

TO: BOARD OF DIRECTORS

FROM: MARIO IGLESIAS  
GENERAL MANAGER




DATE: MARCH 17, 2023



## **PRESENTATIONS AND REPORTS**

The following presentations and reports are scheduled:

- C-1 PRESENTAION BY PETER YANEZ OF MULTI-BANK SECURITIES, INC.(MBS)  
[RECEIVE AND FILE PRESENTATION]
- C-2) ANNUAL REVIEW OF NIPOMO COMMUNITY SERVICES DISTRICT'S STRATEGIC  
PLAN [RECEIVE AND FILE PRESENTATION]
- C-3) DIRECTORS' ANNOUNCEMENTS OF DISTRICT AND COMMUNITY INTEREST  
AND REPORTS ON ATTENDANCE AT PUBLIC MEETINGS, TRAINING  
PROGRAMS, CONFERENCES AND SEMINARS.  
Receive Announcements and Reports from Directors
- C-4) RECEIVE PUBLIC COMMENT ON PRESENTATIONS AND REPORTS PRESENTED  
UNDER ITEM C AND BY MOTION RECEIVE AND FILE PRESENTATIONS AND  
REPORTS

TO: BOARD OF DIRECTORS  
REVIEWED: MARIO IGLESIAS  
GENERAL MANAGER   
FROM: LISA BOGNUDA  
FINANCE DIRECTOR AND  
JANA ETTEDDGUE  
ADMINISTRATIVE SUPERVISOR  
DATE: MARCH 17, 2023

**AGENDA ITEM**  
**C-1**  
**MARCH 22, 2023**

**PRESENTATION BY PETER YANEZ OF  
MULT-BANK SECURITIES, INC. (MBS)**

**ITEM**

Presentation by Peter Yanez of Multi-Bank Securities, Inc. (MBS) [RECEIVE PRESENTATION AND FILE]

**BACKGROUND**

Nipomo Community Services District (District) has historically invested funds not needed in the short-term in the Local Agency Investment Fund (LAIF) administered by the California State Treasurer. The LAIF is a pooled fund with 2,373 participants and \$27.4 billion fund balance report at the end of February 2023 (<https://www.treasurer.ca.gov/pmia-laif/laif/program.asp>). As of March 8, 2023, the LAIF daily effective yield was 2.79% with an average maturity of 283 days. The District currently has approximately \$20 million on deposit with LAIF.

Due to current market conditions, short-term interest rates are higher than long-term interest rates creating what is known as the inverted yield curve. This provides the District with a unique investing opportunity whereby investing in securities such as Treasury Bills(T-Bill), the District may be able to achieve higher rates of return than LAIF. Three month Treasury Bills are currently around 5%. Treasury Bills are a short-term U.S. government debt obligation backed by the Treasury Department with maturity of one year or less.

At the February 15, 2023, the Finance and Audit Committee met and reviewed investment options and policies in accordance with Government Codes. Staff was directed to research the methodologies for investing and holding investments such as T-Bills within the parameters of California Government Code and the District's adopted Investment Policy.

Terry Shea, CPA, of Rogers, Anderson, Malody and Scott, LLP, the District's auditor, recommended Staff contact Peter Yanez of Multi-Bank Securities, Inc. (MBS). MBS has been serving the investment needs of municipalities since 1988 and is a broker-dealer of fixed income securities.

Mr. Yanez made a presentation via Zoom to the Finance and Audit Committee on March 16, 2023 and answered questions. Mr. Shea also attended the meeting and answered questions.

The Finance and Audit Committee requested MBS make the same presentation to the full Board for informational purposes and to answer questions.

If the District were to retain MBS's services to purchase investments such as T-Bills, the following process would take place:

- District funds would be available in Five Star Bank for the designated purchase amount.

- District would place an order with MBS (Staff written direction to Mr. Yanez or Staff initiated order via the MBS propriety online investment platform, eConnectDirect) for the determined amount, rate of return and time period.
- Funds would be disbursed from Five Star Bank to MBS and the securities would be delivered simultaneously to the District's custodial account managed by Pershing LLC (a company owned by BNY Mellon). This methodology is known as Delivery versus Payment (DVP). DVP is a security settlement process that requires that payment is made either before or at the same time as the delivery of the securities. The process is meant to reduce the risk that securities could be delivered without payment or that payments could be made without the delivery of securities.

Neither MBS nor Pershing LLC will charge a fee to the District for the purchase of securities or for maintaining the custodial account. MBS is compensated for the transactions from their underwriters, and from these fees, Pershing LLC is compensated for their participation.

**RECOMMENDATION**

It is recommended your Honorable Board receive and file presentation.

**ATTACHMENTS**

- Attachment A – MBS presentation slides

MARCH 22, 2023

ITEM C-1

ATTACHMENT A

## Presentation to Nipomo CSD

Peter Yanez – Vice President  
Multi-Bank Securities, Inc.  
(855) 928-0111  
[pyanez@mbssecurities.com](mailto:pyanez@mbssecurities.com)

Multi-Bank Securities, Inc. (MBS) cannot be held responsible for errors regarding time and/or price on buy/sell requests. Information provided in this presentation has been prepared from sources known to be reliable, but is not guaranteed and is not a complete summary or statement of all data necessary for making an investment decision. This is for informational purposes only and does not constitute a recommendation; please confirm all information before investing. Securities discussed are subject to availability and change in price and yield. Changes to assumptions may have a material impact on returns. Past performance is not indicative of future returns. For institutional investors only.





MULTI-BANK SECURITIES, INC.®



## About Multi-Bank Securities, Inc.

- Fixed-income securities broker-dealer that has been serving municipalities and other institutional investors since 1988
- Certified as a Service-Disabled Veteran-Owned Business (SDVOB) by the National Veteran Business Development Council (NVBDC)
- Executed \$204 billion in fixed-income securities for our clients in 2022
- Approved underwriter of agency debt for major GSEs
  - Freddie Mac, Fannie Mae, Farmer Mac, FFCB and FHLB
- Active underwriter of CDs, agency bonds, corporate bonds, municipal bonds and mortgage-backed securities
- Offer a proprietary online platform, **eConnectDirect**®

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# Investment Products

Multi-Bank Securities, Inc. offers a broad array of fixed-income investment products, including:

- Certificates of Deposit (CD's)
- Collateralized mortgage obligations (CMOs)
- Commercial paper
- Corporate bonds
- Mortgage-backed securities
- Municipal bonds
- Targeted investments (CRAs, SRAs)
- **U.S. agency bonds**
- **U.S. Treasury notes and bonds**

## Two Types of Risk

- Credit risk
  - Return of principal
  - Default risk
- Interest rate risk
  - Market risk
  - Rising rate risk
  - Call risk





# Treasury Securities

- “Full faith and credit” of U.S. government
- Most liquid security – tightest bid/ask spreads
  - T-Bills: <1-year maturity, “discount” \$ price
    - No stated coupon, matures at “par” amount
  - T-Notes: 1- to 10-year maturities, semi-annual interest
  - T-Bonds: 10- to 30-year maturities, semi-annual interest
- Regular auction schedule



# Agency Securities

## What are GSEs?

- Government-sponsored enterprises, known as GSEs, are privately owned corporations created by Congress to provide funding. They help reduce the cost of capital for certain borrowing sectors of the economy such as homeowners, farmers, community banks and thrifts
- “Highest” credit quality - Aaa/AA+ rated (Moody’s/S&P)
  - **FHLB – Federal Home Loan Banks**
  - **FFCB – Federal Farm Credit Banks**
  - **FNMA – Federal National Mortgage Association**
    - “Fannie Mae”
  - **FHLMC – Federal Home Loan Mortgage Corporation**
    - “Freddie Mac”



# Primary Market vs. Secondary Market

- Primary market
  - Market where securities are created
  - Newly issued bonds
  - Often issued at par with no accrued interest
  - Yield and term closely mirror market conditions
- Secondary market
  - Market where securities are traded by investors
  - Provides liquidity to investors wishing to sell bonds before maturity
  - Often trade with accrued interest
  - Prices can be at par, below par (at a discount) or above par (at a premium)



# Key Components of an Investment Strategy

INVESTMENT OBJECTIVES — State Statutes and your investment policies dictate that Investment objectives include safety of capital, liquidity of funds and yield.

**‘S L Y’ = S**AFETY + **L**IQUIDITY + **Y**IELD



# Types of Investment Strategies

- Cash flow
- Barbell
- Diversification
- Laddering

*MBS always recommends talking with someone who is familiar with the markets and understands your liquidity needs before implementing investment strategies.*



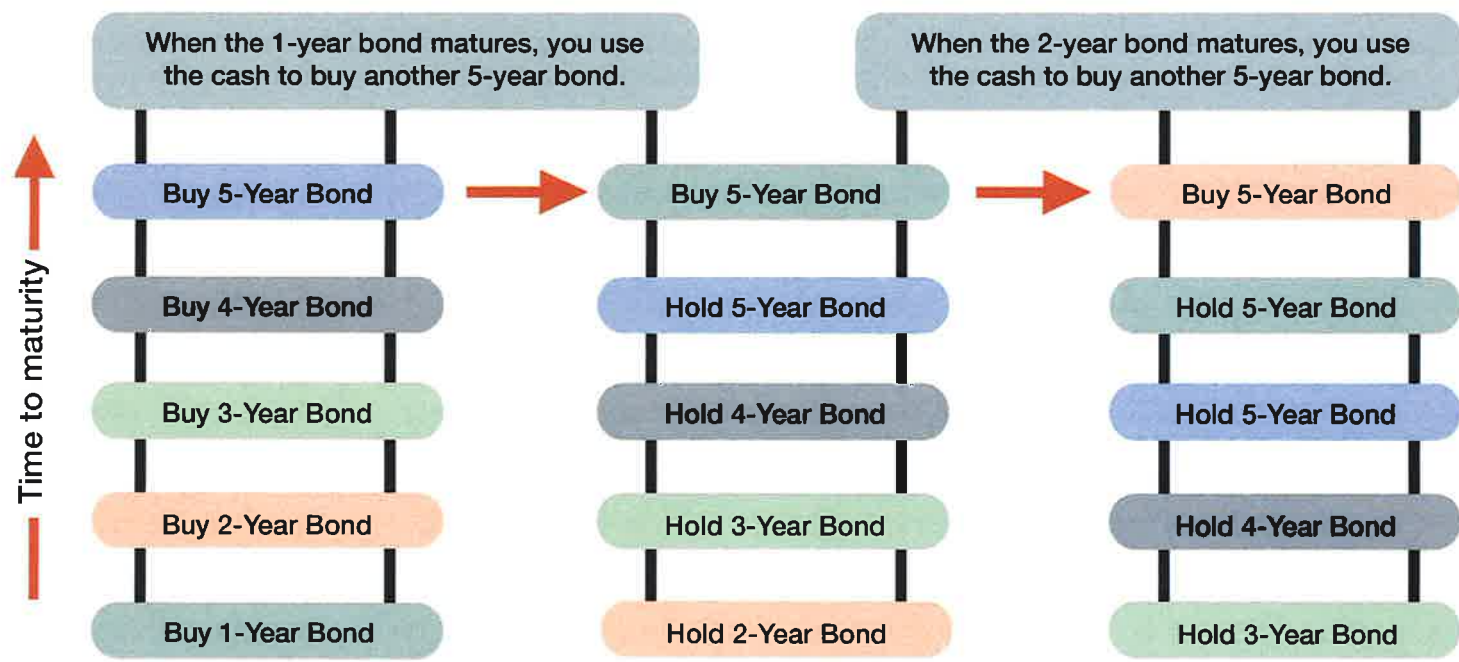


# Laddering Your Portfolio

- Funds distributed over range of maturities
- Portfolio less affected by changing interest rates
- Reduces risk of buying at market highs and lows
- Reduces interest rate risk
- Excellent for low maintenance “buy and hold” strategy



# Laddering Your Portfolio





# Sample Bond Offerings

1000 Town Center, Suite 2300  
 Southfield, Michigan 48075  
 PHONES: (800) 967-9045  
 (248) 291-1100  
 (248) 291-1101

## Laddered Portfolio March 14, 2023

2400 E. Commercial Blvd. Suite 812  
 Ft. Lauderdale, Florida 33038  
 PHONES: (800) 967-9045  
 (954) 351-6930  
 FAX: (954) 351-9197

Qty (000)	Cusip	Rating / FDIC #	Issue	Coupon	Maturity	Price	* = YTW			Principal	Accrued Interest	Net Amount
							YTM	YTC	YTP			
1,000	91282CEG2	Aaa/-	United States Treas Notes	2.250% Semiannual	03/31/2024	\$97.621	* 4.609%	N/A	N/A	\$976,210.94	\$10,260.99	\$986,471.93
1,000	91282CED9	Aaa/-	United States Treas Notes	1.750% Semiannual	03/15/2025	\$95.254	* 4.250%	N/A	N/A	\$952,539.06	\$0.00	\$952,539.06
1,000	9128286L9	Aaa/-	United States Treas Notes	2.250% Semiannual	03/31/2026	\$94.844	* 4.068%	N/A	N/A	\$948,437.50	\$10,260.99	\$958,698.49
1,000	91282CEF4	Aaa/-	United States Treas Notes	2.500% Semiannual	03/31/2027	\$94.586	* 3.962%	N/A	N/A	\$945,859.38	\$11,401.10	\$957,260.48
1,000	91282CBS9	Aaa/-	United States Treas Notes	1.250% Semiannual	03/31/2028	\$88.238	* 3.837%	N/A	N/A	\$882,382.81	\$5,700.55	\$888,083.36
<b>Weighted Averages and Totals</b>				<b>2.000%</b> Avg Coupon	<b>3.00</b> Avg Yrs Maturity	<b>\$94.109</b> Avg Price				<b>\$4,705,429.69</b> Total Principal	<b>\$37,623.63</b> Total Accrued Interest	<b>\$4,743,053.31</b> Total Investment

(n) Floating/Variable rate - (c) Yield to Call - (p) Yield to Par Call - (w) Yield to Middle Call - (u) Yield to Put - (dis) Discount Yield - (r) Pre-Refund - (t) Mandatory Put - (f) Called in Full

Monthly Coupon Payments (12 months)	Apr/23	May/23	Jun/23	Jul/23	Aug/23	Sep/23	Oct/23	Nov/23	Dec/23	Jan/24	Feb/24	Mar/24	Total
United States Treas Notes						\$11,250						\$11,250	\$22,500
United States Treas Notes						\$8,750						\$8,750	\$17,500
United States Treas Notes						\$11,250						\$11,250	\$22,500
United States Treas Notes						\$12,500						\$12,500	\$25,000
United States Treas Notes						\$6,250						\$6,250	\$12,500
<b>Total</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$50,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$50,000</b>	<b>\$100,000</b>



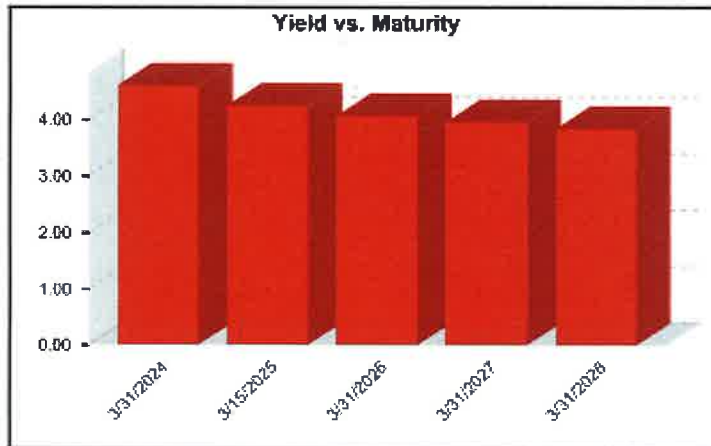
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 (954) 351-6930  
 FAX: (954) 351-9197

Ladder Summary		Average Coupon	2.000%	Tax Equivalent Yield	4.152%
Total Principal	\$4,705,429.69	Average Maturity	3.00yr(s)		
Total Accrued Interest	\$37,623.63	Average Price	\$94.109		
Total Investment	\$4,743,053.31	Annualized Current Yield	2.115%		
Next 12mo Cpn Cash Flow	\$100,000.00	Average Yield to	4.152%		
Maturity Value	\$5,000,000.00	Average Yield to Worst	4.152%		
		Average Duration	2.82		





# California Municipalities Serviced by Peter Yanez

Municipalities listed are currently registered with eConnectDirect.

- Central Basin Municipal Water District
- City of Atascadero
- City of Avalon
- City of Avenal
- City of Azusa
- City of Brawley
- City of Buellton
- City of California City
- City of Carson
- City of Claremont
- City of Desert Hot Springs
- City of El Segundo
- City of Fillmore
- City of Gardena
- City of Glendora
- City of Grand Terrace
- City of Goleta
- City of Hawthorne
- City of Hollister
- City of Indian Wells
- City of La Mesa
- City of La Puente
- City of La Verne
- City of Lemon Grove
- City of Lindsay
- City of Livermore
- City of Lomita
- City of Long Beach
- City of Los Alamitos
- City of Montebello
- City of Monterey Park
- City of Ojai
- City of Oxnard
- City of Piedmont
- City of Pismo Beach
- City of Placentia
- City of Port Hueneme
- City of Red Bluff
- City of Riverbank
- City of Rohnert Park
- City of Rolling Hills
- City of Santa Ana
- City of Torrance
- City of Twentynine Palms
- City of Union City
- City of Walnut Creek
- City of Yreka
- Camrosa Water District
- Coachella Valley Mosquito and Vector Control District
- Costa Mesa Sanitary District
- County of Del Norte
- County of Humboldt
- County of Imperial
- County of Inyo
- County of Lassen
- County of Mono
- County of Santa Cruz
- County of Tehama
- County of Tulare
- County of Ventura
- Diablo Water District
- Helix Water District
- Imperial Irrigation District
- Inland Empire Resource Conservation District
- Lakeside Water District
- Las Virgenes Municipal Water District
- Leucadia Wastewater District
- Mesa Water District
- Monterey Peninsula Water Management District
- Running Springs Water District
- Sunnyslope County Water District
- Town of Colma



MULTI-BANK SECURITIES, INC.®



# Thank You

For additional information, please contact:

**Peter Yanez - Vice President**

(855) 928-0111

[pyanez@mbssecurities.com](mailto:pyanez@mbssecurities.com)

**Questions?**

[www.mbssecurities.com](http://www.mbssecurities.com)

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TO: BOARD OF DIRECTORS

FROM: MARIO IGLESIAS  
GENERAL MANAGER



DATE: MARCH 17, 2023

**AGENDA ITEM**  
**C-2**  
**MARCH 22, 2023**

**ANNUAL REVIEW OF NIPOMO COMMUNITY  
SERVICES DISTRICT'S STRATEGIC PLAN**

**ITEM**

Review and discuss Nipomo Community Services District Strategic Plan [RECEIVE AND FILE PRESENTATION]

**BACKGROUND**

The Board of Directors ("Directors") for the Nipomo Community Services District ("District") first began an organizational strategic planning effort in 2006. Since that time the District has reviewed and updated the District's Strategic Plan ("Plan") in 2010, 2011, 2013, and 2018. Annually, the General Manager presents a review of the Plan to the Board, highlighting items completed and those yet to be completed.

It is anticipated that a comprehensive review and update of the strategic plan would be appropriate in 2023, early next fiscal year, as many of the objectives in the current strategic plan have been met and new objectives would help set the course for customer service and system improvements. Funding for a future comprehensive update will be addressed in the 2023-24 budget.

The Plan is intended to be a five-year living document – meaning, it is to be reviewed annually and all District activities should be linked to and help achieve the defined goals therein. The Plan is a high-level planning tool that helps direct the District's finite resources towards Board defined goals and objectives. The Plan also states the District's Mission (purpose), Vision (guide), and Values (how and why we act).

This annual review of the Plan is focused on providing the Directors with an update of the strategic elements within the strategic plan. Each element has numerous strategic goals and objectives. The attached presentation calls out goals and objectives currently being completed or, if not completed, are at the forefront of management's attention.

**FISCAL IMPACT**

Strategic planning helps focus limited staff resources and improve efficiency. Implementation of the Plan is dependent on the subsequent adoption of a budget and approvals of specific projects in support of the Plan. Budgeted staff time was used to prepare this report.

**STRATEGIC PLAN**

Strategic Plan Goal 6. – Governance and Administration. Periodically review, update and reaffirm District policies and procedures.

**RECOMMENDATION**

Staff recommends your Board review the materials and, where appropriate or necessary, provide direction to staff.

**ATTACHMENTS**

- A. Nipomo CSD 2018 Strategic Plan
- B. Presentation: Strategic Plan Review, Goals and Objectives

MARCH 22, 2023

ITEM C-2

ATTACHMENT A

# Nipomo Community Services District 2018 Strategic Plan

Prepared by Rauch Communication Consultants, Inc.

## BOARD OF DIRECTORS

Ed Eby, President,  
Dan A. Gaddis Vice-President  
Craig Armstrong, Director  
Dan Woodson, Director  
Bob Blair, Director

## STAFF

Mario Iglesias: General Manager  
Lisa S. Bognuda: Finance Director/Assistant General Manager  
Peter V. Sevcik: Director of Engineering & Operations

148 South Wilson Street  
Nipomo, CA 93444  
805-929-1133  
[ncsd.ca.gov](http://ncsd.ca.gov)

## **BOARD OF DIRECTORS**

Ed Eby, President

Dan A. Gaddis, Vice-President

Bob Blair, Director

Craig Armstrong, Director

Dan Woodson, Director

## **MANAGEMENT**

Mario Iglesias: General Manager

Lisa S. Bognuda: Finance Director/Assistant General Manager

Peter V. Sevcik: Director of Engineering & Operations

## **CONSULTANT**

Martin Rauch, Managing Consultant



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## DEVELOPING THE STRATEGIC PLAN

**Planning is strategic when it helps move an organization forward from its current situation to its desired future, and anticipates new challenges and conditions.**

### **About Strategic Planning**

The Strategic Plan Nipomo Community Service District's highest level planning document, and represents the Board's direction for the future. It is developed through a step-by-step process that includes understanding the District's situation and operating environment, while identifying the highest priority issues, strengths and weaknesses, as well as its opportunities and threats.

The Strategic Plan defines the agency's mission and vision, while providing a framework of goals and objectives that becomes a basis for all decision-making.

The Strategic Plan is also a practical working tool that provides clear direction to the staff about the Board's goals and objectives. The District staff will develop and implement a practical work plan or implementation plan to guide them in carrying out the Board policy-level goals and objectives.

Given its importance, the Strategic Plan should be referred to regularly as a guide to agency actions during the period covered.

To keep it fresh, it should be updated periodically as new factors enter the picture, and rolled forward so that there is always a multi-year guide to the future.

# How the Strategic Plan was Developed

The strategic planning process was carried out in the series of steps as outlined below.

## FOLLOW UP TO 2014 PLAN

Nipomo Community Services District completed a full strategic planning process in 2014. This is an update to that plan.

## INITIAL RESEARCH

**Research.** The consultant began by holding discussions with the General Manager, and by reviewing background documents, including agendas and minutes, documents and reports, the budget, and other pertinent information.

**Confidential Interviews.** The research phase was followed by a series of confidential interviews carried out by the consultant. The goal was for the interviewees to candidly express their interests and perspectives on the District. Interviewees included the Board of Directors, General Manager, Finance Director/Assistant General Manager, Director of Engineering & Operations.

## PLANNING WORKSHOPS

The Board of Directors, senior management staff and general counsel participated in one strategic planning workshop facilitated by Rauch Communication Consultants.

**Workshop.** During the workshop, the participants reviewed the results of the interviews, undertook exercises to examine the current state of the District, and identified critical issues and opportunities expected to confront the District in the future. They also identified priorities.

### Additional Information from the Planning Process

During the planning process, a number of exercises and discussions were undertaken to review.

They provide useful additional information and ideas.

Expectations of the Participants.

Summary of the Interviews.

Current questions, challenges and open issues needing direction.

What is Coming Down the Road: Challenges and Opportunities.

## Highest Priority Issues

Below are the initial priority issues for the coming years, identified during the workshop of the strategic planning process as areas that merit additional attention. Note that these priorities don't mean they are more important than other issues – for example, Safety is a top priority, but it is already being well attended to. The numbers in parenthesis at the end of each item represent “votes” by workshop participants with 1 being a highest-level priority, 2 a next-level priority, etc.

### FIRST-LEVEL PRIORITIES

**Seek to Maintain and Enhance Community Sustainability.** This refers both to ensure quality service and to maintaining the affordability and sustainability of the service for customers. (1, 1, 1, 1, 3)

**Financial Stability.** The District will ensure that it maintains strong and reliable finances over time. (1, 1, 2, 3)

**Infrastructure Stability.** Ensure the District's infrastructure is built and maintained for long-term cost effectiveness, and reliability. (2, 2, 2, 3, 3)

### SECOND-LEVEL PRIORITIES

**Operational Optimization.** The District seeks to maximize cost-effectiveness, reliability. (1, 4, 4, 4))

**Customer Satisfaction.** The sole reason for the District's existence is to serve customer needs, this has been a focus for a long-time and is a top priority. It is only a second-level priority in terms of new initiatives. (3, 3, 4)

### THIRD-LEVEL PRIORITIES

**Operational Resiliency.** Is the District prepared for emergencies such as if Creeks back up and leaving generators underwater and causing backups? (4, 4)

**Employee Leadership and Development.** Ensure the District is prepared for succession of staff, that staff are well trained, enjoy their positions, etc. (3).

# MISSION, VISION, AND VALUES

## Mission

**A mission statement describes the reason an organization or program exists, services it exists to supply, who it serves, and how it measures excellence. The District's, existing mission statement is reproduced below.**

*Provide our customers with reliable, quality, and cost-effective services now and in the future.*

## Vision

**A clear vision provides a guide for an agency. The clearer the vision, the easier it is for the Board, Staff and stakeholders to picture what the Board is trying to achieve and then achieve it. The existing Vision of Nipomo Community Services District is reproduced below:**

*Provide superior and cost-effective services to our customers, a valued place to work for employees, respected and supported by our public and peers, and helping to maintain the rural quality of life in Nipomo.*

## Values

Values are what we consider important—what we believe is right. The Board is responsible for identifying and being the guardian of values. Effective organizations identify and develop clear, concise and shared values, beliefs, priorities, and provide direction so that every employee understands and can contribute by implementing their work in line with the organization's values. The existing values statements are written as questions which can be posed to help make difficult decisions.

- *Is it open, transparent and responsive to our customers?*
- *Is it sensitive to rates, cost efficient and financially responsible?*
- *Does it support our commitment to maintaining-quality facilities and infrastructure?*
- *Does it support our ability to provide quality and reliable services?*
- *Does it support the welfare of our employees?*
- *Does it support the quality of life and rural character of our community?*

# GOALS, OBJECTIVES AND IMPLEMENTATION APPROACH

## About Goals and Objectives

The goals and objectives are presented on the following pages. They, along with the mission, vision and values represent the core strategic direction provided in this plan.

**Goals** are intentions that are directed at meeting the mission of the District. They describe broad, primary areas of management, operations, and planning that need to be addressed to ensure optimum progress. Goals are not connected to timelines.

**Objectives** are more specific directions that expand upon and refine the goals. They are set by the Board. There may be multiple objectives for each goal. They are SMART: Specific, Measurable, Attainable, Related to Goals, and Time Certain.

**Implementation.** A summary of Staff's approach to implementing the plan is shown under each objective.

**Timing.** Staff will implement the goals and objectives as appropriate and report on all of them annually early in each budget season.



**Goal 1. WATER SUPPLIES.** Actively plan to provide reliable water supply of sufficient quality and quantity to serve both current customers and those in the long-term future.

**1.A. ACTIVITIES FOR COMPLETION**

- A.1 Obtain the necessary permits to utilize the full capacity of the Supplemental Water Project pipeline. [2020]**
  
- A.2 The District shall provide new service connections to customers when the NCSD Board lifts Severe Criteria condition groundwater pumping restrictions. [July 2018]**
  
- A.4 NCSD will make available imported water to other purveyors once the NSWP pipeline is permitted to be used at full capacity. [2020]**
  
- A.5 Expedite funding and implementation of final phases of the Supplemental Water Supply Projects (up to 3,000 acre-feet). [2023]**
  
- A.6 Update the Water Master Plan to ensure: long-term quality; reliability; cost-effectiveness; and ability to meet customer needs and regulatory requirements. [2018]**
  
- A.7 The District will seek to sell temporary water to other purveyors to utilize take or pay water and offset costs. [2018]**

**1.B. ONGOING ACTIVITIES**

- B.1 Seek to have the County implement sustainable water supply policies that match the level of development they approve, including all the features described in the Water Resources Policy Statement.**
  
- B.2 Engage with other local and regional organizations to develop solutions to long-term water supply challenges such as providing emergency backup supplies, and ensuring long-term water supply reliability, etc.**
  
- B.3 Seek opportunities for mutually beneficial shared use of the Supplemental Water Project pipeline once it is permitted to transmit its full capacity.**
  
- B.4 Maintain the Water Shortage Response and Management Plan to respond to drought and other supply emergencies.**

**Goal 2. FACILITIES THAT ARE RELIABLE, ENVIRONMENTALLY SENSIBLE AND EFFICIENT.** Plan, provide for and maintain District facilities and other physical assets to achieve reliable, environmentally sensible, and efficient District operations.

**2.A. ACTIVITIES FOR COMPLETION**

- A.1 Complete the Supplemental Water Project (NSWP). (2024)**
  
- A.2 Develop a pathway to complete needed upgrades and replacements for the Blacklake wastewater treatment plant. [2018]**
  
- A.3 Carry out treatment plant expansion on the scheduled trigger of 700,000 gallons per day of capacity. District is currently at 650,000 gallons per day (3-5 years).**

**2.B. ONGOING ACTIVITIES**

- B.1 NCSD shall maintain long-range infrastructure management, upgrade and replacement planning.**
  
- B.2 Manage both collection systems with the objective of zero spills and zero permit violations from all regulatory oversight agencies and to ensure the long-term preservation of assets.**
  
- B.3 Manage both treatment facilities with the objective of zero permit violations from all regulatory oversight agencies and to ensure the long-term preservation of assets.**



**Goal 3. PERSONNEL AND ORGANIZATION.** Maintain a qualified, long-term and productive workforce to assure an effective organization.

**3.A. ACTIVITIES FOR COMPLETION**

**A.1 Raise the Bar on Operational Effectiveness.** [Ongoing with Annual Report]

IMPLEMENTATION: Staff defined and follows operating rules and agreements with purveyors, coordinates with the city of Santa Maria on a daily basis on operating the SWP, is implementing a new disinfectant, and is managing the transmission system at a more sophisticated level.

**A.2 Plan for staff succession.**

Develop a 3 to 5 year staff succession plan by January 2019

**3.B. ONGOING ACTIVITIES**

**B.1 Ensure the District is adequately staffed with high quality, long-term employees and supported by appropriate contractors and partnerships.**

**B.2 Maintain a strong commitment to a safe work place.**

**B.3 Maintain effective disaster response capability.** This includes operational resiliency in the face of floods, earthquakes and other emergencies.

**Goal 4. FINANCE.** Maintain conservative, long-term financial management to minimize rate impacts on customers while meeting program financial needs.

**4.A. ACTIVITIES FOR COMPLETION**

- A.1 Develop a financial plan to fund the infrastructure buildout**, including the fair share from participants in the water supply pipeline. [Prioritize after the current rate study is complete] (2018)
- A.2 Ensure billing processes are efficient, cost-effective and fair. Evaluate the potential costs and benefits of monthly compared to bi-monthly billing.** [2018]
- A.3 Develop a Near-, Mid-, and Long-Term Plan to Pay for Take-or-Pay Water.** Evaluate potential and options for ramping rates over time compared to making rate jumps as the water becomes available. [2019]

**4.B. ONGOING ACTIVITIES**

- B.1 Evaluate, plan for and maintain finances that are adequate** for all needs, stable, and reliable over the long-term.
- B.2 Ensure that purveyors and others pay their fair share of financing water supply**, supplemental water, conservation, and sustainability of the regional water supply. Purveyors should pay their share up front before getting water in order to help finance next phases of supplemental water program.
- B.3 Monitor liabilities for post-employment benefits.** Continue to track State progress to reform post-employment benefit programs.
- B.4 Monitor opportunities for grant funding.**  

IMPLEMENTATION: Staff is pursuing Proposition 1 grant funding and looking for other ways to pay for infrastructure improvements.
- B.5 Maintain adequate rates to fund future capital replacements.**
- B.6 Maintain sound investment policy and investments.**

**Goal 5. OPERATIONS.** Maintain a proactive program to ensure readiness of systems and cost-effectiveness of operations.

**5.A. ACTIVITIES FOR COMPLETION**

**A.1 Ensure efficiency and effectiveness in operations, including evaluating Automated Meter Reading. [2019]**

**A.2 Utilize metrics for measuring operational effectiveness to ensure improvements in reliability, and cost-effectiveness of operations and maintenance. [2020]**

**5.B. ONGOING ACTIVITIES**

**B.1 Continue to improve maintenance management programs for both water and wastewater systems to ensure quality and reliability of services, to maintain warranties, and protect investment in new facilities (maintenance management).**

**B.2 Meet all regulations.**

**Goal 6. GOVERNANCE AND ADMINISTRATION.** Conduct District activities in an efficient, equitable and cost-effective manner.

**6.A. ACTIVITIES FOR COMPLETION**

**A.1** Periodically review, update and reaffirm District policies and procedures. [2020]

**A.2** Conduct annual customer satisfaction survey. [Annually]

**6.B. ONGOING ACTIVITIES**

**B.1** Utilize technology to maximize productivity and communications.

**B.2** Provide excellent customer service.

**Goal 7. COMMUNICATION.** Use public outreach to communicate effectively with the public to obtain their input and build understanding and support for the District.

**7.A. ACTIVITIES FOR COMPLETION**

**A.1 Develop and implement a complete outreach plan and timeline with specific goals and budget each year. [2018]**

IMPLEMENTATION: Will continue to maintain the staffed position that utilizes current communication strategies including multiple online platforms, monthly news articles for the local paper, monthly and quarterly newsletters, advertisements in other traditional media platforms and other outreach efforts.

**7.B. ONGOING ACTIVITIES**

**B.1 Maintain productive communication and relationships** with key stakeholders, such as city, County, State and Federal legislators, service clubs, etc. As appropriate, plan and assign for this role.

**Goal 8. ADDITIONAL COMMUNITY SERVICES.** Staff should focus on meeting the goals and objectives of existing services. Adding new services will be considered on a case-by-case basis and entered into only if funding can be found and existing services are not harmed.

**8.A. ACTIVITIES FOR COMPLETION**

A.1 SOLID WASTE. Seek to maximize solid waste services for community and build understanding of services like hazardous waste, recycling, etc. and District's role. [2020]

**8.B. ONGOING ACTIVITIES**

B.1 PARK. Remain engaged in community planning at the Board level and communicate District's commitment to follow through with pending acquisition when/if availability of funding source is secured.

B.2 STREET LIGHTING. Monitor maintenance of facilities and respond to observed problems.

B.3 DRAINAGE. Monitor maintenance of facilities and respond to observed problems.

B.4 STREET LANDSCAPING. Monitor landscape maintenance and respond to observed problems.

## MONITORING AND ENSURING RESULTS

### Overseeing the Plan

To ensure that the Strategic Plan continues to be implemented and results achieved, the District plans to take the steps outlined below:

- Publish the Mission, Vision, Values Goals and Objectives in the, newsletter and on the district website
- Incorporate the Mission, Vision, Values, Goals and Objectives into the employee handbook, as well as orientation and training materials for new employees.
- Present the Strategic Plan to the entire staff so they are familiar with it and can better undertake their individual roles in fulfilling it.
- GM performance will be evaluated in part based on their implementation of the Strategic Plan Goals and Objectives.
- Staff will reference Strategic Plan items on Board meeting agendas as appropriate.
- The Board, with staff support, will review and update the Strategic Plan periodically and roll it forward.

# Appendix



## Expectations for the Strategic Planning Process

The first question asked in the first workshop was for each of the participants to share their initial expectations for the workshop by considering their own goals for the workshop, and what they hoped the outcome would be. The expectations are organized into topic headings below.

**Note:** the numbers in parenthesis indicate how many comments were made on that topic. E.G. BUILD CONSENSUS ON IMPORTANT ISSUES was commented on 7 times.

### **BUILD CONSENSUS ON IMPORTANT ISSUES (7)**

Gain consensus on important issues coming up in the next several years.

Identify our priorities and reality check them.

Identify goals and objectives to stay on track.

Foster a good discussion and hear from each other.

Team building and hear from others.

### **RELATIONSHIPS WITH STAFF (3)**

#### **WHERE DO WE GO NEXT? (2)**

Completed many projects, now what?

#### **FUTURE INSTITUTIONAL RELATIONSHIPS (2)**

Consider institutional relationships in light of upcoming LAFCO MSR

Determine how to deal with SOCWA moving forward (JPA Agreements, Representation, Cost Allocation and Management)

Identify how can we engage with neighbors more and more effectively?

### **BOARD AND STAFF ROLES AND RELATIONSHIPS**

#### **ROADMAP TO THE FUTURE**

Develop a roadmap to pave the way for new direction in a way that would be useful in the near term and to future directors and staff.

Think ahead and consider what actions may affect us - supply, technology, regulations, etc. -- so we can be prepared.

Conduct what-if exercises and scenarios, and provide clarity of direction.

#### **LOCAL WATER SUPPLY**

Consider more options.

Identify what is next with recycled water?

#### **SUCCESSION**

BACK COVER  
Prepared By:  
RCC LOGO  
[www.rauchcc.com](http://www.rauchcc.com)

MARCH 22, 2023

ITEM C-2

ATTACHMENT B



Nipomo CSD  
Annual Strategic Plan  
2023 Review

# Nipomo CSD – Strategic Plan Review

## Nipomo Community Services District 2018 Strategic Plan

Prepared by Rauch Communication Consultants, Inc.



# Nipomo CSD – Strategic Plan Review



**8 Defined Goals**



**(A) Activities for Completion**

**(B) Ongoing Activities**

# Goal 1. WATER SUPPLIES.

Actively plan to provide reliable water supply of sufficient quality and quantity to serve both current customers and those in the long-term future.



## 1.A. ACTIVITIES FOR COMPLETION

- ▶ A.1 Obtain the necessary permits to utilize the full capacity of the Supplemental Water Project pipeline. [2025]
- ▶ ~~A.2 The District shall provide new service connections to customers when the NCSD Board lifts Severe Criteria condition groundwater pumping restrictions. [July 2018]~~
- ▶ A.4 NCSD will make available imported water to other purveyors once the NSWP pipeline is permitted to be used at full capacity. [Undetermined]
- ▶ ~~A.5 Expedite funding and implementation of final phases of the Supplemental Water Supply Projects (up to 3,000 acre-feet). [2023]~~
- ▶ A.6 Update the Water Master Plan to ensure: long-term quality; reliability; cost-effectiveness; and ability to meet customer needs and regulatory requirements. [2023]
- ▶ A.7 The District will seek to sell temporary water to other purveyors to utilize take or pay water and offset costs. [2025]

# **Goal 1.**

## **WATER SUPPLIES.**



### **1.B. ONGOING ACTIVITIES**

- ▶ **B.1 Seek to have the County implement sustainable water supply policies that match the level of development they approve, including all the features described in the Water Resources Policy Statement.**
- ▶ **B.2 Engage with other local and regional organizations to develop solutions to long-term water supply challenges such as providing emergency backup supplies, and ensuring long-term water supply reliability, etc.**
- ▶ **B.3 Seek opportunities for mutually beneficial shared use of the Supplemental Water Project pipeline once it is permitted to transmit its full capacity.**
- ▶ **B.4 Maintain the Water Shortage Response and Management Plan to respond to drought and other supply emergencies.**



## **Goal 2. FACILITIES THAT ARE RELIABLE, ENVIRONMENTALLY SENSIBLE AND EFFICIENT**

**Plan, provide for and maintain District facilities and other physical assets to achieve reliable, environmentally sensible, and efficient District operations.**

### **▶ 2.A. ACTIVITIES FOR COMPLETION**

- ▶ A.1 Complete the Supplemental Water Project (NSWP). (2024) {Pomeroy Line [start design May 2023 – Bid in Jan. 2024] & Interties Left to complete [Bid June 2023]}**
- ▶ ~~A.2 Develop a pathway to complete needed upgrades and replacements for the Blacklake wastewater treatment plant. [2018]~~**
- ▶ A.3 Carry out treatment plant expansion on the scheduled trigger of 700,000 gallons per day of capacity. District is currently at 650,000 gallons per day (Start design May 2023).**

## **Goal 2. FACILITIES THAT ARE RELIABLE, ENVIRONMENTALLY SENSIBLE AND EFFICIENT**



### **2.B. ONGOING ACTIVITIES**

- ▶ **B.1 NCSD shall maintain long-range infrastructure management, upgrade and replacement planning.**
- ▶
- ▶ **B.2 Manage both collection systems with the objective of zero spills and zero permit violations from all regulatory oversight agencies and to ensure the long-term preservation of assets.**
- ▶
- ▶ **B.3 Manage both treatment facilities with the objective of zero permit violations from all regulatory oversight agencies and to ensure the long-term preservation of assets.**



## **Goal 3. PERSONNEL AND ORGANIZATION.**

**Maintain a qualified, long-term and productive workforce to assure an effective organization.**

### **3.A. ACTIVITIES FOR COMPLETION**

#### **A.1 Raise the Bar on Operational Effectiveness. [Ongoing with Annual Report]**

**Implementation: Staff defined and follows operating rules and agreements with purveyors, coordinates with the city of Santa Maria on a daily basis on operating the SWP, and is managing the transmission system at a more sophisticated level.**

#### **~~A.2 Plan for staff succession.~~**

**~~Develop a 3 to 5 year staff succession plan by January 2019~~**



## **Goal 3. PERSONNEL AND ORGANIZATION.**

### **3.B. ONGOING ACTIVITIES**

**B.1 Ensure the District is adequately staffed with high quality, long-term employees and supported by appropriate contractors and partnerships.**

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## Goal 4. FINANCE.

Maintain conservative, long-term financial management to minimize rate impacts on customers while meeting program financial needs.

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- ~~A.1 Develop a financial plan to fund the infrastructure buildout, including the fair share from participants in the water supply pipeline. [Prioritize after the current rate study is complete] (2018)~~
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## **Goal 4. FINANCE.**

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**Conduct District activities in an efficient, equitable and cost-effective manner.**

### **6.A. ACTIVITIES FOR COMPLETION**

**A.1 Periodically review, update and reaffirm District policies and procedures. [2023]**

**A.2 Conduct annual customer satisfaction survey. [Annually]**



# **Goal 6. GOVERNANCE AND ADMINISTRATION**

## **6.B. ONGOING ACTIVITIES**

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