

Summary of Status of 2013 District Strategic Goals

Adopted Strategic 1-Year Goals

| Goal Area | Status |
|--|---|
| <p>1. Continue to Advance Water Supply Projects</p> <ul style="list-style-type: none"> • Further develop the “Ratepayer Relief Bonds” proposal for a public contribution for the Cal-Am desalination project. • Enter into cost-sharing agreement for Groundwater Replenishment and advance CEQA and feasibility work. • Complete Water Project 1 (ASR Phase 1). • Create Local Projects program • Regulate Odello proposal to de-link water right from property. | <ul style="list-style-type: none"> • ✓ Accomplished • ✓ Accomplished • Delayed • ✓ Accomplished • Ongoing |
| <p>2. Work With Community to Protect Investment in Water Credits and “Smart” Development</p> <ul style="list-style-type: none"> • Ordinance 151 extension of implementation dates and implementation of toilet credit incentive (J. Byrne suggestion) • Ordinance 154 “tolling” or extension of life of credits to reflect suspension during CDO period • Ordinance 155 redefining redevelopment agency projects in order to maintain existing credits • Work with SWRCB to modify language in April 2012 interpretive letter in order to allow meters to be set for mixed use projects and to allow multiple meters for new projects on sites that had a meter to supply water when the CDO was enacted. • Working with business owners where possible to allow projects to proceed while CDO is in effect • Ordinance 156 extends credits for High Efficiency Toilets | <ul style="list-style-type: none"> • ✓ Accomplished • ✓ Accomplished • ✓ Accomplished • SWRCB did not respond • ✓ Accomplished • ✓ Accomplished |
| <p>3. Revise Rationing Program in Advance of “Regulatory Drought”</p> <ul style="list-style-type: none"> • Evaluate the “baseline” need for individual use • Examine health and safety needs of institutions (CHOMP, law enforcement, schools, etc) • Discuss status of visitor serving facilities (commercial v. transient residential) • Develop alternate strategies that address economic viability of region • Work with SWRCB to better understand limitations of rationing as regulatory tool | <p>Became a 3-year goal; Ongoing; Expected to complete in 2015</p> |
| <p>4. Streamline Essential Services and Organization</p> <p>WDS Permitting:</p> <ul style="list-style-type: none"> • Simplify process to make cheaper and quicker for applicant • Make more streamlined for District staff <p>Water Permits:</p> <ul style="list-style-type: none"> • Should the connection charge be revisited or renamed as a capacity charge? • Change deed restriction review to require legal review only when there is complex ownership • Access to water records for all Water Permits (without fees). • Provide for expedited processing of Water Permits | <ul style="list-style-type: none"> • ✓ Accomplished • ✓ Accomplished • ✓ Accomplished • ✓ Accomplished • ✓ Mostly • ✓ Accomplished |

| | |
|---|--|
| <p>Reorganization, Benefits, and Bargaining:</p> <ul style="list-style-type: none"> • Reorganization or reductions in personnel through outsourcing, shift to part-time, or elimination of functions • Creation of a two-tier benefits program for new employees • Examination of salary increases in the context of benefits changes and the need to ramp-in employee-paid PERS contributions • Assessment of effect of new financial software on District operations • Review opportunities for shared services • Consider 2-3 employee team-building or morale-building events each year | <ul style="list-style-type: none"> • Delayed • ✓ Accomplished • ✓ Accomplished • ✓ Accomplished • On-Going • Mixed results |
| <p>5. Continued Progress in Public Outreach Efforts</p> | |
| <p>Outreach:</p> <ul style="list-style-type: none"> • Hire outside consultant to assist with media relations, messaging, and integrated social media outreach, rather than re-hiring in-house staff • Improve electronic distribution lists • Continued outreach to Community and Business Groups • Develop and install interpretive signs at Garland Park gage, South Bank Trail, Songbird Sanctuary, and Lagoon • Revamp look and feel of District website • Consider purchase of logo-wear for field employees and/or employees in general for visibility | <ul style="list-style-type: none"> • ✓ Accomplished • ✓ Accomplished • ✓ Accomplished • 2 of 4 done • On-Going • Not done |
| <p>Non-visitor serving commercial sector:</p> <ul style="list-style-type: none"> • Increased outreach and advertising of District programs • Redirecting Water Demand Division field representatives to perform commercial audits/inspections • Direct communication and compliance planning for out-of-District owners of apartment and condo laundry facilities. | <ul style="list-style-type: none"> • ✓ Accomplished • Partial; Need staff • Not done |

Adopted Strategic 3-Year Goals

| Goal Area | Status |
|--|---|
| <p>6. Develop Comprehensive Strategy for Permit 20808-B</p> <p>The remainder permit 20808-B, without an approved extension, could be revoked by the SWRCB if water is not put to authorized use by the year 2020. A strategy for the remainder will include:</p> <ul style="list-style-type: none"> • Identification of two to three potential new injection and recovery sites, both in the Seaside Basin and the Carmel Valley • Possible source well rehabilitation and/or expansion in Carmel Valley; Potential treatment capacity expansion. May require EIR. • Develop strategy for direct diversion component of water right. • Amend existing permits and conform all permits to same standards; Attempt to create greater operating flexibility such that any injection well can inject any water and wells can be used for both recovery and production. • Consider completing a water availability analysis and an IFIM study to develop new permit conditions. | <p>Ongoing Activities; Consultant hired; Continued progress</p> |
| <p>7. Prepare for Allocation of “New Water”</p> <p>The 1990 Allocation EIR resulted in the District developing a process for the allocation of water to the jurisdictions. The process will need to be updated once a water supply project is in progress.</p> <ul style="list-style-type: none"> • The almost 1,800 acre-feet for legal lots of record • Local projects that may free-up potable supplies within jurisdictions • Future ASR, Table 13, Odello, changes in permit conditions, and so on may create additional supplies • Use of any “excess” supplies in the early years of the project, before allocation to full build-out of Pebble Beach or legal lots of record • Update and evaluation of the jurisdiction’s general plan needs | <p>Deferred due to lack of progress on water supply project; Should be 3-Year goal for 2015</p> |
| <p>8. Establish a Long-Term Strategy for Los Padres Dam</p> <p>In 2011 the District proposed increasing water supply capacity at Los Padres Dam through either a rubber dam on the existing spillway, or dredging. Cal-Am however has expressed little or no interest in these projects in the past. Cal-Am has undertaken studies of replacing or enhancing fish transport through the dam and is presently performing a dredging feasibility study. The National Marine Fisheries Service has indicated that permanent removal of Los Padres Dam is a priority for restoration of the Steelhead in the Central Coast. However, many fisheries experts believe that a regulated river would be a better long-term solution for the Steelhead. Further, an unregulated river might radically affect the water rights and businesses of property owners along the river. So long as the threat of dam removal exists, it is unlikely that significant long-term investment will be made in Los Padres Dam. The District will address the following:</p> <ul style="list-style-type: none"> • Dam ownership • Dam removal and Steelhead recovery • Property owners and rights • Additional water supply • Fish passage • Extending District river work permit jurisdiction upriver to extend regulatory authority | <p>Successfully achieved revisions to Central Coast Steelhead Recovery Plan; Obtained agreement with Cal-Am to let District lead, Cal-Am cost-share; Addressing downstream fish passage; IFIM and water availability in progress; Undertook dam alternatives study.</p> |

Additional Internal Goals

| Goal Area | Status |
|--|---|
| <p>9. New Modeling Tools</p> <p>There are three areas of modeling work the Board may wish to contemplate as strategic priorities:</p> <ul style="list-style-type: none"> • Development of IFIM Model: • GS-FLOW: Replacement for CVSIM • Demand Modeling: As was evidenced during the discussion of the sizing of the proposed desalination plant, determining future demand for water in the service area has not been done on a scientific basis. Instead recent past demand has been used as a proxy for the future. However, there was no effort to normalize past demand for weather conditions, price elasticity, and business conditions. As the region once again looks to provide water for legal lots of record and, eventually, general plan build-out better tools for assessing water demand. | <ul style="list-style-type: none"> • Ongoing • Ongoing • Not done |
| <p>10. Consider Revising Carmel River Mitigation Plan</p> <p>The removal of San Clemente Dam and the replacement of unlawful diversions will significantly change the conditions and behavior of the Carmel River. The District will need to assess the changes that might be required in its fisheries, vegetation, lagoon, and hydrologic monitoring activities.</p> | <p>Deferred until water supply project in progress</p> |
| <p>11. Financial Stability and Control</p> <ul style="list-style-type: none"> • Implement new financial software and develop tools to better identify budget variances on ongoing basis • Audit and improve Water Supply Charge database to increase collections for 2013-14 • Execute loan agreement with Rabobank in order to replenish reserves. Develop clear repayment plan for loan. • Review District’s reserve to determine appropriate levels are set in place to accomplish future goals • Find ways to solidify District’s financial position to reduce future borrowing costs • Continued effort to secure District right to collect User Fee on Cal-Am bill • Need to achieve success in securing IRWM implementation grant monies; Lobby Sacramento • Work jointly with MRWPCA to secure grants/loans for GWR • Update Fees and Charges Table to reflect current costs of services | <ul style="list-style-type: none"> • ✓ Accomplished • Partially; Ongoing • ✓ Accomplished • ✓ Accomplished • Ongoing • In the Court; Ongoing • Lobbying ongoing • Ongoing • ✓ Accomplished |
| <p>12. Facilities</p> <ul style="list-style-type: none"> • File retention – Policies must be reviewed and explained to staff; Develop plan for reduction of retained files; • Consider reduction of onsite and offsite spaces dedicated to file storage • Evaluate electronic Document Storage System to promote paperless office goal and reduce District resource costs. • District garage must be cleaned and materials consolidated • The Carmel Valley office needs heating/air conditioning; Examine replacement of floor coverings • Floor coverings need to be replaced in District main building (safety hazard) • Building signage needs to be made consistent with current logo | <ul style="list-style-type: none"> • Not done • ✓ Accomplished • Ongoing • Not done • Partially done • ✓ Accomplished • ✓ Accomplished |