



Eastern Municipal Water District

Strategic Plan

June 2013 - July 2016



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Overview



Background and Organizational Profile





Background



A strategic plan, fundamentally, organizes decisions and actions to better direct an organization to accomplish its mission and to attain its overall vision. Eastern Municipal Water District (District) has created this detailed strategic plan to achieve its mission and vision while upholding the District's core values. The District has developed this vision-based strategic plan by incorporating input from all levels of the organization.

The District first developed a strategic plan in 1994. This document was created with limited input from a very small selected group of employees and the Board. The document was updated sporadically and was not systematically deployed or utilized.

It was not until 2003, and continuing on to 2010, the District systematically developed and deployed strategic plans that would serve as a document widely utilized by many within this organization. Since 2010, the District has undergone several changes such as new leadership, fresh challenges and additional priorities. Based on these changes and after evaluating the previous processes, staff improved the methodology and process to develop the strategic plan.

A major change in the strategic planning process was to involve the Governing Board from the beginning to ensure its priorities are captured and shared with the all levels of the organization during the remaining process update. The Board initially, together with the General Manager and the Executive staff, updated the organizational Mission and the core values and beliefs. Subsequently, the group listed their short-and long-term visions for the organization which established the foundation for the identification of the Core Functions and the respective goals and objectives. This same process was repeated with the Department heads

and managers and ultimately with the remaining organization prior to adoption. The process rendered the opportunity to capture valuable input from every employee in the organization. One additional change will include updating the document triennially instead of bi-annually.

The plan is a living document that contains principles and functions as a compass in navigating the District's way through the many regulatory, financial, water availability, and legislative challenges and issues facing the organization. As these challenges change, the adopted strategic planning process renders an opportunity to capture the essence of the change, evaluates the impacts on adopted objectives and enables the District to adaptively move forward. It is a document that is referred to in making numerous decisions. The strategic plan continues to play a role within the performance reviews of the employees. Employees are aware of how their input and everyday efforts are the driving force of the organization. Board letters are drafted in a way that the strategic plan is used as a reference. The District has come a long way in how it utilizes its strategic plan; this is just one way we continue to strive for excellence through continuous improvement.



Board of Directors

Left to right: David J. Slawson, Division 5; Ronald W. Sullivan, Division 4; Philip E. Paule, Board President, Division 1; Randy A. Record, Board Vice President, Division 3 and Director of The Metropolitan Water District of Southern California; Joseph J. Kuebler, CPA, Board Treasurer, Division 2.

Organizational Profile

History

The District was organized as a Municipal Water District in 1950 and became a member of the Municipal Water District of Southern California for the primary purpose of importing Colorado River water to its service area in order to augment local water supplies. As a Municipal Water District operating under state law, the publicly elected Board of Directors is legally responsible for its organization and performance. The Board hires the General Manager (GM) to carry out its executive functions to oversee operations. Residents and voters within the service area are the primary stakeholders; and the Board of Directors are the directly elected representative voice of this group.



In 1962, the District began providing wastewater treatment services to customers within its service area, and as a result has become actively involved in the production of recycled water (i.e., wastewater that has been treated to a level acceptable for non-potable purposes). In 1951 the District's service area consisted of 86 square miles. Its service area has changed to 542 square miles since that time due to 70 annexations and 7 detachments of service areas. There have been no changes to the District boundaries in the past 10 years. The District's assessed valuation has grown from \$72 million when formed to about \$53.9 billion in this past fiscal year. This significant growth in assessed valuation is considered to be a primary indicator of the value of the District's water and wastewater treatment services for the residents and businesses in the region.



Workforce Environment

The District has a workforce of approximately 623 employees, largely represented by a single bargaining unit, IBEW Local 1436. Supervisors and management represent themselves directly with the District's Executive Management Team. Employee relations are supported by the District commitment to a set of Values and Beliefs, leadership attributes, safety, and competitive pay and benefits.

The organizational culture encourages open and candid two-way communications vertically and horizontally throughout the organization. The General Manager models open communications in a variety of ways. Included are quarterly meetings with two different "Ambassador Groups" made up of employees at various levels within all Branches and Divisions. These Ambassador Group forums are used to answer employee questions regarding operations and policy and participants are invited to bring concerns from the co-workers. It also provides another forum for the continuous improvement effort. Meeting minutes are recorded and published on-line for all employees.

A 15-member team of Values and Beliefs Champions assist in promoting ethical behavior in all District interactions. Ethical concerns are monitored via a "Concern Violation" form, and anonymous "Hotline" to report perceived breaches in ethical conduct. Investigations are conducted by Values and Beliefs Champions and if necessary, disciplinary actions according to the District policies will be taken.

Employees are closest to our customers through daily interaction and processes to assure that services meet our mission. The District has in place an Employee Quality Improvement Program (EQIP) where employees may submit ideas which can improve customer service, improve efficiency, and or changes which may result in cost savings to the District.

Customer Demography

The District provides water service to approximately 136,000 retail customer accounts and sewer service to 228,000 customer accounts located within the cities of Hemet, Menifee, Moreno Valley, Murrieta, Perris, San Jacinto, Temecula, and the unincorporated communities of Good Hope, Homeland, Lakeview, Nuevo, Mead Valley, Quail Valley, Romoland, Sun City, Valle Vista and Winchester (collectively, the "Municipalities"). The District also supplies water on a wholesale basis to the Cities of Hemet, Perris, and San Jacinto, Elsinore Valley Municipal Water District, Lake Hemet Municipal Water District, Nuevo Water Company, Rancho California Water District, and Western Municipal Water District (collectively, the "Wholesale Customers"). In total, the District serves a population of approximately 758,000. The District also supplies recycled water to its customers including 70 agricultural sites, 6 golf courses, 106 landscape irrigation sites, 5 private duck clubs, 1 demonstration wetland project, 17 temporary construction meters, and 1 wildlife area.

Potable Water System

- Miles of pipeline2,430
- Number of storage tanks.....77
- Active number of pumping plants83
- Active wells (domestic)21
- Active wells (desalter) 8
- Domestic well production capacity (mgd) ...32
- Acre feet per year 35,945
- Water treatment plants
 - Brackish groundwater desalters 2
 - Potable water filtration plants 2

Service connections

- Domestic water 136,000
- Sewer 228,000
- Agriculture and irrigation 122

Sewer System

- Miles of sewer lines.....1,756
- Treatment plants..... 5
- Active lift stations47

Recycled Water System

- Miles of pipeline 206
- Active pumping facilities 18

General Information

- Service area
 - Acres..... 346,732
 - Square miles 541.8
- Personnel
 - Number of employees 623
 - Average years of service 11.39



Mission, Vision, Values and Beliefs



Mission, Vision, Values, and Beliefs

**Mission & Vision Statements, Core Values,
and Organizational Beliefs**



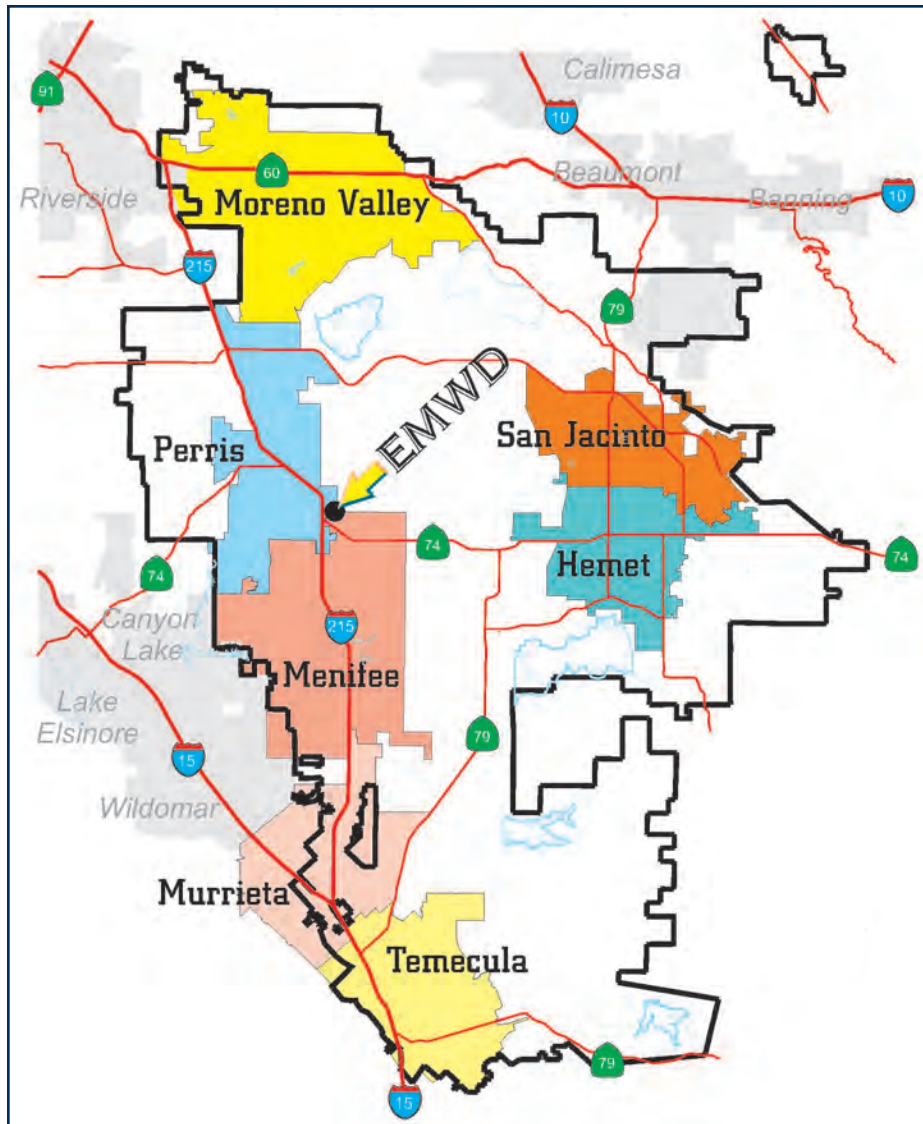
Mission and Vision

Mission of Eastern Municipal Water District

"To deliver value to our customers and the communities we serve by providing safe, reliable, economical and environmentally sustainable water, wastewater and recycled water services."

Vision of Eastern Municipal Water District

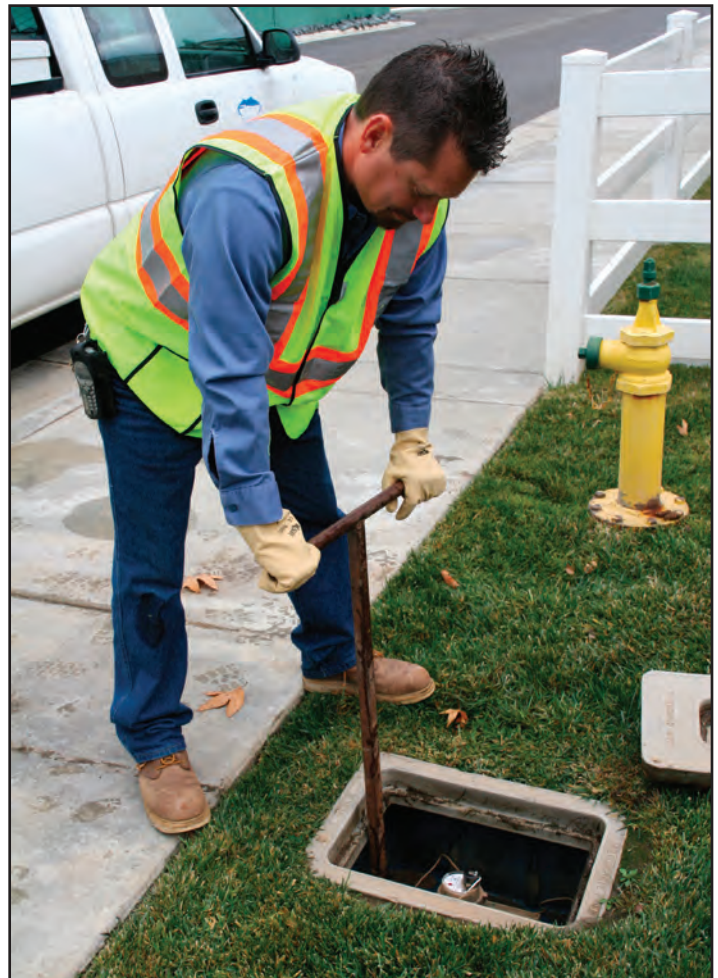
"To provide essential services to our community at a level that exceeds the performance of any other public or private entity."



Core Values

As an organization, EMWD values:

- **Public Trust** - Honor and promote public confidence through transparency, personal character, and the highest level of moral and ethical behaviors.
- **Honesty and Integrity** - Be straightforward and factual in upholding the values, beliefs, and ethics of the District.
- **Responsibility** - Be accountable for one's conduct and achieve excellence in serving the District, our customers, and the community.
- **Loyalty** - Faithfully and reliably promote the best interests of the District and fellow employees.
- **Courtesy** - Be respectful, considerate, aware, and caring.
- **Human Value** - Provide equal opportunity for all employees to succeed and grow professionally and personally.
- **Safety** - Ensure individual safety and the safety of co-workers and the public, without compromise.
- **Community** - Demonstrate leadership and stewardship in serving the community.



Organizational Beliefs

We believe in:

- Providing superior services to the community in a safe, reliable, and cost-effective manner.
- Assuming a proactive leadership role in innovative water management, active participation in legislative and regulatory processes, and the development of advanced technologies for improving efficiency.
- Promoting creativity and opportunity for self-development, providing competitive compensation, and recognizing excellence.



- Treating each and every individual with dignity and respect by promoting openness, trust, cooperation, and unity among employees, and not tolerating any form of harassment or discrimination in the work place.
- Endorsing and supporting the principles of equal opportunity for all individuals in any decision regarding hiring, promotion, employee development, and advancement.
- Ensuring an ethical work environment and a strong work ethic embracing productivity, efficiency, self-motivation, innovation, competition, accountability, responsibility, and teamwork.
- Promoting a healthy and balanced work environment and lifestyle, and not tolerating drug or alcohol abuse in the work place.





Strategic Plan



Strategic Goals and Objectives



1. Water Supply and Reliability

Strategic goal:

Provide a safe and reliable water supply portfolio that achieves an optimum balance of imported, local, and recycled water at a reasonable cost.



Supply Diversity and Reliability: Develop and implement a portfolio of projects and management techniques to achieve a reliable and cost-effective balance of water supplies utilizing imported, local, and recycled water sources.

Supply and System Redundancy: Develop adaptable buffer supplies, water storage, and delivery system improvements to manage uncertain supply delivery conditions and emergency outages.

Recycling: Implement on-going treatment, storage, and distribution system projects and programs to utilize 100 percent of treated effluent for the highest beneficial use possible.

Quality: Ensure all supplies introduced into the District's distribution systems are of a water quality that protects the health and safety of the community and is in full compliance with all applicable Federal and State standards.

Water Use Efficiency: Promote efficient use of water resources through the implementation of industry-leading programs and practices combined with customer education and awareness.

Salinity Management: Achieve salinity balance through cost effective supply management, source control, desalination, and optimization of brine management to maximize recycled water use and improve the water quality of local resources.



2. Collection and Treatment of Wastewater

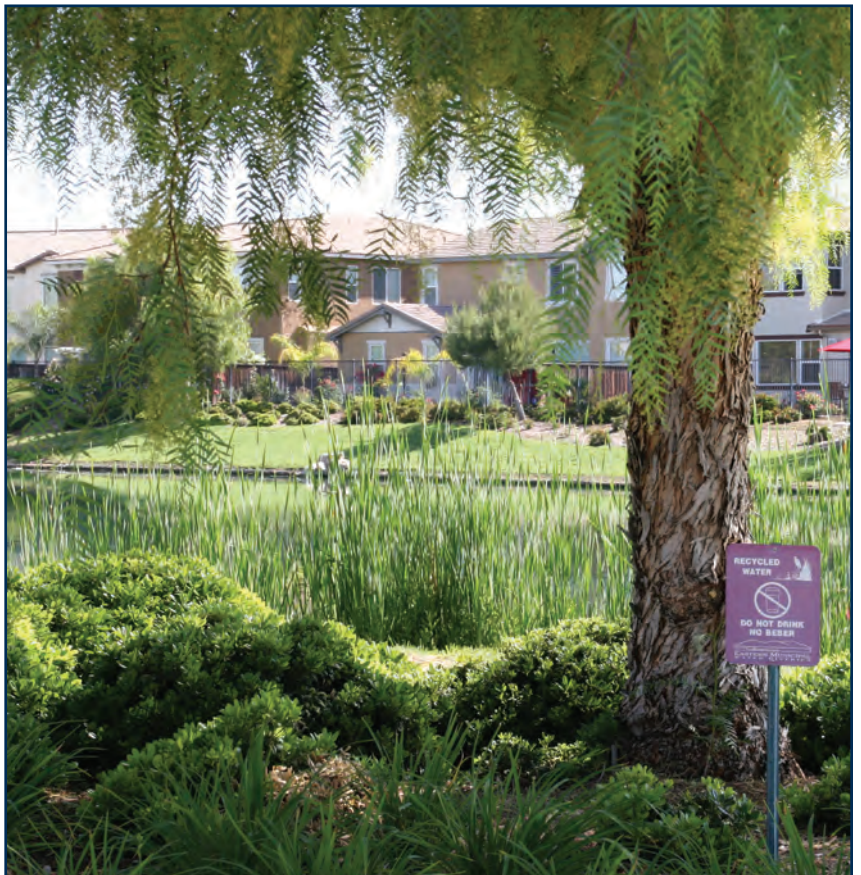
Strategic goal:

Provide a safe, reliable, and cost-effective collection and treatment of wastewater and beneficial reuse of biosolids.

Quality: Protect the health and safety of the community and the environment and meet all regulatory requirements.

Recycling: Develop and implement an integrated program of ongoing treatment, storage, and distribution system projects to utilize 100 percent of treated effluent for the highest beneficial and sustainable use possible.

Biosolids Management: Implement cost-effective projects and programs to manage biosolids and achieve long-term disposal independence through environmentally sustainable reuse.



3. Finance and Treasury

Strategic goal:

Ensure financial stability and demonstrate responsible stewardship of public funds.

Financial Stability: Enhance and maintain the District's strong financial position and credit quality by identifying and implementing specific opportunities to improve underlying financial metrics.

Unfunded Liability: Continue to execute financial planning and funding policies to fully fund the Other Post-Employment Benefit and pension obligations over an appropriate period of time.

Shared Responsibility: Ensure an appropriate balance of shared financial responsibility among the District and its employees for current and post-employment benefits.

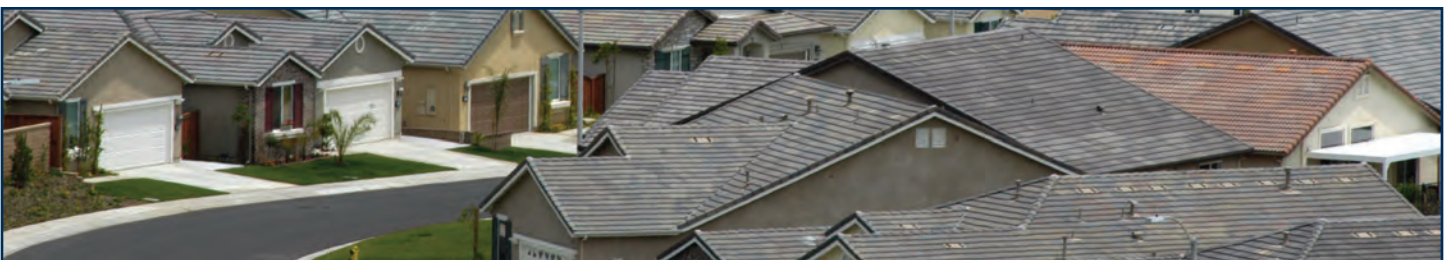
Infrastructure Replacement: Develop and execute a financial plan to fund future infrastructure replacements and refurbishments using reserves, financing, and rate revenue in a balanced manner that avoids future rate spikes.



Proportionate Cost of Service: Develop and implement needed modifications to the District's fees, rates, and charges that ensure each customer class pays its proportionate fair share, while generating adequate revenues to meet District's financial obligations.

External Funding Opportunities: Aggressively pursue outside funding to reduce financial burden to the District's customers.

Real Estate: Develop and implement an effective real estate acquisition, disposition, and optimization strategy.



4. Operational Efficiency

Strategic goal:

Deliver the highest quality products and services in a cost-effective manner by leveraging workforce, technology, and business resources and implementing industry-leading processes and practices.

Business Processes and Technology:

Enhance business processes by eliminating redundancies and waste and by adopting cost-effective technological innovations to deliver products and services in an efficient and effective manner.

Energy Independence: Plan and cost-effectively implement local renewable energy projects with sufficient generation to meet the District's entire net energy demands while minimizing the District's carbon footprint.

Maintenance: Implement and manage preventative and predictive maintenance programs that enable a highly reliable operation of the District's facilities and extend the useful life of assets.

Planning: Conduct planning and environmental permitting activities for water, wastewater, and other relevant facilities in a timely manner that supports the District's strategic objectives and ensures the availability of services for future growth.

Shared Services: Seek beneficial shared service opportunities that reduce costs and overhead by in-sourcing work from outside entities to the District and out-sourcing functions, where appropriate.



5. Human Resources and Safety

Strategic goal:

Become the employer of choice for high performing employees by sustaining a safe and ethical workplace that promotes innovation and provides opportunities for employee development to achieve job fulfillment.

Workforce Excellence: Recruit and retain highly qualified and productive employees by providing competitive compensation and opportunities for career development, leadership training, and advancement.

Safety: Provide a work environment, training, equipment, and other resources necessary to ensure the highest level of employee and community safety.

Ethics: Create an ethical work environment by incorporating the District's values and beliefs into all aspects of the District's business.

Productivity: Promote productivity and creativity to achieve the District's goals and objectives through employee engagement, encouraging further training and education, and rewarding excellent performance.

Communications: Provide opportunities for clear and open communication and foster positive interaction between management and employees that enables exchange of ideas, information, and process improvements.



6. External Affairs (Interagency Relations and Governmental Affairs)

Strategic goal:

Engage in mutually beneficial community outreach and intergovernmental partnerships; conduct constructive advocacy with all stakeholders including the Federal, State, and local legislators and agencies.

Community Relations: Promote and sustain timely and effective two-way communication between the District and the communities it serves and continue to be a trusted resource for the communities on all water, wastewater, and recycled water issues.

Partnerships: Position the District to respond to interagency consolidation opportunities or partnerships that are mutually beneficial, promote improved service to the community, and are implemented in a planned and orderly fashion.

Advocacy: Conduct a highly productive and effective Federal, State, and local advocacy representation program to effectively influence legislation, regulation, and outside funding in a manner that benefits the District and consistently demonstrates industry leadership.

Responsible Regulation: Advocate for responsible regulatory policy that provides for meaningful environmental protection in a cost-effective manner.

Academic Resources: Develop enhanced working relationships with University of California, Riverside and other academic institutions to assist the District with employee development, technical and research expertise, and community issues.

Water Education: Conduct a comprehensive environmental education program that promotes an informed understanding of water, wastewater, and recycled water issues.



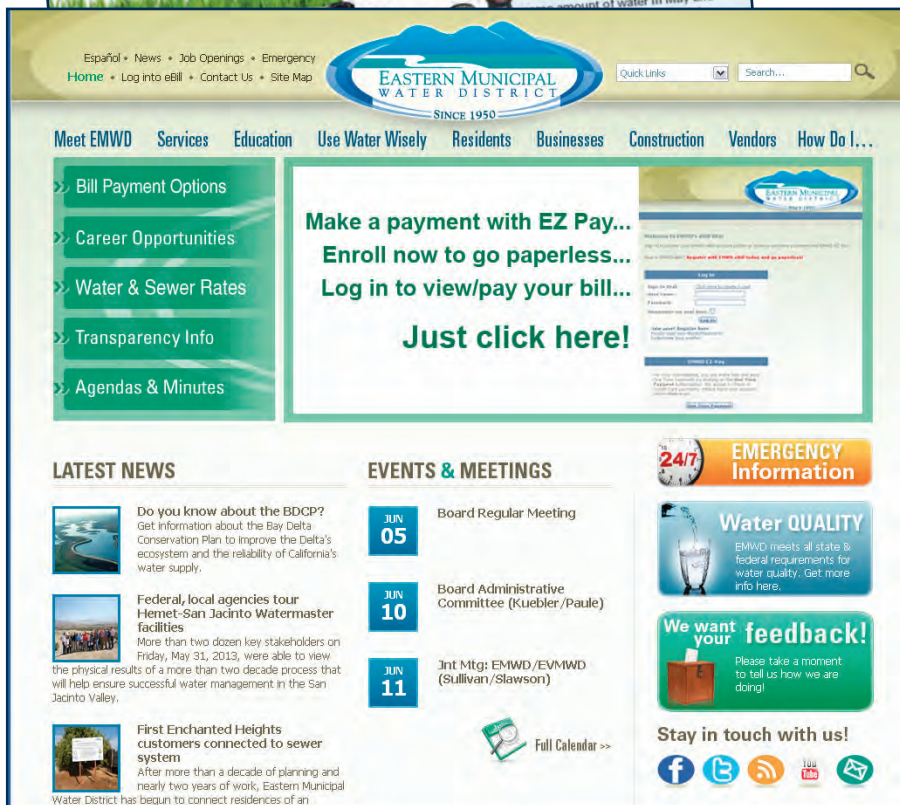
7. Customer Service

Strategic goal:
 Consistently meet or exceed customer expectations
 in all facets of EMWD's service.

Customer Awareness: Continue to develop and implement multi-pronged approaches to ascertain and measure customer service levels, expectations, and needs.

Service: Provide integrated customer service in a timely, courteous, and responsive manner that is adaptable to changing customer needs and priorities.

Customer Service Technology: Implement industry-leading billing, media communication, and other service deployment technologies that improve the customers' experience with the District while improving cost efficiency.



Terms Defined

Cal/STAR Safety Program—The California Safety Through Accountability and Recognition (Cal/STAR) program is administered through the state Division of Occupational Safety and Health, which provides recognition to those sites whose programs have achieved occupational safety and health excellence.

- EMWD is the first public agency to be awarded Cal/STAR designation for its excellent total safety program.



Capital Improvement Plan (CIP)—This plan defines the facilities that need to be constructed in order to support area demands. The plan is reviewed annually and looks five years ahead.



Conjunctive Use Programs—Programs referring to using imported surface water to recharge local groundwater basins. Conjunctive use allows EMWD to store imported surface water when surplus water and delivery capacities are available, and then recover the water for use during periods of water shortage, thereby reducing its need for imported water when it is not available.

Employee Quality Improvement program (EQIP)—Pronounced “equip”, this is the District’s employee suggestion program, and it provides a central point for all suggestions regarding continuous improvement. The District encourages suggestions from employees for improving methods, saving money, or otherwise making improvements that benefit the District. Employee recognition, team recognition, and special awards are all considered for those who submit valuable ideas.

Executive Management Team—This group of District Senior Executive Management meets to discuss issues of broad operational concern. For example, this group hears reports and designs strategy to implement the District’s philosophy of continuous quality improvement and innovation.

Labor/Management Safety Committee—A committee comprised of representatives appointed by EMWD management and the Union that is responsible for maintaining the District’s excellent safety program. Designated front line employees, grouped into Safety Technical Teams, serve as a driving force for the total safety culture. The Safety Committee investigates all major accidents and injuries. The safety Council is made up of department directors, senior management, and labor and management chairpersons from the Safety Committee to provide direction and oversight. In addition they monitor safety activities and meet regularly to evaluate the effectiveness of safety programs.

Mission Statement—The District’s fundamental purpose which describes the existence of the District.

Objective—A concise statement associated with each Strategic business function that describes the objective of that element.

Pay-for-Performance Program—Links an employee’s overall job performance evaluation rating to a monetary award or salary increase in order to encourage operation and administrative excellence and achievement of individual plan goals.

Senior Executive Managers Group (SEMG)—A small group of the District’s top leadership that meets on a regular basis to review current events, discuss projects, and address other appropriate District business. Headed by the General Manager, the group includes the Deputy General Manager, the Assistant General Managers of Finance and Administration; Planning, Engineering and Construction; and Operations and Maintenance as well as the Directors of Human Resources and Risk Management; Public and Governmental Affairs; Interagency Relations; Water Operations; and Wastewater Operations.

Strategic Elements—The broad and primary areas of the District operations, planning, and management that are addressed and supported by the Strategic Plan goals. These essentially serve as the outline and organize the Strategic Plan. The Strategic Elements are adopted by the Board of Directors. The Strategic Elements are reviewed annually.

Strategy—A concise statement associated with each Strategic Element that describes how the Objective for that Element will be achieved.

Tactic—A method or action that, when accomplished in conjunction with other tactics, meets Strategic Objectives without specifying the exact manner in which the objectives are to be achieved.

Technology Committee—A senior management and staff group representing all departments that meets to discuss information technology issues and to lead, guide, recommend, and set standards for all investments in information technology.

Union / IBEW 1436—International Brotherhood of Electrical Workers Local 1436 representing about four-fifths of EMWD’s employees.



Vision Statement—A statement that articulates where the District wants to be over the life of the Strategic Plan.

WET (Water Enterprise Team)—A staff group representing several departments that meets to discuss projects and updates on potable water programs and activities. The team identifies operational issues with regard to any needed capital improvements to senior management.

WWET (Wastewater Enterprise Team)—A staff group representing several departments that meets to discuss projects and updates on wastewater programs and activities. The team identifies operational issues with regard to wastewater, develops responses, and recommends any needed capital improvements to senior management.



Eastern Municipal Water District

Board of Directors

Division 1: Philip E. Paule, President

Division 2: Joseph J. Kuebler, CPA, Treasurer

Division 3: Randy A. Record, Vice-President, Director of The Metropolitan Water District

Division 4: Ronald W. Sullivan

Division 5: David J. Slawson

Executive Management

General Manager: Paul D. Jones II, P.E.

Deputy General Manager: Parmeshwaran Ravishanker