

## 2015 FIVE-YEAR STRATEGIC PLAN

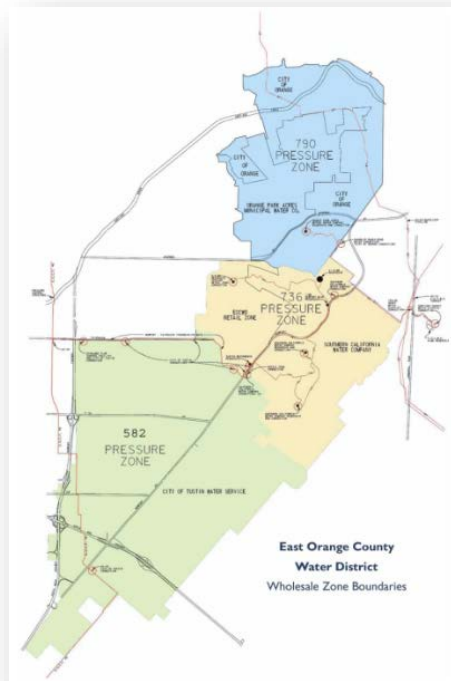
---

### Message from the Board

---

Welcome to the East Orange County Water District's (EOCWD) 5-Year Strategic Plan. This document is a blueprint for how EOCWD will respond to current challenges and make the best of future opportunities for the benefit of our customers. It confirms our mission and goals as a public agency dedicated to providing high quality water service to the more than 100,000 residents in the EOCWD service area. It outlines the specific goals, strategies, and objectives we will pursue to move us from where we are to where we want to be.

EOCWD is a locally governed, public wholesale and retail water district formed in 1961 encompassing an area of approximately 100,000 acres. It is a member of the Municipal Water District of Orange County, which is a member of the Metropolitan Water District and therefore entitled to receive Colorado River and Northern California imported water. This treated imported water is delivered to the City of Tustin, a portion of the City of Orange and the adjoining unincorporated communities of North Tustin, Lemon Heights, Cowan Heights, Orange Park Acres and Panorama Heights. In addition, in July of 1985, the District assumed the operations of Orange County Water Works District # 8 and became a retail water provider.



The EOCWD Board of Directors and staff are charting a course for continued success in the future through the development and execution of this Strategic Plan. The Plan defines the vision, mission, values, goals and 5-year business strategy for EOCWD. Our commitments to the communities we serve fall into five areas: water reliability, infrastructure, community representation and engagement, professional workforce, and financial integrity. These commitments are established as the five goals of the plan. Our Board actions will consistently support these commitments and we will track our progress against this plan, revisiting the plan regularly to adjust as conditions warrant.



## 2015 FIVE-YEAR STRATEGIC PLAN

---

Director William VanderWerff, President

Director Richard Bell

Director John Dulebohn

Director Douglass S. Davert

Director Seymour Everett

### Strategic Plan Project Team

Lisa Ohlund, General Manager

Ed Means, Means Consulting LLC

## 2015 FIVE-YEAR STRATEGIC PLAN

---

### Message from the General Manager

While our core business has remained constant over time, this plan directs how we will take on the complex issues and challenges we face in the next several years. In developing this Strategic Plan, we focused on five priority areas:

1. Water reliability
2. Infrastructure
3. Community representation and engagement
4. Financial integrity
5. Professional workforce

Why these five? These five areas summarize the “big picture” of what we need to do – and do well – so that we achieve our mission to: *“Provide our customers with reliable, high quality water services featuring home town service, fiscal discipline and direct accountability”*

We plan to periodically review the Strategic Plan in conjunction with our budget process to readjust as changing conditions dictate. With the support of the Board, I am confident this plan will help us achieve the expectations of those we serve in the months and years to come.

Respectfully submitted,

Lisa Ohlund,  
General Manager



# 2015 FIVE-YEAR STRATEGIC PLAN

---

## Introduction

---

Strategic Planning is a structured process to prioritize issues. Due to the reality of finite resources, staff must be focused on the key issues that are critical to its mission.

The planning process enabled the EOCWD board and staff to step back from daily activities and deliberate on ways to achieve the EOCWD mission to *“Provide our customers with reliable, high quality water services featuring home town service, fiscal discipline and direct accountability”*.

The Strategic Plan was developed under the guidance of the Board of Directors and senior management representing all of the EOCWD’s functions. This team met over a four-month period

following the steps in the call out box to the right. The focus of the staff’s strategic deliberations was the key issues EOCWD will face in the next year planning horizon (and beyond). Workshops were held with the Board the Senior Management staff to identify strengths, weaknesses, opportunities and threats (SWOT Analysis) that the plan should consider. A workshop was held with Board of Directors in May of 2015 to identify the vision, mission, goals values statements and establish the goals that set the framework for the strategies and objectives development by the management team. The Board adopted the plan on July 9, 2015.

- *Review background documents*
- *Review current operating environment – strengths, weaknesses, opportunities, & threats*
- *Review Vision, Mission, Values and establish Goals*
- *Develop Strategies and Objectives*
- *Develop staffing and resource needs in conjunction with the Annual Budgeting Process*
- *Regularly update the Plan*

to  
five-  
and  
the  
and  
five

The five-year Strategic Plan will be implemented and tracked through the annual budget process. Strategic Plan activities that are not budgeted in FY2015-16 will be budgeted in later years, subject to Board review and approval. In the future, staff will ensure the proposed budgets reflect the priorities established in the Strategic Plan.

## 2015 FIVE-YEAR STRATEGIC PLAN

---

### Vision Statement

---

Our vision is to:

*“Maintain our community’s high quality of life through provision of valued water and wastewater services”*



### Mission Statement

---

Our mission is to:

*“Provide our customers with reliable, high quality water services featuring home town service, fiscal discipline and direct accountability”*

### Values

---

EOCWD will embody the following core values in the setting and implementation of its policies and practices:

- Integrity and ethical behavior – EOCWD will consistently adhere to high moral and ethical principles
- Community – EOCWD will cooperatively work together and with stakeholders to further the mission and goals of the organization
- Customer service – EOCWD will professionally and responsively serve the needs of its customers

## 2015 FIVE-YEAR STRATEGIC PLAN

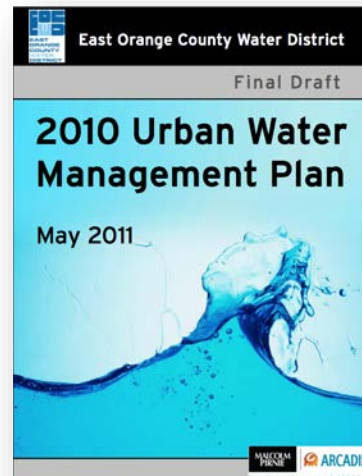
---

- Respect – EOCWD will work with our stakeholders in a respectful, professional, and courteous fashion
- Disciplined (Fiscally and operationally) – EOCWD will be good stewards of the facilities, people, and financial resources entrusted to it
- Creative – EOCWD will encourage and value the introduction of new ideas and methods
- Transparent – EOCWD will engage its stakeholders and interact with them in a fair, open and honest manner

### Goals / Strategies / Objectives

The Board developed goal areas that represent the key EOCWD commitments to the community it serves.

- **Goal 1: Water Reliability** – EOCWD will provide reliable water services that consider the environment to meet the needs of the community
- **Goal 2: Infrastructure** – EOCWD will acquire, maintain, and operate our infrastructure to ensure reliable water services
- **Goal 3: Community Representation and Engagement** – EOCWD will provide responsive local governance, value and outreach to the communities we serve
- **Goal 4: Financial Integrity** – EOCWD will manage our financial assets to provide and maintain reliable water services
- **Goal 5: Professional Workforce** – EOCWD will maintain workforce expertise to ensure service quality, continuity, and reliability



## 2015 FIVE-YEAR STRATEGIC PLAN

---

Management and staff identified specific strategies and measurable objectives for each goal area to ensure the proper actions are taken to fulfill the commitment implicit in the goal area. The strategies and objectives listed below encompass both current and new activities. The implementation of these strategies and objectives will be further detailed through specific memoranda.

### Goal 1: EOCWD will provide reliable water services that consider the environment to meet the needs of the community

#### Strategy 1 – Operate the system to achieve service level standards

- Objective 1 Set practical service level goals
- Objective 2 Meet the service level goals
- Objective 3 Comply with applicable environmental standards
- Objective 4 Operate the system using cost-effective principles



#### Strategy 2 – Determine appropriate role of water treatment for EOCWD

- Objective 1 Refine treatment plant financial and reliability benefits
- Objective 2 Provide a decision pathway for board action

#### Strategy 3 – Provide adequate backup supply for groundwater production

- Objective 1 Assess required level of reliability
- Objective 2 Implement solution

## 2015 FIVE-YEAR STRATEGIC PLAN

---

**Strategy 4** – Conduct planning to ensure reliable and high quality water supply and implement appropriate policies and infrastructure

- Objective 1 Complete the 2016 UWMP
- Objective 2 Participate in and review the MWDOC Orange County Water Reliability Study
- Objective 3 Develop an EOCWD Integrated Resources Plan that informs and integrates with the Master Plan
- Objective 4 Develop additional appropriate water supplies if/as needed

**Strategy 5** – Maintain active water conservation program

- Objective 1 Implement water conservation projects and programs to reflect the value of water and water service
- Objective 2 Leverage funding through regional water agencies

### **Goal 2: Infrastructure – EOCWD will acquire, maintain and operate our infrastructure to ensure reliable water services**

**Strategy 1** – Ensure EOCWD can adequately respond to anticipated emergencies

- Objective 1 Update the emergency response plan
- Objective 2 Evaluate expansion of interconnections
- Objective 3 Continue active participation in WEROC
- Objective 4 Explore additional mutual aid agreements
- Objective 5 Evaluate radio communications needs and capability





## 2015 FIVE-YEAR STRATEGIC PLAN

---

Objective 6 Evaluate the need for a business continuity plan

**Strategy 2** – Ensure infrastructure is appropriately maintained and replaced

Objective 1 Complete the Master Plan / Capital Improvement Plan

Objective 2 Continue to refine *Sedaru* system to incorporate remaining facilities

Objective 3 Annually report on the operations and maintenance status of key assets

Objective 4 Report to Board on deferred maintenance and provide solutions

**Strategy 3** – Develop an energy strategy

Objective 1 Implement and track the strategy

Objective 2 Evaluate backup power requirements

### **Goal 3: Community Representation and Engagement – EOCWD will provide responsive local governance, value and outreach to the communities we serve**

**Strategy 1** – Build alliances to support the interests of EOCWD

Objective 1 Identify and engage opinion leader customers

Objective 2 Develop action plans for engaging the member agencies

Objective 3 Identify and develop outreach projects and programs for key constituencies



## 2015 FIVE-YEAR STRATEGIC PLAN

---

Objective 4 Leverage external communications resources

Objective 5 Interact with representatives in Sacramento

### Strategy 2 – Streamline Board deliberations while increasing communication

Objective 1 Evaluate the board/committee meeting process and identify opportunities to streamline and increase communication with all board members

Objective 2 Evaluate and ensure adequate checks and balances and proper delegation of authority to the GM

### Strategy 3 – Maintain excellent customer service

Objective 1 Develop measures to assess customer satisfaction

Objective 2 Measure and report customer satisfaction

## Goal 4: Financial Integrity – EOCWD will manage our financial assets to provide and maintain reliable water services

### Strategy 1 – Ensure that adequate financial capacity exists to maintain District assets

Objective 1 Complete the rate study

Objective 2 Integrate CIP requirements into financial plan

Objective 3 Evaluate fixed vs variable charges

Objective 4 Evaluate water budget based rates

Objective 5 Evaluate reserve policy for the retail system

Objective 6 Assess penalty rates during allocations

Objective 7 Develop an annual budget

Objective 8 Manage within the budget (beyond emergencies)

Objective 9 Receive an unqualified audit outcome each year

## 2015 FIVE-YEAR STRATEGIC PLAN

---

**Strategy 2** – Consider rate parity with neighboring communities in the establishment of our rates and charges

Objective 1 Periodically conduct rate surveys

**Strategy 3** – Provide mutually beneficial water services to area and contiguous utilities

Objective 1 Examine opportunities for service expansion

Objective 2 Actively engage in LAFCO proceedings

**Strategy 4** – Ensure the District operations are efficient and effective

Objective 1 Conduct selected benchmarking to track performance



**Strategy 5** – Implement the Strategic Plan

Objective 1 Track and report progress to the Board

**Strategy 6** – Consolidate policies and make easily assessable to Directors

Objective 1 Explore website system to house key policies

### **Goal 5: Professional Workforce – EOCWD will maintain workforce expertise to ensure service quality, continuity, and reliability**

**Strategy 1** – Develop long-term strategy to retain staff

## 2015 FIVE-YEAR STRATEGIC PLAN

---

- Objective 1 Assess staff morale
- Objective 2 Conduct staffing assessment to identify needs and present to Board for consideration
- Objective 3 Determine appropriate mix of financial and benefit incentives (including evaluation of current housing stock)
- Objective 4 Develop a succession plan



**Strategy 2** – Ensure that technology is appropriately deployed within the District

- Objective 1 Complete evaluation of expanding AMI/AMR (integrating into *Sedaru*)
- Objective 2 Evaluate and implement SCADA system improvements
- Objective 3 Develop and implement knowledge management

**Strategy 3** – Ensure staff training and certifications are adequate to maintain capability

- Objective 1 Develop a training plan
- Objective 2 Track training activities

-----

### Next Steps

---

The plan is intended to be a living document and will be reviewed and updated annually to remain current. It will be used in planning and budgeting the activities of EOCWD. Formal “action plans” will be developed for some of the key strategies.

## 2015 FIVE-YEAR STRATEGIC PLAN

---

### Glossary

---

The following key terms are used in this Strategic Plan:

**Action Plan** – a detailed set of tactical actions that will be developed in order for some of the strategies / objectives to be achieved

**Core Values** - non-negotiable standards that the staff and the Board believe in and embody how they will act individually and as an organization

**Goal** - EOCWD's commitment to the community it serves

**Mission** – the primary reason(s) for the existence of the organization

**Objective** - measurable work activity that, when accomplished, will directly lead to the success of the strategy

**Issue** - a problem or opportunity facing the EOCWD

**Strategy** - how an issue is solved to achieve the goal

**Strategic Plan** - a structured plan to drive EOCWD to achieve its goals

**SWOT Analysis** - description of strengths, weaknesses, opportunities and threats to identify areas of focus in the Strategic Plan

**Tactic** - specific work activities to accomplish a strategy

**Vision** - what EOCWD aspires to become