

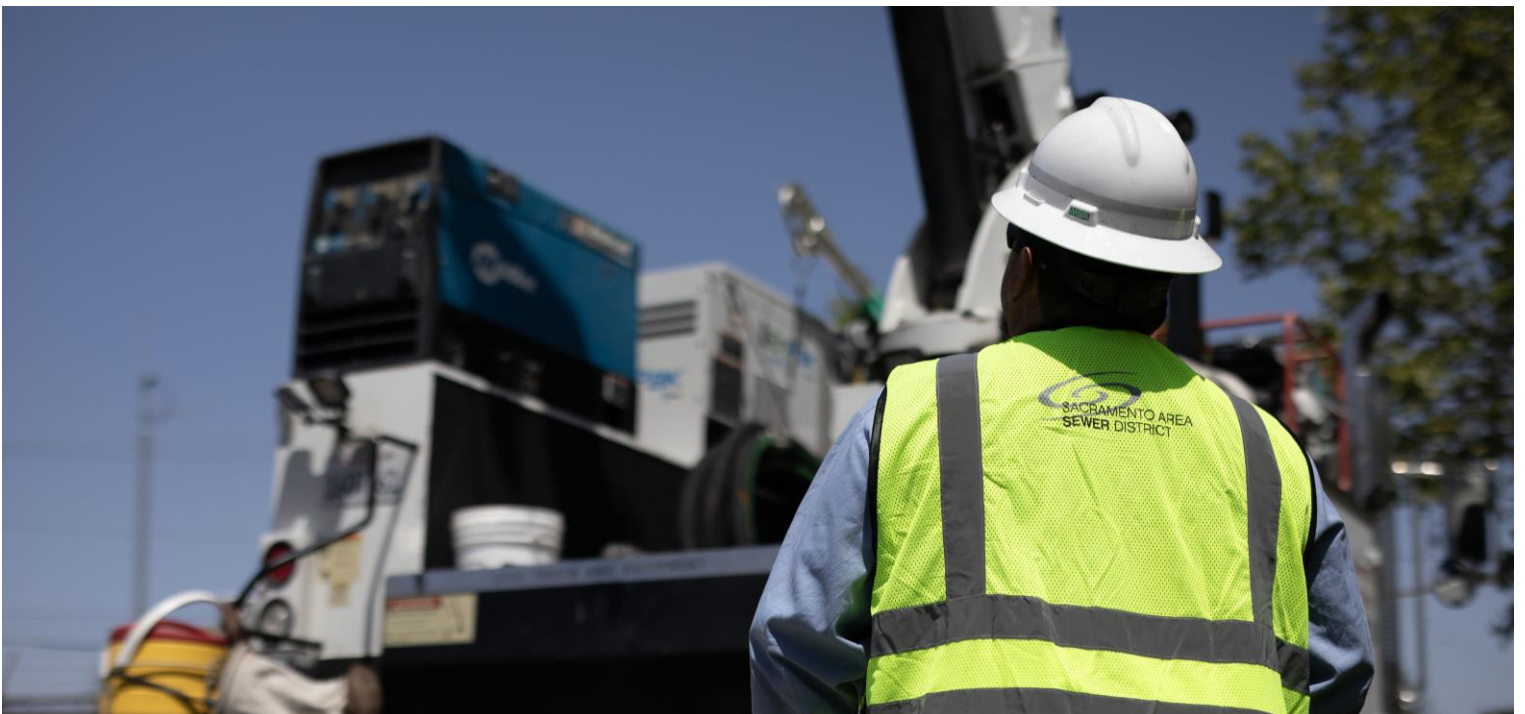


SacSewer 2025-2035

STRATEGIC PLAN



SACRAMENTO AREA
SEWER DISTRICT
SERVING YOU 24/7



A Message from the General Manager



I'm proud to introduce the Sacramento Area Sewer District's (SacSewer's) new 10-year Strategic Plan – a roadmap that will guide us into a future defined by innovation, sustainability, and service to our community. This plan reflects who we are and where we're going, grounded firmly in our mission to protect public health and the environment through responsible sewage collection, treatment, and resource recovery.

This vision could not take shape without the many employees who served as subject matter experts across our goal areas. Your insights and contributions were instrumental in shaping meaningful and achievable objectives that will guide our work in the years ahead. I also want to extend my sincere appreciation to our Board of Directors, whose leadership and foresight have helped steer this plan with clarity and purpose.

To our incredible team of over 800 employees—you are the heart of SacSewer. It is through your ongoing hard work, integrity, and expertise that this plan will come to life. Your commitment to our core values of responsibility, resolve, proficiency, and environmental stewardship ensures that we don't just meet expectations—we set the bar for excellence in utility management and environmental sustainability.

As we move forward together, I'm filled with hope and confidence. This Strategic Plan is not just a document. It's a shared promise to our community, our environment, and to each other. Let's embrace this next chapter with purpose and pride, knowing that the work we do today builds a cleaner, safer, and more resilient tomorrow.

Thank you for being part of this journey.



Harvest Water Program

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A photograph of two workers in white shirts and dark pants walking away from the camera on top of a large, white, curved pipe. The worker on the left is wearing a white hard hat. The background is a clear blue sky.

Purpose

The Need for Strategic Planning

At the Sacramento Area Sewer District (SacSewer), our mission is not just a statement, it's a commitment we live out every day – protecting public health and the environment by collecting, treating, and recovering resources from sewage. We own and operate the second largest sewage collection utility in California and the second largest water resource recovery facility of its kind in the nation, so we are at the forefront of this vital work.

Strategic planning is needed now more than ever. Across the country, challenges like climate change, aging infrastructure, workforce competition, and information security are shaping the future of our sector, driving the need for innovation and strategic planning.

Strategic plans help organizations like SacSewer set a direction, prioritize efforts, allocate resources, and ensure that we are working towards common goals. SacSewer will use this plan to guide planning and decision making, helping to ensure continuous improvement in a changing environment.

Our ten-year strategic plan represents our core values and commitments to our staff, communities, and the environment. It outlines our goals, objectives, milestones, and measures to advance our mission and vision. This plan is also a tool to keep our stakeholders informed. We will provide regular updates on the plan's progress through various means, including our State of the District reports and Board meetings.

IT'S WHO

A legacy of stewardship...

SacSewer has always embraced our role as an environmental steward, which is demonstrated every day in our work to collect, treat, and recover resources from sewage.

Our EchoWater Resource Recovery Facility (EchoWater Facility), located near Elk Grove, treats 146 million gallons of sewage each day (nearly 230 Olympic swimming pools) from the 1.6 million people we serve throughout the Sacramento region. Our network of 5,000 miles of sewer pipe and 117 pump stations are maintained and operated by our teams' work on preventive maintenance and repairs. We ensure sewage is properly treated and cleaned at the EchoWater Facility, one of the largest and most advanced facilities of its kind in the United States. SacSewer's team of dedicated professionals and experts support this work, maintaining continuous and reliable service for the communities we serve.

SacSewer's commitment to being a leader in environmental sustainability is evident throughout our history. The 1970s decision to establish the Bufferlands as a buffer between the treatment facility and surrounding neighborhoods led to the conservation of more than 2,100 acres of wetlands, grasslands, and riparian habitats. The Bufferlands now host public tours and events, sharing its natural treasures and wildlife with the public.

But we didn't stop there. In 2010, we initiated the EchoWater Project, a \$1.7 billion upgrade completed in 2023. This project transitioned our EchoWater Facility to tertiary treatment, significantly reducing ammonia and nitrogen levels in discharged water. By-products from the treatment process are recovered as resources, including biogas (energy), biosolids (nutrients), and recycled water. SacSewer's landmark recycled water project, Harvest Water, is critical to realizing SacSewer's goal of increasing recycled water delivery in the Sacramento region.

In January 2024, SacSewer entered a new era with the merger of the Sacramento Area Sewer District and Sacramento Regional County Sanitation District. Later that year, on December 15, SacSewer also became our own employer, enhancing efficiency and service delivery. This change streamlines our operations, improves decision-making, and better supports our people while maintaining a strong commitment to public health and environmental stewardship.

WE ARE



SERVING **1.6**
MILLION PEOPLE



783 STEWARDS
ON OUR TEAM



146 MILLION
GALLONS OF SEWAGE
TREATED DAILY



5,000 MILES
OF SEWER PIPE



Drivers for Change

Utilities face many complex challenges, including rapidly changing operating environments, workforce shortages, and emerging contaminants. These interconnected challenges amplify vulnerabilities and place increased pressure on already limited resources, requiring a proactive and innovative approach to ensure operational stability.

For SacSewer, the goal is not simply to adapt to this "new normal" but to excel within it. Through strategic planning and embracing forward-thinking solutions, SacSewer strives to set the bar for excellence in utility management.



Workforce Shortages

Utilities across the sector face a significant workforce shortage expected to worsen with an aging workforce and upcoming retirements. Combined with intense competition, this required tailored recruitment strategies to attract talent and employee development programs to retain and foster a workforce to meet current and future needs. Utilities are focusing on enhancing knowledge retention practices and creating a desirable workplace culture to ensure continued operations and promote retention.



Harvest Water

Climate Adaptation

The continued impacts of climate change threaten infrastructure, treatment processes, and service reliability due to increased risk of flooding, droughts, extreme heat, and severe weather events. These challenges highlight the need for climate adaptation, or the implementation of tactics to improve the reliability and sustainability of operations and infrastructure through disruptions. Many utilities, including SacSewer, are addressing this through Climate Adaptation and Resilience Plans.



Aging Infrastructure

As pipes, pumps, and treatment equipment near the end of their useful life, utilities must be proactive and prioritize upgrades and replacements to maintain reliable service. However, inflationary pressures, supply chain challenges, and rising capital and operating costs can all hinder this ability.



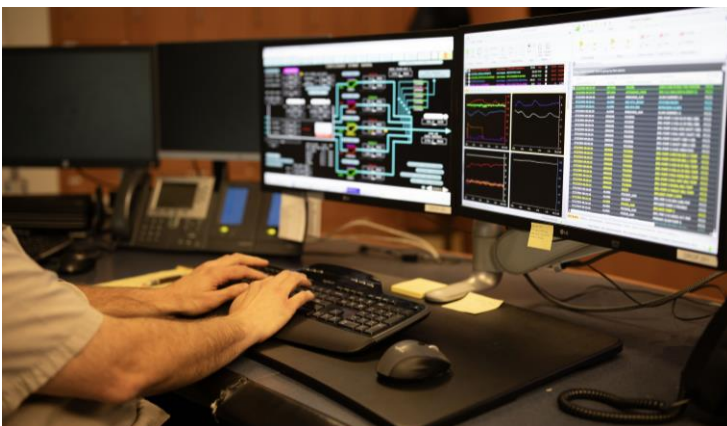
Regulatory Uncertainty

Complex changes in our operating environments, such as emerging contaminants and cyberattacks, present uncertainty around upcoming regulations. Utilities are addressing this uncertainty by proactively exploring innovative solutions, which often require additional funding.



Changing Customer Needs

Many customers expect enhanced digital interactions in an increasingly digital world. This desire for additional transparency, access to information, and timely resolution to challenges is reshaping how customer service teams engage and respond.



Technological Disruption

Technological progress has significantly transformed the sector, improving both quality and efficiency. These digital solutions, however, require robust data and process protection to maintain operations during unexpected disruptions and safeguard against cyber threats.

Strategic Direction

OUR VISION

Setting the bar for excellence in utility management and environmental sustainability.

OUR MISSION

Serving our community by protecting public health and the environment through sewage collection, treatment, and resource recovery.

OUR VALUES



Environmental Stewardship
Protect and Sustain



Proficiency
Skilled and Collaborative



Responsibility
Accountable and Committed



Resolve
Determined to Succeed

STRATEGIC GOALS



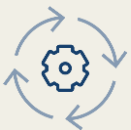
Become a Nationally Recognized Leader in Workplace Culture

SacSewer will recruit and retain the best and brightest by fostering an environment where innovation, engagement, collaboration, and well-being thrive. We will invest in the development of our workforce, setting the bar for workplace culture nationally.



Set the Industry Bar for Operational Excellence

SacSewer will drive innovation, utilizing effective business practices and systems to excel in utility management as an industry leader and a world-class utility.



Strengthen Organizational Resilience and Business Continuity

SacSewer will develop and implement resilient strategies in critical areas to address industry challenges, such as cyberattacks, climate change, and resource shortages.



Invest Strategically in Environmental Sustainability

SacSewer will integrate sustainability into our business decisions, practices, and culture to sustain our community and environment into the future.



Ensure Long-Term Financial Resilience and Maximize Value for Our Customers

SacSewer will ensure long-term financial resilience by strategically managing existing revenue and proactively seeking new revenue sources to balance cost pressures and affordable rates.



Advance Brand Awareness and Strengthen Key Relationships

SacSewer will grow and strengthen meaningful, trusting relationships with key stakeholders and the communities we serve. We will advance positive brand awareness through strategic partnerships, proactive public education, and strong community leadership.



Strategic Goal

Become a Nationally Recognized Leader in Workplace Culture



SacSewer will recruit and retain the best and brightest by fostering an environment where innovation, engagement, collaboration, and well-being thrive. We will invest in the development of our workforce, setting the bar for workplace culture nationally.

WHY THIS IS A PRIORITY:

Great work and the exceptional service provided by SacSewer are only possible through great employees. To maintain this level of excellence, SacSewer must prioritize workplace culture, foster long term employee growth, and emphasize excellence in our daily operations. At the same time, our sector is facing unprecedented change with increasing retirements and fewer people entering the workforce. By fostering a positive workplace culture and investing in our people, we can equip SacSewer to meet future demands.

ACHIEVEMENTS:

December 15, 2024, marked a significant milestone as we officially completed the last step of the One District Project – becoming our own employer. This achievement was made possible by the dedication and adaptability of our staff, who contributed through innovative ideas and valuable feedback. Guided by our Board of Directors' vision, we successfully navigated this significant change, laying the groundwork for future opportunities and an exciting new journey of collaboration and shared achievement. December 15 is now designated as SacSewer's Founder's Day, celebrating the tireless effort of staff and marking a new chapter for the organization.

Strategic Goal Objectives

Become a Nationally Recognized Leader in Workplace Culture

- 1 Objective:** Implement recruitment strategies to build a sustainable workforce pipeline *(this is a joint objective with the Resilience and Business Continuity Objective 1)*
- 2 Objective:** Enhance employee development to empower all employees to foster skills development and personal growth
- 3 Objective:** Foster a collaborative, inclusive environment where employees are actively engaged and feel valued, empowering them to contribute positively to the workplace culture
- 4 Objective:** Create and support a workplace culture where career, social, financial, physical, and community well-being are valued, and employees are supported through all stages of their careers



Strategic Goal

Set the Industry Bar for Operational Excellence

EchoWater Resource Recovery Facility



SacSewer will drive innovation, utilizing effective business practices and systems to excel in utility management as an industry leader and a world-class utility.

WHY THIS IS A PRIORITY:

As a utility serving over 1.6 million people, going above and beyond in operational excellence has always been – and continues to be – the standard for SacSewer. To accomplish this, we must continuously improve our business practices and systems. Excelling in our daily operations is crucial for managing our resources, ensuring cost-effectiveness, and providing reliable services.

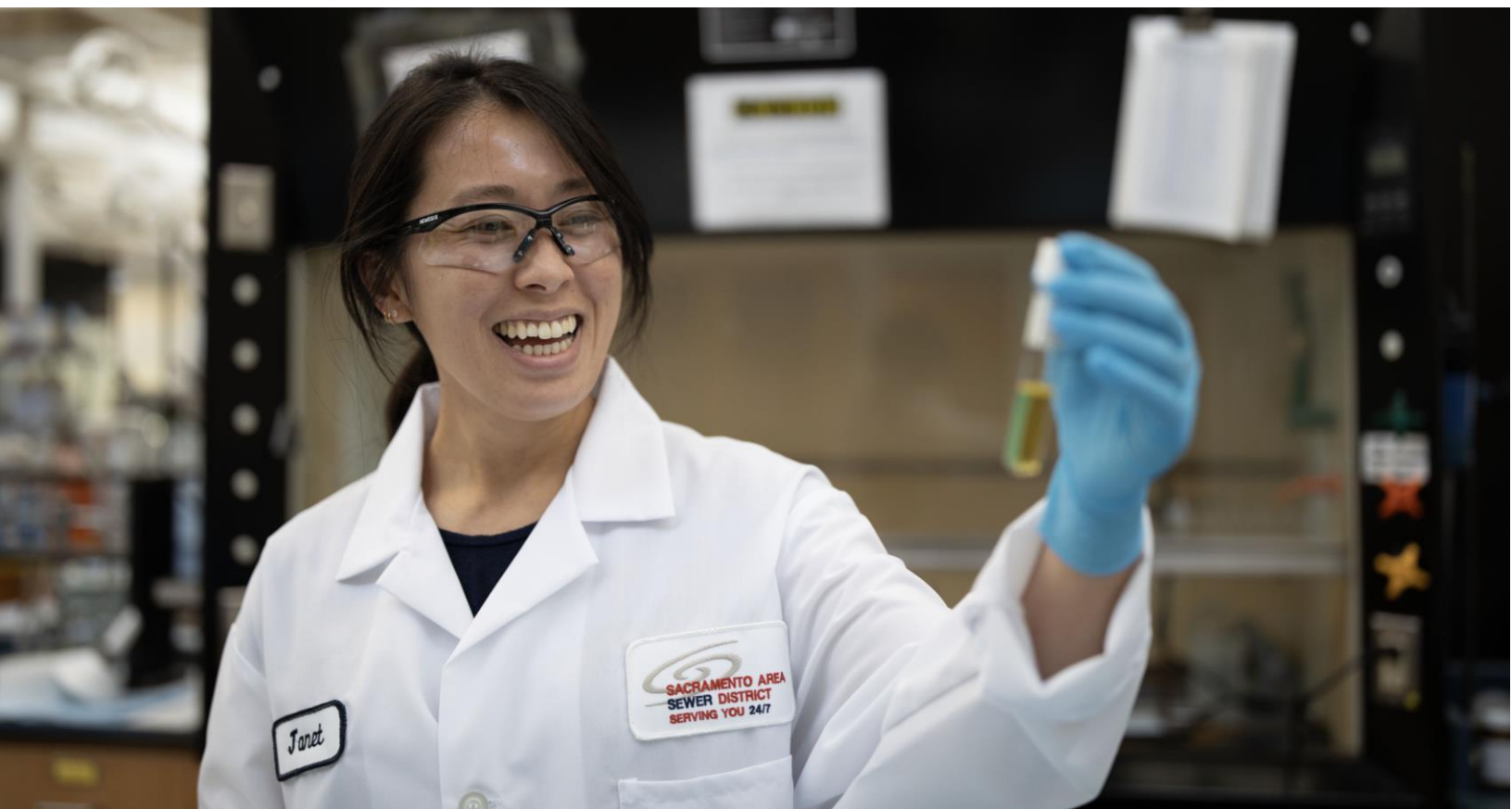
ACHIEVEMENTS:

SacSewer's EchoWater Project has been broadly recognized for excellence, notably receiving the California Water Environment Association Plant of the Year Award and the Outstanding Civil Engineering Achievement (OCEA) Silver Award from the American Society of Civil Engineers (ASCE). This OCEA award acknowledges the EchoWater Project's excellence in water management, innovation, and exemplary civil engineering projects. Criteria for the award include: demonstrating new or innovative applications of technology, design, materials, processes, methods, and construction; addressing complex problems with creative solutions; incorporating environmental sustainability and resiliency; excellence in planning and delivery; and contributions to the community, enhancing its quality of life. The OCEA Award highlights SacSewer's innovation and operational excellence.

Strategic Goal Objectives

Set the Industry Bar for Operational Excellence

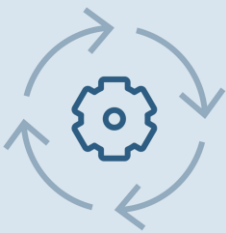
- 1 Objective:** Develop and implement a digital strategy and roadmap to ensure long-term, sustained, and effective service
- 2 Objective:** Establish a data governance program to ensure data is accurate, accessible, and secure
- 3 Objective:** Holistically assess and update business processes and systems to align with strategic goals, organizational priorities, and industry best practices (*this is a joint objective with the Financial Resilience Objective 3*)
- 4 Objective:** Develop a cross-functional team to foster innovation and leverage technology to address current challenges and emerging opportunities



Strategic Goal

Strengthen Organizational Resilience and Business Continuity

EchoWater Resource Recovery Facility



SacSewer will develop and implement resilient strategies in critical areas to address industry challenges, such as cyberattacks, climate change, and resource shortages.

WHY THIS IS A PRIORITY:

SacSewer, along with many other utilities and organizations, faces an ever-increasing threat of climate change, security risks, aging infrastructure, and resource shortages. These threats pose risks of service disruptions, information leaks, and unexpected costs. Utilities can address these risks by strengthening resilience through proactive adoption of security strategies, policies that protect the environment, and effective planning and sourcing of alternatives for critical utility functions.

ACHIEVEMENTS:

Diversification of energy sources is a key component for resiliency against climate change. In 2018, SacSewer commissioned a solar energy array at the EchoWater Resource Recovery Facility. Our solar array is one of the largest at a sewage treatment and resource recovery facility in the nation, offering a renewable energy source for our essential facility. Additionally, methane gas from the treatment process is harnessed to produce electricity. In fact, 49% of EchoWater's power usage is offset by renewable energy generation, which is enough to power 7,609 homes for a year.

Strategic Goal Objectives

Strengthen Organizational Resilience and Business Continuity

- 1 Objective:** Ensure institutional knowledge is retained for sustained resilience and supports a fit-for-future workforce that anticipates and adapts to emerging challenges *(this is a joint objective with the Workplace and Culture Objective 1)*
- 2 Objective:** Develop, foster, and sustain a holistic, District-wide security culture, empowering internal security experts to make consequence-driven and risk-informed decisions to safeguard security
- 3 Objective:** Diversify and develop strategies for mitigating critical single points of failure and supply chain risks, including services and products, to ensure continuity during operational disruptions and emergencies
- 4 Objective:** Embrace and sustain an organization-wide process for identifying, categorizing, and responding to risks, threats, and opportunities to prepare for and adapt to changing operating environments



Strategic Goal

Invest Strategically in Environmental Sustainability

Bufferlands



SacSewer will integrate sustainability into our business decisions, practices, and culture to sustain our community and environment into the future.

WHY THIS IS A PRIORITY:

SacSewer is committed to being a good steward of our natural environment for current and future generations through our operations and recovery of valuable resources from sewage. Meeting the needs of our communities today and in the future requires careful and intentional planning and actions. As an organization with a direct impact on the local environment, we take seriously our responsibility to maintain it. By making strategic investments, optimizing operations, and implementing innovative decisions, SacSewer is working to protect the environment now and for years to come.

ACHIEVEMENTS:

SacSewer's landmark water recycling program, Harvest Water, aims to boost groundwater recovery, support sustainable agriculture, and strengthen local habitats. As California's largest agricultural water recycling project, Harvest Water will deliver up to 50,000 acre-feet (about 16 billion gallons) of recycled water each year to southern Sacramento County. It is expected to finish construction by 2026, with operations starting in 2027. This program complements SacSewer's existing efforts around sustainable agriculture, including recycling more than 8,500 dry tons of biosolids that have provided natural fertilizer for 850 acres of farmland.



Bufferland

Strategic Goal Objectives

Invest Strategically in Environmental Sustainability

- 1 Objective:** Support long-term environmental sustainability through climate adaptation facilitated by implementation of a comprehensive Climate Action and Resilience Plan
- 2 Objective:** Develop and embrace a holistic water management approach through partnerships and collaboration with regional stakeholders involved in all aspects of the water cycle and watershed (*this is a joint objective with the Brand Awareness and Key Relationships Objective 4*)
- 3 Objective:** Formalize an energy management program to identify opportunities for conservation, efficiency, and renewable energy generation with the aim of becoming a net energy producer
- 4 Objective:** Promote the use of recovered resources to demonstrate and increase their safe and effective use
- 5 Objective:** Institutionalize sustainability throughout the organization to enhance daily actions and ensure that our core value of environmental stewardship is reflected District-wide

Strategic Goal

Ensure Long-Term Financial Resiliency and Maximize Value for Our Customers

Harvest Water



SacSewer will ensure long-term financial resilience by strategically managing existing revenue and proactively seeking new revenue sources to balance cost pressures and affordable rates.

WHY THIS IS A PRIORITY:

Inflationary pressures, rising capital and operating costs, and aging infrastructure pose challenges for utilities in balancing essential system investments for future readiness with maintaining service affordability. To ensure long term-financial resilience, maintain affordable rates, and deliver reliable services, it is important that SacSewer continues to seek additional external funds, diversify revenue streams, and look for opportunities for efficiency gains.

ACHIEVEMENTS:

SacSewer's strong credit ratings were recently affirmed by S&P Global Ratings and Moody's. SacSewer has received investment-grade ratings of AA+ from S&P Global Ratings and Aa2 from Moody's, indicating excellent financial health. SacSewer's recent merger and efforts to become an employer of its own staff were considered as part of this evaluation, positioning the organization for long-term success.



Strategic Goal Objectives

Ensure Long-Term Financial Resiliency and Maximize Value for Our Customers

- 1 Objective:** Implement a revenue stream optimization program to identify, diversify, and optimize revenue
- 2 Objective:** Deploy an advanced asset management program to improve capital costs, inform replacement reserves, and optimize operational expenditures, human resource allocation, asset use, and treatment processes
- 3 Objective:** Implement a cost management initiative to leverage data and analytics to continuously improve identifying, prioritizing, and organizing program costs (*this is a joint objective with the Operational Excellence Objective 3*)

Strategic Goal

Advance Brand Awareness and Strengthen Key Relationships



SacSewer will grow and strengthen meaningful, trusting relationships with key stakeholders and the communities we serve. We will advance positive brand awareness through strategic partnerships, proactive public education, and strong community leadership.

WHY THIS IS A PRIORITY:

As an anchor institution within the region, SacSewer strives to ensure that the community is aware of who we are, the services we offer, how to reach us, and ways they can contribute to maintaining the system's optimal performance. As a leader in the industry and region, there is also a need to prioritize proactive public education, outreach initiatives, and ensure ongoing collaboration with our scientific and industry peers.

ACHIEVEMENTS:

In February 2025, SacSewer was honored with two National Association of Clean Water Agencies (NACWA) awards: the Community Leadership Award for the Confluence Regional Partnership Program and the Public Information and Education Award for the Stop the Clog Campaign. The Confluence Regional Partnership Program uses non-rate, non-fee revenues to fund community programs that enhance the Sacramento region's environmental, educational, and economic vitality. The Stop the Clog Campaign, which has been recognized on multiple platforms, educates the public about the impact of fats, oils, grease, and commonly flushed items on the sewer system, promoting proper disposal practices through dynamic content and videos.



Strategic Goal Objectives

Advance Brand Awareness and Strengthen Key Relationships

- 1 Objective:** Enhance community engagement, understanding, and brand awareness of SacSewer's legacy as a regional environmental steward
- 2 Objective:** Strengthen recognition and influence through resourceful, reliable, and trusted leadership in the industry
- 3 Objective:** Adopt a proactive approach to understanding customer needs and preferences to be inclusive and enhance all aspects of the customer experience
- 4 Objective:** Facilitate collaboration and leadership in the region to advocate for holistic, sustainable watershed management practices based on the best available science (*this is a joint objective with the Environmental Sustainability Objective 2*)
- 5 Objective:** Foster an understanding amongst SacSewer employees of how all roles contribute to achieving SacSewer's mission and vision to increase internal brand awareness

Strategic Plan Development

This strategic plan lays the foundation for the future of SacSewer. Board members, the Executive Team, and subject matter experts from across the organization were engaged to ensure that the strategic direction is practical and impactful.

Assessment

Developing an understanding of the current state and aspirations for the future was a key first step in this process. This was done through a series of interviews with SacSewer's Executive Team and members of the Board to gather insights and perspectives. The assessment also included a Strengths, Aspirations, Opportunities, and Results (SOAR) analysis and utilized the Effective Utility Management (EUM) Framework. This framework is the most widely recognized utility management program in the country and supports the evaluation of operational effectiveness across ten attributes to determine areas for improvement. This assessment demonstrated that SacSewer ranks high in levels of achievement, with Customer Satisfaction rated as the highest.

Vision Building

The Executive Team reviewed and updated the mission and vision statements, emphasizing serving the community and focusing on excellence

excellence in utility management and environmental sustainability. The core values of Responsibility, Resolve, Proficiency, and Environmental Stewardship were also reaffirmed. Additionally, the team discussed emerging industry trends for water and sewage utilities to identify strategic areas for growth and evolution over the next 10 years.

Plan Development

The six core goal areas described in this plan were carefully identified to prepare SacSewer for the future and guide SacSewer's long-term efforts. Nearly 50 subject matter experts across SacSewer were engaged in a series of workshops to identify specific objectives within each goal area, ensuring the strategic direction is practical and impactful. These Goal Development Teams also identified key results, or milestones and measures, to track progress on the plan over time.

Implementation Roadmap

Finally, an implementation roadmap was developed with input from the Goal Development Teams on timing and resource needs for the objectives. This roadmap is available internally as an accompanying support document for the strategic plan.

Acknowledgments

SacSewer extends our sincere thanks to the nearly 50 team members from across the organization who contributed to this plan. Their diligence, passion, and insights critical to crafting the strategic goals, objectives, and key results are evident in the actions we hold ourselves accountable to over the next 10 years.

This plan would not have been possible without the leadership of the Executive Team and their efforts to advance an organization that values Responsibility, Proficiency, Environmental Stewardship, and Resolve. The team engaged in various activities from July 2024 to March 2025, including interviews, surveys, and in-person and virtual workshops. The valuable contributions and insights provided during these engagements have significantly influenced the priorities outlined in this plan. We also extend our thanks to our Board, who provided input at the onset of the process to help guide plan development.

We recognize and value the collective effort, dedication, and expertise of everyone involved in developing this Strategic Plan. It is because of your continued efforts to serve our community 24/7 that SacSewer can set the bar for excellence.





Closing Remarks

As we enter our next era, SacSewer is poised to navigate the complex challenges faced by our industry. Our dedication lies in serving the community, safeguarding the environment, and setting the bar for excellence in utility management. Through these efforts and our focus on those who make all this possible, we strive to be a place where people are proud to work, knowing that their actions every day make a positive impact for their peers and community.



SACRAMENTO AREA
SEWER DISTRICT

SERVING YOU **24/7**