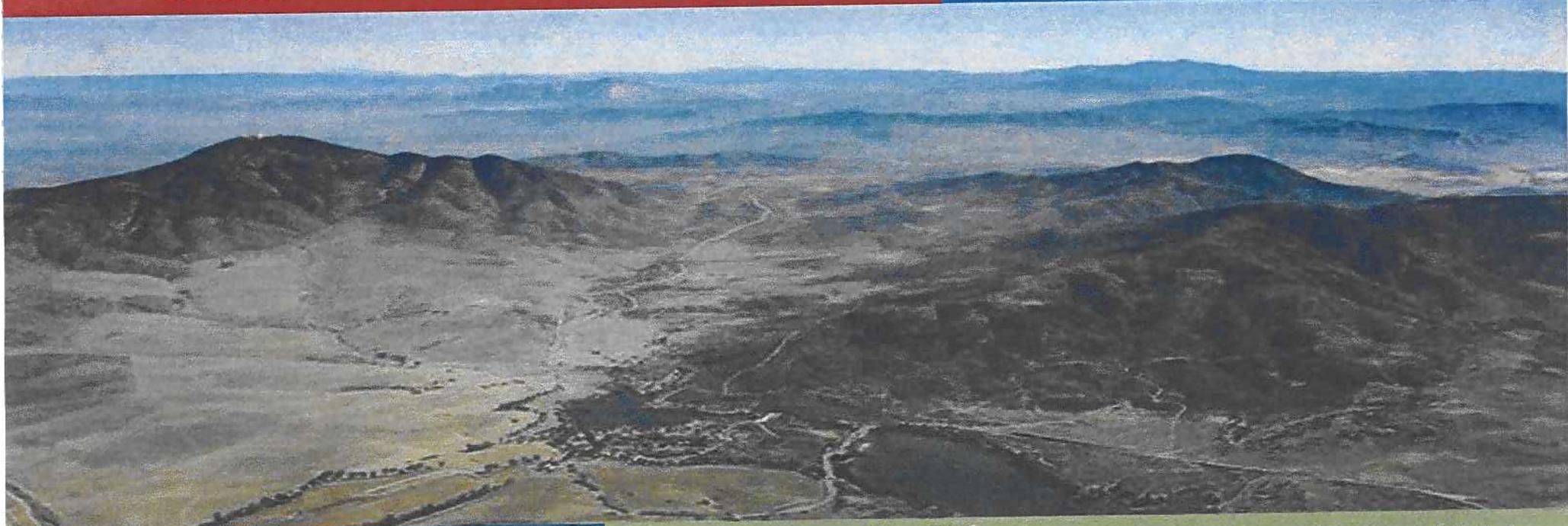


**OTAY WATER DISTRICT**



**Strategic Plan Fiscal Years 2009 - 2011**



3/14/2008

**Otay Water District  
Strategic Plan  
Fiscal Years 2009-2011**

# STRATEGIC PLAN

## FISCAL YEARS 2009-2011

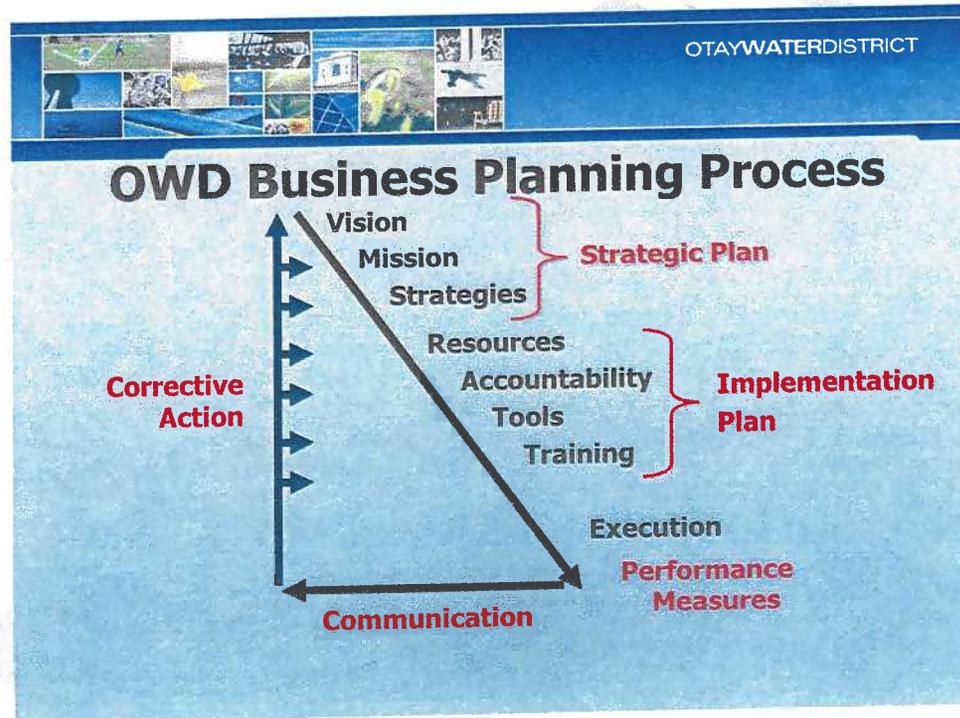
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# OTAY WATER DISTRICT

Strategic Plan

Fiscal Years 2009 – 2011



## INTRODUCTION

The strategic plan is the core document which guides the agency's efforts to meet and positively adapt to change. The plan examines a three year timeframe and explicitly defines the strategies, goals, objectives and performance measures needed to meet these challenges.

## MISSION STATEMENT

***District's Mission:** To provide safe and reliable water, recycled water and wastewater services to our community in an innovative, cost efficient, water-wise and environmentally responsible manner.*

## VISION STATEMENT

***General Manager's Vision Statement:** "A District that is at the forefront in innovations to provide water services at affordable rates, with a reputation for outstanding customer service."*

## STATEMENT OF VALUES

As Otay Water District employees we dedicate ourselves to:

### **CUSTOMERS:**

We take pride that our commitment to customer-centered service is our highest priority.

### **EXCELLENCE:**

We strive to provide the highest quality and value in all that we do.

### **INTEGRITY:**

We commit ourselves to doing the right thing. Ethical behavior, trustworthiness and accountability are the District's foundation.

### **TEAMWORK:**

We promote mutual trust by sharing information, knowledge and ideas to reach our common goals.

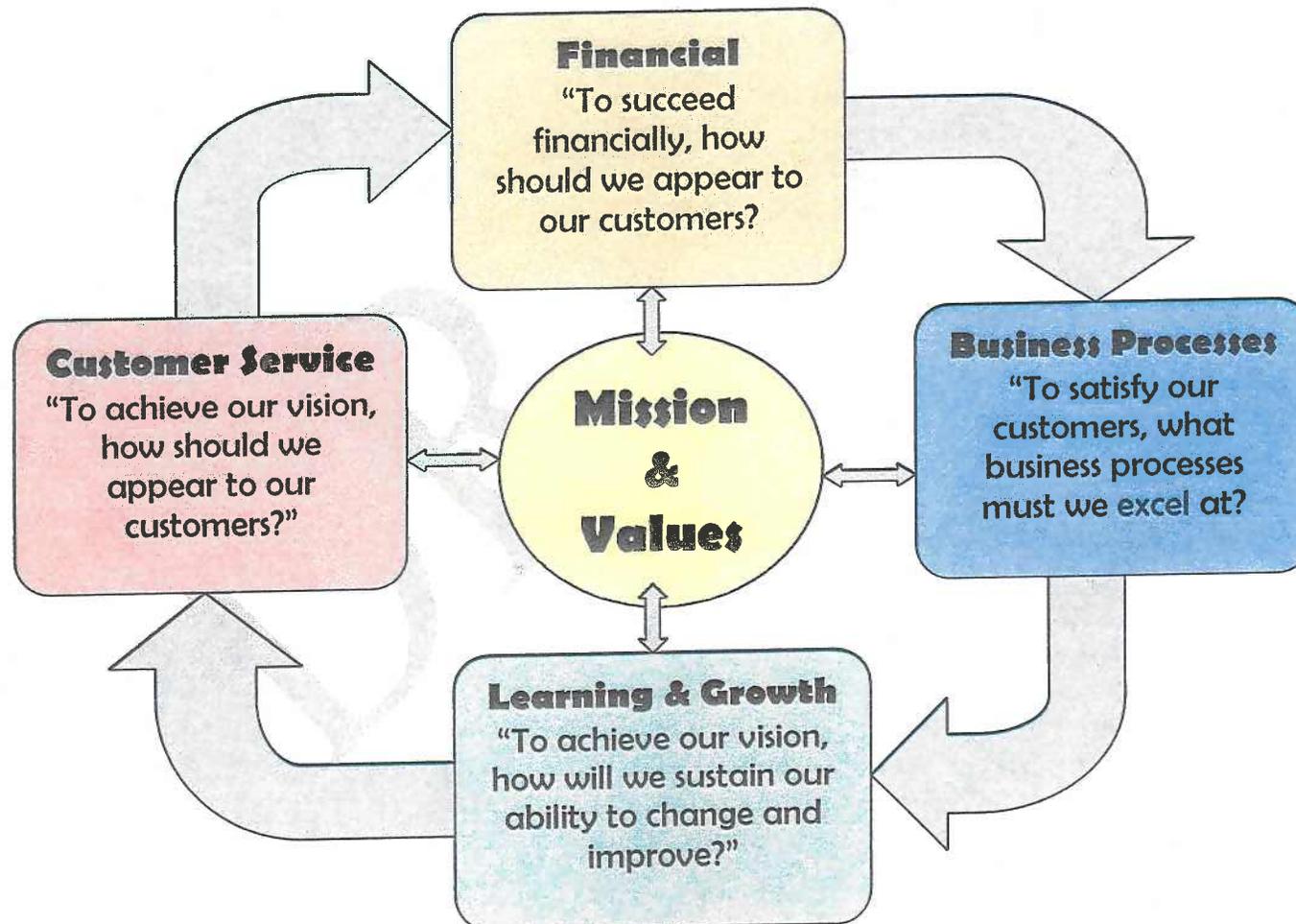
### **EMPLOYEES:**

We see each individual as unique and important. We value diversity and open communication to promote fairness, dignity and respect.

## METHODOLOGY

### Balanced Scorecard

The Balanced Scorecard focuses on four perspectives as a mechanism for setting strategic direction and balancing competing priorities. This industry best practice has been adopted by the District because it allows us to examine our plans from different perspectives.



Every three years the District engages in a major revision of its strategic plan. This current plan (covering fiscal years 2009-2011) is the third in a series of three-year plans beginning in 2002. The process is inclusive. Starting with a thorough review of the last effort, the District's Vision, Mission, and Key Challenge statements are examined and revised. Individual interviews are conducted with our Board, approximately thirty line staff, union representatives, alongside team meetings involving all Otay staff. Assistance from professional consultants recommending "industry best practices" are taken into account to provide third party input.

The primary tool, however, is a very thorough review process by the Senior Management Team of every strategy, goal, objective, project plan, performance measure, and target contained in the plan. Through this team discussion process the General Manager gains consensus with his staff on the exact priorities for the District, including detailed financial and resource considerations required to execute the plan. Thus the plan serves as an informal contract between the agency staff and the General Manager on the strategic work will be done and what the agency hopes to achieve over the next three years. In turn, the General Manager presents the plan to the Board for approval. Through the strategic plan and budget approval processes, the Board is then able to make well informed oversight decisions about the utility's direction.

## KEY CHALLENGE

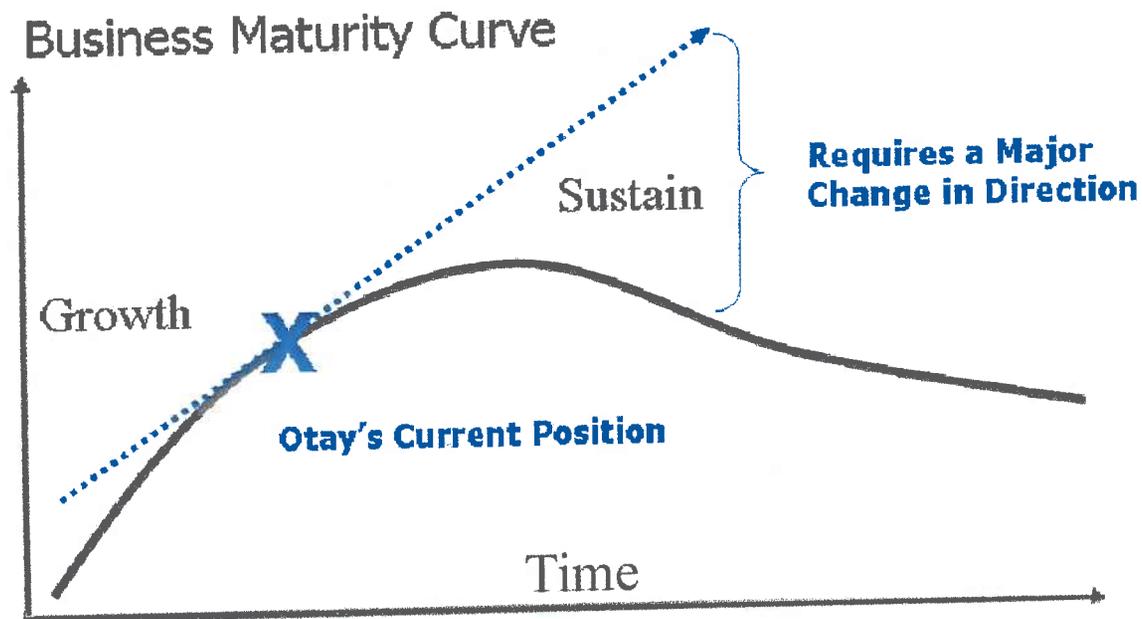
The theme of the 2009-2011 plan is to capitalize on the infrastructure investments we have already made in the last few years. The District has begun to address the transformation from a growth centric to a maintenance based organization. Capital and developer fees support growth but replacement and maintenance is supported by rates and operating expenses. Otay has been very successful in managing growth but now needs to become more focused in managing long-term maintenance and replacement of its infrastructure. As the current economic environment cools we have the opportunity to realign our energies and optimize how we manage and maintain the nearly half billion dollars of “in-ground” assets we maintain.

Efficiency improvements have become the new competitive advantage for utilities. Staff will need to do more with the same or fewer resources. The primary way to achieve this target is to improve all aspects of our core business processes.

### *Key Challenge*

*“The improvements of District efficiency and effectiveness will require a dedication to continuous improvement and the adoption of new technologies and methods as an integral part of our day to day responsibilities.”*

This necessary change is illustrated by the business maturity curve. During high growth, we focused on achieving the macro targets of building and installing new infrastructure. In the future, the resources required to support slower growth are reduced but the effort to maintain and improve assets is increasing. Income, however, will be derived more from rates and less from fees. Consequently, increased costs place pressure more directly on rates. Therefore, to meet our customer and financial goals, the District will need to emphasize internal efficiency and development of technology assisted best practices.



## PERFORMANCE MANAGEMENT

Performance metrics and targets are a critical element of the strategic plan but differ from strategic plan objectives. Objectives identify the action items that are necessary to achieve the strategic vision. Performance measures are designed to ensure the day-to-day operations of the utility are meeting agreed upon expectations. Performance measures are in the process of being revised and will be finalized prior to plan initiation on July 1, 2008. We will advise the board in June when the measures have been thoroughly developed and meaningful targets have been identified.

# OTAY WATER DISTRICT

## Strategic Plan Fiscal Years 2009-2011

### I. CUSTOMER

#### 1. "Maximize Our Customers' Satisfaction"

##### *A. Listen to Our Customers.*

1. Expand a proactive, repeatable, multi-tiered customer survey program for all customer classes.
2. Implement a formal call and complaint tracking and reporting system by category for all customer contacts.
3. Formalize and document Customer Service Procedures

##### *B. Enhance our Customers' Experience through Effective Multi-Channel Communications*

1. *Incoming calls* – Streamline and document the District's incoming customer call processes.
2. *Interactive Voice Response* - Enhance the usefulness of the Interactive Voice Response for better customer service across the District.
3. *Autodialer* - Enhance the usefulness of the Autodialer to efficiently notify customers of District events.
4. *Web Page* - Evaluate and enhance the District's web page design.
5. *E-Customer Account* - Enhance the customer's ease to personalized account information including water use, payment status, and historical trending.
6. *E-Mail* – Evaluate the use of e-mail to provide publications, bill presentations, and to notify customers in the event of preventive or reactive maintenance, construction, and system upsets.
7. *Written Publications* – Enhance written publications on the District's installation of air vacs, water rates, reclaimed water use, water conservation, water availability, water supply, water quality, capital projects, and fluoridation and post on the District's web site. Evaluate bi-lingual options.
8. *Door Tags*- Evaluate the use and cost effectiveness of door tags.

9. *Speakers Bureau* – Optimize community outreach to specific community groups, committees, home owner associations, etc with additional presentations on drought, recycled water, and water conservation.
10. *Multilingual Program* – Continue to evaluate and expand the District’s multilingual program.

## 2. “Educate our Customers on Important Water Related Matters”

### *A. Expand the District’s Water Conservation Programs to maximize District-wide water conservation.*

1. Promote and encourage adoption of conservation practices for new construction within District service territory.
2. Promote commercial water surveys for all large commercial users and residential water surveys to highest water users.
3. Continue a regional approach and evaluate conservation programs to maximize water conservation.
4. Update policy and procedures for authority, inspection and enforcement of Water Waste Program.

### *B. Maximize Recycled Water Use and Public Knowledge*

1. Continue a regional approach and expand District’s recycled water outreach program to landscape architects, maintenance companies, developers, contractors, and home owner associations.
2. Enhance reclaimed water guidelines on District website.
3. Enhance Recycled Water Rules and Regulations format for site supervisors with link to website.
4. Promote use of recycled water in Sub-Area Master Plan Process.
5. Identify specific projects that are good candidates for conversion of recycled water.

## 3. “Help Shape the Water Industry’s Direction”

### *A. Legislative and Political Influence for District’s Programs*

1. Continue to actively participate in County Water Authority, Metropolitan Water District of Southern California, State policy making and pending legislative review and comment.
2. Promote enhancements to City, County and State water conservation requirements (political side).

***B. Optimize the District's Water Industry Participation***

1. Evaluate leadership opportunities in water industry committees.
2. Evaluate American Water Works Association Peer Review for District.

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## **II. FINANCIAL**

### **1. “Develop a Long Term Financial Planning Program”**

***A. Establish a long-term (20 year) financial plan including scenarios and contingencies for changes in demographics, local economy and drought uncertainties, and including:***

1. Capital Improvement needs.
2. Facilities and Staffing Plan needs.
3. Develop the long term financial plan.

***B. Conduct financial threat assessment for growth, water availability, inflation and other revenue sources.***

***C. Re-calculate Capacity/Corrugate Aluminum Pipe and Annexation Fees with New Remo***

### **2. “Optimize All Revenue Streams”**

***A. Modify existing rate structures.***

1. Simplify residential fee structures and the billing system.
2. Reduce complexity of and simplify rate structure.
3. Evaluate tiered commercial rates and propose changes.
4. Evaluate drought stage rates and propose changes.
5. Evaluate and improve effectiveness of bill (including fees for Chula Vista sewer billing).

***B. Maximize non-rate revenues.***

1. Pursue all security and technology grants.
2. Pursue all water conservation grants.
3. Pursue all water and recycle/solar related grants.
4. Maximize regional cost-sharing opportunities.
5. Ensure full cost recovery (legal/insurance).

### **III. BUSINESS PROCESSES**

#### **1. “Implement Industry Best Practices for Utility Development”**

##### ***A. Potable Water***

1. Prioritize and implement recommendations contained in the Integrated Resources Plan, Water Resources Master Plan and Urban Water Management Plan to maintain potable water supply.
2. Prioritize and complete construction of new infrastructure needed to obtain or deliver potable water.
3. Develop a program to minimize water losses.
4. Update District’s Drought Management Plan including actions for enforcement.
5. Create a comprehensive environmental program that is cost-effective and proactive in response to environmental compliance.

##### ***B. Sewers***

1. Evaluate long-term cost/benefit of seeking additional sewer demand, treatment and disposal capacity.
2. Develop a Sewer Master Plan and implement recommendations including the prioritization of Capital Improvement Plan.
3. Implement a programmatic manhole replacement or repair program.
4. Develop and implement Treatment Plant Enhancements including automation for remote operation and shutdown, technology improvements, and upgrade of administration facilities.
5. Continue to develop and comply with the District’s Sewer System Management Plan Program requirements.

##### ***C. Recycled Water***

1. Obtain new recycled water supplies.

#### **2. “Optimize the District’s Operating Efficiency”**

##### ***A. Minimize the District’s total life cycle asset costs.***

1. Develop and implement an Asset Management Program Plan.

2. Develop a comprehensive Easement Enhancement and Inspection Program
3. Develop a formal maintenance plan for pump stations. Ensure that all preventive maintenance tasks are tracked by Infrastructure Management System.
4. Implement comprehensive meter testing, calibration and replacement program.
5. Evaluate increasing the completion schedule of District's valve actuation, valve replacement, and air vac programs.
6. Enhance Construction Inspection on construction projects.

***B. Update the District's IT Strategic Plan.***

1. Evaluate the long-term viability of Eden financials and billing system.
2. Enhance the integration of Infrastructure Management System, Eden, Customer Information System, Supervisory Control and Data Acquisition, Geographic Information System.
3. Enhance existing Capital Project Tracking System.
4. Enhance the District's data management and data architecture including enterprise standard data.
5. Develop and deploy the field wireless network.

***C. Optimize the use of existing technologies.***

1. Optimize functionality, business continuity, bandwidth, and use of Supervisory Control and Data Acquisition.
2. Optimize functionality, business continuity, bandwidth, and use of CITRIX.
3. Optimize the use of Radio Frequency Identification.
4. Optimize use of Voice Over Internet Protocol and unified messaging.
5. Evaluate implementing a fixed network Automated Meter Reading.
6. Optimize the use of SharePoint.
7. Develop optimized field work processing using integrated technology.
8. Assess and implement security best practices for all Otay networks.

***D. Increase field productivity through improved efficiency.***

1. Evaluate efficiency improvements and prioritization of calls, leveraging Geographic Information System and Global Positioning System with appropriate skill sets (Optimize field routing to minimize windshield time).

***E. Improve the efficiency of business processes.***

1. Investigate using electronic signatures on staff reports, shutdown plans, contracts, magazines, newsletters, reimbursements, project closeout, etc.
2. Evaluate web-based employee performance reviews.
3. Enhance AP to electronically pay bills for frequent vendors and routine bills and maximize the use of e-bills.
4. Implement Vehicle Replacement Policy and track vehicle use through Infrastructure Management System.
5. Enhance fuel tracking and reporting system.
6. Automate resume and application process.
7. Track regulatory activities for completed projects with link to Infrastructure Management System and contract manager (including installation of Laboratory Information Management System).
8. Document business process for redline verification of completed as-built drawings.
9. Develop a Heavy Equipment Capital Replacement Plan.

***F. Optimize Disaster Preparedness.***

1. Implement recommendations from Fire Assessment.
2. Update Security Assessment and implement recommendations.
3. Improve our Emergency Operations Center and add enhanced communications technology.

**3. "Improve Financial Analysis and Reporting"**

***A. Improve per cost unit reporting.***

1. Develop and measure cost per unit expenditures and forecasts.
2. Link all direct costs (including Operating and Maintenance and Capitol Improvement Plan) to associated facility and equipment including parts, labor, energy, etc.
3. Ensure District wide accurate timely access to performance data.

***B. Improve the efficiency and effectiveness of District-wide reporting***

1. Develop a centralized inventory of reports, emergency response plans, regulatory reports, etc.
2. Utilize existing reporting technology contained within Infrastructure Management System, Report Manger and Eden's Contract Module, and automate routine reports.
3. Enhance water loss reporting.
4. Investigate water modeling for water loss.

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## **IV. Learning and Growth**

### **1. "Results-oriented Workforce"**

#### ***A. Retain Dedicated Workforce***

1. Evaluate effective communication tools throughout the organization.
2. Evaluate the Pay For Performance Program.
3. Evaluate the Employee Recognition Program.
4. Assess findings of 2008 Employee Survey.
5. Conduct Employee Survey in preparation for 2012 Strategic Plan development

#### ***B. Hire the "Best"***

1. Identify new areas where skills/performance tests might streamline the recruitment process.
2. Review and update classification plan and revise critical areas.
3. Conduct continuous recruitments and/or establish eligible lists for difficult to recruit positions.
4. Review and revise marketing strategy and recruiting tools.

#### ***C. Staff Development***

1. Develop and implement training matrix to identify required and desired training for all classifications.
2. Develop and maintain a formal program to track and evaluate employee training.

#### ***D. Workforce Management***

1. Identify core elements of Succession Planning that can be tailored to the District's needs.

#### ***E. Performance Management***

1. Continue to evaluate current performance measures, accountabilities, and targets/trends.
2. Update and expand annual review process to include greater emphasis of understanding of career goals and use of strategic plan objectives and performance measures.

***F. Knowledge Management***

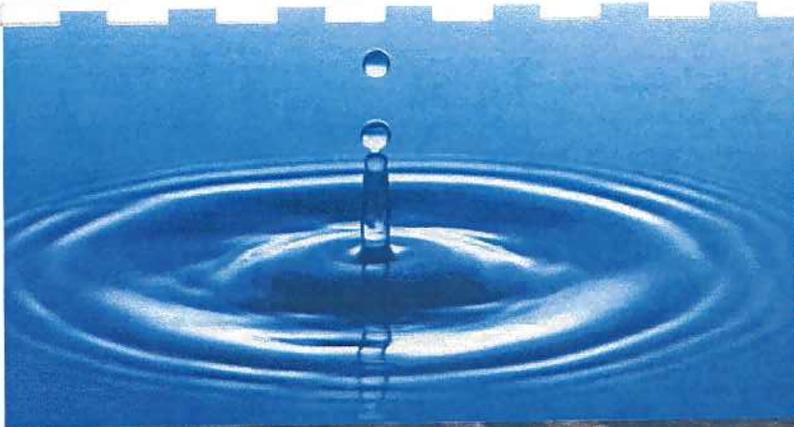
1. Update District-wide Records Management Program.
2. Develop efficient mechanisms to capture relevant land and facilities information.

***G. Community involvement/District Outreach***

1. Optimize community involvement throughout the District.

***H. Update and execute District's Public Relations Plan***

1. Actively promote District's achievements through execution of the Public Relations Plan.



## Otay Water District

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