressing conditions proactively and elevating the importance of environmental sustainability and conservation in its strategic planning, management, partnerships and communications. Related needs include strengthening the Agency's promotion of water conservation and its research, messaging and communications around specific sustainability issues, including long-term regional water management and CLWA's role in maintaining a reliable water supply and water quality for the Valley.

Construction of the Agency's perchlorate treatment facility to remediate and treat contaminated supplies and control perchlorate migration in the Saugus Formation is only the beginning of a long-term program to ensure the continued availability of the Valley's groundwater supplies. The



HEADQUARTERS BUILDING

Agency is faced with the related communications challenge of providing water quality information to Valley businesses and residents that is easy to understand.

Legal and Regulatory Challenges

The future legal and regulatory climate surrounding water resources management will have an uncertain impact on Agency operations. The Board anticipates increased regulations affecting groundwater, water quality and the use of recycled water. Increasing regulatory constraints and recent judicial rulings continue to limit the amounts of water that can be delivered to SWP contractors throughout the State, including CLWA.

In 2008, the Directors voiced concern over the issue of growth and water supply and the outcomes and implications of related litigation. The Agency had been at the forefront of the battle involving the inappropriate use of California Environmental Quality Act (CEQA) litigation to stop water transfers and, hence, dictate land use planning.

Economic and Political Challenges

Managing water resources in light of conflicting values and limited public financial resources is a central challenge the Agency will continue to face. Balancing response to environmental regulations and concerns while also providing the necessary infrastructure to meet water needs influences financial and political decision-making both within and outside of the Agency.

State and federal financial support for water resource-related projects continues to be highly vulnerable to fluctuations in the national economy. The recent recession has further increased

uncertainty of funding at the federal level, while state financial resources for water-related projects are both scarce and highly competitive. With that said, grant funding to address drought conditions may be available in the coming years.

Financial Challenges

The Agency's financial picture is improving, as is the financial forecast for the region. Long-term financial health and the importance of open and transparent communications with retailers regarding future wholesale water rates and all aspects of long-term cost savings remain strategic issues for the Agency.

Communicating the true cost of water to stakeholders and the broader public is both a challenge and opportunity. While the diversity of the Agency's revenue sources strengthens its fiscal position, it also masks the true cost of water, a challenge that can complicate water conservation efforts and water resources management in the longer term.



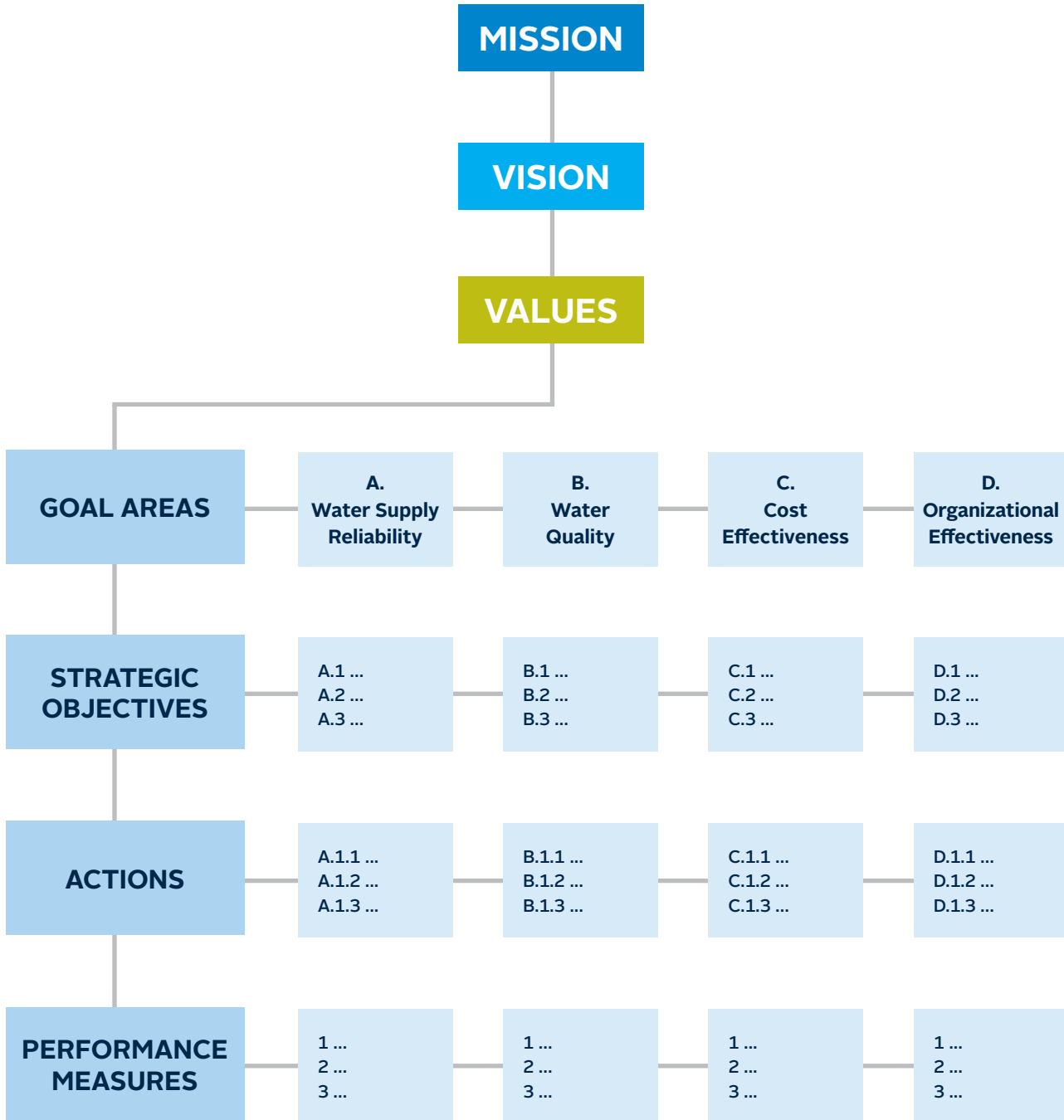
CLWA OPEN HOUSE



STRATEGIC PLAN FRAMEWORK

This chapter presents the Agency’s mission and vision statements, its values as an organization and the four core goal areas and objectives that drive its work. Chapter IV presents the performance measures that the Agency has developed to help manage the progress and success of its operations, resource and asset management, and evolution as an organization.

Figure 2. Strategic Plan Framework



Mission, Vision and Values

The *Mission* describes the fundamental purpose of the Agency and its primary role and function within the Santa Clarita Valley.

Values are shared beliefs that reflect what the Agency considers significant or important and are the basis from which each Agency staff member should be operating.

Reflecting both its mission and values, the *Vision* describes the Agency's desired future condition.

The *Goal Areas and Objectives* describe the Agency's strategic focus and comprise the fundamental responsibilities of the Agency.

Agency Performance Measures are the basis for assessing progress toward achieving the Authority's goals.

The Strategic Plan Framework graphic on the next page describes the relationship among the Strategic Plan elements.

Agency Mission

The mission of the Agency is *to provide reliable, quality water at a reasonable cost to the Santa Clarita Valley.*

Vision Statement

Castaic Lake Water Agency will be the recognized leader in promoting cooperative regional and local water resource management for the benefit of our community.

We will provide an environment that promotes employee excellence as well as customer and stakeholder confidence.

Values

Agency values have been developed in consultation with Agency staff and the Board of Directors and are the bedrock of Agency staff attitudes toward their work, their mission and their relationships.

SAFETY

Our operations are driven by the highest safety and security.

INTEGRITY

We act ethically and with integrity in all that we do.

PUBLIC TRUST

Public trust and confidence are central to our success as a wholesale water purveyor.

PROFESSIONALISM

We require our team to conduct business based on the highest professional standards.

INNOVATION

We strive to foster innovation and creativity in the work place.

ENVIRONMENT

We view water resources management as a means of improving water quality and conserving our natural resources.

TEAMWORK

We work together to provide the highest quality services to Santa Clarita Valley families, businesses and communities.

RESPECT

Our operations are founded upon respect for one another, our customers, our partners and the natural environment.

Goal Areas and Objectives

CLWA's strategic planning focuses on four goal areas that provide direction for achieving the Agency's vision and mission. Strategic objectives are identified for each goal area.

A. WATER SUPPLY RELIABILITY

Operate, maintain and implement plan facilities, projects and programs to provide and enhance water supply availability and reliability.

STRATEGIC OBJECTIVES

- A1 Ensure long-term average water demands are met through the integration of water management measures including imported supplies, local groundwater, recycled water, storm water capture and demand management programs.
- A2 Advance the integrated management of water resources including imported supplies, local groundwater, recycled water, storm water capture and demand management programs
- A3 Meet local retailers' water demands.
- A4 Advance demand management and achieve the water conservation target of 20% per capita by 2020.
- A5 Plan, design and build facilities to meet demand including storage capacity and interconnections between wholesale and retail water systems.
- A6 Operate and maintain facilities cost-effectively and efficiently.

B. WATER QUALITY

Comply with all water quality requirements for imported water sources of supply and proactively support preserving the quality of local sources of water supply.

STRATEGIC OBJECTIVES

- B1** Achieve 100% compliance with all water quality regulations and standards.
- B2** Remediate perchlorate contamination.

C. COST EFFECTIVENESS

Maintain a long-range, open, stable and well-planned financial condition, so that current and future water users are given fair and equitable rates and charges.

STRATEGIC OBJECTIVES

- C1** Maintain fiscal viability.
- C2** Strive to be under budget.
- C3** Optimize transmission and treatment costs.

D. ORGANIZATIONAL EFFECTIVENESS

Maintain a well-defined organizational structure that fosters innovation, integrity, leadership, professionalism, respect, safety and teamwork.

STRATEGIC OBJECTIVES

- D1** Ensure that the Agency is recognized as a credible, effective and reliable authority for water infrastructure, management and policy.
- D2** Advance workforce excellence.
- D3** Develop and maintain clear and comprehensive policies, systems and procedures.
- D4** Develop and maintain strong working relationships with retailers.
- D5** Work with local, regional and state agencies, industry associations and organizations to influence water policy for the benefit of our service area customers.



CLWA CONSERVATION GARDEN

IV.

AGENCY PERFORMANCE

Strategic Plan performance measures are the basis for assessing progress toward achieving Agency goals. This Strategic Plan focuses on four goal areas, which together provide the direction required to achieve the Agency's mission. This section presents performance measures for each goal area and associated objectives. Agency employees play an integral role in measuring and managing progress and determining the course of action required to meet each strategic objective.

The CLWA Action Plan (Appendix B) outlines the specific activities the Agency has identified to advance Strategic Plan objectives for the current fiscal year.



A. WATER SUPPLY RELIABILITY

Operate, maintain, implement and plan facilities, projects and programs to provide and enhance water supply availability and reliability.

Strengthening the Agency’s strategic emphasis on improving supply reliability is of highest priority. The Agency must optimize use of existing resources, consisting of imported surface water and groundwater. Water conservation, water use efficiency, and efficient facility operations are becoming increasingly important, and a coordinated response will further decrease reliance on Delta water supplies and enhance long-term supply reliability.

A1

LONG-TERM SUPPLY

Ensure long-term water supply needs meet current and future demand.

The following measures will be used to gauge progress towards achieving Objective A1:

1. Average year water supply exceeds ten-year projected water demand
2. Compliance with SBX 7-7 to reduce urban water use
3. Use of groundwater supply consistent with operating plans and Urban Water Management Plan
4. State Water Project (SWP) supply reliability consistent with the SWP Delivery Capability Report and the Urban Water Management Plan

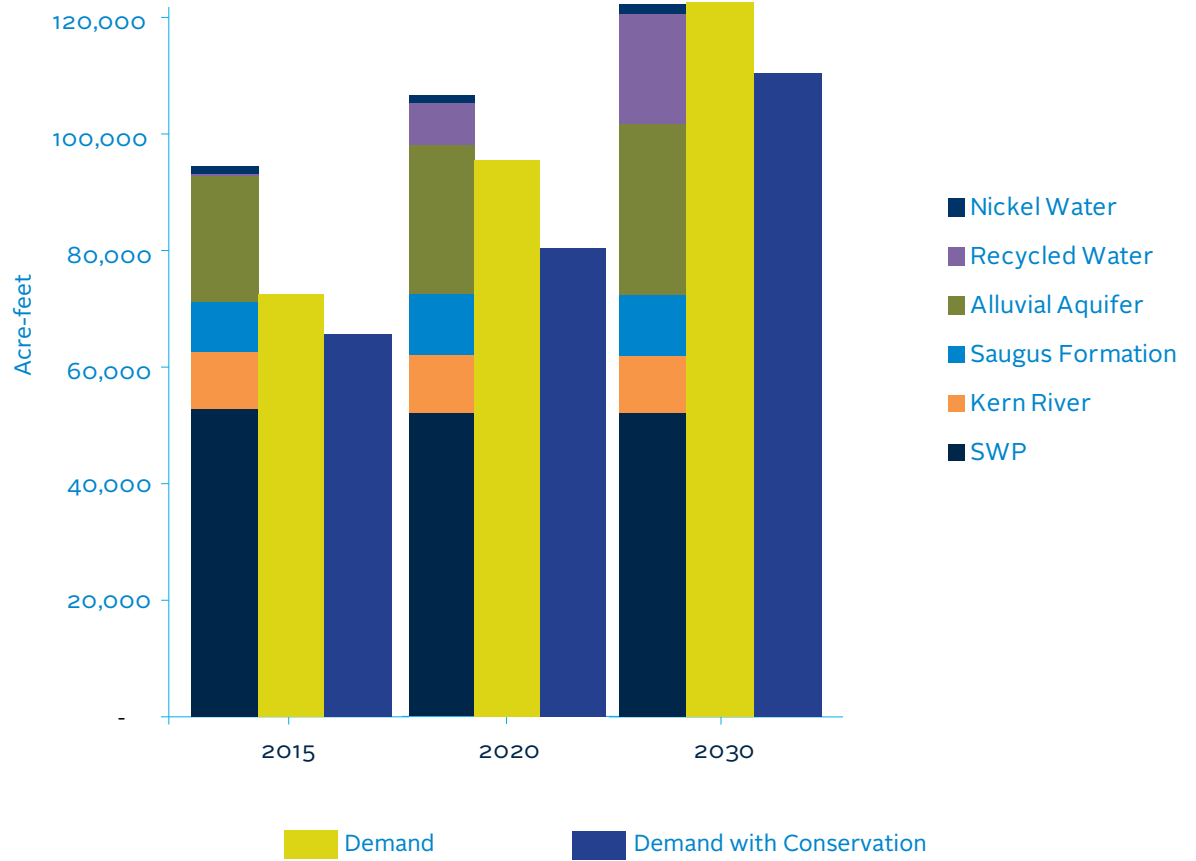
Status and Progress

Current and projected water supplies are sufficient to meet demand through build-out. Water conservation measures are on track to achieve 20% conservation by the year 2020. In addition, current average year water supply exceeds ten-year projected water demand.

Factors contributing to or constraining progress related to long-term supply include timing of the recycled water program and Bay Delta Conservation Plan implementation. In addition, new regulations and environmental factors could reduce the reliability of imported supplies.

Key actions the Agency plans to advance in the next fiscal year include preparing the Recycled Water Master Plan and the 2015 Urban Water Management plan.

A1. LONG TERM WATER AVAILABILITY



New regulations and environmental factors could reduce the reliability of imported supplies.

A2

INTEGRATED WATER MANAGEMENT

Advance the integrated management of water resources.

The following measures will be used to gauge progress towards achieving Objective A2:

1. Initiate a feasibility study for one or more recommended projects from the Local Water Supply Reconnaissance Study
2. Participate in efforts to implement the Sustainable Groundwater Management Act including formation of a groundwater sustainability agency

Status and Progress

During FY 2014/15, the Agency conducted a reconnaissance study of local water management alternatives that addressed how local water use could be enhanced. Alternatives that were considered included groundwater recharge with recycled water, storm water capture, aquifer storage and recovery of imported water and gray water use. The study identified groundwater recharge with recycled water and aquifer storage and recovery of imported water as the preferred alternatives meriting additional review and consideration.

A3

RETAILER DEMAND

Meet local retailers' water demands.

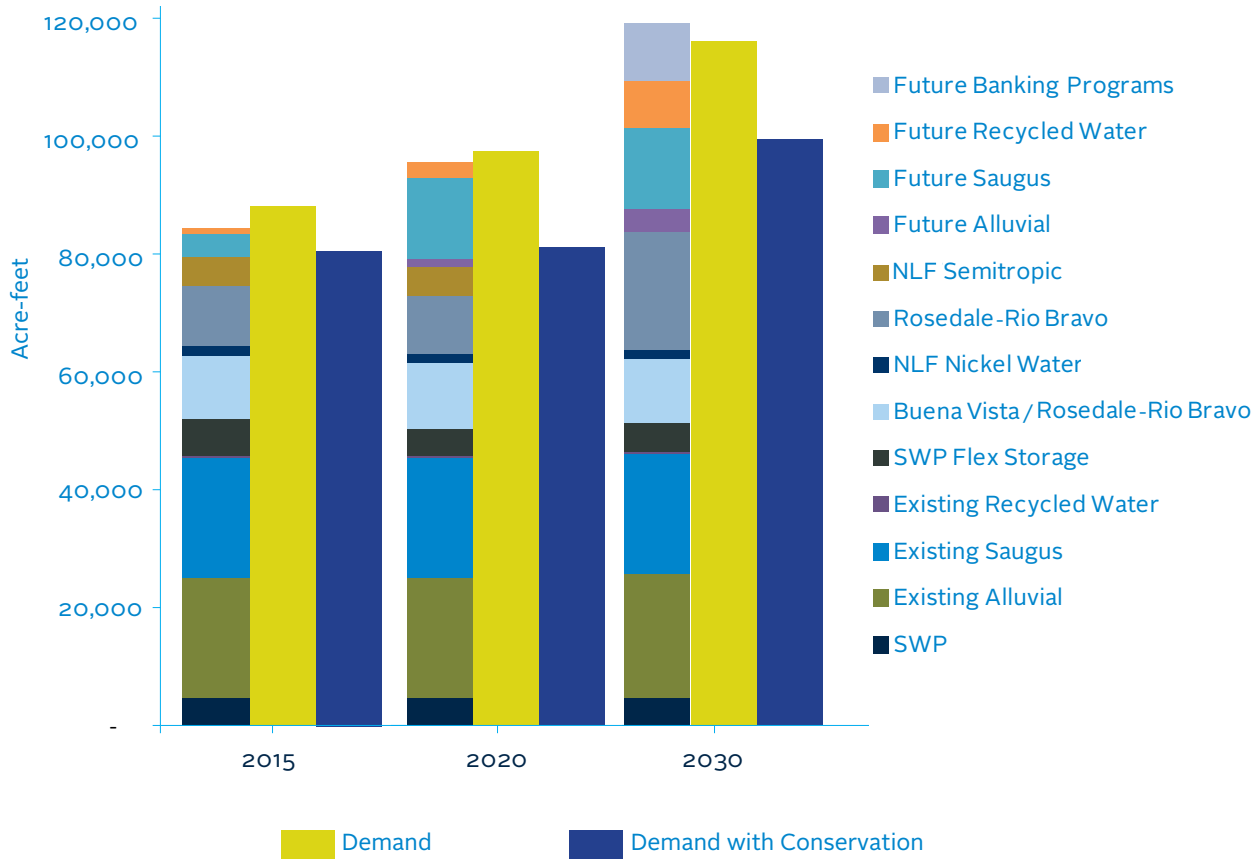
The following measures will be used to gauge progress towards achieving Objective A3:

1. Water banking program success in meeting annual demands (target: 95% confidence level)
2. Sufficient water storage and put-and-take capacity
3. Availability of local water resources
4. Conservation goals achieved

Status and Progress

2015 marks the fourth year of California's current drought cycle and the State Water Resources Control Board has imposed mandatory conservation measures. The Agency has assessed the performance of existing State Water Project water banking and exchange programs and has concluded, with the exception of very dry years, existing storage and exchange programs in combination with other imported and local water supplies are sufficient to meet retailer water demands.

A3. SINGLE DRY YEAR



Status and Progress (continued)

Key actions the Agency plans to advance in the next fiscal year include implementing treatment facilities at Well V-201 to restore impacted Saugus Formation well capacity, expanding extraction capacity of Rosedale-Rio Bravo banking and exchange program, and implementing the Stored Water Recovery Unit of the Semitropic Water Banking and Exchange Program.

A4

CONSERVATION TARGETS

Advance demand management and achieve water conservation target of 20% per capita by 2020.

The following measure will be used to gauge progress towards achieving Objective A4:

1. Estimated retailer per capita water use

Status and Progress

While the recent recession contributed to significant demand reductions, consumption had been rebounding. Aggressive efforts are required to establish a permanent water use efficiency ethic. A significant increase in budget and staffing will likely be required to achieve key results. Key actions that the Agency plans to advance include refining per capita demand projections and updating the Santa Clarita Valley Water Use Efficiency Strategic Plan.

A5

FACILITIES

Plan, design and build facilities to meet demand.

The following measure will be used to gauge progress towards achieving Objective A5:

1. Annual Capital Improvement Program (CIP) expenditures

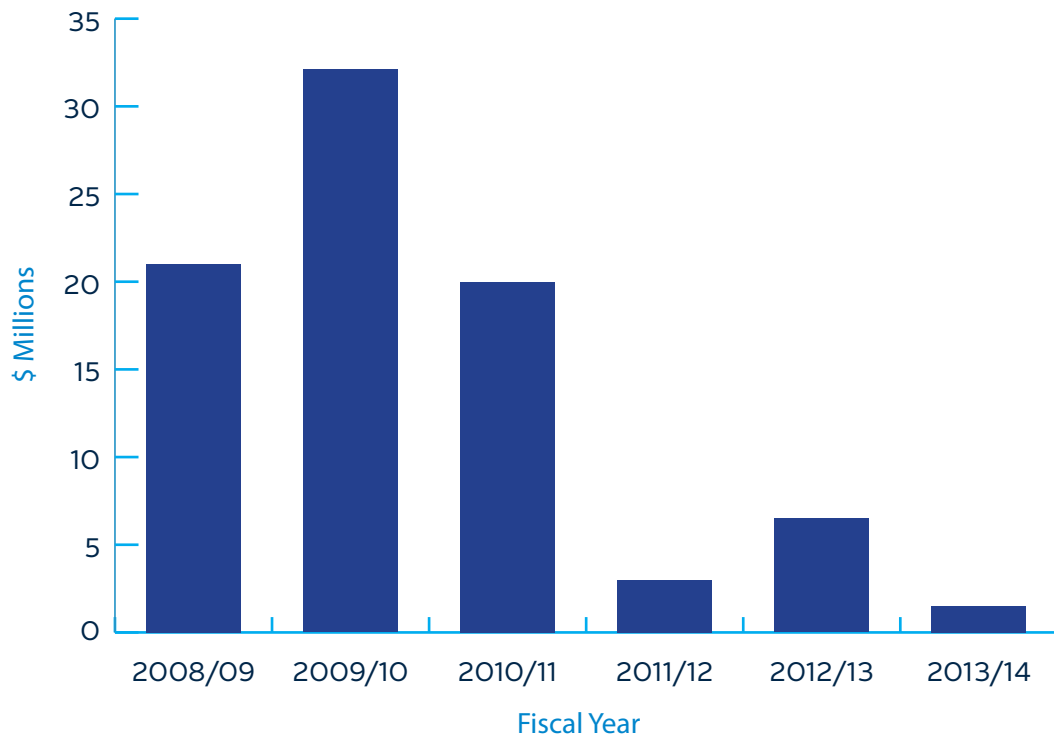
Status and Progress

CIP expenditures are low due to the ongoing economic downturn. The Agency will need to increase investment in its capital program to build facilities that meet future demand, and will also need to maintain current facilities to meet ongoing demand.

One key Agency action is to regularly analyze and update the CIP program to ensure that facilities are constructed to stay ahead of water needs.

A4. GALLONS PER CAPITA DAILY (GPCD) TARGET					
Supplier	Baseline GPCD	2015 GPCD TARGET	2020 GPCD TARGET	Actual 2013 GPCD	Actual 2014 GPCD
LACWD	235	212	188	228	200
NCWD	238	214	190	207	194
SCWD	251	226	201	219	206
VWC	335	301	268	297	271
VALLEYWIDE	280	252	225	246	223

A5. MAJOR CAPITAL PROJECTS EXPENDITURES



A6

**OPERATIONS AND
MAINTENANCE**

Operate and maintain facilities cost-effectively and efficiently.

The following measures will be used to gauge progress towards achieving Objective A6:

1. Progress of the Pipeline Inspection Program
2. Progress to develop and implement an Asset Management Program

Status and Progress

The Agency has recently completed the plan and schedule for its Pipeline Inspection Program, which is based on asset management principles. The Agency is also in the initial stages of implementing an Asset Management Program and will need to continue to expand the program to help improve the cost-effectiveness of its operations.

Key actions the Agency plans to advance include continuing to enter and track assets in the Computerized Maintenance Management System (CMMS) and performing programmed pipeline inspections each year, as outlined in the September 2013 Pipeline Inspection Program document.



B. WATER QUALITY

Comply with all water quality requirements from imported water sources of supply and proactively support preserving the quality of local sources of water supply.

Protecting existing water supplies and ensuring water quality of the highest standard is an essential component of the Agency mission. Agency objectives related to water quality focus on 100% regulatory compliance and remediation of local groundwater contamination.

B1

100% COMPLIANCE

Achieve 100% compliance with water quality regulations and standards.

The following measures will be used to gauge progress towards achieving Objective B1:

1. Completion of required Department of Public Health monitoring, sampling and analyses
2. Total Coliform Rule results (total coliform and E-Coli)
3. Surface Water Treatment Rule results (chlorine and CT requirements of DPH operating permit)
4. Safe Water Drinking Act results (Maximum contaminant levels for organic and inorganic contaminants)
5. Disinfection By-Products Rule results (THM, HAA and Bromate)

Status and Progress

With the exception of one event in 2012, the Agency reliably meets or exceeds all water quality regulations, standards and requirements.

Key actions include continuing to operate and monitor Agency facilities in a manner that meets all applicable water quality regulations and standards.

B2

PERCHLORATE

Remediate perchlorate contamination.

The following measures will be used to gauge progress towards achieving Objective B2:

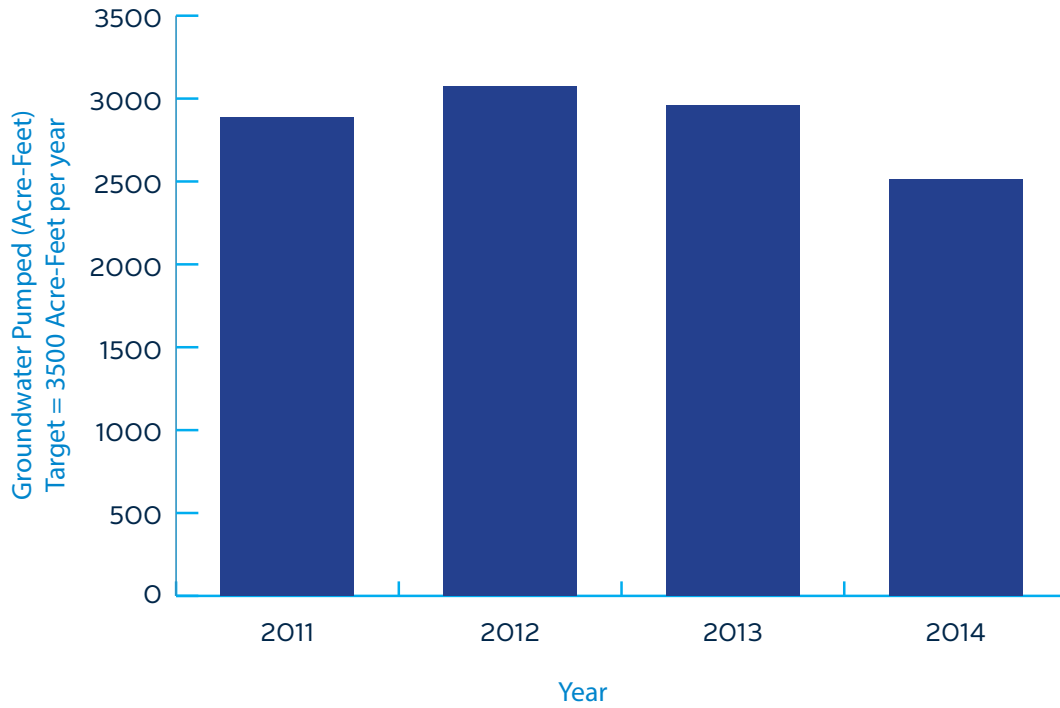
1. Groundwater pumped from Saugus wells and treated at the Saugus Perchlorate Treatment Facility
2. Perchlorate concentration
3. Impacted well capacity

Status and Progress

Pumping of groundwater is below the target level due to the rehabilitation of Saugus 1 Well and normal maintenance and repair activities. A significant percentage of lost well capacity still needs to be restored. The concentration of perchlorate in the Saugus 1 and 2 Wells remains at fairly constant levels under steady-state pumping conditions.

Key actions the Agency plans to advance in the next fiscal year includes (i) continuing Saugus 1 and 2 Well operations to remediate the perchlorate concentration and contain plume migration, (ii) completing planning/design to restore pumping at V-201, (iii) complete installation of monitoring wells near V-201 and V-205, and (iv) completing design of two replacement wells.

B2.A SAUGUS GROUNDWATER PUMPED



B2.B SCV SAUGUS FORMATION WELLS IMPACTED WELL CAPACITY

Well	Lost Capacity (gpm)	Action Taken	Restored Capacity (gpm)
V-157	1,500	Replaced with well V-206	1,500
NC-11	1,200	Taken out of service	0
Saugus 1	2,600	Rehabilitated well; installed treatment	1,200
Saugus 2	2,600	Rehabilitated well; installed treatment	1,200
V-201	2,400	Taken out of service	0
Total	10,300		3,900
Deficit			(6,400)



C. COST EFFECTIVENESS

Maintain a long-range, open, stable and well-planned financial condition, so that current and future water users are given fair and equitable rates and charges.

Ensuring cost-effective operations is a priority for CLWA. In order to accomplish this, the Agency will maintain its fiscal viability and strive to be under budget for capital projects, technical studies, equipment purchases and repair/replacement activities. Cost effectiveness can also be achieved by optimizing electrical transmission and chemical treatment costs to deliver water to customers.

C1

FISCAL HEALTH

Maintain fiscal viability.

The following measures will be used to gauge progress towards achieving Objective C1:

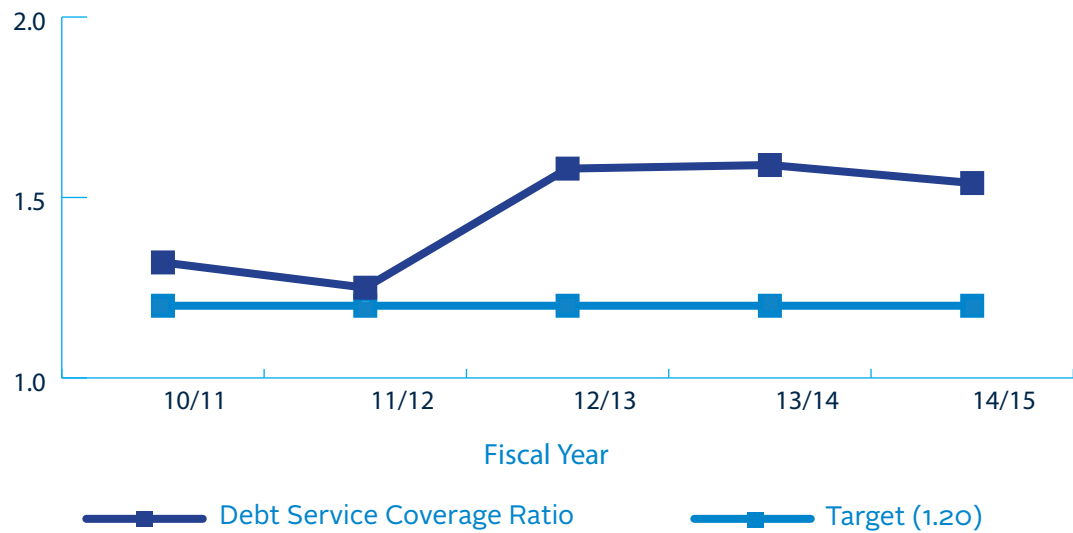
1. Maintain high bond ratings
2. Meeting debt service coverage ratio
3. Meeting reserve fund target

Status and Progress

The Agency has good bond ratings and meets its debt service coverage ratio requirements. In the five-year period between 2010-11 and 2014-15, the Agency maintained an average debt service of approximately 1.46 with more net operating income than needed to service Agency debts.

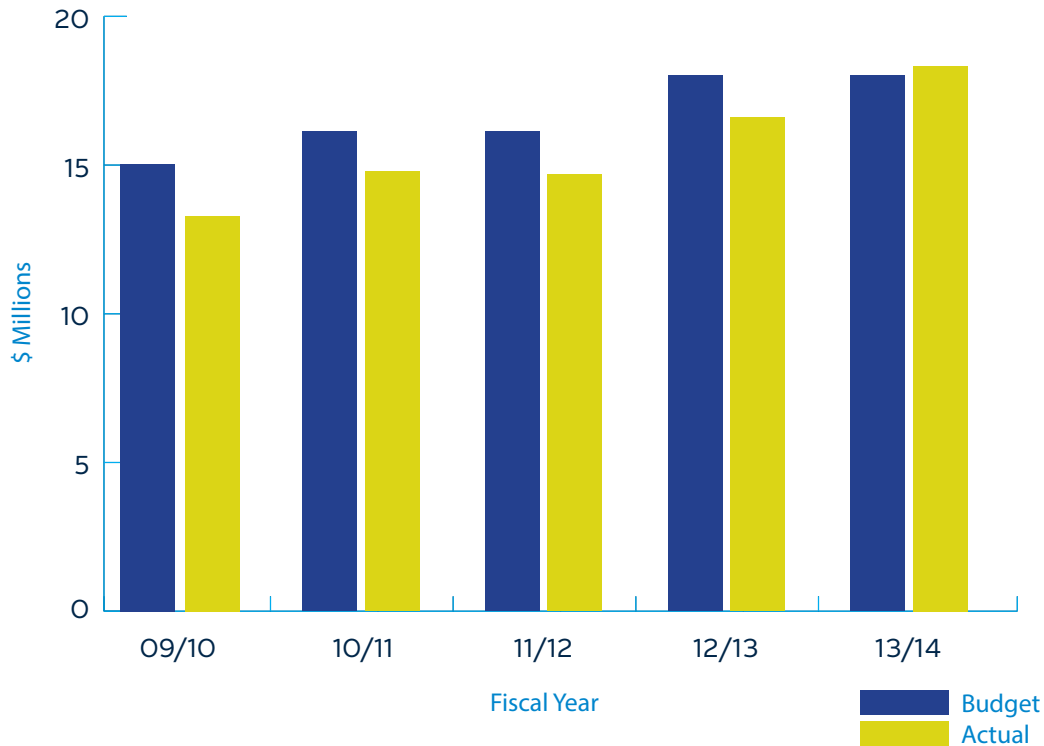
Key actions the Agency plans to advance in the next fiscal year include implementing a new wholesale water rate structure, engaging a consultant to assess the Agency's grant administration activities and engaging an economic forecasting consultant to prepare the facility capacity fee and property tax revenue projections.

C1. DEBT SERVICE COVERAGE RATIO



In the five-year period between 2010-11 and 2014-15, the Agency maintained an average debt service of approximately 1.46 with more net operating income than needed to service Agency debts.

C2.A OPERATING EXPENDITURES



C2

BUDGETING AND EXPENDITURES

Strive to be under budget.

The following measures will be used to gauge progress towards achieving Objective C2:

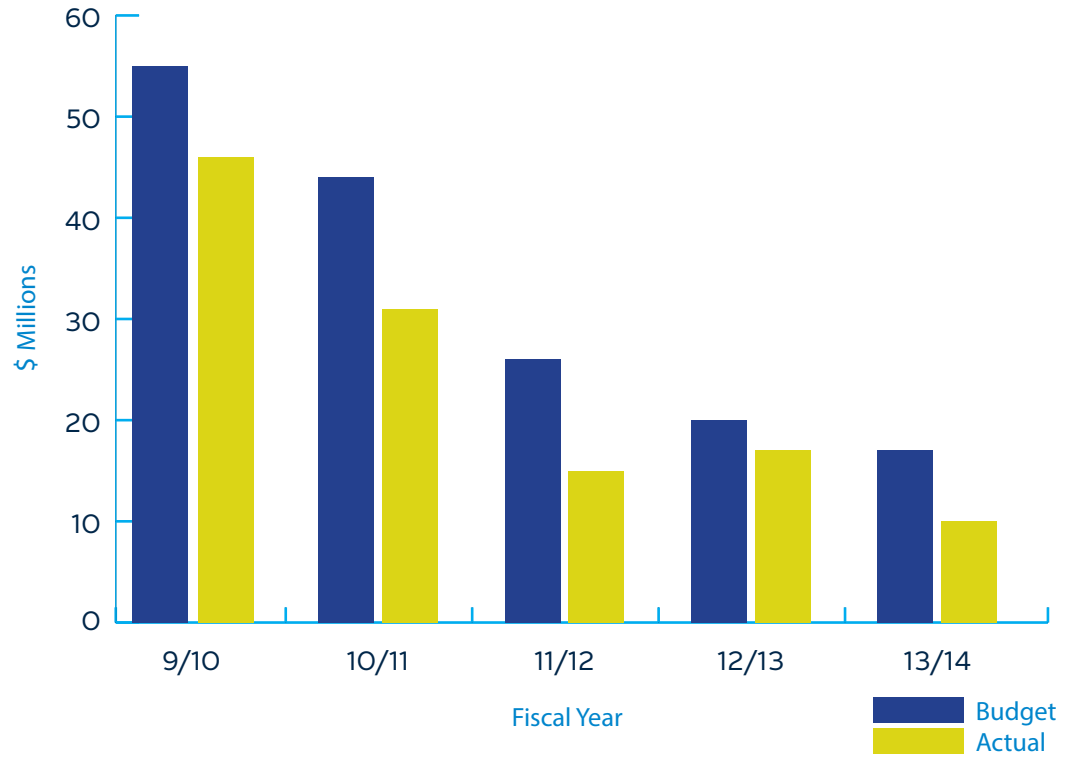
1. Actual costs compared to project budget
2. Number and magnitude of change orders

Status and Progress

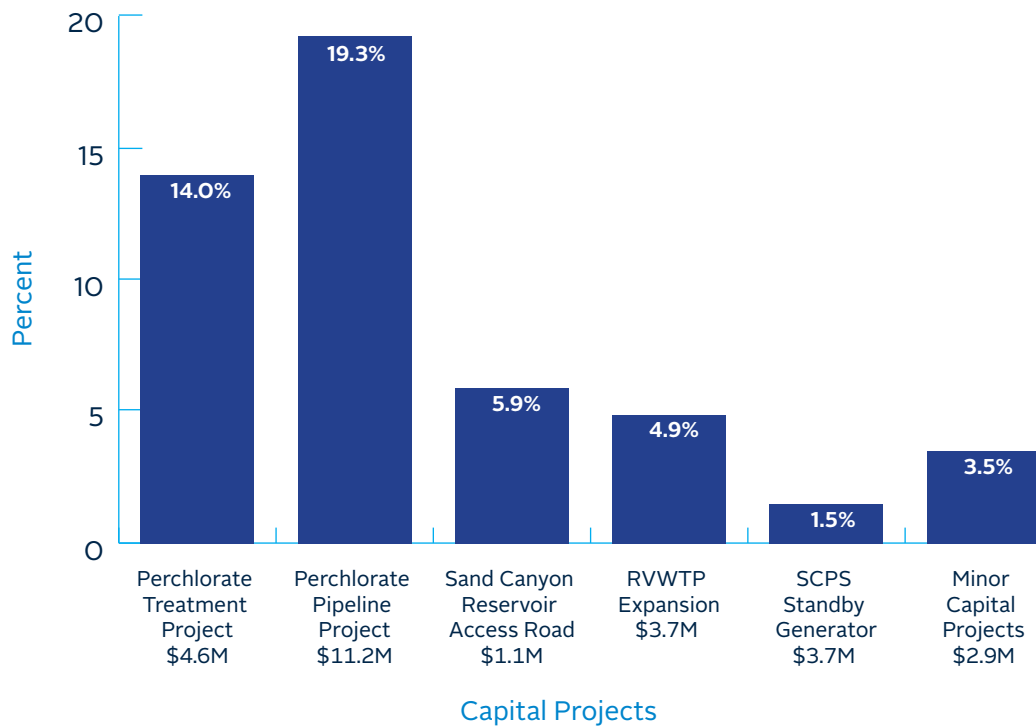
The Agency has a track record of staying below budgeted amounts for all project types and generally adheres to fiscal year budget limitations. The Agency tracks its change orders to a percentage of a project’s total budget and uses this data to improve budgeting for similar project types.

Key actions the Agency plans to advance in the next fiscal year include accurately tracking labor to recover reimbursements, where appropriate, and educating staff on cooperative purchasing networks and government contracts that offer discounts on goods and services.

C2.B CAPITAL EXPENDITURES



C2.C CAPITAL PROJECTS CHANGE ORDERS



C3

COST OPTIMIZATION

Optimize transmission and treatment costs.

The following measures will be used to gauge progress towards achieving Objective C3 :

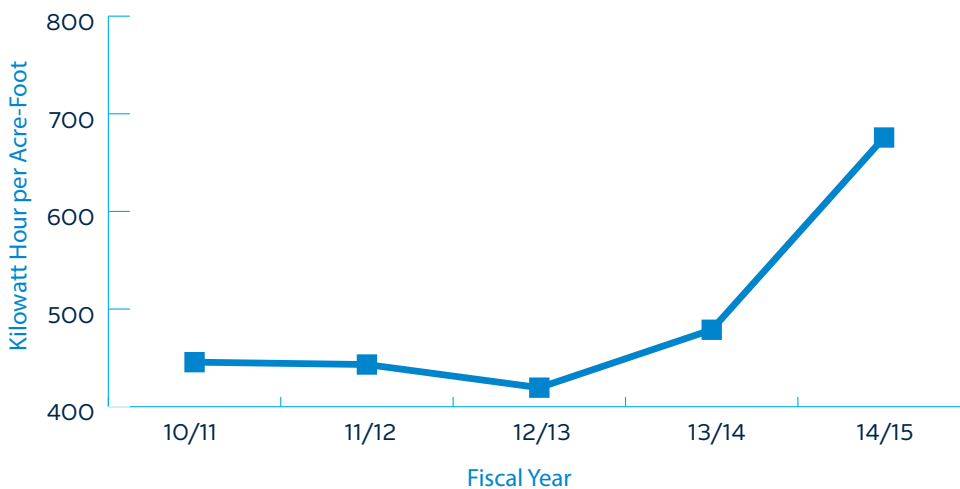
1. Amount of electricity used per acre foot of water delivered
2. Cost of chemicals per acre foot of water delivered

Status and Progress

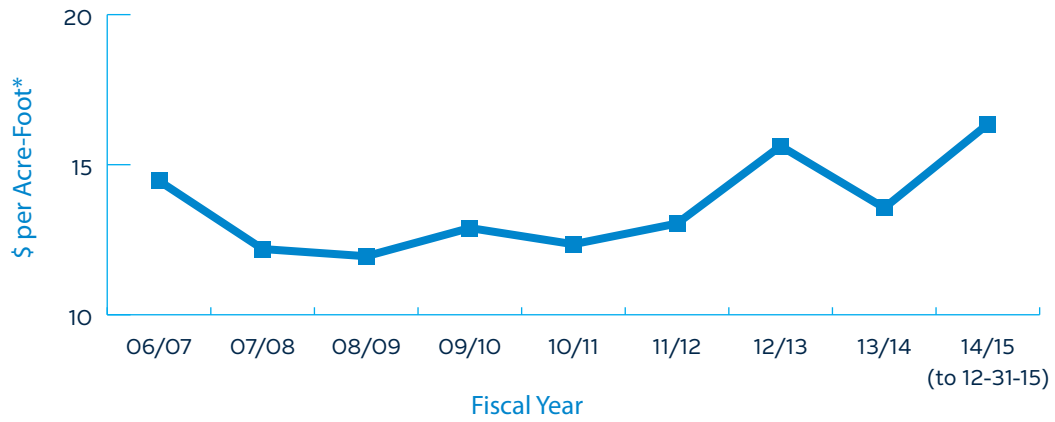
Over the past four years, the amount of electricity used, measured in kilowatts per acre foot of water, has remained fairly constant despite increases in electrical costs. The low water level of Castaic Lake caused by the prolonged drought contributed to increased pumping costs in fiscal year 2014/15. The cost of chemicals used to treat water has also remained fairly steady, with an average cost of approximately \$13.50 per acre foot of delivered water.

Key actions the Agency plans to advance in the next fiscal year include maximizing off-peak pumping to reduce electrical costs and regularly monitoring and adjusting chemical usage to optimize chemical use and ensure compliance with public health permits.

C3.A ENERGY USED IN WATER DELIVERY



C3.B CHEMICAL TREATMENT COST OF WATER DELIVERY



*The cost per acre foot includes all chemicals used the treatment process: chlorine gas, sodium hypochlorite, caustic soda (sodium hydroxide), ferric chloride, ammonia, and cationic, non-ionic, and anionic polymers as well as the cost of liquid oxygen, but does not include the electrical requirements to produce the ozone.

The low water level of Castaic Lake caused by the prolonged drought contributed to increased pumping costs in fiscal year 2014/15.



D. ORGANIZATIONAL EFFECTIVENESS

Maintain a well-defined organizational structure that fosters innovation, integrity, leadership, professionalism, respect, safety and teamwork.

Being an effective organization means the Agency must work to cultivate public awareness and understanding of its mission and programs, as well as adapt and educate its workforce to respond to new and evolving environmental, regulatory, safety and technical challenges. Internally, the Agency's organizational effectiveness can benefit from keeping policies, systems and procedures up to date and responsive to Agency needs.

D1

AGENCY CREDIBILITY

Ensure the Agency is recognized as a credible, effective and reliable authority for water infrastructure, management and policy.

The following measures will be used to gauge progress towards achieving Objective D1:

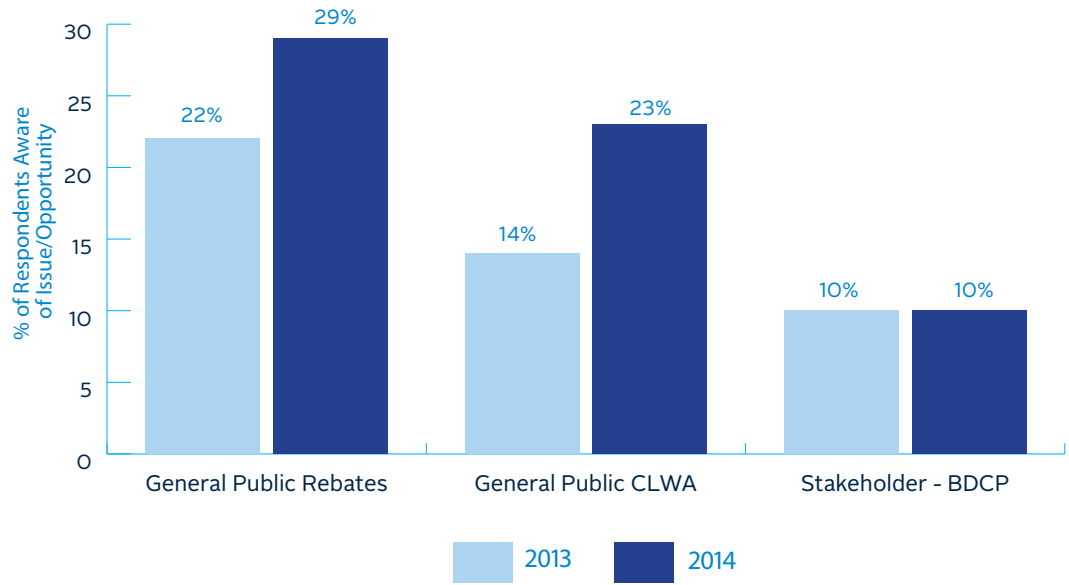
1. Level of public awareness of available water saving rebates and techniques
2. Public awareness and opinion of the Agency, the services it provides and its role in the community
3. Stakeholder awareness of water issues affecting ratepayers and the Agency

Status and Progress

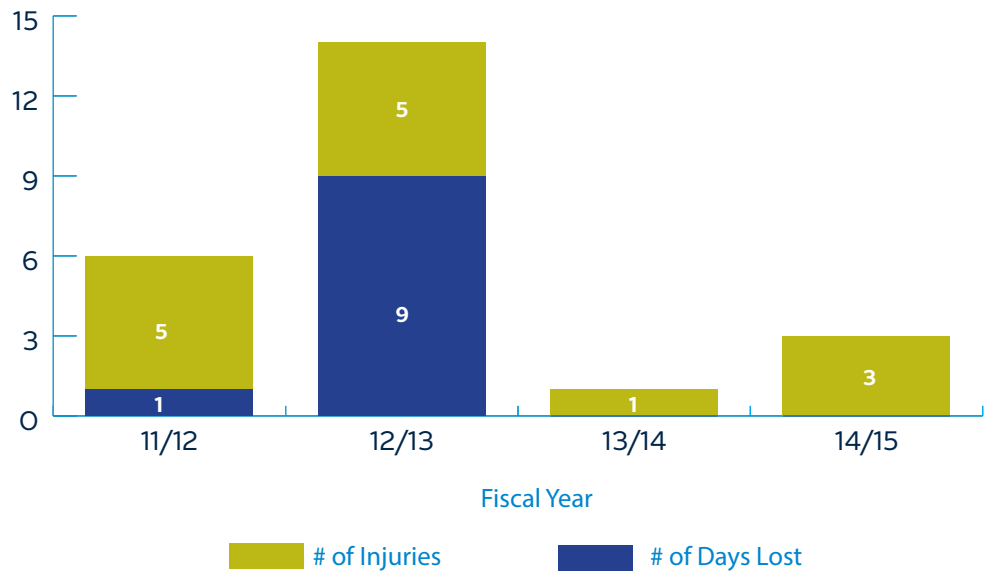
Awareness has increased from 2013 to 2014 among the general public regarding the rebate program and of the Agency's services. CLWA will increase its water conservation messaging in 2015 to address water supply and demand during the drought. CLWA will also continue to build upon efforts to increase awareness of critical water issues within the business community and among decision-makers.

Key actions the Agency plans to advance in the next fiscal year include complying with the State Water Resource Control Board's directive to expand drought-related outreach efforts, continue with the staff-lead outreach program and continue to work towards meeting the State goal of achieving a 20 percent reduction in per capita water use by 2020.

D1. PUBLIC AND STAKEHOLDER AWARENESS



D2. WORKPLACE PERSONAL INJURIES



D2

WORKFORCE EXCELLENCE

Advance workforce excellence.

The following measures will be used to gauge progress towards achieving Objective D2:

1. Revision and re-adoption of Agency job classification specifications on a five year schedule
2. On-time completion of annual performance evaluations and inclusion of employee input on career advancement plans
3. Agency use of education reimbursement program
4. Number of staff certifications compared with Division of Drinking Water requirements
5. Number of days lost to workplace personal injuries

Status and Progress

The Agency tracks recordable injuries and lost time due to injuries on the job. With a focus on safety training and awareness, the Agency has maintained a better industry average for both metrics over the last four years. The Agency has tracked days lost to injuries on the job with an average of 4.3 injuries over the last three years and 4.3 days lost per year, with the last two years boasting zero days lost.

In the five-year period between 2010-11 and 2014-15, the Agency reviewed/revised 34% of its job classification specifications. Performance evaluations are completed 100% of the time; there is room to improve by ensuring they are useful for professional development.

The educational assistance reimbursement program is not highly utilized, with just 5.7% of employees utilizing it annually over the last three years.

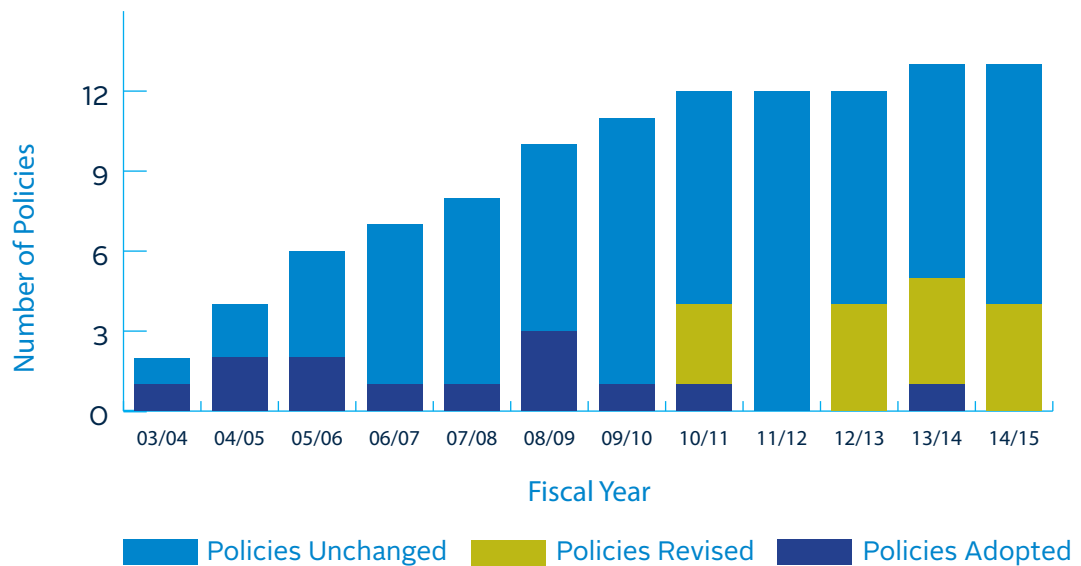
Key actions the Agency plans to advance in the next fiscal year are to continue to review the educational assistance program, and clarify and promote the program to Agency employees to encourage its use.

**D2.B STATE WATER RESOURCES CONTROL BOARD (SWRCB) LICENSE REQUIREMENTS
WHOLESALE**

Grade	SWRCB	CLWA Requirement	CLWA License Holders	Contact Hours
D-5	1	2	5	36
D-4	0	0	3	36
D-3	9	9	6*	24
D-2	8	8	10	16
D-1	4	4	0*	12
T-5	1	2	3	36
T-4	0	0	3	36
T-3	9	9	4*	24
T-2	0	6	8	16
T-1	0	0	1	12

*Agency and/or DPH requirements are met by higher grade license holders. Wholesale is a T-5, D-5 Treatment Plant System.

D3 FINANCIAL AND ADMINISTRATIVE POLICIES ADOPTED, REVISED AND UNCHANGED



D3

POLICIES AND PROCEDURES

Develop and maintain clear and comprehensive policies, systems and procedures.

The following measures will be used to gauge progress towards achieving Objective D3:

1. Number and percentage of Financial and Administrative policies that have been updated in the last five years
2. Pace of technology, tools and equipment maintenance relative to work-flow demand

Status and Progress

The Agency tracks policies that are adopted, revised or remain unchanged each fiscal year. A total of 17 financial and administrative policies were updated or adopted in the last five years with four policies updated in the last fiscal year.

A key action the Agency plans to advance in the next fiscal year is to prioritize the RFP process to select a consultant who will prepare an Information Technology Strategic Plan.

D4

COLLABORATION

Develop and maintain strong working relationships with retailers.

The following measures will be used to gauge progress towards achieving Objective D4:

1. Development of new wholesale water rate structure
2. Achieve the “Principles for Moving Forward” adopted by the CLWA and NCWD Boards of Directors

Status and Progress

The Agency assisted and collaborated with all four local retailers alike to (i) ensure they could meet customer demand during the ongoing drought, (ii) achieve their conservation goals and (iii) conduct customer outreach.

The Agency also collaborated with the retailers in preparing the reconnaissance study of local water management and participated with the retailers, the City and County in the Santa Clarita Valley Water Committee.

Key actions in the next fiscal year are to work collaboratively with the retailers to develop a new wholesale water rate structure and to work collaboratively with Newhall County Water District (NCWD) to address issues of mutual concern and enhance the relationship between CLWA and NCWD.

D5

AGENCY INFLUENCE

Work with local, regional and state agencies, industry associations and organizations to influence water policy for the benefit of our service area customers.

The following measures will be used to gauge progress towards achieving Objective D5:

1. Level of active participation in organizations by Agency Directors and staff
2. Diversity of organization memberships

Status and Progress

The Agency reports Director and staff participation in a diverse set of local, regional, state and industry associations and organizations, most having water-related missions. Expanded local outreach may prove critical in years of drought and infrastructure development.

Key actions in the next fiscal year are to implement the Agency's Communication Strategic Plan including the hiring of a Public Affairs Specialist and expansion of the Blue Ribbon Committee.



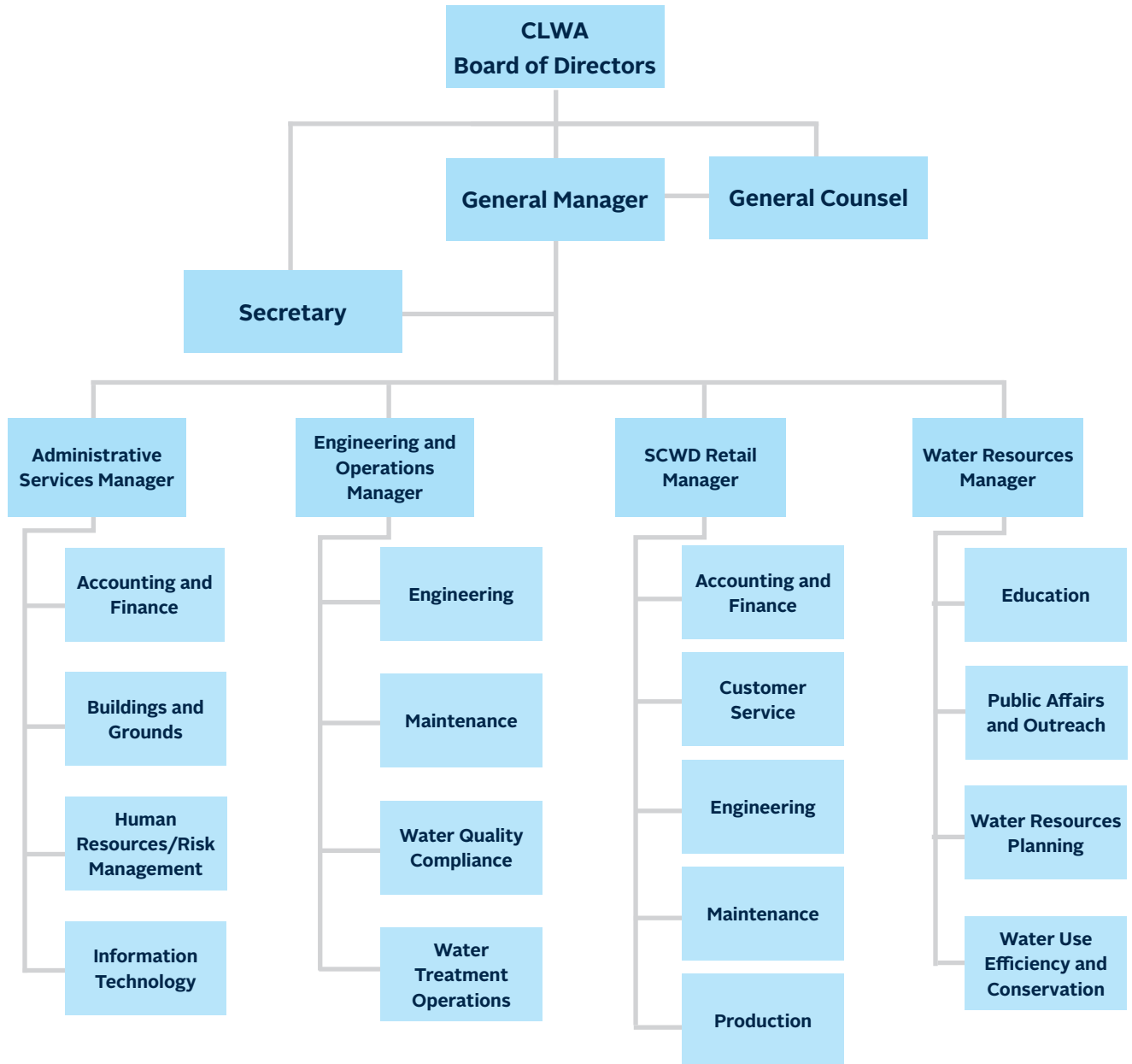
CLWA OPEN HOUSE

The Castaic Lake Water Agency will be the recognized leader in promoting cooperative regional and local water resource management for the benefit of our community.

—from *Castaic Lake Water Agency Vision Statement*

APPENDIX A

CLWA Organizational Structure



APPENDIX B

A. WATER SUPPLY RELIABILITY

A1. Ensure long-term average water demands are met through the integration of water management measures including imported supplies, local groundwater, recycled water, storm water capture and demand management programs.

	Actions	Lead Responsibility	Target Date	Priority
A1.1	Complete the 2015 Water Supply Reliability Report Update.	Water Resources	December 2015	P1
A1.2	Participate in development and implementation of the Bay Delta Conservation Plan (BDCP) by supporting interim financing of planning and design activities.	Water Resources	December 2015	P1
A1.3	Complete Recycled Water Rules and Regulations.	Engineering	January 2016	P1
A1.4	Coordinate and analyze performance of water banking and exchange programs, local groundwater production and water conservation measures.	Water Resources	March 2016	P1
A1.5	Identify projects and initiate planning for projects to enhance long-term water supply reliability identified in the updated Water Supply Reliability Report/ Program Operations Plan including water banking, exchange, additional increased groundwater pump-back capability and water transfers.	Water Resources	April 2016	P2
A1.6	Complete update of Recycled Water Master Plan.	Engineering	June 2016	P1
A1.7	Complete the 2015 Santa Clarita Valley Urban Water Management Plan.	Water Resources	June 2016	P1
A1.8	Participate in the development and implementation of the BDCP by negotiating State Water Project contract amendments to equitably allocate BDCP costs among participants.	Water Resources	June 2016	P1
A1.9	Support regulatory decisions that improve water supply reliability of the State Water Project in absence of BDCP.	Water Resources	Ongoing	-
A1.10	In coordination with the retail purveyors, respond to SB 610 Water Supply Assessments and SB 221 Water Supply Verifications.	Water Resources	Ongoing	-
A1.11	Complete Saugus Formation Dry Year Reliability ("Red-Handled") Wells Project.	Engineering	2017	Long-term

A2. Advance the integrated management of water resources including imported supplies, local groundwater, recycled water, storm water capture and demand management programs.

	Actions	Lead Responsibility	Target Date	Priority
A2.1	Initiate feasibility study for one or more recommended projects from the Local Water Supply Reconnaissance Study.	Water Resources	September 2015	P2
A2.2	Assess status of the Integrated Regional Water Management Plan Process.	Water Resources	June 2016	P2

WATER SUPPLY RELIABILITY (CONTINUED)**A2. Advance the integrated management of water resources including imported supplies, local groundwater, recycled water, storm water capture and demand management programs. (CONTINUED)**

	Actions	Lead Responsibility	Target Date	Priority
A2.3	Participate in efforts to implement the Sustainable Groundwater Management Act including formation of a groundwater sustainability agency.	Water Resources	Ongoing	-
A2.4	<i>In collaboration with other Santa Clarita Valley stakeholders, participate in formation of groundwater sustainability agency.</i>	Water Resources	2017	Long-term
A2.5	<i>Explore models of integrated water resource management.</i>	Water Resources	2017	Long-term

A3. Meet local retailers' water demands.

	Actions	Lead Responsibility	Target Date	Priority
A3.1	Meet all local water retailers' water demands.	Water Treatment Operations	Ongoing	-
A3.2	Work with the Santa Clarita Valley Water Committee to enhance retail purveyor, City and County drought outreach and water conservation activities.	Water Resources	Ongoing	-
A3.3	Ensure CLWA has full access to water supplies available to it under its State Water Project contract and other water supply agreements that rely on State Water Plan (SWP) conveyance and store water for reliability enhancement and dry year use.	Water Resources	Ongoing	-

A4. Advance demand management and achieve the water conservation target of 20% per capita by 2020.

	Actions	Lead Responsibility	Target Date	Priority
A4.1	Initiate implementation of one additional program identified in the updated Santa Clarita Valley Water Use Efficiency Strategic Plan.	Water Resources	June 2016	P1
A4.2	Analyze and revise the Agency's turf replacement programs as needed.	Water Resources	June 2016	P2
A4.3	Implement existing Wholesale programs and policies consistent with the updated Santa Clarita Valley Water Use Efficiency Strategic Plan.	Water Resources	Ongoing	-
A4.4	Identify, plan and implement approaches to fund large commercial, institutional and industrial turf replacement projects..	Water Resources	Ongoing	-
A4.5	Support local regulations for new development consistent with the goals of the updated Santa Clarita Valley Water Use Efficiency Strategic Plan.	Water Resources	Ongoing	-

WATER SUPPLY RELIABILITY (CONTINUED)

A4. Advance demand management and achieve the water conservation target of 20% per capita by 2020. (CONTINUED)

	Actions	Lead Responsibility	Target Date	Priority
A4.6	Support retail purveyors' efforts to implement pricing structures consistent with the goals of the updated Santa Clarita Valley Water Use Efficiency Strategic Plan.	Water Resources	Ongoing	-

A5. Plan, design and build facilities to meet demand, including storage capacity and interconnections between wholesale and retail water systems.

	Actions	Lead Responsibility	Target Date	Priority
A5.1	Initiate final design of the Earl Schmidt Filtration Plant Sludge Collection System Project.	Engineering	July 2015	P1
A5.2	Complete design of the Rio Vista Water Treatment Plant Clearwell Cover No. 2 Improvements Project.	Engineering	September 2015	P1
A5.3	Initiate construction of the Rio Vista Water Treatment Plant Clearwell Cover No. 2 Improvements Project.	Engineering	October 2015	P1
A5.4	Complete planning of Recycled Water Phase 2C Project.	Engineering	November 2015	P1
A5.5	Complete design of the Earl Schmidt Filtration Plant Clearwell/Ct Improvements Project.	Engineering	December 2015	P1
A5.6	Complete planning of Recycled Water Phase 2B Project.	Engineering	December 2015	P1
A5.7	Initiate construction of the Earl Schmidt Filtration Plant Clearwell/CT Improvements Project.	Engineering	January 2016	P1
A5.8	Initiate construction of the permanent raw water connection to Metropolitan Water District Foothill Feeder pipeline.	Engineering	January 2016	P2
A5.9	Complete design and land acquisition of the Distribution System – RV-2 Modifications Project.	Engineering	March 2016	P1
A5.10	Complete construction facility modifications and pipeline inspection of Newhall Lateral Reach 2A.	Engineering	March 2016	P1
A5.11	Complete Emergency and Operational Storage Study.	Engineering	March 2016	P2
A5.12	Complete design of the Rio Vista Water Treatment Plant Entrance Gate Relocation Project.	Engineering	March 2016	P2
A5.13	Complete design of Newhall Lateral Reach 2B Facility Modifications Project.	Engineering	April 2016	P1
A5.14	Initiate construction of the Magic Mountain Pipeline Phase 4 Project.	Engineering	April 2016	P1
A5.15	Complete environmental compliance document for Recycled Water Phase 2C Project.	Engineering	April 2016	P1
A5.16	Complete annual electro-potential pipeline-to-soil survey and evaluation of CLWA pipeline system.	Engineering	April 2016	P2

WATER SUPPLY RELIABILITY (CONTINUED)**A5. Plan, design and build facilities to meet demand, including storage capacity and interconnections between wholesale and retail water systems. (CONTINUED)**

	Actions	Lead Responsibility	Target Date	Priority
A5.17	Initiate construction of the Rio Vista Water Treatment Plant Entrance Gate Relocation Project.	Engineering	April 2016	P2
A5.18	Complete environmental compliance document for Recycled Water Phase 2B Project.	Engineering	June 2016	P1
A5.19	Complete design of Recycled Water Phase 2A Project.	Engineering	June 2016	P1
A5.20	Complete design of the Magic Mountain Pipeline Phase 5 Project	Engineering	June 2016	P1
A5.21	Update system hydraulic model to include extended period simulation.	Engineering	June 2016	P2
A5.22	Continue development of GIS program capabilities and acquisition of GIS data.	Engineering	Ongoing	-
A5.23	<i>Initiate construction of the Magic Mountain Pipeline Phase 5 Project.</i>	<i>Engineering</i>	<i>2017</i>	<i>Long-term</i>
A5.24	<i>Complete design of the Magic Mountain Pipeline Phase 6 Project.</i>	<i>Engineering</i>	<i>2017</i>	<i>Long-term</i>
A5.25	<i>Complete design and land acquisition for Phase 2B of the Recycled Water Program.</i>	<i>Engineering</i>	<i>2017</i>	<i>Long-term</i>
A5.26	<i>Complete seismic vulnerability study of treatment and distribution system.</i>	<i>Engineering</i>	<i>2017</i>	<i>Long-term</i>
A5.27	<i>Initiate construction of the Castaic Conduit Bypass Project.</i>	<i>Engineering</i>	<i>2018</i>	<i>Long-term</i>
A5.28	<i>Initiate construction of the Rio Vista Water Treatment Plant Maintenance Facility Expansion Project.</i>	<i>Engineering</i>	<i>2018</i>	<i>Long-term</i>
A5.29	<i>Complete design and land acquisition of the Castaic Conduit Bypass Project.</i>	<i>Engineering</i>	<i>2018</i>	<i>Long-term</i>
A5.30	<i>Initiate construction of the Recycled Water Program Phase 2C Project.</i>	<i>Engineering</i>	<i>2020</i>	<i>Long-term</i>
A5.31	<i>Initiate construction of the Honby Parallel Pipeline Phase 2 Project.</i>	<i>Engineering</i>	<i>2020</i>	<i>Long-term</i>
A5.32	<i>Complete design and land acquisition for Phase 2A of the Recycled Water Program.</i>	<i>Engineering</i>	<i>2023</i>	<i>Long-term</i>

A6. Operate and maintain facilities cost-effectively and efficiently.

	Actions	Lead Responsibility	Target Date	Priority
A6.1	Replace filter-to-waste valve on Filter #1 at Rio Vista Water Treatment Plant.	Maintenance	December 2015	P2
A6.2	Install new vault and sample pump for chlorine analyzer at Rio Vista Water Treatment Plant.	Maintenance	December 2015	P2

WATER SUPPLY RELIABILITY (CONTINUED)

A6. Operate and maintain facilities cost-effectively and efficiently. (CONTINUED)

	Actions	Lead Responsibility	Target Date	Priority
A6.3	Install drain line to storm drain system at Saugus Perchlorate Treatment Facility.	Maintenance	December 2015	P2
A6.4	Complete repair to Filter #7 at Earl Schmidt Filtration Plant.	Maintenance	February 2016	P1
A6.5	Replace two clarifier flow meters at Earl Schmidt Filtration Plant.	Maintenance	March 2016	P1
A6.6	Replace isolation valves for backwash pump at Rio Vista Water Treatment Plant.	Maintenance	March 2016	P2
A6.7	Replace air compressors in filter and wash water return buildings at Rio Vista Water Treatment Plant.	Maintenance	April 2016	P2
A6.8	Add seismic valve for clear wells at Earl Schmidt Filtration Plant.	Maintenance	May 2016	P3
A6.9	Implement land use changes at Devil's Den that provide revenue and/or reduce operating costs.	Maintenance	Ongoing	-

B. WATER QUALITY

B1. Achieve 100% compliance with water quality regulations and standards.

	Actions	Lead Responsibility	Target Date	Priority
B1.1	Meet all applicable water quality regulations.	Water Treatment Operations	Ongoing	-
B1.2	Track regulatory and statutory changes at both the federal and state levels pertaining to the Safe Drinking Water Act, the Clean Water Act and the potable water community in general.	Water Quality and Regulatory Affairs	Ongoing	-

B2. Remediate perchlorate contamination.

	Actions	Lead Responsibility	Target Date	Priority
B2.1	Complete final design of Saugus Monitoring Wells.	Engineering	August 2015	P1
B2.2	Complete design of the Replacement Wells and Dry Year Reliability Wells.	Engineering	December 2015	P1
B2.3	Complete construction of Saugus Monitoring Wells.	Engineering	March 2016	P1

C. COST EFFECTIVENESS

C1. Maintain fiscal viability.

	Actions	Lead Responsibility	Target Date	Priority
C1.1	Prepare a Proposition 84 Round 3 implementation grant application.	Water Resources	September 2015	P1
C1.2	Engage an economic forecasting consultant to prepare facility capacity fee and property tax revenue projections.	Administration	December 2015	P3

COST EFFECTIVENESS (CONTINUED)				
C1. Maintain fiscal viability. (CONTINUED)				
	Actions	Lead Responsibility	Target Date	Priority
C1.3	Initiate the biennial update of the Facility Capacity Fee Study.	Engineering	February 2016	P1
C1.4	Implement a new wholesale water rate structure.	Administration	March 2016	P1
C1.5	Renew the 2008A variable rate Certificates of Participation Letter of Credit that expires May 6, 2016.	Administration	May 2016	P1
C1.6	Prepare a Proposition 1 grant application if available.	Water Resources	June 2016	P1
C1.7	Oversee and administer the Proposition 84 Upper Santa Clara River Integrated Regional Water Management grant program.	Water Resources	Ongoing	-
C1.8	Administer awarded grants and assist project managers in determining reimbursement schedule.	Water Resources	Ongoing	-
C1.9	Pursue federal funding for perchlorate contamination clean-up, recycled water projects, and short and long-term drought relief with increased staff and Director presence in Washington, D.C. in coordination with federal legislative advocate.	Water Resources	Ongoing	-
C1.10	Keep wholesale and retail fiscal operations independent and separate.	Administration	Ongoing	-
C1.11	Cooperate with Department of Water Resources and other State Water Project contractors to improve the administration of the State Water Project in a manner that promotes long-term cost effectiveness, operational reliability and supply availability.	Water Resources	Ongoing	-
C1.12	<i>Complete the biennial update of the Facility Capacity Fee Study and adopt new Facility Capacity Fees.</i>	<i>Engineering</i>	<i>Even numbered years</i>	<i>Long-Term</i>
C1.13	<i>Engage a consultant to review the Agency's reserve fund policies and recommend changes as appropriate.</i>	<i>Administration</i>		<i>Long-term</i>
C1.14	<i>Adopt a new investment policy for the proceeds from the potential lump sum payment of the perchlorate settlement agreement for O&M activities.</i>	<i>Administration</i>		<i>Long-term</i>
C1.15	<i>Research hiring an investment management firm to manage the potential lump sum payment for O&M activities as provided in the perchlorate settlement agreement.</i>	<i>Administration</i>		<i>Long-Term</i>

COST EFFECTIVENESS (CONTINUED)

C2. Strive to be under budget.				
	Actions	Lead Responsibility	Target Date	Priority
C2.1	Ensure the Agency and Division/Department budgets are appropriately expended by actively managing and controlling expenditures.	All Departments and Divisions	Ongoing	-

C3. Optimize transmission and treatment costs.

	Actions	Lead Responsibility	Target Date	Priority
C3.1	Convert pump from oil lube system to water lube system at Saugus Well #2.	Maintenance	October 2015	P1
C3.2	Perform ozone efficiency testing at Rio Vista Water Treatment Plant and Earl Schmidt Filtration Plant.	Maintenance	November 2015	P1
C3.3	Perform switchgear preventive maintenance at Rio Vista Intake Pump Station.	Maintenance	December 2015	P1
C3.4	Replace ten clarifier trough screens at Earl Schmidt Filtration Plant.	Maintenance	June 2016	P3
C3.5	Continue acquiring and entering asset information into Computer Maintenance Management System.	Maintenance	Ongoing	-

D. ORGANIZATIONAL EFFECTIVENESS

D1. Ensure the Agency is recognized as a credible, effective and reliable authority for water infrastructure, management and policy.

	Actions	Lead Responsibility	Target Date	Priority
D1.1	Implement OpenGov platform to provide enhanced access to the Agency's finances on the Agency's website.	Administration	September 2015	P2
D1.2	Achieve the objectives of the Agency's Strategic Communications Plan through implementation of various activities including: <ul style="list-style-type: none"> • Water conservation campaign and media buys • Public and school educational programs • Participation at public events • Speakers Bureau • Blue Ribbon Committee • Updating and managing Agency web site and social media outlets 	Water Resources	June 2016	P1
D1.3	Ensure the Agency is properly represented on all legal matters.	Management	Ongoing	-
D1.4	<i>Upgrade the Communication Strategic Plan in FY 2016/17.</i>	<i>Water Resources</i>		<i>Long-term</i>

ORGANIZATIONAL EFFECTIVENESS (CONTINUED)

D2. Advance workforce excellence.				
	Actions	Lead Responsibility	Target Date	Priority
D2.1	Assist and support Board of Directors in recruiting new General Manager.	Management	December 2015	P1
D2.2	Continue succession planning efforts to ensure that employees are recruited and developed to fill key roles within the Agency. Provide education and training opportunities to all employees to develop them for future higher level and broader responsibilities.	Management	Ongoing	-
D2.3	Continue to provide employees with "bottom-up" communication through all employee meetings.	Management	Ongoing	-
D2.4	Continue to (1) provide General Manager-to-staff memos and quarterly employee newsletters and (2) hold employee meetings updating all employees of important events and news.	Management	Ongoing	-

D3. Develop and maintain clear and comprehensive policies, systems and procedures.				
	Actions	Lead Responsibility	Target Date	Priority
D3.1	Implement move of Water Resources Department to new building located at Summit Circle.	Administration	September 2015	P1
D3.2	Upgrade Autonomy Filesite document management system to Version 9.	Administration	September 2015	P3
D3.3	Upgrade Microsoft Office to Version 2013	Administration	September 2015	P3
D3.4	Retrofit Rio Vista Water Treatment Plant Filter Building with LED lighting.	Administration	October 2015	P2
D3.5	Replace existing Storage Area Network at Rio Vista Water Treatment Plant.	Administration	December 2015	P1
D3.6	Update Risk Transfer Manual.	Administration	December 2015	P2
D3.7	Engage a consultant to assess the Agency's grant administration activities and recommend the appropriate organizational and staffing structure.	Administration	December 2015	P3
D3.8	Upgrade wireless link between Rio Vista Water Treatment Plant and Retail maintenance yard.	Administration	February 2016	P1
D3.9	Develop formal program to utilize Computer Maintenance Management System information to pro-actively manage assets.	Maintenance	March 2016	P1
D3.10	Conduct sexual harassment awareness and prevention training for supervisors.	Administration	March 2016	P1
D3.11	Implement leading indicators and safety metrics to track progress in safety programs.	Administration	March 2016	P2
D3.12	Engage a consultant to assess accounting and finance functions and processes with a focus on process streamlining and/or efficiency opportunities.	Administration	March 2016	P3

ORGANIZATIONAL EFFECTIVENESS (CONTINUED)				
D3. Develop and maintain clear and comprehensive policies, systems and procedures. (CONTINUED)				
	Actions	Lead Responsibility	Target Date	Priority
D3.13	Through a Request For Proposal process, select an audit firm for audit services for multiple years starting with the audit for FY 2015/16.	Administration	April 2016	P1
D3.14	Conduct live confined space entry and rescue drill.	Administration	April 2016	P1
D3.15	Evaluate NEOGOV's electronic performance evaluation tool to conduct employee reviews in an efficient and timely manner.	Administration	April 2016	P2
D3.16	Install Microsoft Exchange Database Availability Group for failover and load balancing.	Administration	April 2016	P2
D3.17	Implement the Global Harmonization System standards for communicating chemical hazards.	Administration	May 2016	P1
D3.18	Research life insurance supplemental plans and provide recommendations.	Administration	May 2016	P3
D3.19	Replace Earl Schmidt Filtration Plant HVAC system.	Administration	June 2016	P1
D3.20	Conduct a response drill with local fire department and/or emergency services contractor.	Administration	June 2016	P1
D3.21	Develop/update ten year (or longer) repair and replacement schedule and costs.	Maintenance	June 2016	P2
D3.22	Implement the purchasing card program in the Maintenance Division.	Administration	June 2016	P3
D3.23	Through a Request for Proposal process, select a consultant to prepare an Information Technology Strategic Plan.	Administration	June 2016	P3
D3.24	Install wireless network access at the Earl Schmidt Filtration Plant offices.	Administration	June 2016	P3
D3.25	Review online cost-effective bid software.	Administration	June 2016	P3
D3.26	Continue bi-weekly executive staff and weekly manager/supervisor meetings to enhance staff productivity and coordination of work efforts.	Management	Ongoing	-
D3.27	Continue to provide detailed information to Board of Directors through Board, Committee, Department and General Counsel reports; budget, team-building and strategic planning workshops; media summaries and outreach reports; and through "one-on-one" communications by the General Manager.	Management	Ongoing	-
D3.28	Conduct semiannual tests of Agency's disaster recovery plan.	Administration	Ongoing	-
D3.29	Conduct quarterly tests of Agency's technology and communications systems.	Administration	Ongoing	-
D3.30	Oversee and facilitate efforts of CLWA Departments and SCWD to achieve their goals.	Management	Ongoing	-
D3.31	<i>Develop a repair and replacement reserve fund policy based on the Agency's asset management program.</i>	<i>Administration</i>	-	<i>Long-term</i>

ORGANIZATIONAL EFFECTIVENESS (CONTINUED)

D3. Develop and maintain clear and comprehensive policies, systems and procedures. (CONTINUED)				
	Actions	Lead Responsibility	Target Date	Priority
D3.32	<i>Develop an Information Technology Strategic Plan</i>	<i>Administration</i>	-	<i>Long-term</i>
D3.33	<i>Review and update job specifications as necessary to contain Fair Labor Standards Act status (Exempt or Non-exempt) and physical requirements.</i>	<i>Administration</i>		<i>Long-term</i>
D3.34	<i>Research implementing an employee portal or intranet for posting various often-requested forms, documents, etc.</i>	<i>Administration</i>	-	<i>Long-term</i>
D3.35	<i>Review and update the Agency's job specifications and implement new format.</i>	<i>Administration</i>	-	<i>Long-term</i>

D4. Develop and maintain strong working relationships with retailers.				
	Actions	Lead Responsibility	Target Date	Priority
D4.1	Support Board and Ad Hoc Committee in the CLWA/NCWD Ad Hoc Committee process to achieve the "Principles for Moving Forward."	Management	Ongoing	-
D4.2	Foster and continue effective working relationships with the local water retailers.	Management	Ongoing	-
D4.3	Coordinate emergency response planning efforts with the local water retailers, County and City.	Water Treatment Operations	Ongoing	-

D5. Work with local, regional and state agencies, industry associations and organizations to influence water policy for the benefit of our service area customers.				
	Actions	Lead Responsibility	Target Date	Priority
D5.1	Continue to implement Board strategic plans for CLWA and SCWD.	Management	Ongoing	-
D5.2	Continue coordination with CLWA legislative analysts in communications with local elected officials and their staffs.	Water Resources	Ongoing	-
D5.3	Coordinate legislative initiatives concerning Sacramento-San Joaquin Delta and water conservation with legislative analysts, Association of California Water Agencies, State Water Contractors and other necessary parties to enhance the reliability and cost effectiveness of CLWA's State Water Project water supply.	Water Resources	Ongoing	-
D5.4	Foster and continue effective working relationships with the Department of Water Resources and other State Water Project contractors.	Management	Ongoing	-
D5.5	Continue to participate in community events (COC Water Technology Board, SCV Mayor's Committee for Employment of Individuals with Disabilities, PIHRA, COC Business Alliance, etc.).	Administration	Ongoing	-

