

AGENDA

EAST ORANGE COUNTY WATER DISTRICT  
(EOCWD)

Saturday, March 25, 2017  
8:00 a.m.

1. **Call Meeting to Order and Pledge of Allegiance – President Davert**
2. **Public Communications to the Board**
3. **Addition of Items Arising After Posting of Agenda Requiring Immediate Action**  
(Requires 2/3 vote or unanimous vote if less than 2/3 of members are present)

**Recommended Motion:** "THAT IT BE DETERMINED THAT THE NEED TO TAKE IMMEDIATE ACTION ON [SPECIFY ITEM(S)] CAME TO THE DISTRICT'S ATTENTION AFTER POSTING OF THE AGENDA AND THAT SUCH ITEM(S) BE ADDED TO THE AGENDA"

4. **Strategic Planning Initiative**
  - A. Workshop agenda - strategic planning objectives (Exhibit "A")
    - (1) Overview of workshop
    - (2) Identification of issues
    - (3) Issues briefing
    - (4) Initial prioritization of issues
  - B. Update/Revisions to 2015 Strategic Plan (Exhibit "B")

5. **Adjournment**

The scheduled date of the next Regular Meeting of the Board of Directors is **April 20, 2017**, at 5:00 p.m., in the offices of the East Orange County Water District, 185 N. McPherson Road, Orange, California

(Next available Resolution No: 796)

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Availability of agenda materials: Agenda exhibits and other writings that are disclosable public records distributed to all or a majority of the members of the East Orange County Water District Board of Directors in connection with a matter subject to discussion or consideration at an open meeting of the Board are available for public inspection in the District's office, 185 N. McPherson Road, Orange, California ("District Office"). If such writings are distributed to members of the Board less than 72 hours prior to the meeting, they will be available at the reception desk of the District Office during business hours at the same time as they are distributed to the Board members, except that if such writings are distributed less than one hour prior to, or during, the meeting, they will be available in the meeting room of the District Office.

Disability-related accommodations: The East Orange County Water District Board of Directors meeting room is wheelchair accessible. If you require any special disability-related accommodations (e.g., access to an amplified sound system, etc.) please contact Sylvia Prado in the District Office at (714) 538-5815 during business hours at least seventy-two (72) hours prior to the scheduled meeting. This agenda can be obtained in alternative format upon written request to Sylvia Prado in the District Office, at least seventy-two (72) hours prior to the scheduled meeting.

**East Orange County Water District  
Strategic Planning Workshop  
March 25, 2017, 7:30 a.m – 1:00 p.m.**

- 7:30 a.m. Breakfast
- 8:00 a.m. Introductions and Objectives
- 8:15 a.m. Status of Current Strategic Plan and Successes
- 8:30 a.m. Review of Director Interviews
- 9:00 a.m. Strategic Challenge 1: Succession Planning
- 9:30 a.m. Strategic Challenge 2: Communications
- 10:00 a.m. Break
- 10:15 a.m. Strategic Challenge 3: Facilities Planning
- 10:45 a.m. Strategic Challenge 4: Treatment Plant and Financial Planning
- 11:15 a.m. Review of Strategic Plan
- 12:00 p.m. Working Lunch
- 12:50 p.m. Summary, Wrap-up and Next Steps
- 1:00 p.m. Adjourn

## 2015 Strategic Business Plan Scorecard

### EOCWD Strategic Plan Scorecard - Update 02/16/17

**Our Vision is to maintain our community's high quality of life through provision of valued water and wastewater services**

**Our Mission is to provide our customers with reliable, high quality water services featuring home town service, fiscal discipline and direct accountability**

ITEM	DESCRIPTION	PRIORITY	STATUS	% COMPLETE	TARGET DATE	LEAD/MGR
<b>Goal 1: EOCWD will provide reliable water services that consider the environment to meet the needs of the community</b>						
<b>Strategy 1 – Operate the system to achieve service level standards</b>						
Objective 1: Set practical service level goals	Establish Board agreed to service levels (e.g. Human voice, resolve customer issue in a single call, 20 min response)	1	Will be developed as part of Rate Study	100%	Sep-16	Ohlund
Objective 2: Meet the service level goals	Develop metrics to measure achievement & report to Board	1	Will be developed as part of Rate Study	100%	Aug-16	Ohlund
Objective 3: Comply with applicable environmental standards	Develop practical and cost-effective standards for environmentally sustainable practices that exceed requirements	1	Customers continue to achieve water savings in excess of the mandatory 15% reduction (from 2013) levels	Ongoing	Jul-16	Ohlund
Objective 4: Operate the system using cost-effective principles	Develop practical and cost-effective standards for financially sustainable practices that exceed requirements	1	A new phone system was required that would incorporate immediate forwarding of emergency sewer system calls, while recording pertinent information for spill reports. Staff member Reyna Ayala looked at examined several systems, including those available through Costco Business Systems, but recommended an ATT system that was installed and made operational for less than \$2,500	Ongoing	Jul-16	Ohlund
<b>Strategy 2 – Determine appropriate role of water treatment for EOCWD</b>						
Objective 1: Refine treatment plant financial and reliability benefits	Develop MOU with City of Santa Ana for further discussion of Treatment Plant & Grant Opportunities	1	In progress	15%	Apr-17	Ohlund
Objective 2: Provide a decision pathway for board action	Provide report and recommendations to Board	1	To be developed	5%	Jun-17	Ohlund
<b>Strategy 3 – Provide adequate backup supply for groundwater production</b>						
Objective 1: Assess required level of reliability	Provide report and recommendations to Board	1	Continued water conservation assisting reliability; West Well scheduled for rehabilitation	90%	Aug-16	Ohlund

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Objective 2: Implement solution	Provide report and recommendations to Board	2	Pending successful rehabilitation of West Well; new well deferred	90%	Sep-16	Ohlund
<b>Strategy 4 – Conduct planning to ensure reliable and high quality water supply and implement appropriate policies and infrastructure</b>						
Objective 1: Complete the 2016 UWMP Update	Develop update to 2010 UWMP via participation in MWDOC Choice Program using Arcadis Consulting Engineers	1	Adopted by Board at June 16, 2016 Board Meeting	100%	Jun-16	Everest
Objective 2: Participate in and review the MWDOC Reliability Study	Participate in OC Water Reliability Study and provide comments	2	Phase 1 Complete, Phase 2 commencing	80%	Jan-17	Ohlund
Objective 3: Develop an EOCWD Integrated Resources Plan that informs and integrates with the Master Plan	Develop an EOCWD IRP	2	Scheduled for FY 16-17	60%	Jan-17	Cahill
Objective 4: Develop additional appropriate water supplies if/as needed	Assess as part of EOCWD IRP	2	Scheduled for FY 16-17	50%	Jan-17	Cahill
<b>Strategy 5 – Maintain active water conservation program</b>						
Objective 1: Implement water conservation projects and programs to reflect the value of water and water service	Develop and Implement DroughtReach™ Program with staff & Communications LAB	1	SWRCB Initial Requirements Complete - Target Achieved. Conducted Stress Test and adopted continuing 15% reduction requirements (from 2013 usage levels).	100%	Ongoing	Ohlund
Objective 2: Leverage funding through regional water agencies	Support MWDOC in accessing funding; determine if Proposition 84 funding is available through OCWD	2	In progress	80%	Ongoing	Ohlund
<b>Goal 2: Infrastructure - EOCWD will acquire, maintain and operate our infrastructure to ensure reliable water services</b>						
<b>Strategy 1 – Ensure EOCWD can adequately respond to anticipated emergencies</b>						
Objective 1: Update the emergency response plan	Review and Update ERP	1	In progress	50%	Jul-17	Mendzer
Objective 2: Evaluate expansion of interconnections	Review and Update ERP	2	Pending outcome of Water Quality Study	0%	Jul-16	Cahill
Objective 3: Continue active participation in WEROC	Attend quarterly meetings and training	1	Staff attends meetings, trainings and participates in regional programs as needed	100%	Ongoing	Mendzer
Objective 4: Explore additional mutual aid agreements	Review and Update ERP	2	In discussion with YLWD	75%	Ongoing	Ohlund
Objective 5: Evaluate radio communications needs and capability	Review and Update ERP	1	General Manager & Field Staff have Amateur Radio Licenses; other radio/cell communications will be evaluated under ERP update	75%	Apr-17	Mendzer
Objective 6: Update business continuity plan	Review and Update ERP	1	Scheduled for FY 16-17	75%	Aug-17	Ohlund
<b>Strategy 2 – Ensure infrastructure is appropriately maintained and replaced</b>						
Objective 1: Complete the Master Plan / Capital Improvement Plan	Develop Final Master Plan for WZ/RZ and annual updates of WZ/RZ CIPs	1	In progress	90%	Jul-17	Everest

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Objective 2: Continue to refine Sedaru system to incorporate remaining facilities	Incorporate Sedaru programming updates to integrate water quality data and drought conservation information	1	Smart Outage and LIMS implemented; debugging required for Smart Outage	80%	Ongoing	Mendzer
Objective 3: Annually report on the operations and maintenance status of key assets	Provide report and recommendations to Board	1	Being incorporated into the annual budget process	50%	Mar-17	Ohlund/Mendzer
Objective 4: Report to board on deferred maintenance and provide solutions	Provide report and recommendations to Board	1	Being incorporated into the annual budget process	25%	Mar-17	Mendzer
<b>Strategy 3 – Develop an energy strategy</b>						
Objective 1: Implement and track the strategy	Provide report and recommendations to Board	2	In progress	20%	Jan-17	Everest
Objective 2: Evaluate backup power requirements	Provide report and recommendations to Board	2	In progress	10%	Jan-17	Everest
<b>Goal 3: Community Representation and Engagement - EOCWD will provide responsive local governance, value and outreach to the communities we serve</b>						
<b>Strategy 1 – Build alliances to support the interests of EOCWD</b>						
Objective 1: Identify and engage opinion leader customers	Establish a Citizen's Advisory Committee and appoint members; continue work with FCA & other opinion leaders	1	CAC established and held 2 meetings	100%	Mar-16	Ohlund
Objective 2: Develop action plans for engaging the member agencies	Hold quarterly meetings with Member Agencies and consult on action plan	1	Held two recent quarterly meetings and developed summer operating plan to limit effects of power outages	10%	Jan-17	Ohlund
Objective 3: Identify and develop outreach projects and programs for key constituencies	Develop through Drought Plan/Sewer Transfer; identify long-range outreach	1	Outreach program developed; Communications Lab and Lewis Consulting retained for implementation	100%	Ongoing	Ohlund
Objective 4: Leverage external communications resources	Develop profile & presence through Drought Plan/Sewer Transfer; identify long-range outreach opportunities	1	Regular and consistent outreach opportunities identified	100%	Ongoing	Ohlund
Objective 5: Interact with representatives in Sacramento	Develop through Sewer Transfer/Drought issues; identify long-range outreach	1	Retain Townsend Public Affairs for outreach in Sacramento	50%	Mar-17	Ohlund
<b>Strategy 2 – Streamline Board deliberations</b>						
Objective 1: Evaluate streamlining the committee process	Identify opportunities as they arise to streamline committees	3	Reduced Standing Committees by 1 and Ad-Hoc Committees by 2	100%	Feb-16	Ohlund
Objective 2: Evaluate and ensure adequate checks and balances and proper delegation of authority to the GM	Develop and discuss this issue at annual Board Strategic Planning Workshop	3	Report to Board at Fall Workshop	50%	Mar-17	Ohlund
<b>Strategy 3 – Maintain Excellent customer service</b>						
Objective 1: Develop measures to assess customer satisfaction	Integrate with Goal 1/Strategy 1 and develop measurable standards	1	In progress	25%	Jul-17	Ohlund

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Objective 2: Measure and report customer satisfaction	Integrate with Goal 1/Strategy 2 and report to Board	1	Reinforced customer relations efforts during DroughtReach. Rate setting process will be further opportunity to connect with customers.	Ongoing	Jul-16	Ohlund
<b>Goal 4: Financial Integrity - EOCWD will manage our financial assets to provide and maintain reliable water services</b>						
<b>Strategy 1 – Ensure that adequate financial capacity exists to maintain Districts assets</b>						
Objective 1: Complete the rate study and rate setting process	Develop fair and reasonable rates to fund cost of service under Propositions 218 and 26	1	In progress	100%	Sep-16	Ohlund
Objective 2: Integrate CIP requirements into financial plan	Develop fair and reasonable rates to fund cost of service under Propositions 218 and 26	1	Part of Rate Study above	100%	May-16	Ohlund
Objective 3: Evaluate fixed vs variable charges	Develop fair and reasonable rates to fund cost of service under Propositions 218 and 26	1	Part of Rate Study above	100%	Ongoing	Ohlund
Objective 4: Evaluate water budget based rates	Develop fair and reasonable rates to fund cost of service under Propositions 218 and 26	1	Part of Rate Study above	100%	May-16	Ohlund
Objective 5: Evaluate reserve policy for the retail system	Develop fair and reasonable rates to fund cost of service under Propositions 218 and 26	1	Part of Rate Study above	100%	May-16	Ohlund
Objective 6: Assess penalty rates during allocations	Evaluate applicability of penalty rates to each customer in violation of Conservation Ordinance by billing period and cumulatively	1	8 of 9 months completed	100%	Apr-16	Ohlund
Objective 7: Develop an annual budget	Develop WZ/RZ Budget through Finance Committee review process and Board adoption	1	In progress	100%	Ongoing	Ohlund
Objective 8: Manage within the budget (beyond emergencies)	Review revenue and expenditures on a monthly basis with Finance Committee	1	In progress	100%	Ongoing	Ohlund
Objective 9: Receive an unqualified audit outcome each year	Annually prepare draft June 30 Financial Statements and submit to Auditor for review & comment	1	Unqualified audit and management letter presented to the Board at the December 18, 2015 Meeting	100	Ongoing	Ohlund/ Byerrum
<b>Strategy 2 – Consider rate parity with neighboring communities in the establishment of our rates and charges</b>						
Objective 1: Periodically conduct rate surveys	Obtain rate information from Tustin, Orange, Golden State, IRWD, Serrano, Yorba Linda annually	1	In progress	100%	Sep-16	Ohlund
<b>Strategy 3 – Provide mutually beneficial water services to an area and contiguous utilities</b>						
Objective 1: Examine opportunities for service expansion	Identify opportunities as they arise and present to Board	3	Sewer Transfer in progress	0%	Ongoing	Ohlund
Objective 2: Actively engage in LAFCO proceedings	Attend monthly Commission Meetings and report to Board	1	In progress	100%	Ongoing	Ohlund
<b>Strategy 4 – Ensure the District operations are efficient and effective</b>						
Objective 1: Conduct selected benchmarking to track performance	Identify Best Practices and develop benchmarking report	2	In progress	0%	Jan-16	Ohlund
<b>Strategy 5 – Implement the Strategic Plan</b>						

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Objective 1: Track and report progress to the Board	Report progress to Board using Strategic Plan Scorecard on a semi-annual basis	1	Report on schedule	100%	biannually	Ohlund
<b>Strategy 6 – Consolidate policies and make easily accessible to Directors</b>						
Objective 1: Explore website systems to house key policies	Develop Intranet for Board & employee use	3	In progress	75%	Jul-16	Ohlund
<b>Goal 5: Professional Workforce - EOCWD will maintain workforce expertise to ensure service quality, continuity, and reliability</b>						
<b>Strategy 1 – Develop long-term strategy to retain staff</b>						
Objective 1: Assess staff morale	Interview staff and report results to Board	1	In progress	10%	Jul-17	Ohlund
Objective 2: Conduct staffing assessments to identify needs and present to board for consideration	Develop staffing assessment as part of annual budget process	1	Complete	100%	Ongoing	Ohlund
Objective 3: Determine appropriate mix of financial and benefit incentives (including evaluation of current housing stock)	Develop compensation plan that provides District the ability to attract and retain an excellent work force	3	Phase 2 of Compensation Plan Adopted at February 2016 Board Meeting	100%	Jul-17	Ohlund
Objective 4: Develop a succession plan	Develop succession plan and report to Board	3	Scheduled for FY 17/18	0%	Jan-17	Ohlund
<b>Strategy 2 – Ensure that technology is appropriately deployed within the District</b>						
Objective 1: Complete evaluation of expanding AMI/AMR (integrating into Sedaru)	Investigate options for AMI/AMR and Sedaru Integration and report to Board	1	In progress	60%	Jul-17	Ohlund
Objective 2: Evaluate and implement SCADA system improvements	Prepare a report on SCADA system status and options and report to Board	1	In progress	10%	May-17	Ohlund
Objective 3: Develop and implement knowledge management	Prepare a report on knowledge management and report to Board	1	Scheduled for FY 16-17	25%	Jul-17	Ohlund
<b>Strategy 3 – Ensure staff training and certifications are adequate to maintain capability</b>						
Objective 1: Develop a training plan	Develop training plan that incorporates safety, operations, maintenance, customer service and administration requirements	1	In progress	80%	May-17	Ohlund
Objective 2: Track training activities	Develop training monitoring report	1	In progress	10%	May-17	Ohlund