

Big Bear Area Regional Wastewater Agency



Strategic Plan 2016-2021



Our Strategic Plan

OUR PLAN lays the foundation and framework for the decisions that create OUR FUTURE. By process, the plan establishes the Agency's mission, outlines vision and core values, and maps out goals and priorities; through practice it can define the Agency's character, reputation, and ultimately its legacy.

The strategic plan seeks to strengthen and build on opportunities while addressing areas of concern. It identifies current and future actions that are necessary to the successful management and operation of the Agency.

The essence of a strategic plan lies in its practice –incorporating its key elements into our daily work and decisions. Our measure of success lies in our ability to integrate the plan into everything we do, to evaluate our actions and progress, and to re-shape our strategic plan as necessary. Through this planning process, we can be confident that our constituents are well served and that we are preserving and creating value for future generations.

Our Process

In 2015, the Agency retained the services of BHI Management Consulting (BHI) to facilitate and coordinate the development of the strategic plan. The development process was a collaborative effort which included invaluable input from multiple agencies and individuals. Workshops were held with the Public, Partner Agencies, BBARWA staff, and the Governing Board. We would like to formally acknowledge the following individuals and express our great appreciation for their service and their interest and participation in our strategic planning process:

Acknowledgements:

BBARWA Governing Board

- David Caretto, Chair
- John Green, Vice Chair
- Elizabeth Harris, Ed.D., Secretary
- Rick Herrick, Director
- Paul Terry, Director

Partner Agencies:

- Scott Huele, General Manager, Big Bear City Community Services District
- Reggie Lamson, General Manager, Department of Water and Power

Members of the Public

- Michael Perry
- Julie Smith

Agency Strategic Planning Group

- Steven Schindler, General Manager
- Jennifer McCullar, Finance Manager and Strategic Plan Project Manager
- Fred Uhler, Plant Manager
- Sonja Kawa, HR Coordinator and Accounting Technician

BBARWA Staff

- Troy Bemisdarfer
- Brent Berg
- Kim Booth
- Kyle Burnett
- Nikki Crumpler
- Francis Hobbs
- Nicholas Josenhans
- Justin Ploense
- Christopher Santillan
- Robert Schindler
- Robert Sellards
- Jeremy Sweeney

Strategic Plan Consultant

Brent H. Ives, Principal, Project Manager

Strategic Plan Development

At each of the strategic planning meetings, matters of importance and relevance to the Agency's future were discussed. BHI met with each Board Member individually to allow direct, "ground-level" input. All meetings included a discussion of the mission, vision, core values, strengths, weaknesses, opportunities and threats. Input from the various stakeholders was gathered, analyzed and presented to the Board during the strategic planning workshop on August 26, 2015. The Board then developed the mission, core values, the vision and set the overall structure of the strategic plan.

The Agency's Strategic Planning Group then worked with BHI to 1) address the Agency's key areas of focus or Strategic Elements, 2) develop objectives for each Strategic Element incorporating the established components of the Strategic Vision where applicable, and 3) establish an action plan and strategic map with estimated timeframes for completion.

Continuation Process of the Plan

An annual review of the plan in November or December prior to the budget workshop, will provide for a relevant and properly funded plan. The annual review will 1) evaluate the existing plan for progress and changing needs, and 2) establish a new, Year 5 set of actions, projects and initiatives, thus maintaining a five-year strategic plan.

Our Mission

Mission Statement

- *A declaration of the Agency's purpose.*
- *Succinctly describes why the Agency exists.*
- *All activities of the Agency should be in support of it.*
- *Adopted by the Board of Directors.*
- *Reviewed occasionally but intended to be constant over the long term.*

MISSION

BBARWA's mission is to efficiently collect, treat and beneficially reuse wastewater and bio-solids in an environmentally and fiscally responsible manner.

Our Values

Core Values

- *Those things to which the Board of Directors is fiercely dedicated.*
- *Used as decision filters.*
- *The Board of Directors can return to these dedications to remind themselves of their overall importance.*
- *Drives "the way we work here".*

VALUES

- Fairness (equity among member agencies)
- Ethical behavior
- Integrity
- Respect
- Honesty
- Accountability
- Open Mindedness
- Transparent Communications
- Cooperation, as we implement the Vision and Mission
- BBARWA employees (as a valuable asset)

Our Vision

Strategic Vision

- *A short statement of desired success within the term of the strategic plan.*
- *Often expressed in bullet-point format.*
- *Used as a driver of the plan. And crafted by the Board of Directors.*
- *Can be adjusted annually during the annual review.*
- *Straddles the line between policy (Board responsibility) and implementation (management responsibility) and as such is a collaborative effort of both the Board and management.*



“If you are working on something exciting that you really care about, you don't have to be pushed, the vision pulls you.”

-Steve Jobs

VISION

In five years, we will:

- Implement a plan for reclaimed water.
- Continue to be on track with the implementation of the capital improvement plan.
- Have a succession plan for all levels of the organization.
- Have updated operational systems to improve efficiency, sustainability, and energy independence.
- Continue to have a trained, talented and motivated workforce.
- Be sharing services with its partners in the region.
- Have leveraged any and all opportunities in support of the Mission.

Implementation Plan

The implementation plan that follows contains actions, initiatives and projects, organized by strategic element, and prioritized by year within the planning period. A summary is provided in Table 1, Strategic Snapshot (beginning on page 16).

The organizing Strategic Elements are:

Strategic Element

- *Areas of focus when implementing the Vision.*
- *Derived from the Agency's organization.*
- *Vision-related actions, initiatives, projects and results are linked to these and support a thorough and comprehensive strategic plan.*
- *These focus areas ensure that critical aspects of the Agency's operations are aligned with Board priorities.*

STRATEGIC ELEMENTS

1. Operations
2. Water Sustainability
3. Finance
4. Administration
5. Personnel and Organization
6. Partnerships

1.0 Operations

Objective - To operate and maintain facilities in a manner that produces high-quality effluent and biosolids, exceeds all regulatory requirements, and is fiscally responsible.

1.1 Continuously improve treatment plant processes and systems to optimize performance. Improvement and maintenance of processes and systems are essential in order to ensure operational efficiency and the cost-effective treatment of wastewater.

1.1-A Develop a systems-analysis and assessment program to evaluate treatment processes and maintenance strategies. Consider the use of new technology, if available, to improve or stabilize treatment.

1.1-B Be “in the know” regarding changing technology and industry trends through conference attendance, association memberships and newsletter subscriptions.

1.2 Continue to produce low-cost power as a stabilizing factor on rates. Power generation is a critical component of the Agency’s operations and has resulted in cost savings to the Agency due to lower power costs and the beneficial reuse of waste heat in the bio-solids drying process.

1.2-A Develop a comprehensive plan of annual and routine generator maintenance and have a dedicated, trained team that is responsible for the development and execution of the plan.

1.2-B Evaluate and develop policy on natural gas purchases.

1.2-C Evaluate new, power-producing technology for opportunities to improve efficiencies, lower costs, and increase sustainability.

1.3 Continue to complete capital maintenance and replacement projects as scheduled to maximize the reliability and performance of the collection and treatment facilities. Maintenance and replacement of assets as needed optimizes system performance, enabling the Agency to produce high-quality effluent and biosolids, meet discharge requirements, and avoid the high cost of crisis management and system failure.

1.3-A Continue the current, annual capital planning process, which includes asset

assessment and maintenance and replacement scheduling based on asset life, condition, financial resources and timing.

1.4 Continue to recognize staff as “our greatest asset”. The level of operational success achieved by the Agency is determined largely by the level of engagement of its management and the employees that operate and maintain the system daily. Recognizing staff as one of the most critical components of the Agency’s success, directs resources toward the engagement and development of Agency employees and fosters an environment of innovation, creativity and progress.

1.4-A Develop an organizational culture that engages employees through direct and open communication and promotes ideas, innovation, and teamwork. This will be accomplished through actions outlined in section 5.0.

2.0 Water Sustainability¹

Objective - To cost effectively implement a comprehensive water sustainability program to promote the beneficial use of treated municipal wastewater in order to supplement and augment fresh water supplies while protecting the region’s environment and public health. The Agency will work together through regional collaboration to protect and conserve the region’s resources.

2.1 The Agency has obtained authorization to reinitiate the Construction Water Program and will produce a limited amount of Disinfected Secondary Water for testing purposes. By producing a safe and usable water product, the Agency provides assurance for the regulatory agencies, users and public related to its ability to produce, test, regulate and utilize reclaimed water in a manner which is safe for the community and the environment. This action is the first step in implementing the Agency’s Mission, “...beneficially reuse wastewater...” and the Vision of implementing a plan for reclaimed wastewater by 2020.

2.1-A Produce disinfected secondary water for testing purposes by [December 2015](#).

2.2 Complete a Recycled Water Facilities Planning Study (Study) by [June 2016](#). The Agency is utilizing experienced and successful engineers and consultants to pro-

¹ Sustainability is about meeting the needs of the present without compromising the ability of future generations to meet their own needs. – (1987), *Report of the World Commission on Environment and Development*

duce the Study so that the public, partnering agencies, Governing Board (Board) and regulators can be confident the Agency is exerting due diligence in its effort to implement plans for a future reclamation facility. This action is the second step in implementing the Agency's Mission, "...beneficially reuse wastewater..." and the Vision of implementing a plan for reclaimed wastewater by 2020.

2.2-A Upon completion of the Study and public outreach meetings, distribute the Study to the Board and partner agencies for a 60-day review and comment period; then, return the draft Study to the Board with comments for discussion and direction by [October 2016](#).

2.3 Complete and recommend a Facilities Project Plan (Plan) which will include an Implementation Plan, a Construction Financing Plan, an Annual Operating Budget; CEQA documentation; and a Request for Proposal package to include Plans and Specifications. Following initial approvals related to the Construction Water Program and finalization and approval of the Study, the Agency will require Board direction, authority and funding to commission a Plan. This Plan will provide the guidelines for the necessary facilities, funding and cost to the users. Once the plan is completed, the Board will have a realistic estimate of the cost for building and operating a reclamation facility.

2.3-A Following Board discussion and direction (2.2), engage competent consultants to complete the Plan.

2.3-B Seek Board direction regarding proceeding with the Plan by [January 2018](#).

2.4 Upon successful completion of actions 2.1 – 2.3, the Agency will be in a position to construct and operate a water reclamation facility, thereby completing the objective and fulfilling the Mission and Vision of planning for the implementation of a water sustainability program to promote the beneficial use of treated municipal wastewater.

2.4-A Following Board discussion and direction (2.3), proceed with the competitive bidding process by [April 2018](#).

2.4-B Select a contractor and schedule a public groundbreaking ceremony for new facilities by [October 2018](#).

2.4-C Construct, start up, test and operate the new facility by [September 2019](#).

2.4-D Be prepared to deliver water to the partner agencies by [December 2020](#).

3.0 Finance

Objective - To be a financially strong and stable organization.

3.1 Control and maintain stable operating costs. Maintaining stable operating costs allows the Agency to better manage cash flow requirements and helps to maintain stable and affordable rates for system users. While not all costs are under the Agency's control, active cost management is critical and includes financial review, financial planning, and utilizing stabilizing measures where possible (such as offsetting actions and timing).

3.1-A Manage growth in operating costs at or near the rate of inflation.

3.1-B Align budgetary decision making with strategic priorities. Strategic priorities control and drive spending.

3.2 Complete timely maintenance of infrastructure. Through budgeting, financial planning, and annual asset evaluations, the Agency can secure the necessary financial resources to adequately maintain its capital assets as needed. This type of management reduces unexpected asset failures and provides stability to the Agency's operations and financial strength to the organization.

3.2-A Annually complete a 20-year capital improvement plan.

3.2-B Align the timing of capital investment with desired rate levels and debt capacity to ensure implementation of the capital improvement plan as scheduled.

3.3 Maintain rates that are adequate and stable. Budgeting and long-term financial planning contribute to both the adequacy and stability of rates, which are the foundation for a stable and financially strong organization. Rate stability increases the affordability of rates and is an indicator of a well-managed organization.

3.3-A Annually complete a 5-year financial projection including a rate analysis.

3.3-B Anticipate potential rate changes well in advance and manage annual changes at or near inflation.

3.3-C Periodically review all rates including connection fees, standby fees, waste disposal fees and user fees.

3.4 Maintain operating and financial flexibility. Operating and financial flexibility are the ability to operate through periods of volatility or unexpected events with minimal impact to financial or operational strength. Contingency planning, adequate reserve funds and modest leverage are key components in maintaining a financially strong and stable organization.

3.4-A Adhere to reserve fund policies which establish cash reserve levels for contingencies.

3.4-B Adhere to the agency's debt policy. Maintain excess debt capacity and access to funding sources.

3.5 Maintain the public's trust. Strong governance, effective internal controls, active financial management, accurate and timely financial reporting, and ongoing education contribute to responsible decision-making, planning, rate-setting, and reporting, and result in a solid, stable organization in which the public's money is utilized to provide excellent service, preserve capital, and create value.

3.5-A Present accurate, timely and transparent financial reporting.

3.5-B Maintain strong financial governance and controls.

3.5-C Pursue excellence in financial management, budgeting and financial reporting by participating in 1) continuing education events to improve competencies and 2) industry recognition programs such as the GFOA budget and financial reporting programs.

4.0 Administration

Objective - To be a well-managed, strategically focused and forward-looking organization.

4.1 Be responsible, accountable and transparent. Making well-informed decisions is part of good governance and good management. Reporting the impact of those decisions –plans, actions and results– in a comprehensive and clear manner provides accountability to our constituents and builds public trust.

4.1-A Manage and utilize resources efficiently and with an understanding of the economic, environmental and social impact of our decisions.

4.1-B Exercise governance through monitoring, guiding and directing the actions, decisions, practices and policies of the Agency.

4.2 Prepare the Agency for the future. Preparing for the future starts with having a shared vision developed through strategic focus. Part of this shared vision involves understanding the Agency's current role as a wastewater treatment facility and the necessary changes that will occur as the Agency takes on a more critical, leadership role in the sustainability and protection of the region's water resources. To meet the demands of this evolving role, the Agency must be prepared from a financial, managerial and human resource standpoint.

4.2-A Commit to ongoing, long-term planning including both strategic and financial planning with broad input from the Board, the Public, Staff, and Stakeholders.

4.2-B Perform risk management analysis annually (prior to budget cycle).

4.2-C Periodically review infrastructure to assess capacity and future expansion.

4.3 Create value for the Agency's stakeholders (*member agencies, partner agencies, ratepayers, employees, customers, vendors, et al.*). We understand that our actions and decisions can have social and environmental impacts for the thousands of people we serve. We will approach our decision making and interactions with an appreciation for the impact we can have and a desire to nurture and develop strong alliances.

4.3-A Manage relationships to maximize value by understanding, engaging, and aligning the interests of stakeholders, while minimizing tradeoffs. This win-win leadership approach builds trust and increases productivity.

5.0 Personnel and Organization

Objective - To attract and sustain a trained, talented, motivated workforce committed and engaged in integrating the Agency's mission and core values in their daily work.

5.1 Provide comprehensive orientation, training, development and professional growth opportunities. Communicating the attitudes, knowledge, skills, and behaviors required to function effectively within the Agency allows employees to fully understand what is necessary to be successful and how the Agency will assist in achieving that success. Ensuring that employees have opportunities to make good use of their KSAs (Knowledge Skills, Abilities) and improve their skills through education and experience supports a trained and motivated workforce able to achieve high standards.

- 5.1-A Evaluate current training programs, workplace tools and resources, and mentoring practices to identify the need for additional training or resources to improve efficiency, productivity and worker satisfaction, and to provide support to employees in achieving high performance and professional growth.
- 5.1-B Improve employee orientation through development of a comprehensive onboarding model that communicates the mission, core values, job scope, performance expectations, resources and opportunities for training and development.
- 5.1-C Assist employees in designing personalized development plans that incorporate training elements and are updated annually as part of the employee's performance evaluation.

5.2 Have a succession plan for all Agency positions. Sustaining a high-performing workforce is critical to the mission and operations of the Agency. Whenever possible, the Agency will develop future leadership and pass down competencies to facilitate continuity and smooth transitioning. Developing and implementing initiatives that support succession planning ensure that the Agency maintains a multi-talented, adaptable workforce with the skills and experience to meet the needs of the Agency today and into the future.

- 5.2-A Identify likely retirements or separations. Assess current workforce skills, experience, and interests to align potential candidates with those separations and to identify potential staffing gaps. Provide succession developmental training where appropriate.
- 5.2-B Where internal succession is unlikely, review job description and compensation package to attract highly qualified candidates.

5.3 Foster employee engagement² and create meaningful opportunities for employees to contribute to organizational success. Ensuring that employees can participate in the planning and implementation of Agency initiatives creates an atmosphere of open communication, instills a spirit of cooperation and teamwork, and cultivates a culture in which employees are respected and valued. The Agency recognizes that employees are a valuable asset - that everyone in the organization is important and

² Employee engagement is the emotional commitment the employee has to the organization and its goals.-Kruse, Kevin (2012, June), *Forbes*. Emotional commitment means employees actually care about their work and their company, and a reasonable measurement of this can be the amount of discretionary effort an employee expends on behalf of the organization. When employees are engaged they do not work merely to earn a paycheck and expend extra effort. That is, engaged employees do it because they want to and not because they have to. -Paluch, Melissa (2015, October), Team Rancho Cucamonga: Employee Engagement Program Rocks! *HR News*,

the everyday actions of a dedicated team can determine organizational success or failure.

5.3-A Develop and implement in-service day(s) with full employee participation in round table discussions and projects related to current issues, strategic planning, improving the work environment and innovative ideas.

5.4 Improve assessment and recognition of employee work performance. Understanding what is expected and how performance is evaluated and rewarded promotes employee commitment. Recognizing human potential and actively seeking to engage and empower employees at every level nurtures a work environment that encourages employees to strive for excellence.

5.4-A Develop a standardized schedule and format for performance evaluations with comprehensive job-specific criteria that define performance expectations. Include performance measures that encourage improvement and performance goals that are tied to strategic objectives where applicable. Utilize a consistent method for providing feedback during employee performance evaluations, assisting the employee in identifying strengths and areas for improvement.

5.4-B Promote and acknowledge exceptional performance by employees and the Agency. Evaluate current Employee/Manager of the Year programs and annual award event. Develop a program that effectively acknowledges accomplishments and aligns with employee interests and motivations.

6.0 Partnerships

Objective - To build partnerships through open, honest dialogue.

6.1 Identify and seek opportunities to engage potential partners/stakeholders. Open dialogue with the Agency's partners and stakeholders will allow the Agency to understand needs and expectations and to identify opportunities to 1) combine resources and competencies and 2) share risks and benefits.

6.1-A Identify partners and stakeholders.

6.2-B Identify ways to support and share services with partners and stakeholders.

6.2-B.1.- Continue monthly, "same staff" meetings, as appropriate, with other Big Bear agencies, i.e. General Managers, Finance Managers, HR professionals, and Board Secretaries.

Table 1
Strategic Snapshot

Strategic Element	Strategic Goals	Completion Date
1.0 Operations	A. Develop program to analyze and assess systems and processes.	<u>July 2017</u> - Identify processes and equipment to be evaluated. Determine evaluation parameters and performance measures.
	B. Be "in the know".	<u>Ongoing</u> - Attend ACWA, CWEA, Generator, GE Power and other conferences as appropriate. Evaluate beneficial memberships and subscriptions.
	C. Develop a comprehensive plan for generator maintenance and trained staff.	<u>September 2016</u> - Identify dedicated staff, required training, and develop a plan for scheduled maintenance based on engine hours.
	D. Develop policy on natural gas purchases.	<u>July 2019</u> - Educate staff on the natural gas market and complete purchasing policy.
	E. Evaluate new power producing technology.	<u>May 2018</u> - Evaluate potential for solar, wind, and geothermal energy
2.0 Water Sustainability	A. Produce a limited amount of construction water for testing purposes.	<u>December 2015</u> - Produce and test construction water.
	B. Complete Recycled Water Facilities Planning Study.	<u>June 2016</u> - Completion of study.
		<u>July 2016</u> - Complete internal review.
		<u>August 2016</u> - Submit Study to the Board and partner agencies.
	<u>October 2016</u> - Receive Board direction.	
C. Engage consultants for Plan.	<u>February 2017</u> - Complete RFP process if necessary and engage Plan consultants.	
D. Complete Plan and submit to Board for direction.	<u>January 2018</u>	

Table 1, Continued

Strategic Snapshot

Strategic Element	Strategic Goals	Completion Date
Water Sustainability, Cont.	E. Construct and operate reclamation facility.	<p><u>April 2018</u> - Initiate competitive bidding process.</p> <p><u>October 2018</u> - Select contractor and schedule groundbreaking ceremony.</p> <p><u>September 2019</u> - Complete construction, start-up, test and operate new facility.</p> <p><u>December 2020</u> - Produce and deliver water to partner agencies.</p>
3.0 Finance	A. Maintain growth in operating costs at or near inflation.	<p><u>Monthly</u> - Review financial performance monthly to identify emerging trends and changes in conditions, both internal and external.</p>
	B. Align budgetary decision making with strategic priorities.	<p><u>October/November 2015</u> - Review strategic plan prior to budget cycle to align strategic priorities with available resources.</p>
	C. Maintain 20-Year Capital Improvement Plan.	<p><u>November/December 2015</u> - Complete rolling 20-year CIP to estimate annual capital outlays and financing method.</p>
	D. Maintain rates that are adequate and stable.	<p><u>February 2016</u> - Complete 5-year financial projection including rate analysis.</p> <p><u>February 2016</u> - Complete review of Connection Fees and Waste Disposal Fees.</p>
	E. Maintain operating and financial flexibility.	<p><u>Ongoing</u> - Adhere to reserve fund and debt policies. Review and report reserve fund levels during monthly, quarterly and annual financial reporting. Report the Agency's debt capacity in the annual budget.</p>

Table 1, Continued
Strategic Snapshot

Strategic Element	Strategic Goals	Completion Date
Finance, Cont.	F. Present accurate, timely and transparent financial reporting.	<u>Ongoing</u> - Report monthly to management staff. Report quarterly and annually to the Board. Annual budgets, comprehensive annual financial reports and monthly financial reports are posted on the web site.
	G. Maintain strong financial governance and controls.	<u>Ongoing</u> - Maintain financial policies related to investment, debt, reserve funds, budgeting, and budget amendments. Utilize beneficial oversight of Finance Committee for budgeting, outside audit, and policy-setting and review.
	H. Pursue excellence in financial management.	<u>November 2016</u> - Submit CAFR to GFOA. <u>July 2016</u> - Submit budget to GFOA.
4.0 Administration	A. Complete ongoing long-term planning, both strategic and financial.	<u>August 2016 (Ongoing)</u> - Update 5-Year strategic plan (prior to budget cycle). <u>Annual</u> - Continue five-year financial projections and 20-year capital improvement plan as part of the budget process.
	B. Complete risk management analysis.	<u>December 2015</u> - Complete annual risk assessment.
	C. Conduct periodic review of infrastructure to assess capacity and future expansion.	<u>June 2017</u> - Assess need for renewed Master Plan.
5.0 Personnel and Organization	A. Evaluate current training programs and assess need for additional training.	<u>December 2016</u> - Look at existing training for operations and administrative staff. Determine opportunities to improve or add existing training.

Table 1, Continued

Strategic Snapshot

Strategic Element	Strategic Goals	Completion Date
B. Develop On-boarding Model.	February 2016 - Formalize orientation for new employees by expanding the current process to communicate agency mission and values, job scope and expectations; and coordinate training and resources.	
C. Establish personalized development plans.	September 2016 - Complete personalized development plans in conjunction with annual performance appraisals. These plans will be developed by the employee and supervisor and will include desires related to personal job-related development.	
D. Develop succession plan for all Agency positions.	April 2016 - Identify likely retirements or separations and plan for succession through internal training and development or outside recruitment. Assess potential separations annually during the performance appraisal process.	
E. Develop and implement in-service days for employee participation.	December 2015 - Employees will participate in round-table discussions regarding current issues, strategic planning, improving the work environment and innovative ideas.	
F. Redesign performance appraisals and develop standardized schedule for reviews.	May 2016 - Performance appraisals will be redesigned to include job-specific criteria and performance goals and expectations. A standardized schedule will be established for periodic reviews and "one-on-one" meetings.	
G. Promote and acknowledge exceptional employee and Agency performance.	July 2016 - With employee input, determine recognition avenues including an annual appreciation event.	

Table 1, Continued

Strategic Snapshot

Strategic Element	Strategic Goals	Completion Date
6.0 Partnerships	A. Identify partners and stakeholders and ways to support and share services.	<u>May 2016</u> - Identify all potential partners and stakeholders and brainstorm ways to provide support and to share services.