



**Long Beach Water**

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**2016-2020 Update:**

# **City of Long Beach Water Department Strategic Plan**



**Prepared by:**

City of Long Beach Water Department  
Board of Commissioners, General Manager & Staff  
A3K Consulting, LLC

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## Forward

The value of strategic planning is not the plan itself. The written document serves only to provide information on which decisions can be made in order to support the short- and long-term objectives of the Long Beach Water Department.

The implementation of this Strategic Plan begins with the adoption of the mission and establishment of the vision and guiding principles, as well as roles, responsibilities, and processes to facilitate effective decision making by staff and prudent policy consideration by the Board of Water Commissioners of the Long Beach Water Department.

This living document will require biennial review and analysis to ensure that it continues to reflect the Long Beach Water Department's vision and objectives.

This Strategic Plan was developed with significant input from the Board in a collaborative process with staff. The Long Beach Board of Water Commissioners are:

- Frank Martinez, President
- Arthur Levine, Vice President
- Robert Shannon, Secretary
- Gloria Cordero, Member
- Harry Saltzgaver, Member





## Section 1: Overview

Long Beach Water Department provides water and sewer services for about 500,000 customers in a 50-square-mile service area. Since its formation in 1911, the Long Beach Water Department (LBWD) has been responsible for providing services to the seventh largest population in the state of California.

As a publicly-owned utility, the LBWD operates for the benefit of its rate payers. A Board, comprised of five appointed Water Commissioners, serves as its governing body and is responsible for establishing rates and regulations, and overseeing management and administration responsible for delivering service. Additionally, the Board defines the organization's mission, vision and goals against ever-changing natural, economic, political and regulatory environments.

In 1992, LBWD developed its first Strategic Plan, which helped to accomplish many of its core objectives:

- Operate water and sewer systems safely and efficiently;
- Maintain a safe environment for the public and the Department;
- Maintain a qualified, trained and motivated workforce to meet the Department's mission;
- Recognize the Department's environmental responsibilities;
- Maintain awareness of changes in the water and sewer industries.

From 1999-2000, the Department undertook major initiatives to:

- Improve and modernize infrastructure;
- Expand water supply;
- Invest in water quality/technology;
- Promote service offerings;
- Ensure a stable financial future through lands, leases and capital investments;
- Foster community involvement;
- Develop a competitive workforce;
- Establish performance metrics and outcomes for service delivery;
- Foster governance.



As a leader in water conservation throughout the state of California, the LBWD developed its 2016-2020 Strategic Plan (Plan) to ensure a reliable water supply to its customers. The Plan sets the foundation and guiding principles to ensure effective administration, consistent with Board priorities, for the many operational divisions of the department. Upon its adoption, the general manager and the executive leadership team will develop strategies, plans and tactics consistent with the mission, vision and guiding principles defined by the Board of Commissioners.





## WATER: CALIFORNIA'S GOLD

As California continues to face one of its worst droughts in history, its most valuable commodity is no longer scenic oceanfront or pricey real estate; rather, it is water. The California Natural Resources Agency, the California Environmental Protection Agency and the Department of Food and Agriculture have developed the California Water Action Plan to restore critical ecosystems and create resilient and reliable water systems.

The 10-point plan includes the following actions:

- Making conservation a way of life
- Increasing regional self-reliance and integrated water management across all levels of government
- Achieving co-equal goals for the Bay-Delta
- Protecting and restoring important ecosystems
- Managing and preparing for periods of drought
- Expanding water storage capacity and improving groundwater management
- Providing safe water for all communities
- Increasing flood protection
- Increasing operational and regulatory efficiency
- Increasing sustainable and integrated financing opportunities

## RESILIENCY: THE SOLUTION

The Plan seeks to identify clear Board direction to ensure staff has the guidance needed to ensure a sustainable and resilient utility.

The Board of Commissioners has developed Guiding Principles in the areas of the Water System, Sewer System, Resource Management, Finance, Administration and Government Relations, and charged the executive leadership team with designing strategies, programs and plans consistent with these principles.



The Guiding Principles in the following six areas are:

1. **Water System:** Develop strategies to ensure the integrity of our infrastructure to minimize service interruptions.
2. **Sewer System:** Develop strategies that maintain and improve the infrastructure required to transport sewage without interruptions.
3. **Resource Management:** Create strategies that result in a diverse



portfolio of water resources capable of achieving the goal of self-reliance.

4. **Finance:** Deliver value to our customers through the effective and efficient allocation and management of financial resources to appropriately fund the water and sewer needs of the Long Beach community and support our vision.
5. **Administration:** Support the organization by developing and implementing programs and initiatives to foster a productive, safe, and well-trained workforce that provides exceptional customer service.
6. **Government Relations:** Collaborate with stakeholders to advance the interests of the Long Beach Water Department.

**These six guiding principles will serve as the litmus test for initiatives in pursuit of the Department's mission and vision.**

## METHODOLOGY

The Board of Commissioners and the executive leadership team worked together to develop the Strategic Plan following this outlined process:

- Step 1: Review Long Beach Water Department data and information
- Step 2: Conduct Strategic Planning Workshop
- Step 3: Develop 75% Draft Strategic Plan
- Step 4: Present Draft to Board of Commissioners for comments
- Step 5: Revise Draft and Deliver Final Plan documents

### *Step 1: Review Long Beach Water Department Data & Information*

In order to understand the present state of the LBWD, including its initiatives, structure, and process, the following materials were requested and reviewed:

- 1992 Strategic Plan
- 1999-2000 Strategic Plan Update
- Long Beach Water Department Backgrounder
- General Manager's Strategic Initiatives for 2014
- Budget for FY 2016
- Board Policy Book
- City of Long Beach, Board of Commissioners, Commissioner Handbook, July 2003 (revisions)
- Resolution Water District-1337 Establishing Standing Committees
- Resolution Water District-1355 Establishing Standing Committees (revision)



### **Step 2: Conduct Strategic Planning Workshop**

The input received from the analysis was used to develop an agenda for a one-day workshop to interview the Board and build consensus on the Department's future direction.



### **Step 3: Develop 75% Draft Strategic Plan**

Based upon input from the Strategic Workshop, a draft Strategic Plan presentation was created that:

1. Presented proposed mission of the committee
2. Defined a vision for the committee
3. Established guiding principles for the committee to work from
4. Outlined roles and responsibilities for the committee

### **Step 4: Present Draft to Board of Commissioners for Comments**

A3K Consulting met with the Board of Commissioners and Executive leadership team to present the Draft Strategic Plan. A3K Consulting collected feedback, concerns, and input from the Executive leadership team (i.e., General Manager and staff) in order to finalize the document.



### **Step 5: Revise Draft and Deliver Final Plan Documents**

With feedback received, A3K Consulting made clarifications and revisions to the Final Strategic Plan. The LBWD will adopt the plan and utilize the information and recommendations provided in this document as the basis for making informed decisions regarding its efforts on a go-forward basis.



## Section 2: LBWD Mission & Vision

### Mission

The Board of Commissioners noted that the previous mission statement included a clearly defined purpose and actions to service the purpose; however, it stopped short of integrating many of the Commission’s long held values and beliefs, including:

- Collaboration with (internal/external) stakeholders
- Conservation
- Public trust
- Reliability, sustainability and resiliency
- Exceptional services:
  - Customer service
  - Potable water
  - Sewer service
  - Reclaimed water
- Economically and environmentally responsible
- Safety



The Commission considered revisions of its mission statement to best reflect the need and desire to integrate the customer experience into the delivery of water while adapting to ever-changing economic, environmental, political and safety considerations.

During the strategic planning workshop and draft plan development, the Commissioners agreed on the following mission statement:

*The Long Beach Water Department is committed to the effective delivery of a reliable supply of quality water and the environmentally responsible disposal of sewage while continually providing exceptional customer service.*



### Vision

While the mission establishes the utility’s purpose, it does not define its vision—its accepted definition of success. Vision statements, unlike mission statements, serve to define measures of success for an organization and the change or transformation expected in realizing the vision.

For a vision statement, the Commissioners considered the following issues:

- Environmental stewardship
- Community participation
- Reliable systems
- Conservation
- Public trust
- Engaged community partnerships





- Fiscal responsibility / managing reinvestment
- Integration with the City of Long Beach
- Cooperative relationships
- Planning in context
- Responsiveness
- Innovation
- Delivering “affordable” water across all incomes of rate payers
- Integrity:
  - Finance
  - Workers
  - Delivery
- Create sustainable communities
- Business and residential service needs
- Regulatory standards
- Forecasting/planning for future change and establish new standards
- Develop leadership within industry
- Create competitive workplace environment
- Attract / retain quality employees

During the strategic planning workshop and draft plan development, the Commissioners agreed on the following vision statement:

*As a recognized leader in water conservation and innovation, the Long Beach Water Department contributes to creating a sustainable community, develops collaborative partnerships, and fosters a quality workforce.*





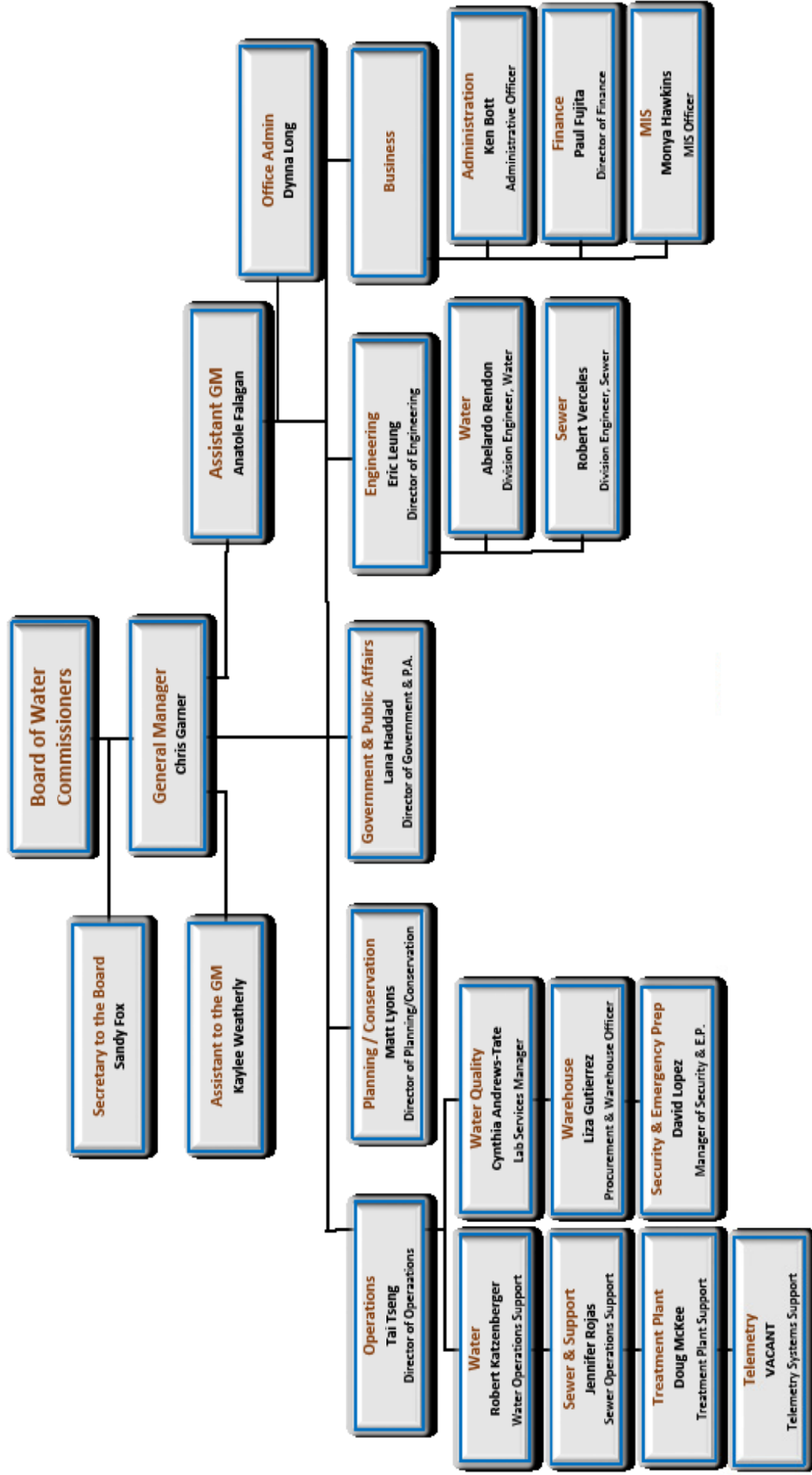
## Section 3: Roles & Responsibilities

The roles and responsibilities of the members of the Long Beach Board of Water Commissioners are defined in the Commissioner Handbook (July 2003 and revisions). While the list of roles and responsibilities is varied, the core comprise:

- Defining mission and vision
- Defining service/program objectives
- Defining guiding principles that allow for implementation
- Establishing rates and taxes
- Addressing/resolving constitution or charter issues
- Passing ordinances
- Approving new programs and projects
- Ratifying operational budget(s)
- Overseeing administration relative to organizational objectives
- Reviewing organizational performance relative to outcomes

The core values for the LBWD general manager and executive leadership team comprise:

- Implementing mission and vision
- Implementing service/program objectives
- Developing programs, projects and budgets based upon the guiding principles set by the Board
- Analyzing pending legislation, trends and impact analysis including legal
- Developing/recommending budgets
- Developing work plans and funding strategies for new programs/projects
- Determining budget calculations and performance metrics and standards consistent with quality expectations
- Developing practices and procedures consistent with Board defined policy and guiding principles
- Controlling and managing intellectual capital (staff) resources to achieve organizational objectives
- Benchmarking organizational performance relative to performance metrics





## Section 4: Guiding Principles

### Guiding Principles

In order to achieve these objectives, the Commission must define guiding principles that inform the staff and administration's day-to-day responsibilities. A guiding principle is defined as "any precept that guides an organization throughout its life in all circumstances, irrespective of changes in its goals, strategies, type of service delivery [water/sewer] or the top management."



- 4. Finance:** Deliver value to our customers through the effective and efficient allocation and management of financial resources to appropriately fund the water and sewer needs of the Long Beach community and support our vision.
- 5. Administration:** Support the organization by developing and implementing programs and initiatives to foster a productive, safe, and well-trained workforce that provides exceptional customer service.
- 6. Government Relations:** Collaborate with stakeholders to advance the interests of the Long Beach Water Department.

As part of this Strategic Plan, six guiding principles were developed in the following areas:

- 1. Water System:** Develop strategies to ensure the integrity of our infrastructure to minimize service interruptions.
- 2. Sewer System:** Develop strategies that maintain and improve the infrastructure required to transport sewage without interruptions.
- 3. Resource Management:** Create strategies that result in a diverse portfolio of water resources capable of achieving the goal of self-reliance.





## Section 5: Initiatives

Strategic Initiatives represent programs and investments Executive leadership recommend for Board consideration. These initiatives not only serve to support the Board's mission and vision for water self-reliance, but also its Guiding Principles.

Moreover, they acknowledge the strengths and weaknesses, as well as the opportunities and threats that the LBWD must face to provide exceptional customer service while delivering reliable, high-quality water.



**Water System: Develop strategies to ensure the integrity of our infrastructure to minimize service interruptions.**

*Design and develop a robust system, inclusive of reclaimed and potable water, that minimizes customer impact during emergencies.*

*Develop and implement operational plans to ensure safe drinking water, adequate fire protections, and minimizing sanitary sewer overflows during daily and emergency situations.*

**Sewer System: Develop strategies that maintain and improve the infrastructure required to transport sewage without interruptions.**

*Design and develop a robust sewer system that minimize customer impact during emergency.*

**Resource Management: Create strategies that result in a diverse portfolio of water resources capable of achieving the goal of self-reliance.**

*Develop and implement a multi-year plan that offers a diverse portfolio of water resource development, projects and initiatives that meets the City's long term population projections, and offers flexibility and adaptability against climate change and future droughts.*



*Complete the framework for a comprehensive approach to sustainable water use in the Commercial, Industrial and Institutional (CII) sector, based upon industry best practices as adapted to Long Beach, to be implemented in FY 2017.*

*Expand the current outreach program for sustainable water use in the multi-family*



sector to tenants in multi-family housing and to landlords and property managers.

**Finance: Deliver value to our customers through the effective and efficient allocation and management of financial resources to appropriately fund the water and sewer needs of the Long Beach community and support our vision.**



*Establish a cost-of-service methodology, rate structure and financial plan that provides increased transparency in cost impacts to customer classes, impacts of water supplies on future rates, and financial plan projections that can be communicated to customers.*

*Use technologies to increase value to customers in the form of customer service, system reliability, infrastructure efficiency.*

**Administration: Support the organization by developing and implementing programs and initiatives to foster a productive, safe, and well-trained workforce that provides exceptional customer service.**

*Develop programs and initiatives that integrate organizational strategies to create a competitive workplace environment.*

*Develop a long term succession plan by identifying key operational roles and building an employee pipeline and talent pool to ensure consistent, high quality service to our customers.*

*Complete compensation study to assess the effective recruitment and retention of staff/ administration.*

*Develop and/or assess educational partnerships that can foster future leaders in the water resources and management fields and expand upon educational partnerships at the high school and community college levels.*

**Government Relations: Collaborate with stakeholders to advance the interests of the Long Beach Water Department.**

*Develop, for Board consideration and approval, a comprehensive federal and state legislative platform and agenda for the Long Beach Water Department for effective, timely, and efficient advocacy in Sacramento and Washington, D.C.*

*Develop a consistent brand and story—both internal and external—to convey the Long Beach Water Department identity, including communications guidelines across all platforms.*



## Section 6: Conclusion

As appointed officials, the Long Beach Board of Water Commissioners are dedicated stewards of the public trust and accountability.

In undergoing this collaborative and strategic planning process, the Board renews its commitment to ethical and long-ranging policy guidance to ensure efficient and effective administration of the LBWD while continuously providing exceptional customer service to our valued residents and businesses.

Moving into a new “normal” for water supply and demand in Southern California, the Board remains focused on creating and supporting a sustainable and resilient water and sewer utility for our customers.