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2020 STRATEGIC PLAN

Prepared by: Rauch Communication Consultants Inc.



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Valley Sanitary District 2020 Strategic Plan

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Expectations

The first question asked in the first workshop was for each of the participants to share their initial expectations for the workshop by considering their own goals for the workshop, and what they hoped the outcome would be. The expectations are organized into topic headings below.

Board

- Determine how we can best work together as a board to benefit stakeholders.

Facilities

- Continue to maintain facilities that are conducive to the public.

Alignment

- Set short- and long-range goals in alignment and foresee issues so we can align our planning and avoid rate shocks.
- Direction for board and staff goals, mission statement – all understanding and moving in the same direction.
- Hear board in one voice – unify the Board.
- Form a better idea of the direction we should go that will best benefit the community.
- Identify a clear path forward that we all agree on.

Practical Roadmap

- Roadmap: identify goals for operations, prioritizing capital projects, and financing to pay for it.

Image and Branding

- Establish a strong image for the district and reflect that in all we do.

Rating the District Today (from Workshop #1)

Before considering where the District wants to go in the future, it is important to understand where it is today. In this exercise, each participant in the workshop was asked to rate various aspects of the District based on its current performance. Each participant selected aspects of the District to rate and graded them on a scale of 1 to 10 (10 being excellent). The average scores, along with the total number of votes in each category, are included to the left of each category.

BELOW ARE THE CATEGORIES AND RATINGS PROVIDED BY THE PARTICIPANTS	
Avg. 8.4 9, 9, 9, 9, 9, 8, 8, 8, 7 9 votes	Staffing. Always working together, eager to learn and take the initiative. This is a family style organization and people love to come to work here. The District has good leadership and provides the tools staff needs. Overall it is a great staff, both the older staff and new staff. Regarding challenges, the District is short in staffing in a few areas, like lab operations, electricians, and maintenance. The District hasn't planned well for succession and increasing workloads from regulations. Some staff are over-taxed.
Avg. 7.8 9, 8, 8, 6 4 votes	Board. Good Board. New directors are working hard, getting up to-speed and contributing. Board is committed to staff and supports staff. Both experienced and new directors are enthusiastic
Avg. 7.7 9, 9, 5 3 votes	Facilities. We are proactive in facilities maintenance. Management, CIP planning, and reporting are all good or excellent. We have good equipment and the field staff represents the District well. Emergency preparedness is lacking; we need more robust emergency preparedness and training.
Avg. 7.5 9, 8, 8, 7.5, 5 5 votes	Finance. Finances are strong in near term and there are plans to address the long-term. The District has strong reserves, but cash flow is not strong enough and will be depleted within eight or nine years. The budget is transparent and easy to read. The District can do better in terms of policies, financial awards, and financial education. The Board could use more information in workshops.
Avg. 7 7.5, 7 2 vote	Regulatory. Regarding regulations, the District is ok for now, but needs to keep learning and adding resources to meet new regulations. Regarding legislative engagement, the District is strong in federal, but needs more focus at the state level. The District does follow the CASA monitoring on legislation to help determine what to support or oppose.
Avg. 6.5 8, 5 2 votes	Planning. We are dedicated, thinking and not complacent. However, lean staffing and limited resources limits planning for the future.
Avg. 4 6, 5, 3, 2 4 votes	Outreach. People don't know and haven't even heard of the District. It will be hard to ask people for increased rates over time if they don't know us. While outreach is improving, we need to improve branding and to show what a great board, staff, and District we have. We need to tell our story and be out at schools, public events, and businesses.
Avg. 4 4 votes	Reclamation. This is a critical, big, and costly task.

Challenges and Opportunities Facing the District

Below is a list of key issues and challenges identified in the process that are expected to face the District in the future. Each participant was asked to predict what challenges and opportunities the District would confront in the future. The feedback is as follows:

Facilities

Need more emergency preparation and training. \$100 million+ cost of facility upgrades over ten years.

Finance

Need to develop a new rate structure next year. Are we moving in the right direction and making good decisions? Acting in the right order and efficiently?

Planning

Need to be prepared to meet the needs of the City General Plan, population growth, and tribal requirements.

Staff

Need to evolve as new generations join the workforce by developing new recruitment and retention approaches and management styles. Must manage retirements, succession, and institutional knowledge; need to promote diversity.

Outreach

Need to get people to know us, to understand and support us by reaching out to ratepayers, city council, tribal, and regional water management groups. Need rebranding. Need more collaboration. Can't operate in a vacuum. Must partner.

Reclamation

This is critical to support community sustainability; we must be part of it.

Operations

Must stay up to date with technology.

Regulatory and Legislative

Current permitting is good. There will be future tribal and state regulatory challenges, including around human resources, finance, transparency, tertiary, nitrogen removal, etc.

Mission, Vision, and Values

Mission

Valley Sanitary District serves and benefits Indio and the surrounding communities by collecting, treating, and recycling wastewater to ensure a healthy environment and sustainable water supply.

Vision

As a result of the changes outlined in this five-year Strategic Plan, Valley Sanitary District will support the Coachella Valley as an environmental steward, a model employer, and a leader in the wastewater industry that is known for its excellence. We will:

- Prioritize the needs of our customers and do it cost-effectively and transparently.
- Provide a healthy work environment, cutting-edge equipment, and exceptional training opportunities for staff, our most important asset.
- Provide leadership in protecting our shared environment and safely reuse or recycle wastewater, energy, biosolids, and other useful byproducts.
- Serve as a trusted participant in the community through our collaboration, open communication, and educational programs.

Values

Transparent – We provide information to the public in a complete, understandable, and timely form that is readily available.

Responsible – We take into account our environment, community, customers, and ratepayers in everything we do.

Respectful – We value diverse viewpoints, teamwork, and active listening to our community and staff.

Integrity – We maintain high standards of conduct in all our actions and all circumstances.

Areas of Current Emphasis

The participants were asked to identify and vote on the most important issues that the District must resolve in the coming years. The results of that vote are shown below, along with a summary of the responses by category. *This exercise was designed to advance the discussion and indicate areas of current emphasis as described below rather than to generate actionable, quantitative priorities. Everything on this list is important, as are many items that don't appear in this list. In the context of current areas of emphasis, funding is lower than the items above it, but still a high priority.*

8 Votes	Highly Trained Staff. Everything depends on having a good staff, with adequate people to meet regulatory needs, and resilient to meet future requirements.
8 Votes	Recycled Water. We must get recycled water completed and online.
8 Votes	CIP Planning. Short and long-range CIP planning and feasibility evaluation. Plant, collection, recycled and how to implement.
8 Votes	Establish a Brand. Have a concrete plan to build a brand for the District and ensure the public knows it.
4 Votes	Safety. Plant and staff safety protocol, training, and equipment.
3 Votes	Complete and Up-to-Date Policies. Complete written policies and make sure they are up to date and approved.
3 Votes	Strategic Plan. Mission statement and strategic plan are a true reflection of direction.
1 Vote	Funding. Need enough funding for CIP plans.

Goals, Objectives, and Implementation Plan

Introductory Notes

Key Areas of Change. This Strategic Plan focuses only on key areas where there is change or a desire for additional clarity of direction. Numerous existing and ongoing initiatives, programs, and actions are not incorporated into this plan.

Priorities. The notation “(High)” after an action indicates a high-priority action. A high priority is defined as a “must do” that is not receiving adequate attention from staff due to inadequate resources or a new or additional effort for staff to undertake to fulfill a critical goal or objective. Some actions are urgent in terms of timing but are not necessarily a high priority. For example, it is urgent to get out payroll in the next few weeks but not a high strategic priority, just a workaday task.

Timing. Goals and objectives marked “annually” or “ongoing” will be reported on at least once each year during the budget planning season. This will allow the General Manager to use the feedback received from the Board when preparing the new fiscal year budget.

Implementation. Staff developed a complete set of initiatives to implement the goals and objectives. The implementation actions are summarized on the following pages, indicated by third-level numbering (such as 1.1.1) with non-bold type.

Summary of the Goals and Objectives

GOAL 1: Fully Staffed with a Highly Trained and Motivated Team

OBJECTIVE 1.1: Enough staff to fulfill goals and objectives safely and efficiently

OBJECTIVE 1.2: Improve preparation for both unexpected events and planned succession of all key positions

OBJECTIVE 1.3: Improve training and professional development

OBJECTIVE 1.4: Maintain and build upon strong staff culture

GOAL 2: Increase Recycling, Reuse, and Sustainability

OBJECTIVE 2.1: Increase recycling and reuse of resources and byproducts

OBJECTIVE 2.2: Improve sustainability of the overall operations (e.g., lower carbon footprint)

OBJECTIVE 2.3: Become an environmental leader in the community and industry

GOAL 3: Excellent Facilities

OBJECTIVE 3.1: Facilities are managed using comprehensive long-range plans that are integrated with the financial plan

OBJECTIVE 3.2: Increase use of technology to lower costs and improve reliability

GOAL 4: Increase Community Understanding and Support

OBJECTIVE 4.1: Increase community understanding and support for the District and its program

OBJECTIVE 4.2: Increase the District's understanding of community wants, needs, and interests

OBJECTIVE 4.2: Rebrand Valley Sanitary District to increase public recognition of the District's move toward reuse and recycling

GOAL 5: Long-Term Financial Strength

OBJECTIVE 5.1: Align long-term financial planning with strategic priorities

OBJECTIVE 5.2: Extend financial planning to meet long-term needs while maintaining affordability for customers

OBJECTIVE 5.3: Update rate structure to ensure it is up-to-date and fair to all classes of customers

GOAL 6: Improve Planning, Administration and Governance

OBJECTIVE 6.1: Meet evolving operational and customer demands

OBJECTIVE 6.2: Increase regional collaboration

OBJECTIVE 6.3: Improve administration and management

OBJECTIVE 6.4: Increase emergency preparedness

OBJECTIVE 6.5: Improve State Level Legislative Advocacy

OBJECTIVE 6.6: Improve Governance

OBJECTIVE 6.7: Maintain compliance with all regulatory, legislative, and permit requirements

Detailed Goals, Objectives, and Implementation Plan

GOAL 1: Fully Staffed with a Highly Trained and Motivated Team

Strategic Challenge. The District's greatest strength has been its highly motivated and experienced staff and their willingness to work together to serve our community. Looking to the future, everything the District does will continue to depend on having an excellent staff, with adequate people to meet the needs of the District's customers and community.

The following objectives and implementation actions must be completed to fulfill Goal 1.

OBJECTIVE 1.1: Enough staffing to fulfill goals and objectives safely and efficiently

- 1.1.1: Conduct staffing analysis and make adjustments and hires if appropriate
- 1.1.2: Develop and implement retention plan (will relate to benefits, pay, training, etc.)
- 1.1.3: Evaluate and update pay and benefits if appropriate

OBJECTIVE 1.2: Improve preparation for both unexpected events and planned succession of all key positions

- 1.2.1: Develop and implement a succession plan
- 1.2.2: Develop and implement internship program to develop pipeline of potential new workers
- 1.2.3: Develop and implement water/wastewater education program with College of the Desert to develop pipeline of new workers

OBJECTIVE 1.3: Improve training and professional development

- 1.3.1: Develop and implement training best practices for supervisors
- 1.3.2: Identify and implement opportunities for training and professional development
- 1.3.3: Develop and implement mentorship program

OBJECTIVE 1.4: Maintain and build upon the strong staff culture

- 1.4.1: Identify what makes us special, develop a plan to maintain and strengthen the culture, and implement

GOAL 2: Increase Recycling, Reuse, and Sustainability

Strategic Challenge. Valley Sanitary District is located in a Desert with a stressed aquifer and water supplies are increasingly unreliable both regionally and statewide. One result is that Indio must pay about one million dollars each year to Coachella Valley Water District for over pumping and drawing down the aquifer. Nitrogen in the groundwater is a water quality issue that water recycling could help with by de-nitryfing the water. It is critical that the wastewater is recycled or reused to help maintain the groundwater aquifer, and to benefit people and the environment.

The following objectives and implementation actions must be completed to fulfill Goal 2.

OBJECTIVE 2.1: Increase recycling and reuse of resources and byproducts

- 2.1.1: Plan and implement recycled water with IWA through EVRA and other potential partners**
- 2.1.2: Evaluate and implement biogas and co-generation of power as appropriate**
- 2.1.3: Evaluate and implement reuse of biowaste as appropriate**
- 2.1.4: Seek grant funding for water recycling, biowaste, and other recycling and reuse projects.**

OBJECTIVE 2.2: Improve sustainability of the overall operation (e.g., lower carbon footprint)

- 2.2.1: Identify how to measure sustainability, and set benchmarks and actions to improve**
- 2.2.2: Optimize cost and benefit of the solar array**

GOAL 3: Excellent Facilities

Strategic Challenge. The District requires over \$100 million in facility upgrades and replacements in the coming decade. These facilities must work every day and around-the-clock without fail. It is critical that they be built and maintained to the highest standards with long-term cost-effectiveness in mind.

The following objectives and implementation actions must be completed to fulfill Goal 3.

OBJECTIVE 3.1: Facilities are managed using comprehensive long-range plans that are integrated with the financial plan

3.1.1: Identify what should be part of the preventive maintenance plan and implement it

3.1.2: Annual review of CIP and align with budget, rate analysis, and changing needs

OBJECTIVE 3.2: Increase use of technology to lower costs and improve reliability

3.2.1: Develop and implement technology recommendations to increase efficiency and effectiveness for all functional areas

GOAL 4: Increase Community Understanding and Support

Strategic Challenge. The District's customers and ratepayers are not sufficiently informed about who the District is, the quality of services it provides, or its importance. This will become untenable over time as the District will need to ask the community for additional funding to meet quality, health, safety, and environmental expectations and regulations. Simply put, the District must have the understanding and support of its customers if it is to serve them effectively in the future.

The following objectives and implementation actions must be completed to fulfill Goal 4.

OBJECTIVE 4.1: Increase community understanding and support for the District and its program

4.1.1: Develop outreach plan, budget, etc.

4.1.2: Implement outreach plan

OBJECTIVE 4.2: Increase the District's understanding of community wants, needs, and interests

4.2.1: Develop community listening tools in outreach plan (potentially surveys, sewer 101 group, track press, track calls, etc.)

4.2.2: Develop and implement actions to respond to identified community needs

OBJECTIVE 4.3: Rebrand Valley Sanitary District to increase public recognition of the District's move toward reuse and recycling

4.3.1: Develop and implement rebranding strategy in coordination with outreach plan in 4.1.1.

OBJECTIVE 4.4: Become an environmental leader in the community and industry

4.4.1: Define results desired from environmental leadership

4.4.2: Identify and implement additional green initiatives to meet results in 2.3.1

GOAL 5: Long-Term Financial Strength

Strategic Challenge. The district has substantial reserves. However, cash flow is not strong enough for long-term sustainability. While the budget is detailed, transparent, and easy to read, it will need to be updated to align with the strategic plan.

The following objectives and implementation actions must be completed to fulfill Goal 5.

OBJECTIVE 5.1: Align long-term financial planning with strategic priorities

5.1.1: Review rates to align with strategic priorities, CIP needs, and changing conditions

OBJECTIVE 5.2: Extend financial planning to meet long-term needs while maintaining affordability for customers

5.2.1: Define "affordable" and update financial plan to address short-term and long-term needs balanced with the definition

OBJECTIVE 5.3: Update rate structure to ensure it is up-to-date and fair to all classes of customers

5.3.1: Update the rate structure to ensure it is up to date with current best practices, reflects current customer usage, and complies with legal mandates

5.3.2: Implement rate structure changes based on analysis

GOAL 6: Improve Planning, Administration and Governance

Strategic Challenge. The District has a dedicated, capable, and motivated staff. Regarding regulations, the District is in good shape currently, but needs to keep learning and adding resources to meet increasingly stringent regulations. Regarding legislative engagement, the District is strong in federal related matters, but needs more focus at the state level.

The following objectives and implementation actions must be completed to fulfill Goal 6.

OBJECTIVE 6.1: Meet evolving operational and customer demands

6.1.1: Develop and implement plan to address changing operational and customer response needs

OBJECTIVE 6.2: Increase regional collaboration

6.2.1: Define results desired from regional collaboration

6.2.2: Develop plan to increase regional collaboration

6.2.3: Implement plan to increase regional collaboration

OBJECTIVE 6.3: Improve administration and management

6.3.1: Review 10% of policies annually and update as needed

6.3.2: Transition from paper to digital processes to increase efficiency

OBJECTIVE 6.4: Increase emergency preparedness

6.4.1: Update Emergency Preparedness Plan (EPR)

6.4.2: Implement EPR recommendations

OBJECTIVE 6.5 Improve State level legislative advocacy

6.5.1: Evaluate needs for a state advocate

6.5.2: Retain state advocate if appropriate

OBJECTIVE 6.6: Improve Governance

6.6.1: Conduct annual Board self-assessment

6.6.2: Update new director orientation packet and process

OBJECTIVE 6.7: Maintain compliance with all regulatory, legislative, and permit requirements

6.7.1: Regularly review policies and procedures for compliance with permit

6.7.2: Implement changes identified in review process

Implementing the Plan

Monitoring, Implementation, and Oversight Actions

The District will take the following steps to ensure that the Strategic Plan is implemented, and results are achieved:

- The District will publish the Mission, Vision, Values, Goals, and Objectives on posters and handouts and display them around the District.
- Staff will incorporate the Mission, Vision, Values, Goals, and Objectives into the employee handbook, as well as orientation and training materials for new employees and Board and Committee members.
- The General Manager will present the Strategic Plan to the entire staff so they are familiar with it and can better undertake their individual roles in fulfilling it.
- The management and supervisory team will actively execute the Implementation Plan.
- The management team will monitor and track Strategic Plan goals, objectives, and implementation actions.
- The performance evaluation of the General Manager will include performance in implementing the strategic plan as one of the areas of evaluation.
- Committees will incorporate Strategic Plan monitoring as appropriate, and staff will provide an annual report to the entire Board on progress in implementing the plan.
- Staff will reference Strategic Plan items on Board meeting agendas as appropriate.
- The Board, with staff support, will review and update the Strategic Plan every three years and roll it forward.

Detailed Implementation Plan

A detailed Implementation Plan is being maintained in a separate spreadsheet by staff.

Appendix: Notes from the Staff Workshop

On December 4, 2019, nearly the entire staff participated in a strategic planning workshop that was designed to provide an opportunity to learn about the strategic plan and work to-date by the Board, to have questions answers and input to the Board. This was conducted immediately prior to the Second Board workshop where the results of the staff workshop were reviewed by the Board.

Questions Discussed in the Staff Workshop

Following a review of the draft plan developed to-date by the Board and Management Team, staff worked individually and in groups to respond to the following questions:

1. If your group had the power to make up to three changes. What three things would you choose to do to make the District better, and, why did you choose these?
2. Is there anything else your groups wants the Board to hear as they plan the District's long-term future?
3. It is important to focus on just a few priority issues, recognizing that in practice it is not possible to accomplish everything at once and that there are limits on time, money and personnel resources. Please take a moment to review all the issues and items we have discussed suggest some priorities to vote on. Each person was given four stickers that they could apply to any topic or topics as a "vote" representing their priorities.

A summary of the results of the discussion is found on the following page.

Summary Notes From the Staff Workshop

Note that ✓ = Repeated Comment

STAFF COMPENSATION PLAN 22 Votes

Evaluate and implement a compensation package that helps recruit and retain high quality staff

MORE STAFF 21 Votes

✓ Increase staff development and training

✓✓✓ Add staff due to shortage. This will improve safety since sometimes field workers are alone without backup.

There are great employees here

TECHNOLOGY IMPROVEMENTS 21 Votes

Tablets to better share information and communicate. Reduces staffing needs

Need an asset management system for development

Upgrade SCADA. Have a field Toughbook and Wi-Fi so staff can work in the field

Could use density meters and to improve technology

Need staffing for new technology.

TRAINING 20 Votes

Broader professional development

Help in passing exams

Onsite training and invite other districts here to train

More budget for training

More cross training to better utilize people, help with succession and cross certification

More management training

We need a space for training

MORE BOARD / STAFF COMMUNICATION 20 Votes

Help the Board understand more about the value the staff brings

More communication about the Board actions and directions to staff. Options include: through GM communication, by passing on the minutes, through management communication, or videotaping board meetings

Staff engage more in planning like for the CIP

BOARD NOTE: Board wants to avoid micromanaging but suggested a quarterly luncheon with the Board.

BETTER COMMUNICATION BETWEEN DEPARTMENTS 5 Votes

For example, formalize relationships on how engineering interacts with and impacts operations

COMMUNICATION TO THE PUBLIC 5 Votes

Make more interesting and brochure-like rather than just reading

FACILITIES 2 Votes

More lockers, more space for people

SUPPLIES AND EQUIPMENT 2 Votes

Enough supplies and equipment

Redundant parts for emergencies

Keeping redundant parts is tough with limited staffing.

LATERALS

Provide insurance to customers to extend laterals closer to the curb. Extend the lateral grant program.



Prepared by:

