



**MARIN
WATER**



CATALYST

Marin Water Strategic Plan

Goals & Objectives

*Water Supply Reliability
& Fiscal Responsibility*

December 5, 2023

Purpose and Discussion

Purpose:

Refine and align goals and objectives:

Goal 1 – Reliable Water Supply

Goal 4 – Fiscal Responsibility

Discussion:

- Is the goal framed correctly to guide the organization for the next 5 years?
- Do the objectives capture the important interests of the board, staff, and community?

Strategic Planning Framework





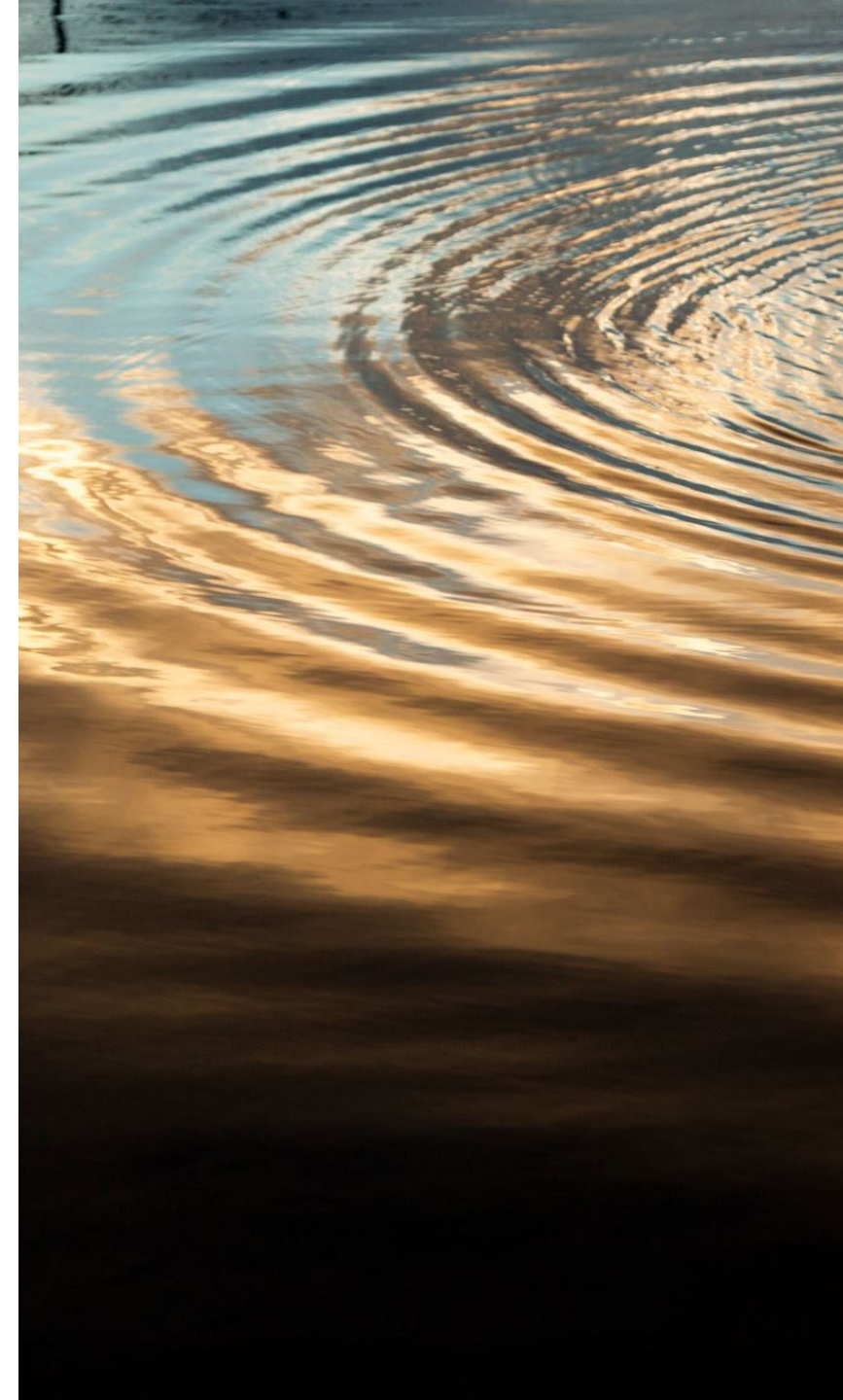
DRAFT Vision & Mission

Our Vision:

Marin Water is a leader in water and natural resource management and addressing the complexities of a changing environment.

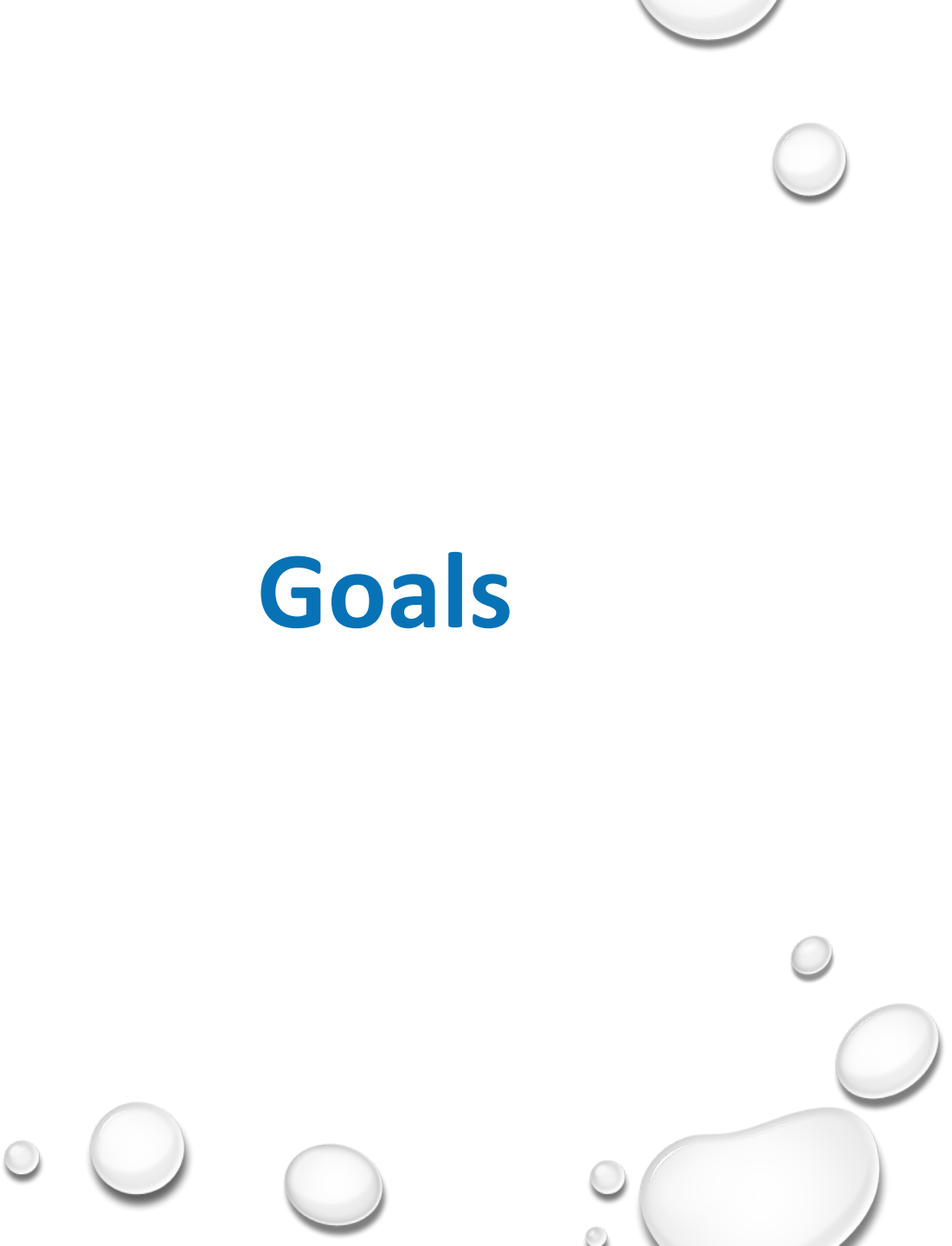
Our Mission:

Marin Water manages the lands, water, and facilities in our trust to provide reliable, high-quality water and adapt and sustain these precious resources for the future.





Goals





Strategic Plan Goals

Goal 1: Reliable Water Supply

Goal 2: Resilient Water System

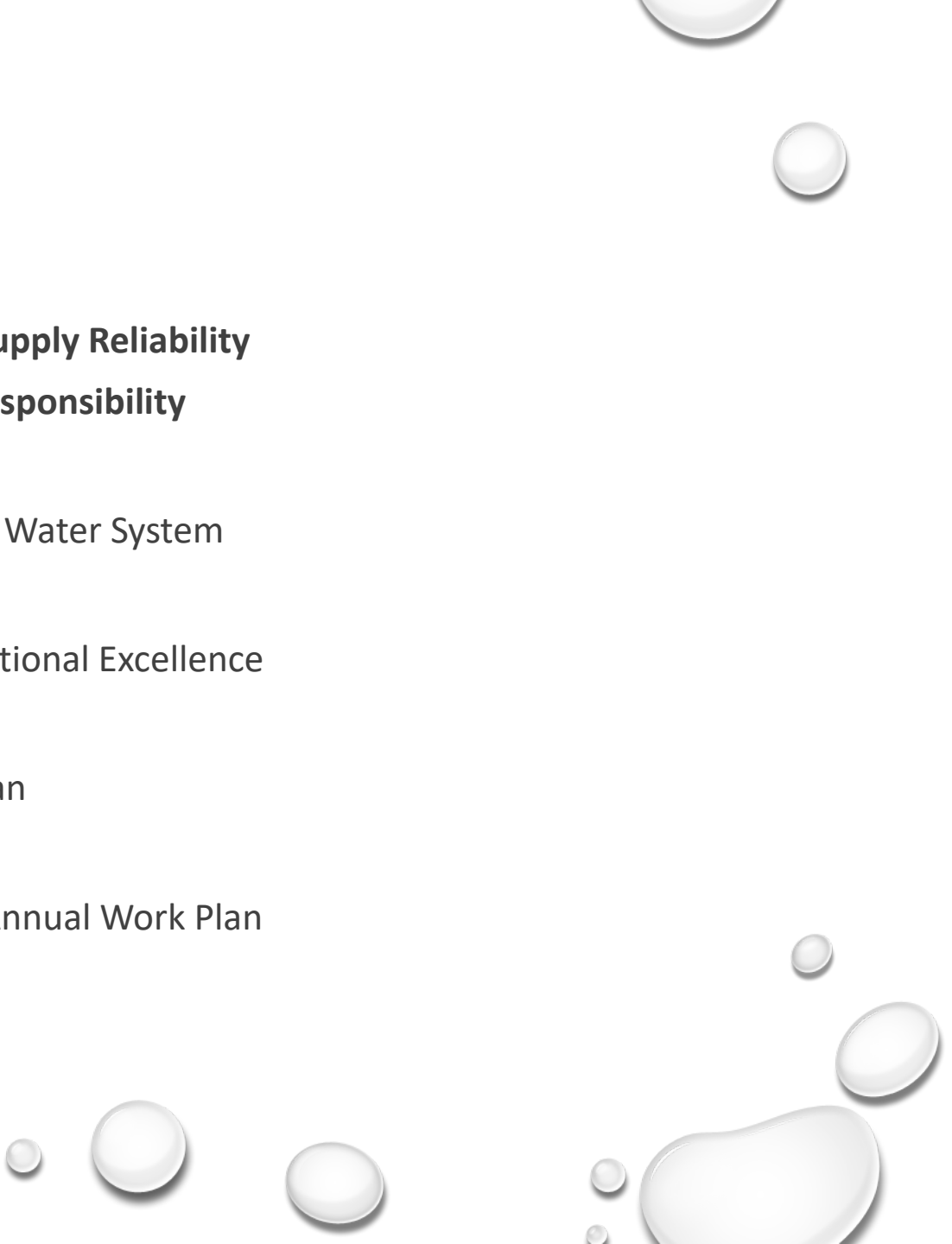
Goal 3: Watershed Stewardship

Goal 4: Fiscal Responsibility

Goal 5: Organizational Excellence



Next Steps

- **December 5**
 - **Goal 1 – Water Supply Reliability**
 - **Goal 4 – Fiscal Responsibility**
 - **December 19**
 - **Goal 2 – Resilient Water System**
 - **January 9**
 - **Goal 5 – Organizational Excellence**
 - **January 30**
 - **Draft Strategic Plan**
 - **March 14**
 - **Board Retreat – Annual Work Plan**
- 

Goal 1: Water Supply Reliability

Provide a high quality, reliable and resilient water supply now and for the future.



Goal Overview

- Marin Water is responsible for ensuring that clean potable water is delivered to our customers whenever they may need it.
- In 2021 the District was faced with the real possibility that with continued drought conditions the water supply would be exhausted within months.
- This Water Supply Reliability goal captures the District's commitment to Marin Water customers to manage the existing high-quality water supply our customers rely on today and to develop additional water resources to provide a reliable and resilient water supply capable of providing water through future droughts.



Water Supply Reliability

Objective 1 - **Reduce Potable Water Use**

Objective 2 - **Augment Water Supply**

Objective 3 - **Preserve and Enhance Existing Water Supply**

Objective 4 - **Provide High-Quality Water to Customers**

Objective 1: Reduce Potable Water Use

The District will reduce water use and water waste by 800 AF in the next five years to conserve our resources and ensure that the District meets or exceeds the statewide indoor residential per capita water use target of 47 gallons per capita (R-GPCD) by 2025 and is on track to meet the 2030 standard of 42 (R-GPCD), along with the annual water loss target of 28.5 gallons per connection per day.



Objective 1: Reduce Potable Water Use

- Identify and implement water efficiency concepts and strategies in the Water Efficiency Master Plan to achieve short-term and long-term goals.
- Enhance incentives, education and outreach to our customers that effectively reduce water use.
- Optimize and implement the District's water loss control and leak detection program using most current industry practices, leveraging innovative technologies.
- Participate in and support the development of regulations and legislation that drive water efficiency through participation in industry associations.
- Identify opportunities for partnerships in testing new technologies or theories to reduce water use.
- Review a range of policy options to further advance water efficiency.

Objective 2: Augment Existing Water Supply

The District will fully implement the Strategic Water Supply Roadmap's short-term actions and make progress on long-term, cost-effective projects to meet demand during a four-year drought with no more than 25 percent mandatory conservation (Water Shortage Contingency Plan Stage 3).



Objective 2: Augment The Existing Water Supply

- Fully implement the Strategic Water Supply Roadmap short term actions to augment the water supply by increasing resilience by up to 2700 acre feet (AF):
 - Complete electrification of Soulajule Pump Station - 420 AFY
 - Complete Phoenix to Bon Tempe pumping - 260 AFY
 - Complete Optimization of Sonoma Water Supply - 2,000 AFY
 - Complete Stream release automation
- Achieve significant progress on implementation of Water Supply Roadmap long term projects:
 - Select the preferred Marin-Sonoma Regional Water Conveyance project alternative and begin the next steps.
 - Select the preferred Local Storage Improvement project alternative and begin the next steps.

Objective 3: Preserve and Enhance Existing Water Supply

The District will strive to ensure continued access to supplemental water from Sonoma which can account for approximately 25% of annual potable water demand.

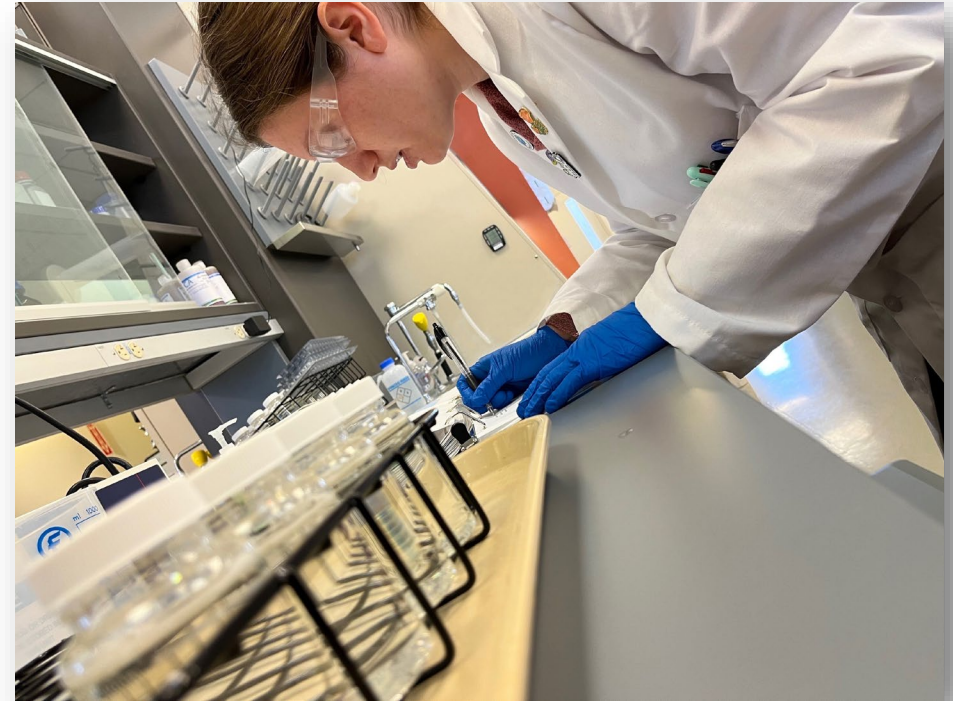


Objective 3: Preserve and Enhance Existing Water Supply

- Renew agreement with Sonoma Water to ensure continued access to supplemental water supply
- Enhance relationship with Sonoma Water and contractors to develop regional support for water supply projects
- Support the process for development of a New Eel-Russian Facility, which advances a regional solution for preserving flows and fisheries in the Russian River and improving Eel River fisheries.

Objective 4: Provide high-quality water to customers

The District will manage our water system to ensure water quality is protected from the source to our customers.



Objective 4: Provide high-quality water to customers

- Develop Reservoir Management Plans for Alpine, Bon Tempe, Kent, Nicasio and Soulajule that include water quality objectives and algae management strategies.
- Review and research water treatment options for removal of taste and odors in drinking water as well as other improvements to water quality.
- Ensure that the Water Quality lab is accredited to the latest TNI accreditation standard for compliance analyses.
- Participate in the development of regulations that are appropriately protective of public health and the environment through participation with industry groups and associations.

Goal 4: Fiscal Responsibility

Judiciously manage customer revenue and other financial resources for operating, maintaining and upgrading the water system today and in preparation for the future.

Goal Overview

- As a public agency, all revenues received by Marin Water are reinvested into the water system, and customer water rates are the primary source of Marin Water's revenue, providing 95 percent of the District's funding.
- With a relatively small and stable ratepayer base, it is especially imperative for the District to prioritize financial stability and cost-effective operations in order to maximize the value of local ratepayer funds.

Five-Year Objectives

Objective 1 - **Financial Stability**

Objective 2 - **Fair and Proportional Rates**

Objective 3 - **Cost-Effective Business Processes**

Objective 4 - **Reduced Financial Impacts on Ratepayers**

Objective 5 - **Financial Transparency**

Objective 1: Financial Stability

The District will utilize reserves and invest in infrastructure in a consistent and predictable manner to minimize the rate impact on customers when unforeseen events occur.

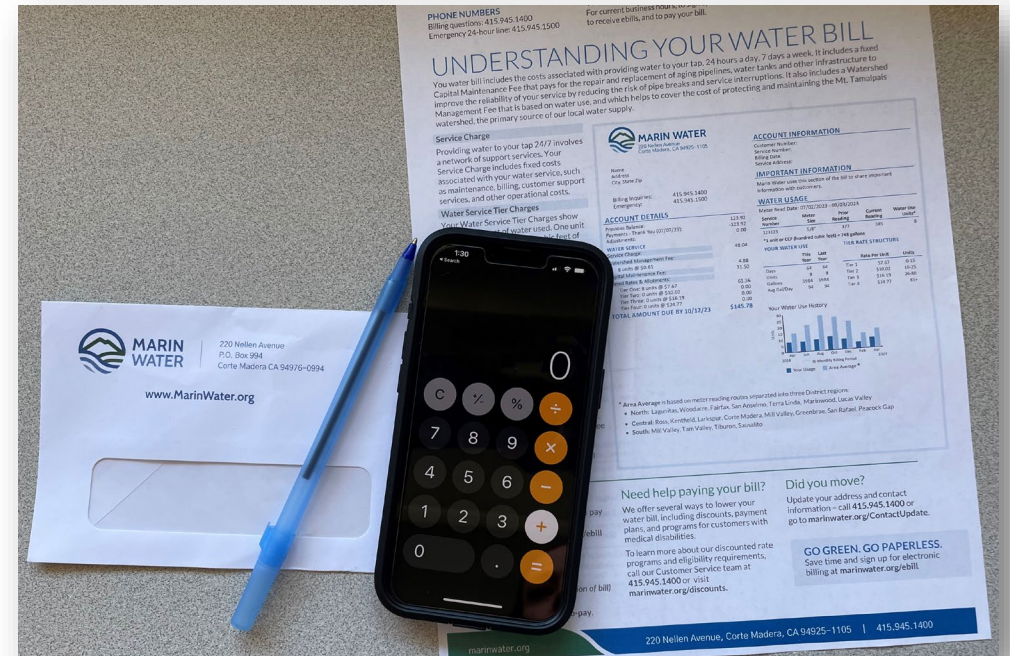


Objective 1: Financial Stability

- Establish stabilization reserves to mitigate annual revenue fluctuations.
- Support development of a long-term capital improvement program that ensures an appropriate and stable level of investment.
- Regularly update fees, rents and other non-rate revenues to maintain pace with inflation.

Objective 2: Fair and Proportional Rates

Under the legal framework of Proposition 218, the District will continuously evaluate the effectiveness of the rate structure to ensure it produces sufficient revenue while maintaining a balance of affordability and proportionality.



Objective 2: Fair and Proportional Rates

- Conduct a connection fee study to fully capture the cost of current and future infrastructure needs.
- Develop new customer outreach efforts to connect qualifying customers to the District's low-income discount program.
- As part of the 2027 rate setting process, conduct a cost-of-service study to ensure charges are proportional and reflective of current demand trends.
- Implement a robust outreach plan throughout the 2027 rate-setting process to inform customers about proposed changes.

Objective 3: Cost-Effective Business Processes

The District will implement operational practices that increase efficiencies to maximize the value of ratepayer revenues.



Objective 3: Cost-Effective Business Processes

- Update the enterprise resource planning system (SAP) to streamline routine processes and provide improved data analytics.
- Evaluate opportunities to improve business practices, utilize new technologies and leverage external resources to improve operational efficiencies.
- Minimize the cost of financing by maintaining very high (AA or better) credit quality rating.
- Increase customer use of online bill payments and electronic payments, through new outreach efforts, to reduce banking and printing costs.
- Streamline the application process for discount programs and leak adjustments.

Objective 4: Reduced Financial Impacts on Ratepayers

The District will seek out alternative revenue sources to lessen the impact of future rate increases on customers.



Objective 4: Reduced Financial Impacts on Ratepayers

- Pursue Water Resources Development Act (WRDA) funding for water storage improvement projects.
- Utilize bond funding to spread infrastructure funding costs over time.
- Develop and secure grants from state and federal agencies to increase the District's capacity to advance key initiatives.
- Obtain Water Infrastructure Finance and Innovation Act (WIFIA) program loans to maximize financial flexibility for projects with longer construction cycles.
- Leverage regional partnerships to increase state and federal funding opportunities.

Objective 5: Financial Transparency

The District will maintain transparency in all aspects of financial operations.



Objective 5: Financial Transparency

- Conduct bi-annual reviews of fiscal policies.
- Publish quarterly financial summaries.
- Conduct regular internal and external financial audits.
- Proactively communicate to customers about successful grant applications as well as the District's specific investments in infrastructure projects, water supply roadmap efforts, and watershed restoration milestones to highlight how revenues are being allocated.