

Strategic Plan

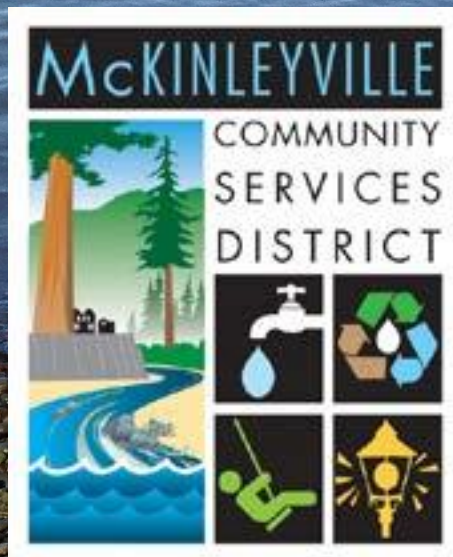
2017-21

McKinleyville

Community Services District

Mission Statement:

Provide McKinleyville with safe and reliable water, wastewater, lighting, open space, parks and recreation, and library services in an environmentally and fiscally responsible manner.



Board of Directors

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David R. Couch, Director
John Corbett, Director
George Wheeler, Director

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INTRODUCTION

A Strategic Plan is a top level planning document for an organization to set clear direction over all operational aspects of its mission. It serves as a framework for decision making over a five-year period. It is a disciplined effort to produce fundamental decisions that shape what a District plans to accomplish by selecting a rational course of action. This planning process began with an environmental scan of the District's business environment including an objective assessment of the District's strengths, weaknesses, opportunities and threats. Input from various stakeholders was gathered and analyzed. Starting with that information the District's Mission, Core Values, Vision and the overall structure of this Strategic Plan were developed by the Board in workshop settings. Within the framework of that structure and the business environment, strategies and goals were developed to sustain and where appropriate improve the District over the next five years. At its highest level, this Strategic Plan seeks to strengthen and build upon opportunities while addressing areas of concern.

This plan also identifies actions, activities, and planning efforts that are currently underway and which are needed for continued success in operations and management of the District, and provides for periodic reviews and updates.

The strategic planning effort has focused on all of the following important areas:

- Ensuring the District's long term financial health and stability;
- Carefully managing the infrastructure needed to fulfill the District's Mission;
- Providing responsible stewardship of the water, wastewater, parks & recreation, streetlights and other services with which we are entrusted;
- Sustaining a high performing, motivated and adaptable workforce;
- Sustaining sound management practices and good governance;
- Fostering partnerships when needed to better achieve our Mission; and
- Assuring clear, concise and consistent communications with the community we serve.

STRATEGIC PLANNING DEFINITIONS

Mission Statement: A declaration of the District's purpose, which succinctly describes why the District exists. All activities of the District should be in support of the Mission Statement. The Mission Statement is adopted by the Board of Directors. The Mission Statement is reviewed annually but is intended to be constant over the long term.

Vision Statement: A statement that articulates where the District wants to be over the life of the Strategic Plan. It outlines at the highest level the key changes that must be achieved by the Strategic Plan. The Vision creates and drives strategy and tactics identified elsewhere in the Strategic Plan. The Vision Statement is adopted by the Board of Directors. The Vision Statement will be reviewed annually and will typically change more frequently than the Mission Statement to reflect the direction the Board wants to take the District over the five-year time horizon of the Strategic Plan.

Strategic Elements: The broad and primary areas of District operations, planning, and management that are addressed and supported by the Strategic Plan goals. These essentially serve as the outline and organization of the Strategic Plan. The Strategic Elements are adopted by the Board of Directors. The Strategic Elements are reviewed annually but are intended, absent major new issues to be faced, to be relatively constant over the life of the five year Strategic Plan.

Objective And Strategy Statement: A concise statement associated with each Strategic Element that describes the objective of that element. It explains why that element is important to the District's overall strategy and finishes with a statement that describes how the Objective for that Element will be achieved through a strategy.

Strategic Goals: A short statement of desired success. The goal statement is supported by a narrative that more fully explains the nature of the goal and the issues that the goal intends to address. The Strategic Goals are prepared by management and accepted by the Board. The Strategic Goals will change from year-to-year when

the annual assessment is made of the progress on each Strategic Element. The Strategic goals straddle the line between policy (Board responsibility) and implementation (management responsibility) and as such are a collaborative effort of both the Board and management.

STRATEGIC PLAN DEVELOPMENT

In FYE 2012 the District retained the services of BHI Management Consulting (BHI) to facilitate and coordinate the development of the District's five-year Strategic Plan. BHI first gathered input from the District employees in a number of meetings so as to allow direct and "ground level" input to the Board during their deliberations on the Strategic Plan. A public meeting was then held to further gain a broad perspective on the future of the District. To prepare for Board workshops the Consultant interviewed the District Board members individually on matters they thought were most relevant to future strategy for the District. The following topics were discussed at all of the input gathering meetings:

- Mission;
- Vision;
- Strengths;
- Weaknesses;
- Opportunities; and
- Threats.

The Board supported this process as a way to allow all to participate in the foundation of the Strategic Plan. Two Board workshops were conducted. At these workshops the Board reviewed all input, revisited and refined the existing Mission Statement of the District, created a new Vision Statement for the District and discussed Core Values.

A steering committee, consisting of Senior Management and staff, worked with BHI to develop the Strategic Goals that support each Strategic Element. Using this process, along with both external and internal input, the Strategic Plan was assembled in a

way that best articulates the Board's Vision and Strategy for the District over the next five years.

CONTINUATION PROCESS OF THE PLAN

A key part of the Strategic Planning process is to conduct an annual review to update the Plan. These reviews allow for regular maintenance of the Plan so that it reflects the actual progress and conditional needs of the District. The reviews will be documented and followed up with by either a Plan supplement or an updated Plan. A five-year planning horizon will be maintained with each review effort developing a new fifth year of actions, projects and initiatives.

MISSION AND VISION STATEMENTS

DISTRICT MISSION

Provide McKinleyville with safe and reliable water, wastewater, lighting, open space, parks and recreation, and library services in an environmentally and fiscally responsible manner.

DISTRICT VISION

In five years, MCSD will:

- *have continued our commitment to infrastructure maintenance*
- *have explored options for additional emergency water supplies*
- *have assured water reliability (distribution system)*
- *have converted customers to all radio read meters*
- *have secured funding and completed construction of the WWMF improvement project*
- *be proactive with regulatory compliance*
- *have continued our commitment to maintenance of parks, facilities and trails*
- *have opened and are operating our teen center*
- *have identified funding sources for community forest development and maintenance*
- *be operating Mad River Park*
- *have secured funding for park and trails development*
- *have formalized relationships and collaborations with other governmental agencies*
- *have maintained a high quality and efficient workforce*
- *have continued our commitment to ensuring efficient and ethical governance*
- *have improved communications with the ratepayers and the entire McKinleyville Community*

- *have ensured continued planning and training for emergency operations*
- *have achieved a “best practices” distinction*
- *have long-term, financial sustainability in all District programs (debt, reserves, program costs, etc.)*

STRATEGIC ELEMENTS

Strategic Elements represent the vital areas of the District's operation and management wherein strategy is placed. They assure that the implementation of strategy work to be performed in support of the Mission and Vision are comprehensive in nature and properly cover all areas of the District. Strategic elements are derived from the foundational Mission and Vision statements of the District. They are linked to action and results through the Strategic Goals written in each area and the Strategic Work Plan. The Strategic Work Plan contains the supportive actions and initiatives organized and prioritized by year within the planning period. It presents each Strategic Goal and consolidates actions in tabular form in **Table 1 - Strategic Plan “Matrix” (pg. 38).**

The Strategic Elements are:

- 1.0 Water
- 2.0 Wastewater
- 3.0 Streetlights
- 4.0 Parks and Recreation
- 5.0 Partnerships
- 6.0 Personnel/Organization
- 7.0 Administrative Management
- 8.0 Financial Sustainability

1.0 WATER

Objective: *The objective is to continue our commitment to supply safe and reliable drinking water to our present and future customers.*

Strategy: *We will do this by keeping replacement, repair and upgrading of our pipes, and pumps at a high level by ensuring adequate funding.*

1.1 MAINTENANCE PROGRAMS

Maintaining reliable water distribution and storage is the number one priority of MCSD. Through the use of our Preventative Maintenance work order software (SEMS) we will continue planned maintenance of all facilities. Annual and monthly inspections will be conducted on all aspects of the system. Results of these inspections will be used to prioritize and schedule repairs. These facilities include:

- All Booster Pumps and Motors
- Pressure Reducing Valves
- Fire Hydrants and Distribution Valves
- Emergency Chlorination Systems
- Emergency Generators
- Storage Tanks

During this planning period, tank maintenance will include the recoating of Tank 1 B at Cochran Road and the replacement of the shingled roof on redwood Tank 3 B at McCluski. Monitoring unaccounted for water will indicate potential leaks and initiate the search. At this time our unaccounted for water is within the industry standard, verifying the integrity of our distribution system.

1.2 WATER STORAGE TANK PROJECT

The Board has determined the necessity to maintain a 5-day reserve of water due to our single source. We are in the process of negotiating the purchase of property adjacent to Cochran Tank Site. Upon completion of the procurement process, a cost benefit analysis on tank type will be conducted to determine whether the tanks design will be steel or

concrete, and design completed. Search for grant funding to offset costs. Geo Tech was performed on the prospective parcel.

1.3 EMERGENCY WATER CROSSING

The connection between MCSD and Arcata is completed. Standard Operating Procedures will be jointly written between MCSD and Arcata to cover maintenance and operation.

1.4 EMERGENCY WATER SUPPLY

MCSD is pursuing grant funding to develop a Ground Water Management Plan (GWMP). Due to the vulnerability of one source of water, MCSD had determined an emergency ground water source is necessary. Through development of the GWMP, reliable sources of ground water will be developed in the event of an emergency. Locations are being developed where the potential for groundwater can be explored.

1.5 DIGITAL CONTROL UPGRADE

Due to age of existing digital control at tank sites and booster stations, MCSD has completed updating this equipment. These system upgrades ensure public safety and have supervisory control of remote infrastructure; these systems must perform in a reliable manner. MCSD will be exploring a new or updated digital control strategy to update the water stations and execute a contract to complete the task when an acceptable approach satisfies the District.

1.6 WATER MAIN REHABILITATION AND REPLACEMENT

The original MCSD water distribution system is 40 years old. The integrity of the system is still sound but since the rehabilitation of in-the-ground pipe is costly; funds will start being set aside for this particular project. Replacing valves and AC pipe with C900 as upgrades or repairs occur is also part of the District's improvement strategy. A study will be completed for rehabilitation and replacement strategies. Humboldt State students

worked with MCSD as a project on pipe replacement strategies, costs and materials. This information will be used to help offset engineering costs.

1.7 RADIO READ METERS

Radio read meter technology has matured to a point where it is now feasible and cost effective to utilize them. MCSD specification requires all new meters be radio read. As meters age to roughly 15 to 18 years they have been replaced in the past. MCSD is in the process of replacing older meters with radio meters. The radio head retrofits were completed in 2015. This process will be ongoing for the next two years.

1.8 FIRE HYDRANT UPGRADE AND INSTALLATION

MCSD has agreed to “cost share” with the Arcata Fire Protection District to install fire hydrants where needed in commercial and residential areas. The fire department will cover 50% of the time and material cost to install new fire hydrants.

1.9 EMERGENCY GENERATOR UPGRADE

The Cochran Tank Site generator is nearing the end of its life cycle. The District plans to upgrade the generators to meet emission regulations and to allow for future pump upgrades during this planning period. An engineer will be contracted to design the generator size and installation to meet future needs.

2.0 WASTEWATER

Objective: *The objective is to continue our commitment to provide safe and reliable collection, treatment, recycling and disposal of wastewater to meet current and future regulatory requirements and community needs.*

Strategy: *We will do this by meeting current community wastewater needs and continuing to monitor proposed future regulatory and capacity requirements and ensuring adequate funding.*

2.1 20-YEAR FACILITY PLAN

A facility plan was completed and accepted by the Board in December of 2011. The three year long process evaluated the collection and treatment systems and the reclamation and discharge facilities. These evaluations were used to determine the adequacy of existing facilities so phasing of upgrade or replacement could be documented.

- WWMF
- Wastewater reclamation sites
- Collection system
- Lift stations

2.2 WWMF IMPROVEMENT PROJECT

MCSD's existing treatment facility is unable to meet current limitations as set forth in the NPDES permit and upcoming limitations will only become more stringent. An upgrade is necessary to be in compliance with upcoming State nutrient removal requirements and to avoid future fines. The bid process was completed and a general contractor chosen for the construction of a new WWMF to meet current and future discharge limitations. The project is scheduled for completion during this planning period with an estimated completion date of June 2017. As of the end of the 2016 year, the clarifiers have been poured and tested, the mechanical building is 60% completed, the headworks is poured and tested along with underground pipe and valves installed. A biosolids management plan will also be developed as part of the upgrade. A State Revolving Fund low interest loan was secured to cover the costs of planning, design and construction.

2.3 COLLECTION SYSTEM UPGRADES

A sewer model was designed to locate undersized mains in the collection system. Scenarios were run using proposed growth and major rain events. Several locations were identified as being inadequate to handle the flow increase without causing sewer back-ups and possible spills. A Technical Memorandum will be completed for the proposed Thiel crossing as part of the Sewer Main Improvement and Rehabilitation Plan (item 2.4) along with collecting flow data. The Board has determined Thiel will be the crossing upgraded with the other two crossings not needing an upgrade in the CIP horizon.

2.4 SEWER MAIN IMPROVEMENT AND REHABILITATION

The Board has made the prevention of infiltration a priority. Preventing groundwater from mixing with the sewer saves on pumping and treatment costs. An internal pipe patch repair kit was purchased to make these trenchless repairs. It will not only repair the broken section of the main but also save excavation costs. Replacing AC pipe with SDR 35 as upgrades or repairs occur is also part of the District's improvement strategy. During the planning period the District will pursue the conception of a Sewer Mainline Replacement Plan and adopt methods to assess the condition of the pressure sewer mains at the sewer lift stations.

2.5 DIGITAL CONTROL UPGRADE

Due to age of existing digital control, MCSD is in the process of updating this equipment. In order to ensure public safety and maintain proper supervisory control of remote infrastructure, these systems must perform in a reliable manner. The WWMF controls will be addressed during the improvement project as well as updating the sewer stations and execute a contract to complete the task when an acceptable approach satisfies the District.

2.6 SEWER LIFT STATION GENERATOR UPGRADES

The sewer lift station generators are nearing the end of their service life. There are also emission restrictions on these generators, which prevent the needed cycling of these generators. The District plans to upgrade the generators to meet emission regulations and to allow for future pump upgrades during this planning period. An engineer will be contracted to design the generator size and installation to meet future needs. Grant funding opportunities are being researched to help offset replacement costs.

2.7 PRE-TREATMENT PROGRAM

A pretreatment program is very important to regulate unwanted discharging into the sewer collection system, which can disrupt the treatment process; grease from cooking facilities can play a major factor in sewer spills. By direction of the Board, the sewer use ordinance was updated and discharge permits were issued to non-domestic discharges. Customers with grease traps will be issued permits in FY 16/17 to meet the Food Oil Grease program requirements. This State mandated program will be fully implemented in this planning period. Due to the new marijuana regulations, research is being conducted to regulate the discharge from the permitted facilities along with the District issuing them a discharge permit.

2.8 I&I PREVENTION

Inflow and Infiltration is costly to pump and treat. It can also overwhelm a sewer lift station and possibly cause sewer spills. Annual inspections of manholes, smoke testing and flow testing are ways MCSD identifies these issues. Keeping the public educated on not pulling cleanouts or connecting storm drains and downspouts into their sewer laterals is a method of eliminating inflow problems. Gel grouting rehabilitation of manholes and pipe patching will continue to be a priority to eliminate infiltration. MCSD will continue to utilize the camera van and push camera to inspect discrepancies found during inspections. Through the use of multiple media channels new methods of community education will be implemented during this planning period.

2.9 RECLAMATION SITE EXPANSION

Staff is researching ways to expand the District's reclamation area to meet future demand. Crop species are being studied along with purchasing property within the NPDES permit boundaries. A bio-filtration pilot study is in design phase and will be implemented. The funding for this study is being provided through Land and Conservation Act grant funds. Irrigation infrastructure will be installed in areas that will benefit from the reclaimed water.

2.10 PERCOLATION SITE DECOMMISSIONING

Due to ongoing restrictions and regulatory pressures MCSD has determined it is effective and efficient to decommission our Percolation Ponds west of the Fischer Property adjacent to the lower pasture as noted in the MCSD Wastewater Facilities Plan approved by the Board in December of 2011. The Flood Plain Enhancement Project will be designed and constructed using various grants. This project will coincide with the decommissioning of the Percolation Ponds.

3.0 STREETLIGHTS

Objective: *The objective is to continue our commitment to provide public safety through well-lit streets, intersections and neighborhoods.*

Strategy: *We will do this by implementing the most cost effective and reliable streetlight technology and through adequately funded continuing maintenance programs.*

3.1 MAINTENANCE PROGRAMS

Through use of a new pole inspection program, poles will be replaced prior to becoming a safety hazard and as needed due to condition or collision. GIS locations of new poles will be collected as new development occurs.

4.0 PARKS AND RECREATION

Objective: *The objective is to provide safe and high quality parks, facilities, trails and recreation programs for the McKinleyville community.*

Strategy: *We will do this by encouraging community participation to assess recreational needs; deliberately seeking broad funding for the support of parks, facilities, and trails.*

4.1 TEEN AND COMMUNITY CENTER

Over the course of the last several years, staff gained community feedback to consider future needs for the Parks & Recreation Department. The results of this survey showed support for building a Teen Center in McKinleyville. In 2012, the Board approved Measure B and authorized staff to begin the process to design and construct a Teen and Community Center at Pierson Park. A majority of funding for the construction and a portion of the maintenance for this project has been secured through the successful passing of Measure B. Staff will continue working on fund raising efforts to help furnish the facility.

Staff completed the business plan and MOU for the partnership between MCSD and Boys & Girls Club of the Redwoods (BGCR) in time for the facility to be open for teen programming and community use on August 22, 2016. Staff continue to work with BGCR staff on fundraising to support the programs and operations of the facility.

The commercial kitchen will be complete and ready for public use by end of January 2017.

4.2 HEWITT RANCH PROPERTY

This park has been identified as a necessary enhancement to the McKinleyville community through a series of Public Meetings held in 2007. In April 2007 the MCSD Board encumbered \$25,000 in Quimby Inland Park Dedication Funds for the development of an interpretive trail system, informal disc golf course and a small gravel parking lot. Since then staff has continued to seek a solution for access to the property. Currently staff is working toward acquiring property adjacent to the Cochran water tank site which will provide an access point and a location for a small parking lot. The development of this property is dependent upon access, which would be contingent on the purchase of the property adjacent to the Cochran tanks Site.

Staff will continue to seek funding sources for planning and development and intends to have funding options available for presentation to the MCSD Board in 2018, as well as a development plan in 2019-2020.

4.3 WASHINGTON AVE PROPERTY

This 3.10-acre property was purchased in 2013. While there are no immediate plans for park development, the Board has expressed interest in creating access so that it will be available for the community to use as open space.

Invasive Scotch broom plants have been removed. Parks staff continues to keep the property mowed on an approximately quarterly basis.

There is a possibility that Staff may be working with the BMX community and USA BMX to evaluate the feasibility of building a BMX Bike Track at the location. If the location is suitable for a BMX Bike Track, staff will ask the Recreation Advisory Committee to make a recommendation to the Board.

4.4 COMMUNITY FOREST

The McKinleyville Area Plan has identified the importance of a community forest in McKinleyville. Property has been identified for the purposes of a McKinleyville Community Forest. Acquisition of property is dependent upon adequate funding for not only acquisition but also development and ongoing maintenance.

Staff will continue discussions with stakeholders and pursue grant funding during this planning period.

4.5 MAD RIVER PROPERTIES

The access point acquisition to this property will be finalized in 2017. Staff will consider environmental requirements for access development, seek recommendation from the Recreation Advisory Committee followed by Board approval and then pursue funding for creating adequate public access.

This property has been identified as having recreational potential and staff will seek funding in the form of grants and donations for future development.

4.6 STANDARDS & SPECIFICATIONS: OSMZ/PARKS

Standards and Specifications for parks, facilities and open space maintenance zones will provide a planning document for these amenities. The goal for completion is in FY 2016/17.

The priority for completion of this project has been changed but will be completed in the proposed time frame.

Once the document is completed, it will be brought to the Board for approval.

4.7 MAINTENANCE STANDARDS

The Board and members of the community have placed a priority on continuing a high standard of maintenance for our parks and facilities. Management will implement this priority by evaluating staffing levels and continuing employee training opportunities.

Staff is working to draft written Maintenance Standards and Operating Procedures which will serve as a guiding document for staff, the Board and community.

4.8 ANNUAL COST BENEFIT ANALYSIS OPEN SPACE ZONES (OSMZ)

Staff has developed an efficient method for tracking time and material for each specific OSMZ. This information will be used to help manage time spent and calculate time needed for each zone. The data will be reviewed annually which will set the schedule for the following year.

4.9 ANNUAL COST BENEFIT ANALYSIS PROGRAMS

Staff will analyze participation, revenue and expense data for all programs to determine best practices in program offerings and development. Data will be reviewed on a quarterly basis throughout each year so that decisions for changes can be made annually.

4.10 UPDATE PARKS AND RECREATION MASTER PLAN

The Parks and Recreation Master Plan is updated every 5 years as necessary or determined by development. It is a living document intended to guide priorities and decisions for the Parks and Recreation opportunities in the community.

Staff is currently working with the Recreation Advisory Committee to update the Master Plan, last updated in 2012. A community survey will be conducted in early 2017 and the Plan will be finalized by December 2017.

5.0 PARTNERSHIPS

Objective: *Our objective is to foster beneficial relationships to accomplish the broad, long-term strategies of the District.*

Strategy: *We will do this by embracing strategic ties with other organizations and agencies, working closely with regulators, supporting a deliberate legislative agenda and participating in professional associations.*

5.1 FOSTER REGIONAL COOPERATION

The infrastructure of the District is dependent on the interties of other agencies, i.e.; the County, surrounding city governments and special districts. It is through a combined effort that the services needed by our community are effectively and economically delivered. These relationships are built on our dependency upon inter-agency cooperation. As MCSD moves forward, the District must maintain and seek out additional areas of cooperation. This is critical to our continued growth and commitment of service. We will continue participating in Humboldt Bay Municipal Water District (HBMWD) Municipal water customer group meetings as well as in the Humboldt County Emergency Operations Plan (EOP) through interoperability and mutual aid agreements. District management will continue to meet with Humboldt County Board of Supervisors and with Humboldt County Sheriff Department and Arcata Fire Protection District. We will work to improve coordination with the Humboldt County Planning and Public Works Departments and foster an environment where elected officials from Arcata and McKinleyville can meet to discuss shared responsibilities. Additionally, we will continue partnerships that benefit MCSD by providing labor and project support, such as with SWAP, California Conservation Corps, Service Clubs, McKinleyville Family Resource Center, Eagle Scouts, etc.

5.2 IMPROVE POLITICAL TIES – COUNTY SUPERVISORS, STATE LEGISLATURE, FEDERAL LEGISLATURE

The political ties present and available to MCSD are intertwined in the financial resources and support necessary to maintain existing infrastructure and services to the community. As demands are being met, these ties are daily nodes of information about additional resources available on a larger scale. As our political partners become aware of grants, financial resources or other projects that are beneficial to the District, our relationships with them gains importance.

It is critical to continue to contact and educate each organization in order to make them aware or enable them to provide valuable information and conduits for access to these resources. We will continue to seek inclusion in Humboldt County Association of Governments (HCAOG) either directly, or through Joint Powers Association (JPA) or through committee membership. Additionally, we will continue to participate with State level organizations, including Special Districts Risk Management Authority (SDRMA), California Special Districts Association (CSDA), California Water Environmental Association (CWEA), Association of California Water Agencies (ACWA), the State Water Resources Control Board (SWRCB) and the California Parks & Recreation Society (CPRS). We will also monitor opportunities for inclusion in other organizations that will increase the Districts political influence.

In addition to maintaining and nurturing ties with associations and groups, it is also important to continue to work closely with our local, state and federal government representatives. We will maintain those relationships with current positions and reach out to foster new relationships with newly elected officials. It is our goal to meet with these officials, at minimum, bi-annually or as opportunities present themselves, more frequently.

5.3 PARTICIPATE WITH COMMUNITY GROUPS, VOLUNTEER GROUPS AND PROFESSIONAL ASSOCIATIONS

It is important to participate with local groups representing various constituents in order to achieve and deliver services needed or seen as needed by the local community. Our relationships today foster cooperation and maintain links to our community. It is important to embrace these in the future as the community changes and demands different services or approaches to serving its needs. Local leaders provide access to the heartbeat of the community and the District will collaborate and lead where necessary in leveraging those relationships. They include, but are not limited to:

- Humboldt Area Foundation
- Kiwanis Club of McKinleyville
- McKinleyville Area Fund
- Mad River Rotary Club
- Humboldt Sponsors
- Boy Scouts/Girl Scouts of America
- California Conservation Corps
- Headwaters Fund
- Moose Lodge
- McKinleyville Chamber of Commerce
- American Red Cross
- Humboldt County Probation Department
- Soroptimist Club
- Humboldt Regional Occupation Program
- McKinleyville Organizing Committee
- McKinleyville Family Resource Center
- Youth Advisory Council
- Boys & Girls Club of the Redwoods
- McKinleyville Land Trust
- McKinleyville Municipal Advisory Committee

6.0 PERSONNEL/ORGANIZATION

Objective: *The objective is to sustain a motivated, high quality and efficient workforce for an adaptable organization.*

Strategy: *We will do this by utilizing sound policies and personnel practices, offering competitive compensation and benefits, providing opportunities for training, development and professional growth and ensuring a safe and secure workplace.*

6.1 EMPLOYEE RETENTION

To ensure the District remains a desirable place to work and is thereby able to recruit and retain a high-performing workforce is a high priority. We will have periodic studies done to determine appropriate staffing levels, compensation and benefit competitiveness relative to local and regional labor markets. We will structure the salary schedule and professional growth opportunities to allow employees to see a clear and attainable career path at MCSD.

In order to attract and retain the best talent, we will provide opportunities for employees to enhance their job skills and knowledge in their career field. It is essential to offer opportunities for employees to be evaluated and recognized for superior job performance and rewarded for submitting valuable suggestions for improving business practices.

6.2 TRAINING AND DEVELOPMENT

Given the size of our District workforce, it is important that our staff be well trained in multiple job duties. Individual Development Plan reviews will continue to be done annually in order to ensure that the District can meet the regulatory requirements and provide excellent customer service. Employees will be encouraged to train in related disciplines that will meet District needs.

Cross training plans will continue to be provided to increase knowledge and skills within each job function, and development of a succession plan will ensure continuity of operation in the event of a staffing crisis.

6.3 EMPLOYEE COMMUNICATION

Effective communication is essential to the functioning of the District and to productive management/employee relations. To facilitate improvements to employee communication we maintain and follow a current Organizational Chart; hold regularly scheduled staff and management meetings; maintain and update the current Employee Handbook and Supervisors' Manual through regular legal and management review; and provide multiple avenues and informal channels of communication.

6.4 EMPLOYEE SAFETY PROGRAM

A safe working environment is a number one priority for the District. This will be accomplished by holding regularly scheduled tailgate safety meetings and administrative safety meetings. Participation in SDRMA's annual safety audits along with requesting annual site visits from OSHA for educational and compliance purposes; conducting regularly scheduled safety training; monthly safety inspections of all facilities, playgrounds and parks; weekly safety inspections of all equipment and vehicles are all essential elements in providing a safe working environment.

6.5 EVALUATION AND PERFORMANCE MANAGEMENT PROGRAM

High quality and ongoing staff evaluations are key to providing feedback and fostering excellent employee performance. This will be accomplished by requiring Annual Performance Evaluations for all staff and conducting 360 evaluations for the General Manager. 360 evaluations may be considered for Department Heads and all other supervisory positions.

7.0 ADMINISTRATIVE MANAGEMENT

Objective: *The objective is to ensure efficient and ethical governance and sound management of the District.*

Strategy: *We will accomplish this by proactively managing organizational knowledge, being responsive, consistent and accountable to our public, following an effective self-assessment policy while adapting the management best practices necessary to support the evolving needs of the organization.*

7.1 DISTRICT POLICIES AND PROCEDURES

The current rules and regulations of the District provide a solid basis of operation. Additional demands of the community we serve, emerging regulations, and/or Board procedural or policy desires will require continued strategic development and maintenance of operating guidelines. These inform, educate and moderate the activities of the staff, community and partners of the District. We will continue the practice of regular review and update of the Rules and Regulations. Additionally, the Board Secretary, who is currently designated to document changes and insure timely and accurate reporting of the changes, will make sure that we comply and are up to date with all required policies and procedures.

In 2016, the Board had requested that the General Manager begin a proactive effort to control the escalation of employee benefits costs. A policy proposal will be brought to the Board for discussion and action, that will allow the District to address the long-term uncertainty of health insurance benefits currently offered to our employees due to market volatility and other extraneous circumstances.

As the District's reserves recover and increase under present rate structures, the Board and General Manager will need to develop broad investment policy guidelines for the appropriate investment of various reserve funds. The Board may designate an existing committee, such as the Audit Committee, to address this issue or they may create a separate Finance or Investment Committee.

During Calendar Year 2017 the Board and General Manager will create a Committee Responsibilities Section for the Board Policy Manual that will contain guiding principles that the Committees may reference for the exaction of their duties.

7.2 RECORDS RETENTION

Legal requirements for record retention policies are established on a statewide basis. Adherence to these pre-established minimum standards and accepted guidelines is mandatory for record retention. Records retention policy will be reviewed by District legal counsel on a regular basis to maintain compliance.

Document management software has been installed, staff has been trained and historical records in the District Office have been scanned. Historical records held in the archives will be scanned as the District has staff capacity. Current documents are being scanned in as they are created. This program has added a level of technological redundancy and information security to our present retention and filing system. The ability to identify and retrieve data remains of primary importance.

New policies are being developed as MCSD grows in service to its citizens and as it coordinates these services with sister districts and agencies. As additional policies are necessary, management will update the rules and regulations manual in place. This responsibility for development lies within each department: yet will be coordinated through administration with proper Board approval. At present, all departments access these rules and regulations through the "P" drive; changes are presented by staff to the Board, approved and updated as required.

7.3 CUSTOMER SERVICE

The District recognizes the importance of customer service and strives to serve all elements to the best of its ability through ongoing training and adaptation to the evolving needs of the community.

As such, MCSD is constantly training staff in updated methods of customer service. This includes identification of service improvements and increased use of technology to deliver service to customers at the highest level. Staff is monitored through HR in their development and training in support of these customer service objectives. Additional activities on to customer feedback, community surveys and opportunities for public comment are part of this focused effort.

7.4 BUILD PUBLIC INFORMATION PROGRAM

The continued use and further development of the Public Information Program is designed to communicate activities to the general populace. These programs bring the community into the business of the District allowing a conduit of information between the District and the public. The District believes strongly in informing citizens of current activities, seeking support for those activities and maintaining the public's access to information. The following resources and points of communication are being developed to further these efforts.

- **Website:** Provides an avenue for updating and distributing topical information in an economical and accessible manner.
- **Public Service Announcements (PSA):** Emphasizes important topics and events affecting each individual served in the community.
- **Newsletter:** Highlights events affecting the community and provides input from the community on the heartbeat of the District.
- **Recreational Activity Guide:** Allows for participation of the community in local and MCSD sponsored events throughout the year.
- **Flyers:** Brings awareness to special events affecting and promoting the District.
- **Posting Notices:** Keeps the populace aware of important meetings, events and public meetings, which are avenues for communication.
- **Development of social networking resources:** Communicates vital information in a timely manner to a new generation of District customers.

7.5 BOARD DEVELOPMENT

As new members are added to the Board, it is important to familiarize them with the laws governing Board management and policies including new Board member orientation procedures.

Additionally, experienced Board members are encouraged to seek additional training throughout the year to promote ethical and transparent government at the local level. This begins with the mandatory AB1234 training in ethics. Board members will also be encouraged to participate in professional development conferences or other trainings at least bi-annually.

Depending on participation in other agencies Boards and committees, each Board member is active in conference attendance and District representation. New ideas are constantly being brought back from these events increasing and promoting awareness of new and better methods of providing service to the District. Regular attendance at Board meetings and appointment to other agency's committees is emphasized.

As new members are added to the Board, it is important to familiarize them with the laws governing Board management and policies. These are provided in the Board manual, in training on the Brown Act and Public Records Act. Legal representatives are present to guide and instruct the Board as needed.

- Formalized Board/General Manager communication plan
- Periodically update the new Board Member Orientation Manual

7.6 ANNUAL REVIEW AND UPDATE OF THE DISTRICT'S STRATEGIC PLAN

It is important that each year the Board and Management work together to review and update this strategic plan. Updating annually assures that the plan remains current, that specific strategies and tactics remain viable, that our prioritization is still on-track and that we together have clarity for our strategy year after year. We will review and update the strategic plan each year in January or February in a workshop format, in conjunction with the annual budgeting process and will do a comprehensive update in five years.

7.7 EMERGENCY PREPAREDNESS AND RESPONSE

Participation in local Operational Area cooperative group, Humboldt County Hazard Mitigation Plan, MCSD's Emergency Operations Plan, regularly scheduled training including set-up and "tabletop exercises" and National Incident Management Systems (NIMS)/Standardized Emergency Management Systems (SEMS) training included in Individual Development Plans.

7.8 ACHIEVE BEST PRACTICES DISTINCTION AWARDS

During the strategic planning process, the Board recognized the achievement of a best practices award as a goal. There are many types of Excellence Awards available to Special Districts from various regional, state, or national professional groups including financial, management, operational, and others. Over the range of this strategic plan, we will review available awards and position the District to achieve a public acknowledgement of excellence for McKinleyville.

The District has been awarded both the District Transparency Certificate of Excellence and the District of Distinction Awards by the Special District Leadership Foundation (SDLF). The District will continue to work towards re-certification of these awards on a bi-annual basis.

Each Director has the opportunity to achieve the Recognition in Special District Governance Certificate. The District can achieve Silver Recognition by SDLF when a majority of the Board holds this certificate and Gold Recognition when the entire Board has their certificates. As of April of 2015, MCSD is a Silver Certificate holder.

7.9 EXPLORE OPTIONS FOR INCREASES IN ENERGY EFFICIENCY AND ALTERNATIVE ENERGY SOURCES

Staff was directed to develop as soon as possible, but not later than five years, a comprehensive solar plan to profitably power all District electrical needs. The plan should have as components:

- Detailed implementation steps
- Rough price estimates of different options
- Feasibility results for the District, such as the sewer plant, recreational park areas and public buildings as sites
- Capital needs, a budgeting plan and possible partnership need to be specified

The General Manager will report back to the Board annually, at a minimum, on work progress.

While the current direction is for a comprehensive plan, if such plan shall not be considered feasible in a timely manner then serial or smaller solar projects should be reviewed.

Given the worldwide, U.S. and California changes to energy sources and support of different types of energy, the Board and the General Manager reserve the right to bring the solar strategic plan back to the Board.

7.10 PLANNING AND LATENT POWERS

In an effort to continue to provide services within MCSD's sphere of influence the District will review the potential annexation of areas that are currently provided water or are within a natural boundary. Annual reviews of MCSD's boundaries would be encouraged. Efforts to maintain continuity with the requirements of LAFCo will take precedence.

7.11 INTEGRATED PEST MANAGEMENT PLAN (IPM)

Staff is working to develop an IPM for the past two years. Information was posted on the MCSD website asking community members to provide input. A team of staff was formed to review and incorporate comments from the community. Comments were evaluated and a revised plan was presented to the Board. Staff has completed the draft Guide to Reduced-risk Pesticide List and will be bringing it to the Board for review. Staff is currently working on a matrix to include costs to maintain facilities using different techniques.

8.0 FINANCES

Objective: *Our objective is to manage public funds to assure financial stability, prudent fiscal management and demonstrate responsible stewardship.*

Strategy: *The District will ensure that adequate financial resources are available to fund current and future demands, utilizing funds to maximize value to the customer.*

8.1 RESERVE POLICY IMPLEMENTATION

The Board has set a goal to maintain reserve funding according to the Board-approved Reserve Policy. To achieve that goal, management will analyze and monitor capital inflows and outflows and will control costs as much as possible in order to run operating surpluses in all Funds sufficient to offset losses accumulated from prior years. The end goal is to have fully funded reserves in all Board designated categories. We will also continue to monitor State policies that might endanger the District's critical strategic reserves and bring Reserve Policy adjustments to the Board for action to mitigate the risk of future State seizures of funding.

8.2 BUDGET DEVELOPMENT AND COMMUNICATION

The budgeting process is one of the most important financial planning tools available to the District. It is the foundation on which our strategy rests. Without adequate budget information and financial feedback, the Board and District management cannot make sound, fiscally responsible decisions about the starting, sequencing, or completion of projects and programs.

8.2.1 Our budget process will continue to be collaborative, with input from the Board for overall strategy, and from the General Manager and all Department Heads for operational accuracy. It will reflect projects, plans, and actions referenced to this strategic plan.

8.2.2 Our budget process will continue to incorporate past historical trends, current economic and demographic trends in the community, local and State governmental and regulatory environments, and annual operational forecasts.

8.2.3 The District budget will be presented to the board in Draft form each year in the months prior to official adoption so the Board can ensure adequate review and alignment with strategic objectives.

8.3 CAPITAL BUDGET MANAGEMENT

To facilitate long range strategic planning, the rolling 20-year Capital Improvement Plan Budget will be presented annually to the Board with a 10-year horizon for each Fund as part of the annual budgeting process. Each element in the Capital Budget shall have a funding notation – an estimate or assumption about where the funding for that budget item will be found. Some types of items have a generous grant environment, while others will need to be funded with long-term debt, or directly from Reserves or operating funds. This will allow adequate review of operational cash flow impacts and ensure that capital acquisitions are in alignment with strategic objectives.

8.4 DEVELOPMENT OF FINANCIAL MANAGEMENT SYSTEM

While the current financial management system used by the District is robust in some areas like utility billing, it is weak in others such as data collection, trend tracking and reporting. Over the next five years, all components of the system, both manual and computerized, will be reviewed for efficiency and functionality and upgraded, supplemented, or replaced as necessary. Upgrade implementation will be timed to minimize disruption to overall District operations. Planned replacements of large software components will be included in the Capital Budget for review and approval by the Board.

8.5 FINANCIAL AUDIT

A financial audit will be performed annually after the close of the fiscal year to ensure that District finances are compliant with Generally Accepted Accounting Principles (GAAP), the Government Accounting Standards Board (GASB) and other regulatory or lender requirements, and to provide additional perspective on internal controls and financial processes.

8.6 RESERVES RECOVERY

Part of the most recent study of Water Rates was the inclusion of a surcharge to recover the reserves used as working capital during the period when the water rates were not adequate to cover operating costs. We have been tracking the collection of this surcharge on a monthly basis and depositing the funds in a separate Trust Account with the County of Humboldt. We expect to fully recover the expended reserves by December 2017. At that time, we will remove the surcharge from customers' bills. Progress is tracked on the monthly Treasurer's report, on a graph on the District website and on a manual graph in the front office.

8.7 RATE STUDIES

To maintain adequate revenues for water and sewer operation frequent rate analysis should be conducted to smooth the necessary adjustment of rates. Per Proposition 218, fee adjustments must be reauthorized every five years. The current Water Rate Study authorizes these adjustments every January 1, from 2014 through 2018. Concurrently the Sewer Rate Study period authorizes adjustments every July 1, from 2015 through 2019.

TABLE 1 - Strategic Plan Matrix

The following pages contain the matrix model for the strategic plan which includes the associated strategic element number, project name, project manager, current fiscal year capital improvement dollars budgeted, five years of project plans, an estimated completion date, total project completion percentage and any associated notations.