

Staff Report

TO: Board of Directors
FROM: Greg Jones, Assistant General Manager
DATE: April 12, 2023
SUBJECT: NID Strategic Plan Adoption

ADMINISTRATION

RECOMMENDATION:

Adopt Resolution No. 2023-17 – Adopting the NID 2023 Strategic Plan.

BACKGROUND:

Over the course of five meetings from August 9 to October 11, 2022, the NID Board, staff and members of the community participated in NID's Strategic Planning development sessions. Through this process, the Board, staff and the public reaffirmed the District's core mission, vision, and values and established five strategic priorities to drive organizational alignment for the next five years. The Plan influences and guides staff in the management and allocation of resources and assets.

To broaden involvement, all sessions were open to the public (in person and over Zoom) and held in downtown Grass Valley, CA at the Gold Miners Inn. Public participation provided critical input on community values and concerns. The meetings helped to ensure stakeholder issues and interests were encouraged and heard.

In addition, NID staff met internally in November 2022 and again in February 2023 to finalize the draft Goals. A Board workshop was held on March 22, 2023, final revisions were discussed and changed. The attached is the outcome of the latest Strategic Planning effort for the Board's consideration.

BUDGETARY IMPACT:

None.

Attachments (2)

- Resolution No. 2023-17 – Adopting the 2023 NID Strategic Plan
- 2023 NID Strategic Plan



RESOLUTION NO. 2023-17
OF THE BOARD OF DIRECTORS OF THE NEVADA IRRIGATION DISTRICT

ADOPTING THE NID 2023 STRATEGIC PLAN

WHEREAS, NID’s Strategic Plan has not been updated since 2016; and

WHEREAS, it is generally accepted practice to update an organization’s Strategic Plan once every three to five years; and

WHEREAS, the Strategic Plan outlines the specific goals and strategies NID will pursue to move us from where we are to where we want to be; and

WHEREAS, the Strategic Plan establishes a set of criteria to measure our progress; and

WHEREAS, from August 9 to October 11, 2022, the NID Board, staff and members of the community participated in NID’s Strategic Planning development sessions; and

WHEREAS, the Board, staff and the public reaffirmed the District's core mission, vision, and values and established five strategic priorities to drive organizational alignment for the next five years; and

WHEREAS, the Strategic Plan influences and guides staff in the management and allocation of resources and assets; and

NOW, THEREFORE BE IT RESOLVED, the above recitals are true and correct and are incorporated as findings of the Board of Directors; and

BE IT FURTHER RESOLVED, the Board of Directors adopts the attached 2023 NID Strategic Plan; and

PASSED AND ADOPTED by the Board of Directors of the Nevada Irrigation District at a regular meeting held on the 12th day of April 2023 by the following vote:

AYES: Directors:
NOES: Directors:
ABSENT: Directors:
ABSTAINS: Directors:

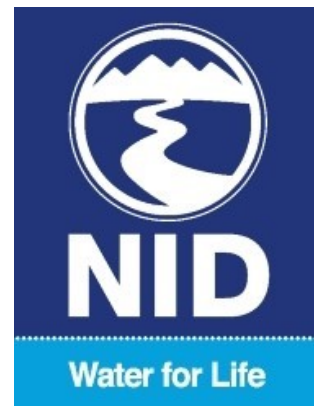
President of the Board of Directors

Attest:

Secretary to the Board of Directors

DRAFT

Strategic Plan



April 12, 2023



Welcome to Nevada Irrigation District's (NID's) Strategic Plan

April 12, 2023

The District continues to build on many years of experience providing high-quality water, power, and recreation services to Nevada, Placer, and Yuba counties. Navigating the challenges of providing high quality, reliable services in highly regulated and dynamic environments requires careful planning and a clear vision for the future. The Strategic Plan is a blueprint for excellence, defining how we respond to and prioritize challenges and evolving priorities.

Our mission, vision, and values are critical as we operate as a public utility dedicated to a dependable, high-quality water supply for the communities we serve. The Strategic Plan outlines the specific strategies and goals we will pursue to move us from where we are to where we want to be over the next five years.

The Strategic Plan incorporates the District values of quality, innovation, dependability and TEAMwork.

NID is in a period of vast opportunities and challenges. In the coming years we will forge ahead in many operational areas such as increasing long-term infrastructure reliability, watershed stewardship, employee investment, financial sustainability, and addressing organizational changes through investments in technology and innovation. Proactively responding to these conditions requires careful planning to ensure long-term organizational and financial resilience and sustainability.

This is our roadmap that will guide NID's progress for years to come and continue to demonstrate our long-standing commitment to the customers of Nevada, Placer, and Yuba counties.

Board of Directors

History

In 1917, Munson B. "Bert" Church and his wife, Kate, drove their cattle from parched dry pasture in western Nevada County eastward and up to the green mountain meadows of the Sierra Nevada.

On this cattle drive, Bert and Kate first envisioned a water system where the tumbling and abundant waters of the high mountains could be carried to the fertile but dry farms and ranches of the Sierra foothills.

Soon, the Churches joined with other



Nevada County residents to pursue this dream. The Nevada County Farm Bureau and visionary leaders such as Aubrey L. Wisker, Herman Graser, and Guy N. Robinson Jr. set out to convince Nevada County residents and voters they should form their own irrigation district.

These men knew that a reliable, year-round water supply was key to building a better community. They envisioned a true partnership of people, land, and water.

Through the early 1900s, many of the old reservoir and canal systems built during the California Gold Rush had become under-utilized and were falling into disrepair. Community leaders were determined to acquire these invaluable assets, make improvements, and recreate them as the backbone of a new public water system.

From 1917-1921, engineering studies were completed, new

water rights were negotiated, and a local campaign was mounted to build support for this dream of a new irrigation district.

On March 15, 1921, local organizers presented petitions carrying 800 signatures of irrigation district supporters to



the Nevada County Board of Supervisors. On August 5, 1921, a public election was held with voters favoring the new district by a margin of 536-163.

Nevada County Supervisors authorized the new district and 10 days following the election, on August 15, 1921, NID was officially formed. The district's first board meeting was held that day in Grass Valley's Bret Harte Hotel.

At its formation, NID included 202,000 acres in Nevada County. Five years later, in 1926, residents of Placer County chose to join the district, and another 66,500 acres were added. Today, NID includes more than 287,000 acres.



History

Following its formation, the district achieved rapid progress in laying the groundwork for the new public irrigation system.

During the 1920s, many important water rights were obtained, key water rights the district retains to this day. The acquisition of land to store and deliver water was a very important step in the district's development.

NID began to deliver irrigation water to local farms in 1927. At that time, irrigation water was priced at about 10 cents per day.

By the late 1950s and early 1960s, it had become apparent that the future would bring more demand for water in NID service areas. Demand for NID water was beginning to transition from canal water to piped and treated drinking water. At the same time, California was embracing the development of hydroelectric power to meet the state's growing energy needs.

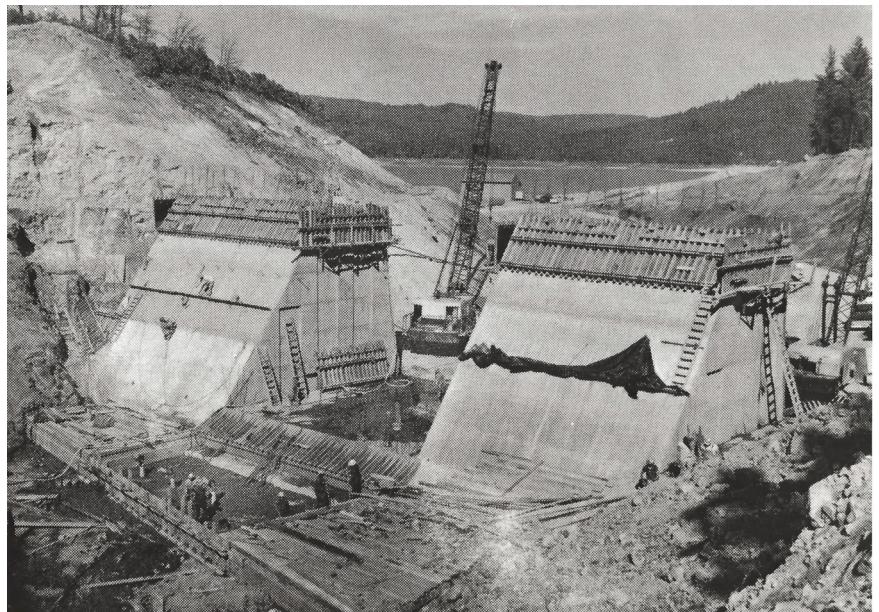


District leaders once again took their campaign to the electorate, and in a 1962 election, 97 percent of NID voters supported a \$65 million bond issue to construct the Yuba-Bear River Hydroelectric Power Project.

The major project, completed from 1963-66, remains a very important milestone in NID history. It brought not only power generation capability, but new reservoirs and canal systems, recreation facilities and, most importantly, created an additional 145,000 acre-feet of water storage for district residents.

No longer would foothill reservoirs run dry in the long hot summers. Bert and Kate Church would be proud.

Today, as NID has grown and matured into a multi-faceted water and power agency, the district continues to take great pride in its Gold Rush roots and important place in California water history.



Strategic Plan Overview

The Strategic Plan incorporates the District's mission, vision, and values. It identifies its strategic priorities and goals. The Plan influences and guides staff in the management and allocation of resources and assets.

Our **Mission** is to provide a dependable, high-quality water supply for the communities we serve.

Our **Vision** is to be the most reliable, innovative, and resilient water district in California.

Our **Values** are:

- * **Quality:** We strive for excellence in all aspects of the District.
- * **Innovation:** We challenge the accepted to foster creative ideas and methods.
- * **Dependability:** We fulfill our commitments.
- * **TEAMwork:** We recognize that Together Everyone Achieves More.

Our **Strategic Priorities** define what the District wants to achieve; they explain "what" not "how," and tell where we are going rather than how we will get there.

Our **Goals** define the objectives, results and actions we take to achieve each priority. Goals may take several years to implement.



Planning & Public Engagement

The fundamental purpose of the strategic planning process is to define the actions in the next five years, necessary to reliably meet the District's mission now and into the future. The process is designed to assess the environment and respond to short and long-term challenges.

To broaden involvement in updating the Strategic Plan, the Board of Directors engaged the public and conducted a series of meetings to provide opportunities to discuss the District's strategic direction.

Five public workshops took place between August 9 and October 11, 2022. Through this process, the Board, staff and the public defined the District's core mission, vision, and values and established five strategic priorities to drive organizational alignment for the next five years.

The plan includes a series of goals that are measurable, comprehensive, and reflect the District's objectives contained within the five Strategic Priorities. Goals will be measured and reviewed annually to enable the District to evaluate progress.

The Strategic Plan was adopted by the Board of Directors on [April 12, 2023]. The Strategic Plan will guide the development of the annual budget and the capital improvement program to ensure that necessary resources are provided to implement the strategies and objectives.

A critical component of the strategic planning process is the element of continuous improvement, which is an ongoing effort to assess and evaluate performance and use the results to guide the update of the next Strategic Plan. The principal objective for this assessment and evaluation is to identify improvements, maintain gains achieved, and ensure consistency in planning, operations, and results across the District.



Strategic Priorities

1. Long-Term Infrastructure and Water Supply Reliability

NID will plan and invest in infrastructure and water supply reliability to maintain and improve service levels and revenue.

2. Employee Engagement

NID will prioritize and invest in our employees to attract and retain top talent and increase employee engagement.

3. Watershed Stewardship and Resiliency

NID will protect and improve the quality and health of our watersheds and enhance our water supply.

4. Financial Sustainability

NID will develop a sustainable financial model that manages and obtains funds necessary to ensure the long-term delivery of water.

5. Technology & Innovation Investments

NID will integrate technology and data collection to increase efficiency, knowledge, and system security to decrease costs and increase production



Strategic Priority

Long-Term Infrastructure and Water Supply Reliability

NID will plan and invest in infrastructure and water supply reliability to maintain and improve service levels and revenue.

Goal 1: By End FY 2025, Develop a 5-Year Treated Water Master Plan

Objectives:

- * Evaluate regulations, consolidation, and replacement requirements for all Treatment Plants by end 2023.
- * Develop repair and replacement plan for distribution system by the end of 2024.
- * Update Treated Water Master Plan by end of 2025 based on PFW.
- * Identify annual revenue requirements to implement the Plan by end of 2025.
- * Include revenue requirements in rates on an ongoing basis.

Goal 2: End FY 2025, Develop Updated Raw Water Master Plan

Objectives:

- * Identify and plan for water supply reliability needs based on PFW by end of 2024.
- * Identify raw water measurement and monitoring tools and locations throughout the canal system by FY 2024.
- * Develop metric analysis for canal improvement prioritization by canal by the end of 2024.
- * Identify 10-year project priorities by end of 2024.
- * Update Raw Water Master Plan by end of 2025.
- * Develop implementation plan and revenue requirements for rates on an ongoing basis.

Goal 3: By End FY 2025, Develop a Hydroelectric Master Plan

Objectives:

- * South Yuba Canal Repair and Replacement Plan by end of 2025.
- * Update FERC Implementation Plan by end of 2025.
- * Dams/Plants/Canals Capital Requirements by end of 2024.
- * Develop Hydro Master Plan by end of 2025

Strategic Priority

Employee Engagement

NID will prioritize and invest in our employees to attract and retain top talent and increase employee engagement.

Goal 1: Every five years, review and update District job descriptions and classifications

Objectives:

- * First update of job descriptions and classifications due end of 2024.
- * Develop internal promotion pathways for each job family by end of 2024.
- * Develop 5-year staffing plan for each department by end of 2024.

Goal 2: End FY 2026, Develop Succession Plan

Objectives:

- * Based on 5-year staffing plan, develop training program, and identify expenditures needs for implementation by end of 2025.
- * Develop formal succession plan by end of 2026.
- * Investigate mentor program by end of 2023.

Goal 3: Increase Employee Engagement

Objectives:

- * Complete survey one time per year starting 2023.
- * Develop employee engagement event calendar starting 2023.
- * Revamp years of service recognition program by end of 2024.
- * Enhance employee recognition program by end of 2024.



Strategic Priority

Watershed Stewardship and Resiliency

NID will protect and improve the quality and health of our watersheds and enhance our water supply.

Goal 1: Complete Two Watershed Projects Each Year Addressing: Improved Forest Health, Decreased Wildfire Risk, and/or Improved Watershed or Habitat Health

Objectives:

- * Identify criteria to prioritize treatment or enhancement areas by end of 2023.
- * Develop list of project areas by end of 2024.
- * Evaluate by prioritization criteria by end of 2025.

Goal 2: By end of 2024, develop Districtwide Watershed/Forest Management Plan

Objectives:

- * Prepare Districtwide Watershed/Forest Management Plan by end of 2024.
- * Identify resources for implementation in 2025.
- * Identify funding requirements in 2025.

Goal 3: Beginning in 2023, Increase Watershed and Forest Health Awareness through Two Community Education Events Per Year

Objectives:

- * Identify potential opportunities in the first quarter of each year on an ongoing basis.

Goal 4: Beginning in 2023, Write a Minimum of Two Grant Opportunities Per Year

Objectives:

- * Participate in regional collaboration grant funding opportunities involving forest resiliency and watershed stewardship project implementation on an ongoing basis.
- * Identify potential grant opportunities in the first quarter of every year on an ongoing basis.
- * Select a minimum of two opportunities each year on an ongoing basis.
- * Prepare and submit grant applications on an ongoing basis.

Strategic Priority

Financial Sustainability

NID will develop a sustainable financial model that manages and obtains funds necessary to ensure the long-term delivery of water

Goal 1: By End FY 2025, Increase to Recreation Revenue

Objectives:

- * Complete analysis by end of fourth quarter 2023 for full cost recovery rates that will be used as information only.
- * Present to Board reasonable 5-year fee-based recovery plan by 2nd quarter of 2024.
- * Present to Board prior to annual fee schedule update in fourth quarter 2024.

Goal 2: By End FY 2024, Identify Strategies for Increasing Non-Rate Payer Revenue to Fund Projects (e.g., Grants, Hydro, Water Transfers)

Objectives:

- * Complete research by end of 2023 for potential opportunities by Department.
- * Present a non-rate payer revenue plan to the Board findings by the end of 2024.

Goal 3: By End FY 2025, Develop 5-year Financial Plan, Update Annually

Objectives:

- * Complete Fund 10 and Fund 15 financial plan in 2023.
- * Complete Fund 30 and 35 financial Plan in 2024.
- * Complete Fund 50 and 55 financial Plan in 2025.

Goal 4: By End FY 2023, Complete Prop. 218 Process for Five Years of Adequate Rate Increases to Cover O&M Costs

Objectives:

- * Issue consultant contract in first quarter 2023.
- * Complete analysis third quarter 2023.
- * Complete full rate study and public outreach by fourth quarter 2023.
- * Implement new rates in 2024.

Goal 5: By End FY 2024, Develop a Sustainable Program to Pay Off CAL PERS UAL and OPEB Liabilities

Objectives:

- * Complete new OPEB Actuarial Study in second quarter 2023.
- * Obtain actuarial study for PERS UAL third quarter 2023.
- * Present findings to Board fourth quarter 2023.
- * Develop long-term plan to pay off by end of 2024.

Strategic Priority

Technology & Innovation Investments

NID will integrate technology and data collection to increase efficiency, knowledge, and system security to decrease costs and increase productivity.

Goal 1: By End FY 2023, Develop District-wide IT/OT Master Plan

Objectives:

- * Issue an RFP for consultant to analyze current systems, outline steps to implement a master plan considering IT/OT protocols including cyber security, data integration, network oversight and SCADA development by end 2023.
- * Complete systems analysis and recommendations by end 2024.
- * Present findings to Board first quarter 2025.
- * Begin implementation of plan in 2025.

Goal 2: By End FY 2026, Implement CMMS and ERP Systems

Objectives:

- * Complete upgrade to cloud-based central square by second quarter 2023.
- * Initiate Tyler upgrade third quarter 2024.
- * Complete Tyler transition by third quarter 2025.
- * Evaluate options for CMMS by third quarter 2023.
- * Develop CMMS implementation strategy first quarter 2024.
- * Implement new CMMS during 2025.