

## Attachment B



**City of San Diego**  
**Public Utilities Department**

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# **FY2012 Strategic Plan Annual Report: Summary of Achievements**

**October 29, 2012**

**Reviewed and Approved By:**

**Tom Crane**

**Assistant Director, Strategic Programs**



## **A Message from the Director of Public Utilities**

The Public Utilities Department has completed year one of the five-year 2012-2016 Strategic Business Plan. This FY12 Strategic Business Plan Annual Report summarizes the Department's four Strategic Goals and ten Objectives, and summarizes the completion status of the 33 FY2012 Strategic Initiatives. The Department successfully pursued and implemented these Strategic Initiatives, and achievement of these Strategic Initiatives has enabled us to continue to be an industry leader in the delivery of water, wastewater, and recycled water services.

The Department has used the Effective Utility Management (EUM) as the framework for developing its Strategic Business Plan. Our Strategic Initiatives are aligned with one or more of the ten EUM attributes. This ensures that the Department's energies and focus are on-target with the industry's thought-leaders, and that the Department's priorities, strategic goals and Strategic Initiatives are in-line with the Industry Leader's priorities.

The FY2012-16 Strategic Business Plan has established policy direction for the Department and has enabled the Department to contain costs, increase efficiencies, and improve service delivery and overall customer satisfaction. The Strategic Business Plan development process served as a catalyst for decision-making, direction-setting and the development of Strategic Initiatives to help the Public Utilities Department achieve its core mission. The process for development of the Strategic Business Plan relied on workforce and stakeholder engagement and self-assessment. It has also served as a valuable vehicle for communicating important information to employees to promote greater understanding, commitment and follow-through.

The Public Utilities Department continues to demonstrate great capacity to improve organization effectiveness and operational resilience in meeting its mission to deliver high quality water, wastewater and recycled water services; while maintaining compliance with all regulatory requirements. In the coming years, we will continuously strive to be an accessible, cost-conscious agency known for reliable services.

Working together - we can make it happen.

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Roger S. Bailey  
Director of Public Utilities



# Public Utilities Department



## **Vision:**

We are an industry leader in the delivery of water, wastewater, and recycled water services

## **Mission:**

To ensure the quality, reliability, and sustainability of water, wastewater, and recycled water services for the benefit of the ratepayers and citizens served

## **Mission & Vision**

## **Guiding Principles & Strategic Goals**

## **Guiding Principles**

- Service Excellence
- Environmental Stewardship
- Fiscal Responsibility
- Continuous Improvement
- Innovative Use of Technology
- Sustainable Growth and Prosperity
- Safe Work Environment
- Dedicated to Employee Development

## **Strategic Goals:**

- Goal 1:** Safe, Reliable, and Efficient  
Water, Wastewater, and Recycled  
Water Services
- Goal 2:** Fiscally-Sound and Effective Public Utility
- Goal 3:** Sustainable Growth and Economic Viability
- Goal 4:** Responsive, Safe, Committed and



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## **I. Introduction**

The Public Utilities Department is beginning year two of a five-year Strategic Plan, as of July 1, 2012. The five-year plan can be found on the City of San Diego's website. This FY2012 Strategic Plan Annual Report documents the achievements and status of the Department's 33 Strategic Initiatives in the first year of the five-year Strategic Business plan. A number of the Strategic Initiatives documented in the report have implementation plans that continue into FY2013. In order to publish this report in a timely manner, we have noted the status of Strategic Initiatives as of June 30, 2012.

The Public Utilities Department's annual strategic planning process serves as a catalyst for direction-setting, decision-making, and the development of Strategic Initiatives to help attain our core mission. The process relies on assessment, workforce and stakeholder engagement, to generate the Strategic Initiatives and to successfully implement them. It utilizes input and two-way communication to promote greater understanding and commitment. As in previous years, the plan is action-oriented and links key Strategic Initiatives to the Department's four Strategic Goals, which are aligned with the City's Balanced Scorecard-based Strategic Goals.



## **II. Overview of the Vision, Mission, Objectives and Goals of the Department**

The Vision, Mission, Guiding Principles, and four Strategic Goals are illustrated in the poster on Page 3. The Department's FY2012 Strategic Business Plan consists of four Strategic Goals to fulfill their mission. Each of these Strategic Goals has corresponding Strategic Objectives, which are focused and targeted outcomes that guide the Department's efforts to address challenges and opportunities on the horizon, ultimately helping the Department to successfully achieve its Mission and Vision. Each of these Strategic Objectives has corresponding Strategic Initiatives. These Strategic Initiatives help the Department achieve its Strategic Goals and attain organizational effectiveness and operational excellence.



### III. Effective Utility Management (EUM)

The Effective Utility Management (EUM) framework has recently emerged as the industry standard and best practice for strategic planning and for performance metrics monitoring. The EUM serves as a framework for developing Strategic Initiatives. By design, all of the 27 Strategic Initiatives are aligned with one or more of the ten EUM attributes. This is documented in Appendix B.

This is a very positive testimonial that the Department's energies and focus have been on-target with the industry's thought-leaders, and that the Department's priorities and Strategic Goals and Strategic Initiatives are in line with the Industry Leader's priorities.

The EUM framework consists of ten "Attributes." The framework was developed in 2007-2008 by six different Water and Wastewater associations, and the US Environmental Protection Agency. As stated earlier, the EUM approach is proving to be the industry standard for strategic planning and for performance metrics monitoring. The EUM aids Public Utilities Departments in addressing common challenges, such as increasing costs and sustaining community support by providing a common lens or framework. The EUM framework serves as a disciplined paradigm for identifying and recognizing excellence in water and wastewater utility management. It also provides an efficient tool to identify where effectively-managed utilities focus their efforts and what they typically strive to achieve. Finally, a key concept of the EUM framework is that the ten EUM Attributes are linked and connected with one another as a system, and this is captured in the EUM model/wheel (See Appendix A).

The following table is a list of the ten EUM Attributes and their descriptions:

**Table I: EUM Attributes and Descriptions**

EUM Attribute		Attribute Descriptions
<b>Product Quality</b>	✓	Complies with regulatory and reliability requirements.
	✓	Consistent with customer, public health, and ecological needs.
<b>Customer Satisfaction</b>	✓	Provides reliable, responsive, and affordable services.
	✓	Receives timely customer feedback.
	✓	Responsive to customer needs and emergencies.
<b>Employee and Leadership Development</b>	✓	Recruits and retains competent workforce.
	✓	Collaborative organization dedicated to continual learning and improvement.
	✓	Employee institutional knowledge retained and improved.
	✓	Opportunities for professional and leadership development.
	✓	Integrated and well-coordinated senior leadership team.

EUM Attribute	Attribute Descriptions
<b>Operational Optimization</b>	<ul style="list-style-type: none"> <li>✓ Ongoing performance improvements.</li> <li>✓ Awareness and timely adoption of operational and technology improvements.</li> </ul>
<b>Financial Viability</b>	<ul style="list-style-type: none"> <li>✓ Understands full life-cycle cost of utility.</li> <li>✓ Effective balance between long-term debts, asset values, operations and maintenance expenditures, and operating revenues.</li> <li>✓ Predictable and adequate rates.</li> </ul>
<b>Infrastructure Stability</b>	<ul style="list-style-type: none"> <li>✓ Understands the condition of and costs associated with critical infrastructure assets.</li> <li>✓ Maintains and enhances assets over the long-term at the lowest possible life-cycle cost and acceptable risk.</li> <li>✓ Repair efforts are coordinated within community to minimize disruptions.</li> </ul>
<b>Operational Resiliency</b>	<ul style="list-style-type: none"> <li>✓ Staff works together to anticipate and avoid problems.</li> <li>✓ Proactively establishes tolerance levels and effectively manages risks (including legal, regulatory, financial, environmental, safety, security, and natural disaster-related).</li> </ul>
<b>Community Sustainability</b>	<ul style="list-style-type: none"> <li>✓ Attentive to impacts on community and watershed health and welfare.</li> <li>✓ Operations enhance natural environment.</li> <li>✓ Efficiently use water and energy resources; promote economic vitality; and engender overall community improvement.</li> <li>✓ Maintain and enhance ecological and community sustainability including pollution prevention, watershed, and source water protection.</li> </ul>
<b>Water Resource Adequacy</b>	<ul style="list-style-type: none"> <li>✓ Ensures water availability through long-term resource supply and demand analysis, conservation, and public education.</li> <li>✓ Manages operations to provide for long-term aquifer and surface water sustainability.</li> </ul>
<b>Stakeholder Understanding and Support</b>	<ul style="list-style-type: none"> <li>✓ Engenders understanding and support from oversight bodies, community and watershed interests, and regulatory bodies for service levels, rate structures, operating budgets, capital improvement programs, and risk management decisions.</li> <li>✓ Actively involves stakeholders in the decisions that will affect them.</li> </ul>



#### **IV. Department Strategic Initiative Achievement Summary**

Table II summarizes the status and progress made for each Strategic Initiative, as of June 30, 2012, and serves as a quick visual aide. There are fourteen Strategic Initiatives that were completed in full. Eighteen are “In Progress,” and one was ranked as “Not Complete.” The legend for this table is as follows:

- C: Complete – We fully achieved this Initiative in FY2012.
- NC: Not Complete – We did not pursue this Initiative, or we were not successful in achieving this Initiative.
- IP: In Progress – We are still implementing the Plan of Action and Milestones (POAM) for this Initiative in FY2013.

Table III, the Strategic Initiative Achievement Narratives Table, provides a brief description of the Strategic Initiative level-of-achievement, and the factors that contributed to their achievement. Appendix C provides a more detailed description of the milestones and deliverables for each of the Strategic Initiatives.

**Table II: Strategic Initiative Achievement Status**

Goals	Objectives	Strategic Initiatives	Achievement Status
Goal # 1: Safe, reliable, and efficient water, wastewater, and recycled water services	Objective # 1: Manage assets optimally through repair, rehabilitation, and replacement	Initiative # 1: Finalize Water and Wastewater 10-year CIP.	IP
		Initiative # 2: Develop Bill of Materials (BOM) stocking policy.	C
		Initiative # 3: Develop a Master Plan for Asbestos Cement pipeline replacement incorporating a system evaluation.	C
		Initiative # 4: Develop an integrated, system-wide condition assessment program (Asset Management).	C
	Objective # 2: Meet or exceed regulatory and public health standards	Initiative # 5: Continue Department-wide enhanced environmental monitoring and assessment programs.	C
		Initiative # 6: Conduct a security and seismic vulnerability study for utility facilities.	IP
		Initiative # 7: Develop recycled water quality improvement program addressing TDS (SBWRP) and Manganese, Sulfates, etc.	IP
		Initiative # 8: Continue Partnership for Safe Water Program participation at Otay WTP and Expand to Miramar WTP and Water Distribution System.	C



Goals	Objectives	Strategic Initiatives	Achievement Status
Goal # 2: Fiscally-sound and effective public utility	Objective # 3: Provide the public with competitive, customer-focused services	Initiative # 9: Proactively evaluate customer satisfaction and implement a point-of-service customer satisfaction survey for field services.	C
		Initiative # 10: Successfully complete the Customer Support Division's "Managed Competition" efforts.	IP
		Initiative # 11: Implement Efficiency Studies: 1) Implement multi-year reorganization of WWTd plant maintenance functions, 2) bring cooperative yard to completion, and 3) implement warehousing consolidation in Wastewater Branch.	C
		Initiative # 12: Expand departmental outreach to 1) engage customers and solicit feedback in the value and importance of services provided, and 2) identify new or modified customer expectations. Perform interactive outreach through a variety of media and formats to reach the broadest demographic cross-section of customers.	IP
		Initiative # 13: Complete studying the benefits (including water conservation benefits) and applicability of water budget based billing methodology and implement recommendations approved by Mayor and Council, if any.	IP

Goals	Objectives	Strategic Initiatives	Achievement Status
	Objective # 4: Minimize rate impacts through expenditures control, the pursuit of alternative funding, and full cost recovery	Initiative # 14: Implement cost-effective technology to improve core business activities.	IP
		Initiative # 15: Optimize grant and State Revolving Funding (SRF) loan opportunities.	C
		Initiative # 16: Develop IT Initiative that clarifies financial spending ceiling, and aligns, enhances and consolidates IT systems based on Business Objectives.	C
		Initiative # 17: Review and modify existing financial performance measures to provide management the tools needed to support departmental financial viability.	C
		Initiative # 18: Develop/implement five-year Financial Plan.	C
		Initiative # 19: Work with Debt Management Department and establish debt coverage ratio policy.	IP
		Initiative # 20: Conduct SLA Review (e.g., costs, adequacy, performance measures, execution, correct model, overhaul of agreements).	IP
		Initiative # 21: Review/study service fees to assess opportunities for better cost recovery.	IP



Goals	Objectives	Strategic Initiatives	Achievement Status
Goal # 3: Sustainable growth and economic viability	Objective # 5: Engage in regional Strategic Initiatives which provide viable, environmentally responsible and cost-effective alternative sources of water supply	Initiative # 22: Complete testing of the Advanced Water Purification Facility treatment technologies and reservoir analyses in preparation for obtaining regulatory approval at completion of the Water Purification Demonstration Project in 2013.	IP
		Initiative # 23: Complete the Long-Range Water Resources Plan Update.	IP
		Initiative # 24: Complete Recycled Water Study and present results to stakeholders and elected officials.	IP
	Objective # 6: Reduce the reliance on non-renewable energy	Initiative # 25: Implement cost-effective energy production and conservation projects.	IP
	Objective # 7: Develop long-range plans to support a growing community	Initiative # 26: Develop and implement actions to ensure we preserve options for meeting the long-term regulatory requirements for wastewater discharges.	C
		Initiative # 27: Update Muni Master Plan by integrating all-inclusive analyses with emphasis on Inflow/Infiltration (I/I) tracking.	C
		Initiative # 28: Study and implement plan to reduce "unaccounted for water" to < or = BMP (5%) from current 9%.	IP

Goals	Objectives	Strategic Initiatives	Achievement Status
Goal # 4: Responsive, safe, committed and innovative workforce	Objective # 8: Meet or exceed safety standards	Initiative # 29: Create a health and safety awareness plan that responds to injury trends.	IP
	Objective # 9: Ensure adequate staffing to meet operational needs	Initiative # 30: Implement selected elements of HR hiring plan.	IP
	Objective # 10: Develop and support employees, and recognize exceptional performance	Initiative # 31: Develop a new and innovative employee incentive program for efficiency/cost reduction Strategic Initiatives.	NC
		Initiative # 32: Develop and deliver performance management training to improve supervisor skills and confidence to manage performance and to ensure high-performing workforce.	IP
		Initiative # 33: Develop and implement a plan to improve Department-wide communication, and successfully administer and complete the FY2012 Employee Opinion Survey (EOS) effort.	C



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## V. Department Strategic Initiative Achievement Summary

Table III summarizes the status and progress made for each Strategic Initiative, as of June 30, 2012, in more detail.

<b>Table III: Strategic Initiative Achievement Narratives</b>
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<b>Goal #1: Safe, reliable, and efficient water, wastewater, and recycled water services</b>
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<b>Objective #1:</b> Manage assets optimally through repair, rehabilitation, and replacement.
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**Strategic Initiative #1:** Finalize Water and Wastewater 10-year CIP.

**Achievement:** This Initiative was partially completed and is in-progress. We are still implementing the Plan of Action and Milestones (POAM) for this Initiative. A list of Capital Improvement Projects was developed. The FY2012 water and wastewater de-appropriation schedule was submitted to Financial Management on May 4, 2012. Budget revisions were presented to the CIPRAC on May 17, 2012. The FY2013 Budget and the CIP budget texts and adjustments have been finalized. The City Council approved the FY2013 budget on June 11, 2012.

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**Strategic Initiative #2:** Develop Bill of Materials (BOM)/stocking policy.

**Achievement:** This Initiative was completed on schedule. The Warehouse staff now utilizes EMPAC for inventory and ordering processes. All parts and kits for materials identified with a lead time less than two months have been received. The warehouse inventory for all materials identified as Asset BOMs were completed, and all parts & equipment were ordered, by March 31, as scheduled.

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**Strategic Initiative #3:** Develop a Master Plan for Asbestos Cement (AC) pipeline replacement incorporating a system evaluation.

**Achievement:** This Initiative was completed on schedule. A scoring system was developed and approved. The Phase I report was developed, documenting the study and results, and included training recommendations for the Standard Operating Policies and Procedures (SOPPs). The report was distributed for approval and presented to the IROC subcommittee on July 9, 2012.

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**Strategic Initiative #4:** Develop an integrated, system-wide condition assessment program.

**Achievement:** This Initiative was completed on schedule. Development of the Enterprise Asset Management (EAM) Plan was completed. The plan includes the Condition Assessment Program which documents the Condition Assessment activities within the Department. The preliminary process blueprints for SAP were developed, reviewed by the subject-matter experts (SMEs) and updated to reflect current processes, in preparation for the SAP EAM project. The Asset Management Program and the EPM Division worked together to establish roles and

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responsibilities for the Condition Assessment Plan. The Application Portfolio matrix was developed and is being used to develop the Statement of Work for the EAM project.

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**Objective #2:** Meet or exceed regulatory and public health standards.

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**Strategic Initiative #5:** Continue Department-wide enhanced environmental monitoring and assessment programs.

**Achievement:** This Initiative was completed on schedule. New programs and projects that provide enhanced monitoring and assessment were developed, coordinators identified, and deliverables schedules created. The Enhanced Ocean Monitoring Program's projects, with annual progress reports, were submitted to Coastal Commission on April 12, 2012 and to the San Diego Regional Water Quality Control Board on June 13, 2012. Internal (EMTS) Weekly and Quarterly Progress Reports regarding weekly Reservoir Water Quality Monitoring and quarterly Quagga Mussels were presented on time.

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**Strategic Initiative #6:** Conduct a security and seismic vulnerability study for Utility facilities.

**Achievement:** This Initiative was partially completed and is in-progress. We are still implementing the Plan of Action and Milestones (POAM) for this Initiative. This Initiative is being carried forward as a FY2013 Strategic Initiative. A master schedule was developed for the Vulnerability Assessment and Emergency Response Plans. A scope of work was developed and distributed. Five firms competed for the project. The Department is currently in negotiations with the selected firm.

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**Strategic Initiative #7:** Develop recycled water quality improvement program addressing Total Dissolved Solids (TDS) at South Bay Water Reclamation Plant (SBWRP) and Manganese, Sulfates, etc.

**Achievement:** This Initiative was partially completed and is in-progress. We are still implementing the Plan of Action and Milestones (POAM) for this Initiative. A two-phase process was initiated to help reduce the level of manganese via the tertiary process. Phase 1 involved cleaning the anthracite coal in the tertiary filters. Phase 2 involves adding new anthracite to the tertiary filters to restore the filters optimum anthracite operational level. The limited supply of anthracite will delay completion of Phase 2 until November, 2012. In addition, a Business Case Evaluation (BCE) is underway for relocation of a mobile Electro Dialysis Reversal (EDR) from North City to South Bay.

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**Strategic Initiative #8:** Continue Partnership for Safe Water Program participation at Otay Water Treatment Plant (WTP) and Expand to Miramar WTP and Water Distribution System.



**Achievement:** This Initiative was completed on schedule. The CY2011 Annual Performance/ Process Optimization report was completed and submitted to the Partnership for review. Otay Water Treatment Plant (WTP) completed the CY 2011 Annual Optimization Report and was awarded the Director's Award for CY2011 performance. Miramar WTP completed Operation Assessment, and this was documented in the Phase III Self-Assessment Report. The Phase III Self Assessment Report was completed and submitted to the Partnership Program. The Partnership Program has requested the entire City's collected data on the Potable Distribution System. The delivery of the data has been postponed due to database issues. The City will hold the data until the Partnership is prepared to receive the data.

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**Goal #2: Fiscally-sound and effective public utility**

**Objective #3:** Provide the public with competitive, customer-focused services.

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**Strategic Initiative #9:** Proactively evaluate customer satisfaction and implement a point-of-service customer satisfaction survey for field services.

**Achievement:** This Initiative was completed. Meetings were held with Customer Support Field Office personnel finalizing the scope of the Customer Service Field Survey. The survey was printed for distribution as well as made available online for customers. Printed materials related to the survey were created and the surveys are now being left with customers. Surveys were also distributed via the US Postal Service. However, due to a postal permit issue, the surveys were not received. This issue is expected to be resolved by the second week of August, 2012.

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**Strategic Initiative #10:** Complete the Customer Support Division's (CCS) "Managed Competition" efforts.

**Achievement:** This Initiative was partially completed and is in-progress. This Initiative is being carried forward as a FY2013 Strategic Initiative. The Preliminary Statement of Work (PSOW) and Request for Proposal were postponed due to unanticipated impacts associated with implementing CCS through the end of the Fiscal Year. The City Council concurred with the Public Utilities' request for delaying the Managed Competition effort so that employees could spend time focusing on providing better service to the customers throughout the transition between the older software system and the CCS system. In FY2013, the PSOW must be revised and approved by the City Council to reflect the more realistic service levels using CCS. The changes are docketed for City Council approval in September, 2012.

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**Strategic Initiative #11:** Implement Efficiency Studies: 1) Implement the multi-year reorganization of WWTd plant maintenance functions, 2) Complete implementation of the Cooperative Yard Project, and 3) Complete the Warehousing consolidation in Wastewater Branch.

**Achievement:** This Initiative's deliverables and milestones were completed on schedule. This Initiative is being carried over into FY2013, as new Structure and Staffing Studies are being

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conducted. The WWTD maintenance staff reorganization was implemented in the spring. An evaluation is underway as to whether refinements should be made. The Generator Maintenance Study is complete. The Construction Staffing Study was completed and implemented. Staffing levels were not reduced, due to the backlog of work. The Confined Space Study will be carried over into FY2013. During FY2012, the Study Team completed a RFP for services, and development of improved scheduling of confined space entries, resulting in reduced expenses. The implementation of the Cooperative Yard Study between Wastewater Collections (WWC) and the Water Operations Construction Section staff was implemented. WWC transferred 13 Canyon Access FTEs to Chollas, and Water Operations transferred 24 Water Construction and Recycled Water crew employees from Chollas to MOC I in July, 2011. Water Operations is beginning to use the Central Facilities Support group's RMG technology for equipment condition assessments.

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**Strategic Initiative #12:** Expand Departmental outreach to a) engage customers and solicit feedback in the value and importance of services provided, and b) identify new or modified customer expectations.

**Achievement:** This Initiative was partially completed and is in-progress. The External Affairs group was established in January, 2012, and Public Information Officers (PIOs) were consolidated into this group. This group has established a communications plan for the entire department including the Department Website. Update of the San Diego City Website is scheduled for implementation in the fall, though this is being led by the Department of Information Technology. External Affairs work on community and stakeholder presentations related to the Cost of Service Study will continue into FY2013. An Organization Structure and Staffing study of the External Affairs function will be conducted during FY2013.

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**Strategic Initiative #13:** Complete studying the benefits (including water conservation benefits) and applicability of water budget based billing methodology, and implement recommendations approved by Mayor and Council, if any.

**Achievement:** This Initiative is in-progress. An unexpected delay occurred when the parent company of the consultant selected for the study was identified to potentially play a role in litigation against the City. After clearing the selection with the City Attorney's Office, the consultant was issued a Notice to Proceed on January 23, 2012, and the Project kickoff meeting was held on February 7, 2012. The report on the Pilot Study Validation was presented to NR&C on May 23, 2012, and to IROC the following month. The report for Phase 1 of the Study is expected to be finalized in October-November, 2012.

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**Strategic Initiative #14:** Implement cost-effective technology to improve core business activities.

**Achievement:** This Initiative is in-progress. Five Mobile Device Units/ lap-tops have been purchased and truck mounts installed. A test computer was setup and testing began on June 25. The testing included accessing SPLASH and the new SWIM paperless Work Orders and cost capture, and testing the connectivity with Sprint. Errors occurred in the connection to SWIM and SPLASH. Despite ongoing efforts by technical staff, the testing has been unsuccessful. The Paperless Work Order project cannot proceed until a viable solution for running SWIM and SPLASH from the field is approved.

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**Objective #4:** Minimize rate impacts through expenditure control, the pursuit of alternative funding, and full cost recovery.

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**Strategic Initiative #15:** Develop revenue analysis/audit process and a reporting mechanism for review, analysis and tracking of rates and fees.

**Achievement:** This Initiative was completed on schedule. The section continued with ongoing research and communication with funding agencies regarding upcoming grant and State Revolving Fund (SRF) loan funding opportunities. Staff worked with staff from the Long Range Planning and Water Resources Division to provide CWA eligibility documents. Staff provided information to EPM and CIP staff regarding pending projects. Four additional projects were added in June 2012 Safe Drinking Water SRF Loan Program's Project Priority List. This is the first step in applying for a SRF loan from the California Department of Public Health.

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**Strategic Initiative #16:** Develop IT Initiative that clarifies financial spending ceiling, and aligns, enhances and consolidates IT systems based on Business Objectives.

**Achievement:** This Initiative was completed on schedule. The IT budget was analyzed as "Run the Business," "Enhancements," & "Investments" projects. Reducing the Department "Run the Business" year-end expenditures met the goal of less than 75%. The Department assessed consolidation feasibility of Water SCADA and Plant Process Control System with the Wastewater COMNET system and the final report has been submitted. The SPLASH conversion from GE SmallWorld to the City's GIS standard, ESRI, was assessed and the final report has been submitted.

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**Strategic Initiative # 17:** Review and modify existing financial performance measures to provide management the tools needed to support departmental financial viability.

**Achievement:** This Initiative was completed on schedule. The Current-Year Monitoring (CYM), Budget Monitoring Application (BMA), and Charter 39 report formats were reviewed and the Department finalized the selection of fields and codified the methodology for CYM /

BMA/ Charter 39 reports. CYM information was provided to the Executive Team as scheduled. Month 12 CYM including post-close adjustments by the Comptroller's Office was reported on August 29, 2012.

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**Strategic Initiative #18:** Develop/implement five-year Financial Plan.

**Achievement:** This Initiative was completed on schedule. Review of the five-year budget, and validation of FY2013 proposed budget, was completed. The five-year Financial Plan, with projected O&M expenditures, was completed and integrated into the Water and Wastewater rate models.

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**Strategic Initiative #19:** Work with Debt Management Department and establish debt coverage ratio policy.

**Achievement:** This Initiative is in-progress. The Department has worked with the Debt Management Department to establish a prudent and attainable debt ratio. The Department will continue to work with Debt Management in FY2013 to develop an approved policy debt coverage ratio policy.

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**Strategic Initiative #20:** Conduct Service Level Agreement (SLA) Review (e.g., costs, adequacy, performance measures, execution, correct model, overhaul of agreements).

**Achievement:** This Initiative is in-progress. As of the end of the fourth quarter, approximately 50% of the SLAs have been finalized, including thorough analysis of appropriate accounting and internal orders. Review of the remaining SLAs is underway and is expected to be complete by the end of Q1 of FY2013.

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**Strategic Initiative #21:** Review/study service fees to assess opportunities for better cost recovery.

**Achievement:** This Initiative is in-progress. It is being carried over as an FY2013 Initiative. Cost recovery data from General Fund fees for the Lakes Recreation Program were submitted for Financial Management Department review. Adjustments to the existing Lake's fees were made for the private concessionaire taking over the rental boat fees. This action went to Council in the 4th quarter under Financial Management's comprehensive user fee review process to formalize the change. In FY2013, the Department will continue to look comprehensively at the user fees to determine cost recovery levels and appropriate fee amounts.



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**Goal #3: Sustainable growth and economic viability**

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**Objective #5:** Engage in regional Strategic Initiatives which provide viable, environmentally responsible and cost-effective alternative sources of water supply.

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**Strategic Initiative #22:** Complete testing of the Advanced Water Purification Facility (AWPF) treatment technologies and reservoir analyses in preparation for obtaining regulatory approval at completion of the Water Purification Demonstration Project in 2013.

**Achievement:** This Initiative is in-progress. In March, 2012, the City submitted a proposed framework defining the regulatory criteria for full-scale reservoir augmentation to the California Department of Public Health (CDPH) and a brief project summary that CDPH staff submitted to their upper management to gain the authorization to issue a concept approval letter. CDPH requested no changes to either document. The City expects to receive a response to the City's proposed concept document from CDPH in September 2012. The IAP Workshop to review the test facility's final report and the final project report will occur in November 2012. Final project report of all the demonstration project tasks will be completed in December 2012.

As of June 30, 2012, more than 2,400 attendees have toured the AWPF and nearly 120 presentations have been delivered throughout the City. Project updates are accessible through Facebook and Twitter and seven educational project videos may be viewed on YouTube. On September 12, 2012, these efforts were awarded the WateReuse Association's Small Project of the Year award.

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**Strategic Initiative #23:** Complete the Long-Range Water Resources Plan Update.

**Achievement:** This Initiative is in-progress. The Long-Range Water Resources Plan Update will be completed by the end of 2012, and multiple Stakeholder Workshops were convened. The draft report will be presented during the 5<sup>th</sup> Stakeholder meeting, scheduled for October 23, 2012. Upon review and finalization in the 3rd quarter of FY2013, the report will be submitted to IROC, NR&C, and the City Council.

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**Strategic Initiative #24:** Complete Recycled Water Study and present results to stakeholders and elected officials.

**Achievement:** This Initiative is in-progress. As of the end of Fiscal Year 2012, the Recycled Water Study (Study) was complete. The Study was presented to IROC, NR&C and the Metropolitan Wastewater JPA in May, 2012 and in July, 2012 it was presented to City Council. Each of the above bodies accepted the Study as fulfillment of the terms of the Cooperative Agreement with San Diego Coastkeeper and Surfrider Foundation. The Study was delivered to the California Coastal Commission in July, 2012 and will be formally presented to them at their October 10, 2012 meeting.

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**Objective #6:** Reduce the reliance on non-renewable energy

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**Strategic Initiative #25:** Implement cost-effective energy production and conservation projects.

**Achievement:** This Initiative is in-progress. The BUDG project occurred at Point Loma, and is fully operational. Revenue and energy production is being generated. The NCCFE Design-Build project made great progress in FY2012. The Design/Builder provided the 60% design on May 1, 2012. The NCCFE Permit issuance and test of NCCFE Engine were delayed to the fall of 2012. The Alvarado Lab Audit first Draft Report was completed, and sent to facility staff for review on March 12, 2012. The Alvarado Lab Audit Final Report was issued on June 22, 2012.

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**Objective #7:** Develop long-range plans to support a growing community.

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**Strategic Initiative #26:** Develop and implement actions to ensure we preserve options for meeting the long-term regulatory requirements for wastewater discharges.

**Achievement:** The milestones and deliverables for this Initiative were completed on schedule. The Enhanced Ocean Monitoring Program's projects annual progress reports were submitted to the Coastal Commission on April 12, 2012 and to the San Diego Regional Water Quality Control Board on June 13, 2012. The Department is in 100% compliance. The Water Reclamation Study was finalized and presented to the NR&C and City Council.

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**Strategic Initiative #27:** Update Muni Master Plan by integrating all-inclusive analyses with emphasis on Inflow/Infiltration (I/I) tracking.

**Achievement:** The milestones and deliverables for this Initiative were completed on schedule. The final Muni Master Plan had incorporated the I/I results, regulatory requirements, facilities condition and hydraulic needs, five-year forecasted expenditure, and prioritized Muni CIP projects, which resulted from the prioritization workshops/meetings for Muni CIP projects with internal stakeholders. The results have been provided to the Program Management Section for CIP development and inclusion.

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**Strategic Initiative #28:** Study and implement plan to reduce "unaccounted for water" to < or = Best Management Practices (BMP) (5%) from current 9%.

**Achievement:** This Initiative is in-progress. Staff researched meter replacement data, cost and meter calibration information as part of this Initiative. The Department has elected to hire a consultant to study the small meter replacement cycles, and large meter maintenance programs. As a result of these changes, the Initiative is carried over to FY2013 as part of this new consultant contract.

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**Goal #4: Responsive, Safe, Committed and Innovative Workforce**

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**Objective #8: Meet or exceed safety standards.**

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**Strategic Initiative #29:** Create a health and safety awareness plan that responds to injury trends.

**Achievement:** This Initiative was partially completed. This Initiative is being carried forward as a FY2013 Strategic Initiative. The goal of this Initiative is to reduce injuries to at or below the national average. Specific objectives include developing a clear picture of the Division/section-specific injury trends and to collaborate with Divisions to develop action plans to proactively address these causes/trends and to minimize these injuries in the future. Internal data gathering was completed via interviews with the Deputy Directors and focus groups with senior staff. Externally, 35 organizations were contacted to gather information on their safety and health programs. Presentations were made to the Executive Team based on the initial findings.

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**Objective #9: Ensure adequate staffing to meet operational needs**

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**Strategic Initiative #30:** Implement selected elements of HR hiring plan.

**Achievement:** This Initiative is in-progress. Public Utilities staff submitted a Service Level Agreement (SLA) with the Personnel Department providing for 2 associate level analysts to assist with Public Utilities hiring and medical placement. This recommendation appears to have been rejected. The Personnel Department plans to make additional changes to their processes that are in line with what the Public Utilities staff suggested by fully implementing the new on-line application and candidate management system known as NeoGov. At the present time, the HR Section will continue to monitor progress and will hold off on requesting any other changes.

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**Objective #10: Develop and support employees, and recognize exceptional performance**

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**Strategic Initiative #31:** Develop a new and innovative employee incentive program for efficiency/cost reduction Strategic Initiatives.

**Achievement:** This Initiative was not completed. Staff completed the benchmarking analysis and reviewed the City's Administrative Regulation (AR) 95.92 on the City's Suggestion Awards Program. Staff met and discussed results regarding this Initiative with the Executive Team. The Utility Senior Executive Team (USET) discussed the pros and cons of moving forward with this Initiative, and discussed the initiative with appropriate City management. The City is in the process of reviewing the AR and has requested that the Department not take any action until their AR is rewritten.

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**Strategic Initiative #32:** Develop and deliver performance management training to improve supervisor skills and confidence to manage performance and to ensure high-performing workforce.

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**Achievement:** This Initiative was completed on time. Staff completed internal and external benchmarking activities. A report of results, with recommendations, was made at the October 12, 2011 Executive Team Meeting. The Executive Team accepted the recommendations from the benchmarking studies. Training was proposed to be presented in two parts. First, Chiefs were to complete the E-Learning, which identified the on-line location of the Citywide and Department Performance Management tools used in performance management. Chiefs will then complete classroom training, which enables them to practice using various skills, communication, discipline, and rewards to increase their Performance Management abilities. The formal Training Plan was approved by the Executive Team. As of June 30, 2012, 81 Chiefs had completed the E- Learning. The classroom portion of the training was developed and content was approved. Due to conflicts with other mandatory training, it was agreed upon to roll out the classroom portion of the training in the third quarter of FY2013.

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**Strategic Initiative #33:** Develop and implement a plan to improve Department-wide communication, and successfully administer and complete the FY2012 Employee Opinion Survey (EOS) effort.

**Achievement:** The project was completed on schedule. This Initiative consisted of two separate projects. Part I: The Department has continued to expand the use of social media (e.g., Facebook, Twitter, YouTube, etc.). The Department implemented SOPs for improved use of Director communiqués to the department for high-profile items.

Part II: Employee Opinion Survey (EOS): The EOS was administered, responses analyzed, and report developed, on schedule. The EOS Results were presented to the Executive Team on June 20<sup>th</sup>. Executives approved the FY2013 Project Schedule for report-out of results, Dialogue Sessions with employees, and continued feedback and briefing to the Executive Team. Addressing the high Priority Issues identified in the EOS has become a Strategic Initiative for FY2013.

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## Appendix A: Effective Utility Management Wheel of Attributes



## Appendix B: EUM with Corresponding Strategic Initiatives

EUM Attribute	Strategic Initiative
<b>EUM Attribute # 1: Product Quality</b>	Initiative # 7: Develop recycled water quality improvement program addressing Total Dissolved Solids (TDS) at South Bay Water Reclamation Plant (SBWRP) and Manganese, Sulfates, etc.
	Initiative # 8: Continue partnership for Safe Water Program participation at Otay Water Treatment Plant (WTP) and expand to Miramar WTP and Water Distribution System.
EUM Attribute	Strategic Initiative
<b>EUM Attribute # 2: Customer Satisfaction</b>	Initiative # 9: Proactively evaluate customer satisfaction and implement a point-of-service customer satisfaction survey for field services.
	Initiative # 12: Expand Departmental outreach to a) engage customers and solicit feedback in the value and importance of services provided, and b) identify new or modified customer expectations. Perform interactive outreach through a variety of media and formats to reach the broadest demographic cross-section of customers.
	Initiative # 13: Complete studying the benefits (including water conservation benefits) and applicability of water budget based billing methodology and implement recommendations approved by Mayor and Council, if any.
EUM Attribute	Strategic Initiative
<b>EUM Attribute #3: Employee Leadership Development</b>	Initiative # 29: Create a health and safety awareness plan that responds to injury trends.
	Initiative # 30: Implement selected elements of HR hiring plan.
	Initiative # 31: Develop a new and innovative employee incentive program for efficiency/cost reduction Strategic Initiatives.
	Initiative # 32: Develop and deliver performance management training to improve supervisor skills and confidence to manage



	performance and to ensure high-performing workforce.
<b>EUM Attribute #3: Employee Leadership Development</b>	Initiative # 33: Develop and implement a plan to improve Department-wide communication and successfully administer and complete the FY2012 Employee Opinion Survey (EOS) effort.
<b>EUM Attribute</b>	<b>Strategic Initiative</b>
<b>EUM Attribute # 4: Operational Optimization</b>	Initiative # 10: Successfully complete the Customer Support Division's "Managed Competition" efforts.
	Initiative # 11: Implement Efficiency Studies: 1) multi-year reorganization of new plant maintenance functions, 2) bring cooperative yard to completion, and 3) warehousing consolidation in Wastewater Branch.
	Initiative # 14: Implement cost-effective technology to improve core business activities.
	Initiative # 20: Conduct Service Level Agreement (SLA) Review (e.g., costs, adequacy, performance measures, execution, correct model, overhaul of agreements).
	Initiative # 28: Study and implement plan to reduce "unaccounted for water" to < or = Best Management Practices (BMP) (5%) from current 9%.
<b>EUM Attribute</b>	<b>Strategic Initiative</b>
<b>EUM Attribute # 5: Financial Viability</b>	Initiative # 15: Develop revenue analysis/audit process and a reporting mechanism for review, analysis & tracking of rates and fees.
	Initiative # 16: Develop IT Initiative that clarifies financial spending ceiling, and aligns, enhances and consolidates IT systems based on Business Objectives.
	Initiative # 17: Review and modify existing financial performance measures to provide management the tools needed to support departmental financial viability.

<b>EUM Attribute # 5: Financial Viability</b>	Initiative # 18: Develop/implement five-year Financial Plan.
	Initiative # 19: Work with Debt Management Department and establish debt coverage ratio policy.
	Initiative # 21: Review/study service fees to assess opportunities for better cost recovery.
<b>EUM Attribute</b>	<b>Strategic Initiative</b>
<b>EUM Attribute # 6: Infrastructure Stability</b>	Initiative # 1: Finalize Water and Wastewater 10-year CIP.
	Initiative # 2: Develop Bill of Materials (BOM)/stocking policy.
	Initiative # 3: Develop a Master Plan for Asbestos Cement (AC) pipeline replacement incorporating a system evaluation.
	Initiative # 8: Continue Partnership for Safe Water Program participation at Otay Water Treatment Plant (WTP) and Expand to Miramar WTP and Water Distribution System.
	Initiative # 27: Update Muni Master Plan by integrating all-inclusive analyses with emphasis on Inflow/Infiltration (I/I) tracking.
<b>EUM Attribute</b>	<b>Strategic Initiative</b>
<b>EUM Attribute # 7: Operational Resiliency</b>	Initiative # 4: Develop an integrated, system-wide condition assessment program.
<b>EUM Attribute</b>	<b>Strategic Initiative</b>
<b>EUM Attribute # 8: Community Sustainability</b>	Initiative # 25: Implement cost-effective energy production and conservation projects.
<b>EUM Attribute</b>	<b>Strategic Initiative</b>
<b>EUM Attribute # 9: Water Resource Adequacy</b>	Initiative # 22: Complete testing of the Advanced Water Purification Facility treatment technologies and reservoir analyses in preparation for obtaining regulatory approval at completion of the Water Purification Demonstration Project in 2013.



<b>EUM Attribute # 9: Water Resource Adequacy</b>	Initiative # 23: Complete the Long-Range Water Resources Plan Update.
	Initiative # 24: Complete Recycled Water Study and present results to stakeholders and elected officials.
<b>EUM Attribute</b>	<b>Strategic Initiative</b>
<b>EUM Attribute #10: Stakeholder Understanding and Support</b>	Initiative # 26: Develop and implement actions to ensure we preserve options for meeting the long-term regulatory requirements for wastewater discharges.

### Appendix C: FY2012 Strategic Initiatives Quarterly Tracker

Strategic Initiative	Sponsor	Coordinator	First Quarter Deliverables (July - September, 2011)			Second Quarter Deliverables (October - December, 2011)			Third Quarter Deliverables (January - March, 2012)			Fourth Quarter Deliverables (April through June, 2012)		
Goal 1: Safe, reliable, and efficient water, wastewater, and recycled water services														
1. Finalize Water and Wastewater 10-year CIP	Guann Hwang	Tung Phung		Prepare a list of CIP projects for FY13	Initiate cash flows for FY13 projects	1) Complete cash flows for FY13 projects. 2) Submit proposed FY13 budget to Management	1) Finalize FY13 CIP budget. 2) Present proposed FY13 budget to CIPRAC	Update CIP budget texts	Complete CIP budget texts	Prepare CIP budget adjustments request to CIPRAC if needed	Submit CIP budget May Revised if needed	Submit FY13 CIP budget to Budget & Finance Subcommittee	Submit carry forward request to FM for Annual Allocations if needed.	1) Approve FY13 CIP budget by City Council 2) Issue signed FY13 SLA with E&CP
2. Develop Bill of Materials (BOM)/stocking policy	Chris McKinney	Rim Stanley	By September 30, this quarter has a couple of benchmarks: 1) by 7-31 identify each facility's list of 10 assets as defined by the facility manager for the following facilities: WWC SPS, PLWTP, NCWRP, SBWRP, MBC, and WTD PUMP STATIONS (60 total pieces of equipment). Note: If facility has equipment with the same brand and model then that group of equipment will count as one. 2) Begin the BOM review and submission of complete and accurate stock set up sheets (includes stocking policies)			By December 31, complete the BOM process for each identified asset with all parts and repair kits necessary for in-house repair and/or rebuild			By March 31, complete warehouse inventory for all materials on the identified asset BOMs. Order all parts and equipment consistent with the stocking policy.			By June 30, stock all parts and kits for all material identified with a lead time less than two months.		
3. Develop a Master Plan for Asbestos Cement pipeline replacement incorporating a system evaluation	Guann Hwang	Tibor Varga	1a. Finalize Phase 1 Scoring System. Circulate Scoring System for review and approval. Present approved Scoring System to IROC	2a. Develop and approve Main Break Repair SOPP changes for field data collection		1b. Run test on Scoring System to produce a Preliminary Plan (FSN Listing and FSN Mapping for FY17-FY19)	2b. Roll out SOPP for Water Ops (Ops Liaison). Include training and equipment needs		1c. Develop Phase 1 Draft AC Replacement Master Plan deliverable - this is a refined FSN list and FSN map.	2c. Run AC Repair Data Check to verify completeness and consistency.			1d. Circulate Phase 1 AC Master Plan for review and approval. Present Phase 1 Master Plan to IROC	
4. Develop an integrated, system-wide condition assessment program (Asset Management)	Tom Crane	Susan Bowman	Identify and document the current baseline of condition assessment activities within the Department			Complete a formal missions and functions agreement between the Asset Management Program and the Condition Assessment section of the Engineering and Program Management Division			1. Develop a continual asset condition assessment methodology for use by field maintenance and engineering staff. 2. Develop an integrated information map for business areas impacted by SAP Enterprise Asset Management			1. Finalize the Enterprise Asset Management Plan incorporating the Condition Assessment Program and its integration with the AM Program. 2. Develop preliminary process blueprints for SAP Enterprise Asset Management		
5. Continue Dept.-wide enhanced environmental monitoring & assessment programs	Steve Meyer	Dan Silvaggio/Tim Stebbins		Review existing programs and identify new programs/projects that provide enhanced monitoring and assessment	Develop list of programs/projects to track. Establish coordinator and deliverables schedule for each program/project	Review and track deliverables		Internal (EMTS) Quarterly Progress Reports; External Progress Reports (e.g., RWQCB, USEPA)	Review and track deliverables.	Review current projects, and identify new projects requiring presentation to RWQCB	Internal (EMTS) Quarterly Progress Reports	Review and track deliverables	Present selected projects to RWQCB as needed	Internal (EMTS) Quarterly Progress Reports; External Progress Reports (e.g., RWQCB, USEPA)
6. Create a new Public Utilities (Wastewater) Vulnerability Assessment and Emergency Response Plan and revise the current Public Utilities (Water) Vulnerability Assessment and Emergency Response Plan	Jim Fisher/Ann Sasaki	Jim Van Norman	Develop Master Schedule for project		Review and track schedule			Review and track schedule			Review and track schedule			Review and track schedule



Strategic Initiative	Sponsor	Coordinator	First Quarter Deliverables (July - September, 2011)			Second Quarter Deliverables (October - December, 2011)			Third Quarter Deliverables (January - March, 2012)			Fourth Quarter Deliverables (April through June, 2012)		
7. Develop recycled water quality improvement program addressing TDS (South Bay Water Reclamation Plant) and Manganese, Sulfates, etc.	Chris McKinney	Ernie Molas	NORTH CITY: Complete investigation into source of elevated manganese concentration in the plant influent. SOUTH BAY: Assess space available for docking stations at the plant			NORTH CITY: Meet with industrial waste generators identified as contributors to manganese concentration in the NC influent flow. Develop and implement plan, and a plan for approaching regulators if necessary. SOUTH BAY: Complete in-house design for docking stations			NORTH CITY: Implement plan developed in Q2; monitor North City effluent concentration to assess effectiveness. SOUTH BAY: Begin contracting process and Council approval process, as necessary, to construct docking station and move at least one EDR unit to South Bay			NORTH CITY: Notify regulators and industrial waste generators of the changes made and the ultimate impact of those changes. SOUTH BAY: Continue Q3 efforts into FY 2013		
8. Continue Partnership for Safe Water Program participation at Otay WTP and Expand to Miramar WTP and Water Distribution System	Jesus Meda	Dana Chapin / Walter Cooke	Otay WTP: Continue Process Optimization Based Upon 2010 Report; Miramar WTP: Complete Performance Assessment; Potable Distribution System: Complete Data Collection of Items 1-10 on Self Assessment Table			Otay WTP: Continue Process Optimization Based Upon 2010 Report; Miramar WTP: Complete Design Assessment; Potable Distribution System: Complete Data Collection of Items 11-16 on Self Assessment Table			Otay WTP: Complete CY 2011 Process Optimization Report; Miramar WTP: Complete Operation Assessment; Potable Distribution System: Complete Data Collection of Items 17-21 on Self Assessment Table			Otay WTP: Continue Process Optimization Based Upon 2011 Report; Miramar WTP: Complete Administration Assessment; Potable Distribution System: Develop Self-Assessment Plan Outline and Schedule		
Goal 2: Fiscally-sound and effective public utility														
9. Proactively evaluate customer satisfaction and implement a point of service customer satisfaction survey for field services	Mike Vogl	Kurt Kidman			Report results for all active customer survey channels to Executive Team	Develop draft point-of-service survey for field services; review and obtain feedback from CSD Customer Focus Team and section managers	Finalize and obtain CSD DD approval for new point-of-service survey for field services by December 31  Report results for all active customer survey channels to Executive Team		Finalize design and procure materials for new point-of-service survey.  Report results for all active customer survey channels to Exec Team.			Train FS&I staff on new point-of-service survey.	Implement new point-of-service survey for field services.	Report results for all active customer survey channels to Executive Team
10. Complete the Customer Support Division's "Managed Competition" efforts	Mike Vogl	Teresa Hovland		Develop SOW and RFP	Develop SOW and RFP	Develop SOW and RFP	Develop SOW and RFP	Develop Employee Proposal	Finalize and submit Employee Proposal	(MCIRB proposal evaluation period)	(MCIRB proposal evaluation period)	(MCIRB proposal evaluation period)	(MCIRB proposal evaluation period)	Meet and Confer as necessary, prepare for transition period



Strategic Initiative	Sponsor	Coordinator	First Quarter Deliverables (July - September, 2011)			Second Quarter Deliverables (October - December, 2011)			Third Quarter Deliverables (January - March, 2012)			Fourth Quarter Deliverables (April through June, 2012)		
11. Implement Efficiency Studies: a) implement multi-year reorganization of WWT plant maintenance functions, b) bring cooperative yard to completion, and c) implement warehousing consolidation in Wastewater Branch	Tom Crane	John Gavares	2. Generator Maintenance Study: Implement executive decisions made at the 6/3/11 SC Meeting 7. Confined Space Study: a. Evaluation of current working models of crew sizes and entry schedules (Point Loma and Wastewater Collection) b. Confined Space Study meets twice monthly c. Implement new "Qualification Spreadsheet" d. Finalize changes to Chapter 5/Standard Operating Procedure)	3. WWC Construction Staffing Study: a) Presentation of Report to SC on 7-8-11. b) Implement Executive's decisions. 4. Coop. Yard Study: Relocate 4 H2O Const. Mtce. Crews (Dist. 1 & 5) and 1 Recycled H2O Crew. 7. Confined Space Study: a. Confined Space Study meets twice monthly b. Consultant Selection Process begins c. Begin documenting "Inventory of spaces" d. Continue to meet with Steering Committee and Executives	5. Develop a prioritized list of labor-intensive processes for study/review in FY2012. 6. Confined Space (CS) Study Team: a) Reports-out to SC, b) begin Consultant Selection, c) Implement new "Qualserve Spreadsheet," d) Begin documenting "Inventory of spaces," e) Begin mtngs w/ 127&MEA re: creating unified policies b/t unions. 7. Confined Space Study Team: a) Confined Space Study meets twice monthly b) Continue to meet with Steering Committee and Executives	1. Utility Engineering Section Process Review Project: Implement executive decisions, made at the June 3rd, 2011 SC Meeting 2. Generator Maintenance Study: Continue to implement Study recommendations. Confined Space Study Team: a. Continue evaluation of current working models of crew sizes and entry schedules (Point Loma and Wastewater Collection) b. Continues to meet twice monthly. c. Continue implementation of 1st Qtr efforts	3. WWC Construction Staffing Study: Continue to Implement Executive's decisions. Confined Space Study Team: a. Continue evaluation of current working models of crew sizes and entry schedules (Point Loma and Wastewater Collection) b. Continues to meet twice monthly c. Begin looking at scheduling processes & Specialized Confined Space Crews	4. Coop. Yard Study: Conduct further study to determine timeframe & feasibility to relocate more crews (e.g., Valves, Meters, etc.). 6. Confined Space Study Team: a) Continue implementation of 1st Qtr efforts. b. Continue evaluation of current working models of crew sizes and entry schedules (Point Loma and Wastewater Collection). c. Continues to meet twice monthly. d. Begin looking at scheduling processes & Specialized Confined Space Crews e. Continue to meet with Steering Committee & Executives	2. Confined Space (CS) Study Team: a. Continue looking at scheduling processes & Specialized Confined Space Crews. b. Continues to meet twice monthly. c. Analyze practicality of merging the DOT & Confined Space Medical Testing to save time & money d. Begin meetings with 127 & MEA re: creating unified policies between unions	4. Coop Yard Study: Implement 2nd Qtr. Decisions re: relocating more crews (e.g., Valves, Meters, etc.). 6. Confined Space Study Team: a. Continue looking at scheduling processes & Specialized Confined Space Crews. b. Continues to meet twice monthly. c. Begin piloting specialized Confined Space Crews	6. Confined Space (CS) Study Team: a. Continue looking at scheduling processes & Specialized Confined Space Crews. b. Continues to meet twice monthly. c. Receive consultant's interim report d. Continue to meet with Steering Committee & Executives e. Implement revised scheduling processes & Specialized Confined Space Crews	6. Confined Space (CS) Study Team: a. Continue looking at scheduling processes & Specialized Confined Space Crews. b. Continues to meet twice monthly. c. Continue meetings with 127 & MEA re: creating unified policies between unions.	6. Confined Space (CS) Study: a. Continue looking at scheduling processes & Specialized Confined Space Crews. b. Continues to meet twice monthly. c. Continue to meet with Steering Committee & Executives d. Receive final report from consultant, and develop Action Plans for top items	6. Confined Space (CS) Study Team: a. Continue looking at scheduling processes & Specialized Confined Space Crews. b. Continues to meet twice monthly. c. Continue to meet with Steering Committee & Executives d. Receive final report from consultant, and develop Action Plans for top items
12. Expand Departmental outreach to a) engage customers and solicit feedback in the value and importance of services provided and b) identify new or modified customer expectations	Ann Sasaki	Brian Drummy			Develop workplan to identify issues and to expand outreach and brand message to all customers			Update Dept Website and begin implementation of workplan			Update Dept Website and begin implementation of workplan			Update Dept Website and begin implementation of workplan
13. Complete studying the benefits and applicability of water budget based billing methodology and implement recommendations approved by Mayor and Council, if any	Alex Ruiz	Luis Generoso	Complete Consultant Selection	Issue Notice to Proceed	Complete Task 1: Validation of Pilot Study			5/11/11: notes-Complete deliverables by Dec.	Complete Task 2: Applicability to Entire Customer Base	Complete Task 3: Identify hurdles to overcome, and Task. 4: Identify conservation programs to complement water budgets	5/11/11: Add report-out to stakeholders			
14. Implement cost-effective technology to improve core business activities	Stan Medina	Stan Medina			Complete MDU (Mobile Data Unit) Acquisition			Complete SWIM Development			Begin Pilot use of MDU for paperless work orders			Complete rollout to division



Strategic Initiative	Sponsor	Coordinator	First Quarter Deliverables (July - September, 2011)			Second Quarter Deliverables (October - December, 2011)			Third Quarter Deliverables (January - March, 2012)			Fourth Quarter Deliverables (April through June, 2012)		
15. Optimize Grant and State Revolving Funding (SRF) loan opportunities	Lee Ann Jones-Santos	Wilson Kennedy	Proactively pursue grant & SRF Loan opportunities to minimize rate impacts for our ratepayers	Provide informative emails and/or meet regularly with CIP, LRP and Engineering to ensure we are all informed about upcoming projects	Network with funding agencies by attending funding opportunity workshops for current and future projects	Proactively pursue grant & SRF Loan opportunities to minimize rate impacts for our ratepayers	Provide informative emails and/or meet regularly with CIP, LRP and Engineering to ensure we are all informed about upcoming projects	Network with funding agencies by attending funding opportunity workshops for current and future projects	Proactively pursue grant & SRF Loan opportunities to minimize rate impacts for our ratepayers	Provide informative emails and/or meet regularly with CIP, LRP and Engineering to ensure we are all informed about upcoming projects	Network with funding agencies by attending funding opportunity workshops for current and future projects	Proactively pursue grant & SRF Loan opportunities to minimize rate impacts for our ratepayers	Provide informative emails and/or meet regularly with CIP, LRP and Engineering to ensure we are all informed about upcoming projects	Network with funding agencies by attending funding opportunity workshops for current and future projects
16. Develop IT Initiative that clarifies financial spending ceiling, and aligns, enhances and consolidates IT systems based on Business Objectives	Lee Ann Jones-Santos	Linda Schmidt	Perform an analysis of the IT budget in its categories: "Run the Business," "Enhancements," and "Investments" and compare to months 1, 2 and 3 actual expenditures. Provide a report of the findings. Adjust the budget to establish an efficient baseline			Initiate a review of Water SCADA and Treatment Plant Process Control System with the Wastewater COMNET system to determine if a consolidation is feasible and beneficial. Provide a report of Department IT expenditures through second quarter categorizing by percentages for "Run the Business," "Enhancements" and "Investments"			Initiate a review of SPLASH to determine if a conversion to City GIS standard, ESRI, is feasible and beneficial. Provide a report of Department IT expenditures through third quarter categorizing by percentages for "Run the Business," "Enhancements" and "Investments"			Complete the reviews of Water SCADA and Treatment Plant Process control System compared with Wastewater COMNET system and submit a report. Complete the review of SPLASH GE Small-world to ESRI and submit a report. Provide a report of Department IT expenditures through fourth quarter categorizing by percentages for "Run the Business," "Enhancements" and "Investments"		
17. Review and modify existing financial performance measures to provide management the tools needed to support departmental financial viability	Lee Ann Jones-Santos	Rex Ragucos	Finalize and selection of fields and codify methodology for CYM/BMA/Charter 39 reports	Identify and correct any discrepancies between report methodologies	Prepare draft 1st quarter results to management team using revised fields/layout/format of reports	Modify, as required, report layout, content based on management team feedback	Present 1st quarter results to management team using revised fields/layout/format of reports  Begin preparation of Summary Budget Report		Modify, as required, report layout, content based on management team feedback.	Present 2nd quarter results to management team using revised fields/layout/format of reports.	Provide first draft of Summary Budget Report for review.	Modify, as required, report layout, content based on management team feedback	Present 3rd quarter results to management team using revised fields/layout/format of reports	Finalize Summary Budget report for approval
18. Develop/implement 5-year Financial Plan	Lee Ann Jones-Santos	Jeanne Cole			Review five-year Financial Plan for any modifications and make necessary adjustments			Review five-year Financial Plan for any modifications and make necessary adjustments			Review five-year Financial Plan for any modifications and make necessary adjustments			Review five-year Financial Plan for any modifications and make necessary adjustments
19. Work with Debt Management Department and establish debt coverage ratio policy	Lee Ann Jones-Santos	Jeanne Cole			Work with Debt Management to establish a prudent debt ratio			Develop policy			Finalize policy			Finalize policy



Strategic Initiative	Sponsor	Coordinator	First Quarter Deliverables (July - September, 2011)			Second Quarter Deliverables (October - December, 2011)			Third Quarter Deliverables (January - March, 2012)			Fourth Quarter Deliverables (April through June, 2012)		
20. Conduct SLA Review (e.g., costs, adequacy, performance measures, execution, correct model, overhaul of agreements)	Sue LaNier	Alex Rafferty	Perform comprehensive review of 50% of SLAs, including performance measures, reporting and communication	Review accounting information for accuracy and correct if necessary. Create, update and/or close Internal Orders, as needed	Update and finalize SLAs reviewed by end of Q1	Perform comprehensive review of 50% of SLAs, including performance measures, reporting and communication	Review accounting information for accuracy and correct if necessary. Create, update and/or close Internal Orders, as needed	Update and finalize SLAs reviewed by end of Q2	Develop monthly reporting format for financial and performance results to be used by SLA coordinator	Develop quarterly reporting format for financial and performance results to be used by Executive Team	Finalize monthly and quarterly reporting format for financial and performance results	Implement and provide monthly reporting based on format developed in Q3	Implement and provide quarterly financial and performance results based on format developed in Q3	Present quarterly reports to Executive Team
21. Review/study service fees to assess opportunities for better cost recovery	Lee Ann Jones-Santos	Dan Culp	Identify comprehensive list of fees charged by Water and Wastewater	Identify SAP reports that provide cost data (IOs) associated with various fees		Assemble team department-wide to review existing fee structure	Review cost recovery levels of various fees based on SAP info, metadata, staff input and service level impacts		Provide updated fee amounts to management for review and comment			Docket fee revision for IROC/Council Committee/City Council review and approval		
Goal #3: Sustainable growth and economic viability														
22. Complete testing of the Advanced Water Purification Facility treatment technologies and reservoir analyses in preparation for obtaining regulatory approval at completion of the Water Purification Demonstration Project in 2013	Marsi Steirer	Amy Dorman	Complete reservoir hydrodynamic model runs			Conduct Independent Advisory Panel Workshop to evaluate 1st-quarter water quality test results	Complete conveyance pipeline design concept		Complete reservoir modeling	Conduct Independent Advisory Panel Workshop to evaluate 2nd-quarter water quality test results		Complete reservoir study report	Conduct Independent Advisory Panel Workshop re: Test Facility Results	
23. Complete the Long-Range Water Resources Plan Update	Marsi Steirer	George Adrian	Commence work on the 2012 LRWRP	Complete first stakeholder workshops	Complete second stakeholder workshop	Complete third stakeholder workshops	Complete fourth stakeholder workshop	Receive Draft 2012 LRWRP		Receive Final 2012 LRWRP				
24. Complete Recycled Water Study and present results to stakeholders and elected officials	Marsi Steirer	Amy Dorman	Conduct draft report. Stakeholder Workshop			Complete Final draft Project Report	Present Final draft Project Report to Council							
25. Implement cost-effective energy production and conservation projects	Guann Hwang	Tom Alspaugh	Set up NCCFE Charge Numbers		1. Complete CCSE Phase III 2. Start up SBFC	Issue NCCFE D/B Notice of Award	Issue NCCFE Engine PO	Perform 1st Alvarado Lab Audit Walkthrough	Approve NCCFE Engine for Manufacture	Start up BUDG	1. Complete 1st Alvarado Lab Draft of Audit Report 2. Approve 100% D/B NCCFE Drawings	1. Issue Alvarado Lab Audit Report for Review 2. Complete CCSE Phase IV	Receive Permits for NCCFE	1. Issue Final Alv. Lab Audit Report 2. Shop test NCCFE Engine
26. Develop and implement actions to ensure we preserve options for meeting the long term regulatory requirements for wastewater discharges	Ann Sasaki	Steve Meyer	Continue presentations to stakeholder groups		Critical activities necessary to preserve options:	Continue presentations to stakeholder groups		Critical activities necessary to preserve options: Develop context and refine list	Continue presentations to stakeholder groups		Critical activities necessary to preserve options: Develop management oversight/tracking plan for appropriate activities	Continue presentations to stakeholder groups.		Critical activities necessary to preserve options: Review and refine list and management plan



Strategic Initiative	Sponsor	Coordinator	First Quarter Deliverables (July - September, 2011)			Second Quarter Deliverables (October - December, 2011)			Third Quarter Deliverables (January - March, 2012)			Fourth Quarter Deliverables (April through June, 2012)		
27. Update Muni Master Plan by integrating all-inclusive analyses with emphasis on Inflow/Infiltration(I/I) tracking	Guann Hwang	Pete Wong	1) Review and Assess Required Data Needed for the Muni Master Plan (MMP)  2) Develop an outline of the MMP	1) Identify and meet with stakeholders for initial information to complete the MMP  2) Download flow and rain data and develop I/I scenario for detail analysis	1) Continue to download flow and rain data and develop I/I scenario for detail analysis  2) Start I/I Analysis	1) Data Collection for MMP  2) Continue I/I Analysis	1) Continue data Collection for MMP  2) I/I Draft Report	1) Continue data Collection for MMP  2) I/I Draft Report Review	1) Analyze Data and Develop Probable Cost Estimate for MMP projects  2) Finalize I/I Report	Work with stakeholders to prioritize MMP CIP projects based on Council Policy (800-14) and the WASTEWATER prioritization method developed by PUD	Work with Stakeholders to discuss findings and recommendations to ensure accuracy and consensus	Work and complete MMP (Draft)	Distribute and receive MMP draft comments	Finalize MMP Draft
28. Study and implement plan to reduce "unaccounted for water" to < or = BMP (5%) from current 9%	Jesus Meda	Production Senior Civil Engineer (Vacant)			Complete Study Scope and Schedule			Complete Study Data Collection (Phase I)			Complete Study Evaluation (Phase II)			Complete Final Study Report and Draft Implementation Plan
Goal #4: Responsive, Safe, Committed and Innovative Workforce														
29. Create a health & safety awareness plan that responds to injury trends	Darlene Morrow-Truver	Bryan Green	1. Develop a list of names and numbers of contacts for Benchmarking effort 2. Identify envelop questions for the Benchmarking and Internal Data-gathering efforts 3. Develop POAMs for Benchmarking and Internal Data-gathering efforts	1. Conduct Benchmarking Study of other Organizations	1. Analyze the bench marking of other organizations. 2. Conduct data-gathering from internal sources (e.g., employees, Supervisors, and DDs).	Partner with Training and HR and discuss internal and External data-gathering results	1. Conduct any follow-up analysis/work. 2. Start drafting rough draft report	1. Analyze the data gathering results and develop a report based on the findings and analysis 2. Present draft report to Safety, Training and HR. Make modifications as agreed upon		1. Safety presents draft report to DD, with policies, procedures, and guidelines for health and safety awareness program; modify as needed 2. Present Final Report to DD for approval 3. Present Final Report to Exec Team 4. Modify as requested	1. Present Implementation Plan to DD and to USET for approval	Begin implementation of elements of the approved health & safety awareness plan that responds to injury trends	Continue implementation	Continue implementation
30. Implement selected elements of HR Hiring plan	Darlene Morrow-Truver	Margaret Wyatt	Create Implementation Plan for FY2012	Present Implementation Plan to Executive Team	Meet with Personnel Department to share implementation plan and set/agree upon priorities and due dates	Implement Implementation Plan	Share Progress with Executive Team	Meet with Personnel to check progress and to recalibrate / renegotiate priorities and due dates	Implement Implementation Plan	Implement Implementation Plan	Meet with Personnel to share results - Begin discussion about FY2013	Present results to Executive Team - Present recommendations for FY2013 efforts	Create Plan for FY2013 and present to Executive Team	Meet with Personnel Department to share implementation plan and set/agree upon priorities and due dates
31. Develop a new and innovative employee incentive program for efficiency/cost reduction Strategic Initiatives	Tom Crane	John Gavares	1. Conduct Benchmarking Study of other Organizations 2. Review and analyze the City's existing and inactive Program	Meet with Unions	Develop Report of Summary of Findings and Recommendations	Present to SC	Follow-up Research	Meet with Unions	1. Present to SC and attain approval 2. Meet with Union	Create Website Marketing	Create application forms, Policies, Procedures, and Guidebook, etc.	Roll out and market	Roll out and market	Roll out and market (go live on July 1)

Strategic Initiative	Sponsor	Coordinator	First Quarter Deliverables (July - September, 2011)			Second Quarter Deliverables (October - December, 2011)			Third Quarter Deliverables (January - March, 2012)			Fourth Quarter Deliverables (April through June, 2012)		
32. Develop and deliver performance management training to improve supervisor skills and confidence to manage performance (e.g., address performance and/or conduct issues, adherence to attendance, etc.) and to ensure a high-performing workforce (positive focus-manage resources, planning, provide employees with tools to manage high performing teams)	Darlene Morrow-Truver	Stuart Karasik	Data Gathering: Conduct a survey, or conduct and complete division specific focus groups, needs analysis and other assessment methods to identify key performance management activities/skills that supervisors especially need.			Analyze data and prepare an implementation plan for PU Executive Team approval. The plan will include the topics that will be included in training, collateral duty instructors, training methodology, schedule and evaluation.			Develop training. Identify supervisors who will be required to attend training. Schedule training.			Offer training to targeted supervisors		
33. Develop and implement a plan to improve department-wide communication & successfully administer and complete the FY2012 Employee Opinion Survey (EOS) effort	Darlene Morrow-Truver	John Gavares	1a. Partner with PIOs 1b. Research new and innovative ways 1c. Conduct Benchmarking 2a. Review items and themes based on EOS results	1c. Develop proposed options to improve org'l communication & proposed communication plan 2b. Analyze EOS Dialogue Sessions data 2c. Develop Communication Plan for EOS	1d. Propose draft Communication-Improvement plan elements to Executives, and attain approval 2d. Finalize Draft EOS POAM	1e. Begin communication improvement efforts in POAM 2e. Finalize proposed EOS Survey Items and attain Policy Committee Approval	2f. Conduct any follow-up EOS analysis/work 2g. Finalize paper and online EOS formats		1e. Continue Communication improvement Efforts in POAM 2h. Implement EOS Roll-out.	2i. Administer Survey		1e. Continue Communication improvement Efforts in POAM 2i. Administer Survey (Cont.) 2j. Analyze data	2j. Analyze Data (Cont.) 2k. Begin Report Writing	2k. Finalize Report 2l. Present report to USET, SC, and then to the organization and to stakeholders, time permitting