



FLORIN RESOURCE CONSERVATION DISTRICT ELK GROVE WATER DISTRICT



Strategic Plan 2020-2025

Adopted: February 18, 2020

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Directors and Staff

Board of Directors

Tom Nelson
Chair

Bob Gray
Vice-Chair

Sophia Scherman
Director

Elliot Mulberg
Director

Lisa Medina
Director

Associate Directors

Shahid Chaudhry

Paul Lindsay

General Manager

Mark J. Madison

Leadership Staff

Bruce Kamilos
Assistant General Manager

Stefani Phillips
Human Resources Administrator/Board Secretary

Patrick Lee
Finance Manager/Board Treasurer

Donella Murillo
Finance Supervisor

Steve Shaw
Water Treatment Supervisor

Alan Aragon
Water Distribution Supervisor

Sean Hinton
Water Distribution Supervisor

General Manager's Message



As your General Manager, I am proud to present the 2020-2025 Strategic Plan for the Florin Resource Conservation District (FRCD) and the Elk Grove Water District (EGWD).

The Strategic Plan (Plan) sets forth a five-year vision and roadmap for the FRCD/EGWD (District) and was developed through a collaborative process that included public workshops and individual interviews. The FRCD Board of Directors (Board) and leadership staff revisited the Mission and Core Values and renewed the commitment to embodying these principles in all aspects of the District's operations. The Core Value of Transparency was

also added to exemplify the District's strong belief that openness and transparency contribute to a culture of trust and accountability with all partners and customers.

It should be noted that this plan is not a dream that, once completed, will sit idle on a shelf until five years from now when another plan must be developed. It

is intentionally referred to as a "Strategic" plan because there are defined challenges and measurable goals. These goals, identified to meet the challenges, were strategically developed to conform to the District's mission and values.

The District is steeped rich in history (See Appendix: A Proud History) through the implementation of the Plan by building upon the foundation of recent accomplishments achieved in the 2012-2017 Strategic Plan. We are people helping people, providing a legacy of service to the Elk Grove community.

My commitment to you as the District's General Manager is that we hold ourselves accountable in meeting the goals set forth in this Plan while maintaining transparency as your "hometown" water provider with the intent of exceeding your expectations in providing you with the services described herein.

A handwritten signature in blue ink that reads "Mark J. Madison". The signature is fluid and cursive.

Mark J. Madison

***We are people helping people,
providing a legacy of service
to the Elk Grove community.***

The District

The District is governed by an elected five-member Board, with each Board member serving four-year, staggered terms. The Board oversees the General Manager, who manages the day-to-day operations of the District with a staff of 30 employees.

The District produces over 1.3 billion gallons of water each year, providing water supply to over 12,600 homes and businesses serving a population of approximately 45,000 people. The EGWD service area covers 13 square miles, and consists of Service Area 1 and Service Area 2. Service Area 1 is supplied by water produced from seven wells located within the Service Area 1 boundary. The Railroad Water Treatment and Storage Facility and the Hampton Village Water Treatment Plant treat and distribute water produced from five of the seven wells. Service Area 2 is supplied with water purchased from the Sacramento County Water Agency under a long-term agreement.



District Boundaries



Service Area Boundaries



Florin Resource Conservation District Board of Directors



Tom Nelson
Chair



Bob Gray
Vice-Chair



Sophia Scherman
Director



Elliot Mulberg
Director



Lisa Medina
Director

Background

The FRCD was founded in 1952 and is one of 98 RCDs across the state of California. For many years the FRCD's mission was to provide water and soil conservation services. In 1999, when the FRCD acquired the Elk Grove Water Service, the FRCD's main focus shifted to managing the water utility. Once acquired, the Elk Grove Water Service became a public water utility and the name was later changed to the Elk Grove Water District.

The Elk Grove Water District is a district in name only. It is technically not a standalone district, but rather an enterprise-funded department of the FRCD. The FRCD is the only RCD in the state that primarily focuses on treating and distributing drinking water, and while unique, it falls within the scope of an RCD as governed by Division 9 of the California Public Resources Code.

Although recent efforts by the FRCD have primarily focused on managing the water utility (EGWD), it has also performed other activities including creek cleanups, tire recycling, technical assistance and conservation education. To remedy some of the financial pressures of the FRCD, on April 18, 2018 the Board made the decision by Resolution No. 04.18.18.01 to limit all future activities to "water related activities that benefit, or otherwise serve, the EGWD ratepayers." This decision was made after years of deliberation, multiple public meetings, in-depth engagement with legal counsel, and even consideration of integration with other water agencies. The decision to limit FRCD activities to benefit EGWD ratepayers (customers) protects the FRCD from financial uncertainty, maintains stability for EGWD employees and customers, and leaves the FRCD boundaries intact.

This is an important decision because it not only stabilizes the FRCD, but leaves open the opportunity to engage regionally to improve the South American Subbasin, the aquifer that supplies groundwater for EGWD customers. The District is proud to be Elk Grove's hometown water supplier.





Mission

We are committed to supplying our customers with high quality, safe water along with outstanding customer service for current and future generations.



Core Values



Transparency

We recognize that transparency is the foundation of good governance. We are committed to openness and accountability in all District endeavors.



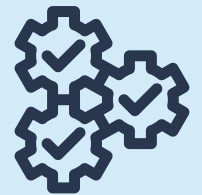
Leadership

We are a team. Great ideas come from many sources and we listen with an open mind. The team and community are supported through mutual cooperation and respect.



Caring

We care about the quality of our water, we care about our customers' satisfaction and we care about the quality of the working environment.



Integrity

We are honest with one another, with our customers and with our industry partners. We maintain a quality operation that is fiscally sound and forthright. We want the trust and respect of our community and customers.



Professionalism

We are committed to standards of excellence, accuracy and superior conduct.



Vision

We recognize that decisions we make today impact the future of this District and our community. We value our community's natural resources and actively seek ways to improve our services through local control and stewardship.

District Accomplishments (2012 - Present)

- Restructured approximately \$32.3 million of outstanding bonded indebtedness in December 2014 and \$16.4 million in June 2016 to provide an average annual savings of \$194,000 over the remaining term of the debt
- Completed an Emergency Response Plan and Vulnerability Assessment
- Completed a Needs Assessment for the FRCD
- Achieved 10th consecutive year of recognition by the Government Finance Officers Association (GFOA) for exemplary financial reporting
- Resolved FRCD's longstanding financial crisis in 2018
- Continuous (annual) implementation of five-year Capital Improvement Program (CIP)
- Developed 100-year Asset Management Plan
- Implemented a Comprehensive Facilities Maintenance Plan
- Updated Board Bylaws and policies, Employee Policy Manual and Provisions of Water Service Ordinance
- Increased community engagement through the Community Conservation Education Program



- Redeveloped the District website and newsletter
- Participated in regional water efficiency outreach efforts
- Achieved exceptional safety and risk control audits from District insurance provider
- Increased legislative advocacy through participation in the Regional Water Authority (RWA) Legislative Advocacy Program

- Enhanced mapping capabilities with Geographic Information System (GIS) technology
- Completed comprehensive water rate studies in 2013 and 2018
- Implemented succession planning and workforce cross-training
- Developed standard operating procedures
- Completed the 2015 Urban Water Management Plan
- Completed full metering of the District in 2015
- Recommissioned the Hampton Village Water Treatment Plant
- Installed the Railroad Corridor Transmission Main
- Constructed the Training and Information Technology Center
- Replaced 5,400 lineal feet of old, undersized water distribution main
- Developed and implemented a Backflow Prevention and Cross-Connection Control Program



2020-2025 Strategic Goals and Objectives

The Board and leadership staff identified strategic goals and objectives consistent with the District's Mission and Core Values.

STRATEGIC GOAL 1

GOVERNANCE AND CUSTOMER ENGAGEMENT

Conduct public affairs and manage public resources in an effective, efficient and transparent manner.

OBJECTIVES

- Conduct a review of the District's Bylaws every two years
- Conduct biennial Board member orientations to review policies and procedures
- Provide opportunities for public involvement and participation
- Conduct all Board meetings in accordance with the Brown Act with emphasis on transparency
- Maintain a District website allowing easy access to all Board materials and governing documents
- Continue to demonstrate operational transparency based on the guidelines established by the Special District Leadership Foundation (SDLF) District Transparency Certificate of Excellence
- Conduct District business in an ongoing manner to achieve the SDLF District of Distinction Accreditation
- Continue to review operational procedures and structures for improvements to District operations
- Monitor, review and update District policies to adhere to changes in operational, environmental and legislative requirements



STRATEGIC GOAL 2

FISCAL RESPONSIBILITY

Make financial decisions that benefit District customers.

OBJECTIVES

- Continuous achievement in sound accounting practice based on the GFOA Certificate of Achievement for Excellence in Financial Reporting Award
- Conduct Fiscal Year 2023-24 Water Rate Study
- Manage water rates to be regionally competitive
- Develop a funding plan to increase funded ratio of retirement and other post-retirement benefits
- Develop annual financing plans to align CIP projects with the approved rate structure (pay as you go)
- Establish bill payment consolidation services to increase payments by automated clearing house (ACH)
- Develop annual budgets that are balanced through cost saving measures or transfers from operating reserves



STRATEGIC GOAL 3

PLANNING AND OPERATIONAL EFFICIENCY

Practice ongoing infrastructure renewal and organizational improvement through planning and increased operational efficiency.

OBJECTIVES

- Update the District's Urban Water Management Plan, including the development of a new Water Shortage Contingency Plan
- Develop Master Plan for aging water mains
- Develop and update standard operating procedures
- Update the District's Standard Construction Specifications and Drawings
- Explore the potential for implementing automated metering infrastructure technology
- Implement a regulatory tracking system
- Review and update the District's Asset Management Plan





STRATEGIC GOAL 4

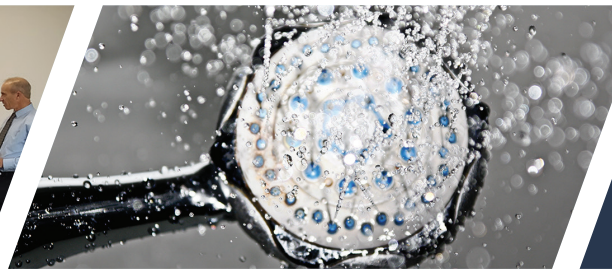
PROTECTION OF PUBLIC AND ENVIRONMENTAL HEALTH

Provide a safe, abundant and reliable water supply.

OBJECTIVES

- Comply with all State and Federal Drinking Water Standards
- Investigate the potential for groundwater recharge projects
- Complete Risk and Resilience Plan
- Update the District's Emergency Response Plan
- Complete a risk assessment of water system infrastructure around critical facilities including schools, daycares and senior living centers
- Perform Districtwide unidirectional flushing





STRATEGIC GOAL 5

COMMUNITY RELATIONS

Increase engagement with the customers and community to provide superior customer service, and increase public awareness of the water industry and the District.

OBJECTIVES

- Establish a Communications Plan annually
- Explore development of a water education program with the Elk Grove Unified School District
- Develop new marketing media to tell the story of the District and convey the value of water
- Acquire a new administrative facility
- Explore the potential for offering a low-income and senior assistance program
- Explore the potential to utilize social media
- Develop a customer service survey program to periodically solicit feedback on District services and customer satisfaction





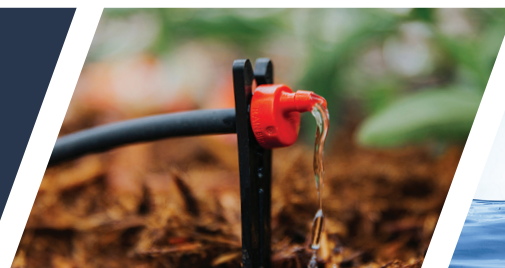
STRATEGIC GOAL 6

EMPLOYER OF CHOICE

Attract and retain skilled employees. The District remains a driven, supportive and family-oriented work environment.

OBJECTIVES

- Continue to provide competitive salaries and benefits
- Maintain control of employee medical benefit contributions
- Develop and refine employee succession planning
- Create a comprehensive training program for operators
- Maintain a commitment to develop a comprehensive safety program designed to reduce risk and comply with all regulatory requirements





STRATEGIC GOAL 7

WATER INDUSTRY LEADERSHIP

Demonstrate water industry leadership through partnerships and active participation in regional and statewide water efforts.

OBJECTIVES

- Participate and actively engage in local and regional water associations, agencies and committees to address regional statewide water efforts
- Advocate for and develop legislation that benefits water agencies regionally and statewide
- Partner with agencies and organizations to develop plans and projects that improve California's water resilience



Appendix: A Proud History

History of the FRCD

Prior to World War II, Florin was well known for its grapes and strawberries. Almost all of the area now encompassed by the FRCD boundaries was in agricultural production, including dairies, orchards, grain and other feed. Many farms were operated by families of Japanese descent. After the internment of 1942-1945, many properties were neglected and the Florin agricultural community struggled to recover.

In the spring of 1950, the Florin Farm Center Committee for Organization of a Soil Conservation District, a committee of Florin farmers, submitted a proposal to the Sacramento County Board of Supervisors for the formation of the

Florin Soil Conservation District (FSCD). The specific intents of the new soil conservation district were efficient use of irrigation water, improved drainage, flood control and other land improvements. With the necessary approvals, the committee met with other agricultural interests and local landowners until they had thoroughly identified all properties to be included within the District boundaries.

On June 23, 1953, a public election determined the establishment of the FSCD and its first five-member Board of Directors. Perhaps portending the future of FRCD's focus, the very first work plan identified the importance of wise irrigation use and the necessity of preserving the underground water supply. In 1954, the

board executed a Memorandum of Understanding with the United States Department of Agriculture, beginning a long and productive partnership.





During the first years of the organization, two additions were made to the boundaries, a region around Franklin and the Waegell addition, a property near Florin Road, Grant Line and Sunrise Blvd. The Franklin addition expanded the FSCD into Elk Grove. With grant funds, equipment was purchased for water management projects including irrigation and drainage improvements. The FSCD also had a wildlife program that coordinated the sale of plants grown by the residents of the Preston School of Industry, Sacramento County's Boy's Ranch and Folsom Prison that were planted to provide habitat for game birds and rabbits.

As Sacramento grew, the Florin area transitioned from a farm community into a Sacramento suburb. The FSCD transitioned too, moving its headquarters and its focus south to Elk Grove. In the early 1970s, the FSCD changed its name to the Florin Resource Conservation District because activities included more than soil conservation.

History of the EGWD

In 1893, after several fires threatened the small town of Elk Grove, local residents banded together to found the Elk Grove Water Company, building a water tower at the same place the current water tower stands (although it is no longer used to store water). The Jones family purchased the water company in 1906 and operated the utility as the Elk Grove Water Works for nearly 100 years. The water company began business with 12 owners and 10 customers. Business was originally conducted from the Jones family home, then later moved to its present location at 9257 Elk Grove Blvd. in 1988.

The FRCD purchased Elk Grove Water Works in December 1999 from J.B. Jones, changing the name first to Elk Grove Water Service and then to Elk Grove Water District. In 1997, Elk Grove Water Works had nine employees and 7,200 connections. In 2019, there are 30 budgeted positions and approximately 12,605 accounts.



FLORIN RESOURCE CONSERVATION DISTRICT ELK GROVE WATER DISTRICT



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