



Strategic Plan FY2019-2022

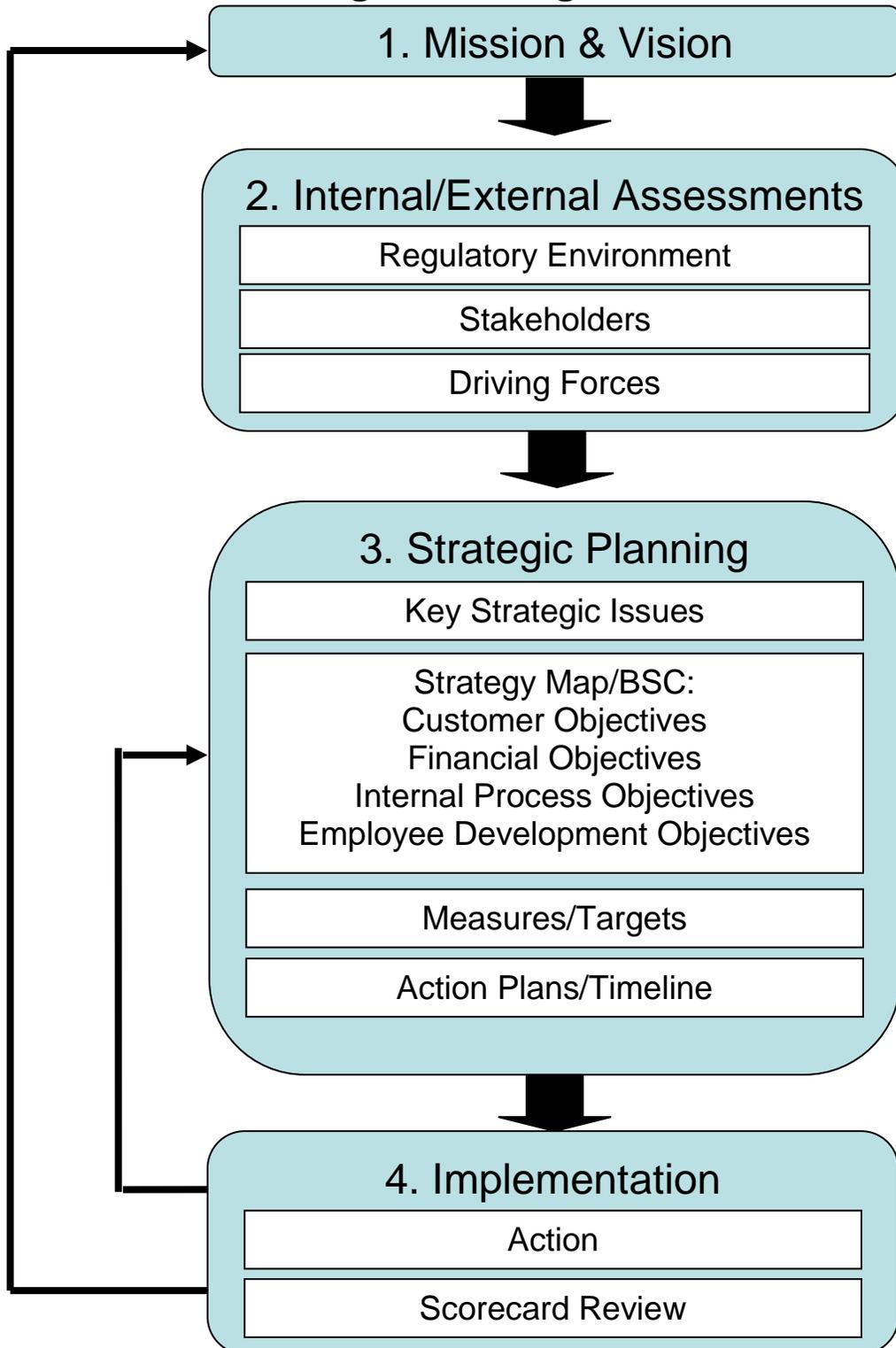


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Union Sanitary District Strategic Planning Framework



Union Sanitary District Strategic Plan FY 2019-2022

Background

Founded on May 27, 1918, the Union Sanitary District currently operates a 33 million gallon per day (MGD) wastewater treatment plant on the east side of San Francisco Bay, and maintains over 800 miles of sanitary sewers (the collection system). The District is currently focused solely on the activities supporting the continued provision of wastewater collection and treatment from residential, industrial and commercial rate payers within our service area. The USD service area encompasses 60 square miles, including the cities of Fremont, Newark and Union City (with a population of approximately 355,897, per CA Department of Finance January 2018 demographics). All 137 employees of the District work from our 33-acre Union City treatment plant.

The District provides services around six core processes:

- 1. Provide capacity:** Manage capital improvement projects to increase or maintain capacity in the collections system and at the treatment plant.
- 2. Allow connections:** Provide construction permits, inspect and approve connections.
- 3. Regulate connections:** Provide wastewater discharge permits to industrial dischargers, regulate commercial discharges, and educate the public about allowable wastewater discharges.
- 4. Collect wastewater:** Maintain sewers by cleaning, televising and repairing. Maintain pump stations.
- 5. Treat wastewater:** Operate and maintain the treatment plant in compliance with discharge regulations.
- 6. Beneficial recovery/reuse of treated:** Recover/reuse treated wastewater and bio-solids and other waste streams in compliance with regulations.

Organizational Structure

Union Sanitary District is an independent, enterprise special district, governed by an elected, five-member Board of Directors. Day-to-day operations are managed by the Executive Team (ET), consisting of the General Manager and five workgroup managers. Each manager oversees several teams, all of which are assigned a Coach who serves as the first-level manager, directing staff activities. In addition, many cross-functional committees (including, but not limited to Safety, Coaches, and the Joint Labor-Management Committee) share information and coordinate activities across the District.

Strategic Planning Process

Formal strategic planning (SP) is typically done every three to four years; a compressed version of the process called SP Lite is used in other years. Formal, comprehensive planning for the new FY 2019-2022 began in February 2017, based on the 2014-2016 plan that was extended by agreement to enable the newly formed Executive Team to develop synergy. During the first few meetings, the Executive Team reviewed input from stakeholders, past performance on strategic objectives,

benchmarking data (where available), new/potential regulations and industry trends, economic projections, political climate and internal challenges. During subsequent meetings, the ET prioritized driving forces and internal challenges, and identified strategies, objectives and initiatives to address them. A map of strategic objectives was developed, along with measures and initiatives to support those objectives.

1. Mission & Vision

The Mission & Vision Statements were last modified during the Strategic Planning Lite sessions in June of 2015 to include the goal of recovering resources from our process waste streams. These statements serve as the foundation of our strategic planning efforts and are always reviewed at the beginning of the process to ensure that they are in alignment with our core values and resultant activities.

MISSION STATEMENT:

To safely and responsibly collect and treat wastewater, and to recover resources from process waste streams, while protecting human health and improving the environment in a way that benefits the Tri-Cities and all USD stakeholders.

See Appendix A for the full text of the District’s Mission & Vision statement.



Regulatory Environment

The District currently holds three National Pollution Discharge Elimination System (NPDES) permits from the California State Water Resources Control Board (SWRCB); one for the main plant discharge through the East Bay Dischargers Authority (EBDA), one for discharge to the Hayward Marsh, a fresh water marsh restoration project, and one for peak wet weather discharges to Old Alameda Creek.

These permits set limits for wastewater discharged, including the contaminants that are allowable in the discharge, operating conditions, and reporting requirements. The District is required to file quarterly and annual reports on the activities covered under the NPDES permits. Union Sanitary District recently received the Platinum Award from the National Association of Clean Water Agencies (NACWA) for “Peak Performance” in the 2017 calendar year. This is the 25th consecutive year (2017) that USD has been recognized by NACWA. District facilities are also regulated by the three city governments for hazardous material management and other local regulations.

Other applicable regulations include OSHA requirements, including regulations for entering confined spaces, Federal Environmental Protection Agency (EPA) and SWRCB regulations for controlling sewer overflows and discharges from industrial sources, air permits from the Bay Area Air Quality Management District (BAAQMD), and rules established by the Governmental Accounting Standards Board (GASB) and Generally Accepted Accounting Principles (GAAP) for financial and asset management.

Regulatory issues facing the District during this planning cycle include the potential future requirement for nutrient removal from the wastewater, changing air quality regulations, any additional changes in sanitary sewer overflow reporting requirements, increasing medical benefits costs, and mandated reporting changes in the financial statements related to pension and other costs resulting in unfunded liabilities.

Stakeholders

Input and feedback were solicited from employees throughout the strategic planning process. Input was collected from the Coaches, Joint Labor Management Committee (JLMC), Executive Team and Board members. Focus groups were held to obtain input from teams and program coordinators.

Major *employee* concerns identified during the focus groups included:

- Impacts of retirements; knowledge transfer to new staff (to minimize)
- Recruiting and retirements; getting quality people trained up to the level of the retiree
- Need to invest more time and money on training new employees
- Community growth and impacts to the District
- Our infrastructure is old and failing
- CalPERS future employer rate increases
- Staffing levels to absorb new projects, investigations, and changes in regulations
- Employee burn-out
- Nutrient removal from effluent; District readiness for changing regulations
- Loss of Hayward Marsh due to sedimentation and age of containment berms
- Capital Improvements budget over the next 20 years; staffing levels should be reviewed
- Work that EBDA is doing, how it impacts USD (plant shutdowns, etc.)
- Making the District attractive as an employer; to existing and potential new staff; cost of living in the area is very high;
- Fresh water/lower water usage trends; affects our processes with more solids concentration and fees are based on water usage, lower usage = less revenue
- California Environmental Laboratory Accreditation Program (ELAP) and its adoption of the National Environmental Laboratory Accreditation Conference Institute standard (NELAC/TNI)

Driving Forces

The Executive Team performed a comprehensive SWOT (Strengths, Weaknesses, Opportunities and Threats) analysis to identify driving forces with the potential to affect the District. All District teams, the Board of Directors and the Joint Labor Management Committee (JLMC) participated in formal, facilitated workshops to capture their inputs for inclusion as well (see Appendix B). The input from stakeholders and the findings from the SWOT analysis were used to identify the Key Strategic Issues facing the District.



Strategic Issues Defined

The District has created a clear guideline and criteria for why an issue should be considered strategic:

1. Directly impacts ability to achieve Mission (ex. the need to attract and retain employees)
2. More than one Workgroup must work together to address; opportunity to create synergy
3. High consequences if not addressed
4. High dollar impact
5. Related to the big 4 for costs: labor, chemicals, energy, cost of funding
6. Factors outside our control
7. Likely to get bigger, more urgent if not addressed
8. We need to do something differently to effectively address, requires change
9. Threatens USD's compliance record
10. Customer or stakeholder driven
11. Creates an opportunity for improvement that will have a long-term impact

Key strategic issues for the next 3-5 years:

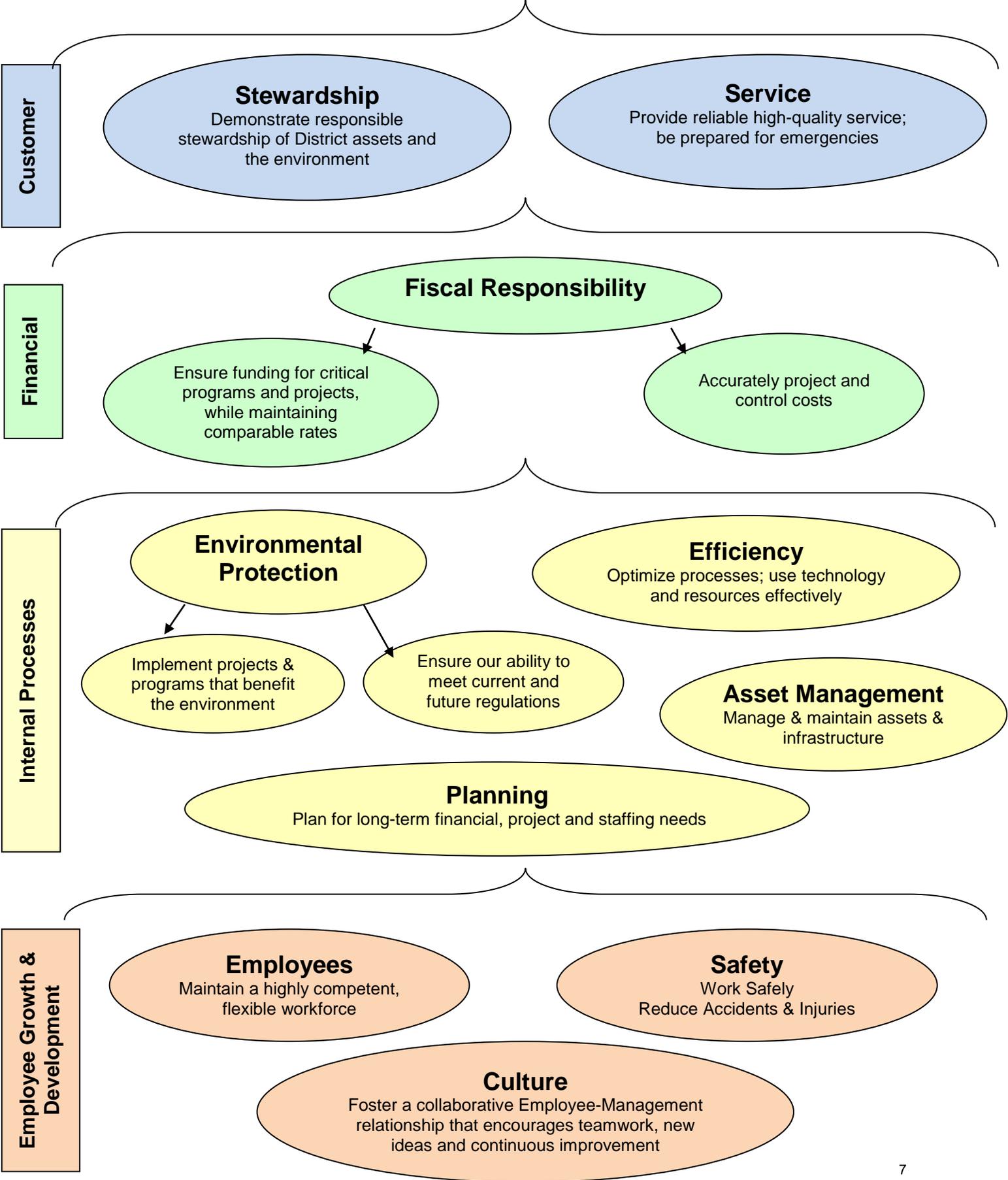
- Completing ongoing Master Plans and Studies
- Retrofitting vs. New Plant
- Maintaining Wet Weather Capacity
- EBDA Joint Powers Authority (JPA)
- Long-term staffing, including knowledge capture/transfer and planning for retirements
- Balancing affordability of rates with adequate funds for continued provision of service
- Maintaining compliance
- Emergency preparedness
- Addressing new and changing regulations
- Asset management
- Changing technology
- Sustainability: environmental, financial, social (includes green projects)
- Unfunded liability
- Data and records management and analysis (includes document mgmt.)
- Internal communication and coordination
- Maintaining a positive team culture
- Maintaining improvement in health & safety programs
- Balancing employee workloads
- External Customer Service and customer relations

Strategies and approaches were developed and agreed on for each Key Strategic Issue (see Appendix C). The new strategies were incorporated into District objectives and timeline initiatives.

Strategy Map

A strategy map was created, incorporating the key issues. The strategy map is the expression of the District's strategic plan, showing the relationship between customer, financial, internal process and employee growth & development objectives. The map focuses on operational issues. The safety strategy, objectives and measures were reviewed in a separate process that included the Environmental Health and Safety Program Manager (see attachment D).

USD Strategy Map



Goals and Measures

Detailed goal statements were developed for each objective:

Customer objectives:

Service:

Provide reliable high-quality service

- Customers can easily contact the District and be connected to the correct person to receive the service they need in a timely manner (in person, by e-mail, through web site)
- We respond promptly to customer complaints, including odor reports
- Services are provided in manner that meets all regulatory requirements and minimizes adverse impacts of our activities on customers

Be prepared for emergencies

- Equipment and processes are in place and tested and employees are prepared to respond to emergencies (including activating the EOC).
- Ensure adequate funds are maintained for emergency response

Stewardship:

Demonstrate responsible stewardship of District assets and the environment

- Assets are maintained in a manner that provides adequate capacity, prevents failures and minimizes disruption to service.
- USD's outreach/education activities deliver a consistent, positive message (branding) and target messages to specific audiences
- Outreach activities differentiate USD from other government agencies and emphasize our role in environmental & health protection
- We conserve natural resources and protect the environment (see Environmental Protection objective)

Financial Objectives:

Fiscal responsibility:

Ensure funding for critical programs and projects, while maintaining comparable rates

- Sewer service charges are established to adequately fund operations, and provide the maximum value to customers
- It is the goal of the District to keep rates as low as possible and frequently compare rates with other agencies as a barometer
- Capacity Fees are set appropriately to equitably cover costs of capacity enhancing projects
- Alternative sources of funding (grants, loans) are pursued

Accurately project and control costs

- Master Plans are developed, and special studies conducted to project future needs and avoid cost spikes
- We develop accurate budgets and control expenses to stay within the budget
- Employees include financial and ethical considerations when making decisions
- Our ability to control costs is enhanced by participation in regional projects and committees affording the District financial benefits

Internal Business Process Objectives:

Asset Management:

Manage and maintain assets and infrastructure

- Master Plans are developed to project future needs and avoid cost spikes
- Assets are maintained in a manner that provides adequate capacity, prevents failures and minimizes disruption to service
- We understand the condition and value of District assets and optimize life-cycle costs of maintenance and replacement

Efficiency:

Optimize processes

- Processes are regularly evaluated and improved to reduce cost while maintaining or enhancing level of service

Use technology and resources effectively

- Technology and computer automation are used appropriately to control costs while maintaining or enhancing level of service
- Communication technology (GIS, mobile) is used appropriately to control costs while maintaining or enhancing level of service and providing data and operational security
- Data, documents and records are managed effectively to make decisions and enhance level of service

Environmental Protection:

Maintain our ability to meet current and future regulations

- We are 100% compliant with permit and other regulatory requirements
- Wet weather capacity is adequate to meet demand
- We are aware of and prepared for developments with new regulations & emerging pollutants
- Our ability to meet current and future regulations is enhanced by participation in regional projects and committees

Implement projects and programs that benefit the environment

- We conserve natural resources and reduce wastes and pollutants
- Adverse environmental impacts are measurably reduced

Planning:

Plan for long-term financial, project and staffing needs

- The strategic plan is developed and implemented
- Master Plans are developed to project future needs and avoid cost spikes
- Future workforce needs are met through long-term staffing and succession planning
- Projects are planned to consider the impact on operations and staff (to avoid employee burn out)

Employee Growth & Development Objectives:

Employees:

Maintain a highly competent, flexible workforce

- We are planning for an increasing number of retirements
- Hiring practices are designed to grow-our-own; hire for abilities and train for skill
- Hiring, promotion and training processes are aligned with the competency-based model
- Appropriate Long-term Staffing (LTS) recommendations are implemented
- Job knowledge is captured and transferred
- Employees are increasingly competent to do their job and to train others
- Employees include financial and ethical considerations when making decisions

Culture:

Foster a collaborative employee-management relationship that encourages teamwork, new ideas and continuous improvement

- Employee input is solicited and utilized
- Employee are involved in projects, committees and taskforces
- Union –Management issues are collaboratively addressed through the JLMC and during MOU contract negotiations
- Employees are recognized for their contributions

Safety

- Employees work safely
- The number and severity of accidents & injuries are reduced

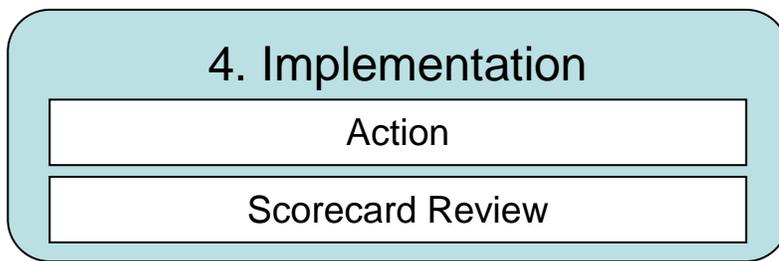
Measures and targets

To track progress and performance, metrics (measures) were developed for each of the strategic objectives. Targets were developed for each measure. Targets are determined by looking at past performance, reviewing customer expectations and, where comparable data is available, comparing our performance to other agencies and organizations. Many existing measures continue to provide meaningful insights and support managerial decision-making, and are therefore, retained. Targets are reviewed on an annual basis and performance dictates revision of targets for continual improvement.

Operational strategic objectives, measures, and initiatives are summarized in Appendix E, including annual targets.

Strategic Timeline

Initiatives to support the strategic objectives are included in the Initiatives Timeline (see Appendix F). The timeline is reviewed quarterly by the Executive Team with the scorecard results and modified as necessary.



Ongoing Performance Management

Through the District’s Star Point Program, employees in each workgroup and team are assigned responsibility for collecting, summarizing and reporting performance measure data from their groups. The Organizational Performance Manager (OPM) has overall responsibility for administering, evaluating and improving the performance measurement process. Once a quarter, the OPPM prepares a report for the Executive Team meeting and indicates by color code whether the measure is on target (green), likely to be below target if trend continues (yellow) or not meeting target (red). At the review meeting, progress on initiatives to support objectives and measures is also reviewed. If corrective action is needed, it is assigned to a Workgroup Manager and discussed at subsequent meetings.

The General Manager and OPM present a quarterly report on District performance measures to the Board of Directors as part of the Operations Report.

Process scorecards have been developed for the Collection Services, Fabrication Maintenance and Construction, and Treatment & Disposal workgroups by groups of staff and management. Business Services and Technical Services teams develop scorecards focused on their core functions.

Teams and process scorecard groups are empowered to change or adjust their measures to make them more representative, accurate, or useful. Scorecard measures, when appropriately designed, implemented and tracked, should result in behavioral or process changes, generation of baseline data for framing new initiatives or measures, or otherwise support managerial and/or operational decision-making. All process and team scorecards are reviewed once a year during team chartering to ensure they contain meaningful measures that are aligned with District-wide objectives.

Communication of the Strategic Plan, Scorecards and Timeline

Changes to the balanced scorecard and timeline are presented to employees by the General Manager and Workgroup Managers, focusing on how the District-wide objectives apply to each team's work and how team and process scorecards will be affected.

The final plan and all supporting documents are available to all employees through the Share Point Portal. The final Strategic Plan was presented to the USD Board of Directors and the public on September 10, 2018.

Appendices:

- A. District Mission Statement
- B. SWOT Analysis
- C. Key Issues and Strategies
- D. Safety Strategy and Scorecard
- E. Table of Operational Objectives, Measures and Initiatives
- F. Strategic Initiatives w/ Timeline

Appendix A



VISION/MISSION STATEMENT April 10, 2017 revision

To safely and responsibly collect and treat wastewater, and to recover resources from process waste streams, while protecting human health and improving the environment in a way that benefits the Tri-Cities and all USD stakeholders.

How we continue to accomplish our Vision:

Commitment to safety:

- Continually reviewing our safety program for opportunities to improve
- Focusing on protecting employees and the community in all our activities
- Allocating resources to ensure safe operations (equipment, training, staff)
- Collaboratively promoting a safe work environment

Responsibility:

- Being accountable for our actions and decisions
- Being fiscally prudent
- Maintaining and upgrading infrastructure
- Anticipating and meeting future District and stakeholder needs
- Compliance with laws and regulations (local, state, federal)
- Effective asset management
- Effective use of technology
- Looking for innovative ways to reduce or reuse our waste streams

Collect, treat, and recover/reuse wastewater:

- Providing capacity in the collection system and plant
- Regulating connections
- Increasing efforts for resource recovery (biogas, biosolids, etc.)
- Exploring ways to maximize water reclamation and reuse potential

Human health and environmental stewardship

- Preventing sewer spills and back-ups
- Limiting health risks through treatment of wastewater
- Responding to emergencies
- Enhancing water quality in the San Francisco Bay estuary
- Meeting or exceeding all water and air quality standards

Appendix A



VISION/MISSION STATEMENT

April 10, 2017 revision

- Promoting pollution prevention and pretreatment through outreach and educational programs
- Maximizing use of green energy sources when feasible
- Working towards energy neutrality

We benefit our stakeholders by:



Appendix B

SWOT ANALYSIS- All Stakeholders merged version from multiple sessions with color legend

Strengths	Weaknesses	Opportunities	Threats
1. EE knowledge, skills and abilities	1. Extreme resistance to change	1. In a stable, relatively affluent area with a well balanced customer base	1. Competing for resources (HR, \$ et al)
2. Recruitment process (collaborative nature; getting quality people onboard)	2. Complacency- need to re-evaluate in the world today (process et al)	2. Reconvening Long Term Staffing TF	2. Hayward Marsh and wet weather storage in general
3. We know our collection system (rotation, cleaning, etc.)	3. Metrics for BSC (program perception/naming conventions)	3. Resetting District direction for all stakeholders	3. Availability of SRF \$/funding
4. We know and understand our District-wide systems, equipment, processes	4. We make up "stuff" (rumors, info, data, et al) absent actual information	4. Improve communication during times of change (fear of the unknown); dispel rumors/myths	4. New regulatory issues/requirements/decisions
5. Proactive versus reactive approach	5. Trust is sketchy now (EE's versus management)	5. Labor negotiations	5. Activated sludge system is overtaxed
6. Anticipating needs based on knowledge	6. Identity crisis with customers in the service area (Santa effect)	6. Take advantage of new staff ideas/perspectives	6. Land use changes- City of Union City et al
7. Training program(s)	7. Bandwidth (from the top down- all resources)	7. Reach out to customers/stakeholders to rebrand who we are	7. Labor negotiations (impasse or strike potential)
8. Solid financial foundation	8. Uncertain future; EBDA JPA, Plant, WW storage, et al	8. Recommitment to teams/chartering (letting people know)	8. Cost of commodities (power, fuel, chemicals)
9. Good reputation in industry; goodwill and good track record	9. Aging infrastructure	9. Preserving/growing trust w/in the Board (in us; communication to staff)	9. Economic uncertainty (recession predicted)
10. Good relationship with District's Board, regulatory, peer agency, and political entities (Tri-Cities, etc.)	10. Dated and mismatched systems, networks, software, etc.,	10. New stuff- WW storage, energy neutrality, nutrient removal, etc.)	10. War(s)
11. Run lean compared to other agencies	11. Lack of physical space for growth	11. EBDA JPA restructure or change	11. Not staying competitive as an employer/service provider
Compliance record is good	12. Uncertain regulatory environment	12. Growth of the service area and customer base	12. Loss of tenured staff/tacit knowledge
12. Strong customer service focus	13. We get in our own way; getting core business done	13. Expanding services (collections example- COF contract for EC); expanding FTE's on someone else's dime	13. Failure to execute on plans (various reasons)
13. Willing to challenge the status quo; CI approach and willingness to examine past practices	14. Lack of perspective throughout District	14. Exploring alternative revenue sources; based on core competencies	14. Local environment (traffic, water use/scarcity, etc.)
14. Collaborative culture	15. Odor issues still plague us	15. Capitalizing on existing waste stream; reuse sale, etc.	15. Equipment/facility failures
15. Serve as a resource for other agencies; good processes to emulate	16. Public outreach; doing better, but still needs more work	16. Engaging in pilot programs for process/technology, et al	16. Inflation; cost of living (\$ for housing et al increases; EE's cannot remain in area)
16. Very conscious of stakeholder inputs	17. Culture change due to turnover	17. Development of Master Plans	17. Acts of God- earthquakes, sea level rise, sporadic weather patterns (drought followed by heavy rains)
17. Decent approach to sizing solutions based on our unique set up	18. Seismic vulnerabilities	18. Efficiency/CI projects; examples include state vehicle program (looking beyond), WHSE, parts acquisitions, standardization of equipment et al.,	18. Possible building/use on adjacent properties
18. In a stable, relatively affluent area with a well balanced customer base	19. Master Planning efforts/Admin Building replacement	19. Emergency storage in transport system; predictive maintenance, better data and data control	19. Sea level rise
19. Temperament and job satisfaction of staff		20. Document/records management	20. Climate change
20. Conservative organization		21. Local area development	21. Rising interest rates
22. Team culture; working well together		22. Rebranding USD	22. System capacity
23. Good Board of Directors; no dysfunction at this level		23. Ability to lead industry in reuse efforts	23. Competition for staff
24. Management openness/willingness to engage staff		24. Marketing and selling biosolids	24. Public acceptance/perception
25. Award winning District reflects staff pride		25. Increasing biogas production	25. ADU's (in-law) units; if a lot are built
26. Productivity		26. Facility Master Planning (to build a more efficient plant)	
27. "Quiet" company		27. Near shore discharge of effluent	
28. Good relationships with the media		28. Groundwater recharge	
29. Transparency		29. Showcase our process to the world (Afghanistan example)	
30. Good relationships with the Cities we service (and beyond)		30. New funding possibilities	
		31. Partnering with Cities on Outreach (newsletter et al)	
		32. Partnering with Cities on catastrophes/emergencies	
		33. Training or certifications to help others	
		34. New technologies for processing, capturing, reusing biosolids	
		35. Internships- BAYWOR< BACWWE, CVACE, etc.	
		36. Work with community colleges to develop staff	

Legend	
May also be perceived as weakness, or have other negative consequences	May also be perceived as an opportunity
May also be perceived as both Opportunity and Weakness	May also be perceived as a threat
May also be perceived as both Strength and Opportunity	May also be perceived as both Opportunity and Threat

Appendix C- Key Strategic Issues and Strategies

Customer Perspective

- External Customer Service/Relations
 - Additional external web site upgrades
 - Doing business with USD
 - EBDA Joint Powers Authority
 - Transparency
- Internal Customer Service/Relations
 - Internal communication and coordination
 - Employee morale issues (post negotiations)
- Emergency preparedness

Financial perspective

- Balancing affordability of rates with adequate funds for continued provision of service
- Seismic retrofitting versus new treatment plant
 - Funding alternatives
 - Timing
- Unfunded liability
 - Mitigating impacts for sustainability

Internal Process Perspective

- Maintaining compliance
- Addressing new, changing regulations
- Maintaining wet weather capacity
 - Hayward marsh
 - Other viable options
- Asset management
 - CS PM Program
 - Project priorities
 - Condition assessments
 - Master Plans/Studies
 - Transport system and pump stations
 - IT support
- Changing technology
 - Exploring available solutions/interfaces
 - Staying current/with support
- Sustainability: environmental, financial, social (includes green projects)
- Data and records management, analysis (includes document management)
 - Converting data to information

Appendix C- Key Strategic Issues and Strategies

- Document management
- Access vs. security
- QC, reliability

Employee Growth Perspective

- Long-term Staffing (succession planning, training, attracting/retaining employees, leadership development, etc.)
 - Knowledge capture/transfer (including tacit knowledge)
- Balancing employee workloads
- Internal communication and coordination
- Maintaining healthy teams
 - Re-commitment to team concept
 - Collaboration/communication between teams
 - Maintaining positive team culture
- Employee Health & Safety
 - Sustaining and expanding improvements in health & safety programs

External Customer Service/Relations

Strategies:

- Look for ways to make doing business with USD easier: on-line permitting, etc.
- Continue to refine, communicate consistent message through public outreach
- Improve external web site: find out what customers are asking for, use to increase transparency and communicate key messages
- Remain engaged in EBDA JPA group dialog; seek common ground
- Expand transparency initiatives; post and share additional operational and financial information whenever possible

Internal Customer Service/Relations

Appendix C- Key Strategic Issues and Strategies

Strategies:

- Increase management communications to staff (email, Town Hall sessions, etc.)
- Clearly and regularly communicate MOU negotiation issues and status to staff
- Host additional ice-breakers and District-wide events promoting relationship building

Emergency Preparedness

Strategies:

- Schedule drills, training and exercises; continue to track in BSC
- Maintain emergency fund
- Review and clarify role of Emergency Preparedness Committee periodically (verify continued suitability and effectiveness)
- Evaluate a future position for Emergency Response/Haz Mat management
- Perform regular outside assessments of the IT Disaster Recovery Plan
- Complete seismic and conditional assessment of assets
- Improve communications between the plant and pump stations

Balancing affordability of rates with adequate funds for continued provision of service

Strategies:

- Planning: understand and project costs accurately/ensure funding availability
 - Incremental rate increases; avoid spikes
 - Perform scenario based financial modeling analyses to assist with decision-making
 - Communicate options with Board of Directors early and often
 - Utilize financial advisors (potentially) to assist in managing investment portfolio
- Apply for SRF loans when appropriate, focusing on local match option
- Efficiency:
 - Alternative energy
 - Chemical costs
 - Operational processes
- Educate public about value of service
- Prepare for changes in nutrient removal requirements
 - Understand impacts
 - Stay involved in political, regulatory process

Seismic retrofitting versus new treatment plant

Strategies:

Appendix C- Key Strategic Issues and Strategies

- Use all available data to make the best decision
- Map out planned activities
 - Get ahead of timelines for funding
- Verify CIP budget accuracy as new data is received

Unfunded Liability

Strategies:

- Focus on long-term sustainability
 - Pension
 - Medical
 - (Other post-employment benefits) OPEB
- Communicate with staff/ensure understanding of costs
- Engage actuarial service provider to run scenarios comparing trust options

Maintaining Compliance/New Regulations

Strategies:

- Continue to participate in outside groups and committees that give us access to information on new regs
- Create and maintain a list of current regs and requirements and staff responsible for compliance
- Take advantage of training (webinars and in-person)
- Maintain required employee certifications
 - Improve tracking process

Maintaining wet weather capacity, options for disposal

Strategies:

- Continue to evaluate options, including costs
- Continue discussions with partners (SWRCB, EBRPD)
- Have an option in place by end of current Marsh Permit cycle
 - Identify some options that are independent of other agencies
 - Budget funds for options

Asset Management

Strategies:

- Populate Hansen CMMS database
 - Asset Inventory

Appendix C- Key Strategic Issues and Strategies

- Condition assessment (including training and QC)
- Complete risk assessments
- Hire an Asset Manager
- Use data to generate reports, analyses, projections
- Collection System PM Program Assessment
 - Frequency of TV, cleaning
 - Manhole inspection
 - Root control, easement maintenance, corrosion control, grease removal/prevention
 - Appropriate level of QC
- Using condition assessment data to assign risk scores, prioritize projects, analyze data and project needs.

Technology

Strategies:

- Continue to have the ITSC evaluate proposed IT projects and new software
- Continue to evaluate emerging technologies for fit with current systems and available resources
 - Cost effectiveness/ ROI
 - Right-sized for USD
- Continue to keep up with trends in technology with potential benefit to USD
- Assess priorities for funding IT projects and implementing mobile technology

Sustainability- environmental, financial, social (includes green projects)

Strategies:

- Expand scope of Lean & Green task force to include identification of larger environmentally positive projects
- Continue to evaluate alternative energy projects where appropriate
- Re-evaluate opportunities to use recycled water
- Continue to include green requirements in new project work
- Consider additional nutrient removal pilot projects
- Remain engaged/visible in social event and activities
 - Earth Day, Bay Clean up's, etc.

Data/Document Management

Strategies:

- Develop archival standards; move away from microfiche
- Expand records management to include electronic documents
- Improve document management on the Portal; develop standards or alternatives

Appendix C- Key Strategic Issues and Strategies

- Address oversight of Hansen data (security, QC)
- Complete implementation of IT Master Plan components

Long-term Staffing, maintaining a highly competent workforce

Strategies:

- Be the employer of choice
- Implement priority recommendations of the LTS Taskforce
 - Formalize succession planning
 - Employ training/knowledge transfer strategies
 - Focus on tacit knowledge capture/documentation
 - Employ additional technologies to support training
- Management succession planning, transition
- Continue offering and adapting Leadership School to prepare internal candidates
- Maintain collaborative, customer focused culture

Balancing Employee Workloads

Strategies:

- Retain CIP 20-Year Planning cycle
- Adjust work plan every 6 months, considering:
 - CIP Projects Workload
 - Impact on global operations (shut-downs, document changes, training, etc.)
 - Potential of project to reduce workload due to improvements
- Meet with Ops groups to discuss impacts before projects go out to bid
- Incorporate operational impacts into 100% design submittals
- Review all positions periodically and solicit input from staff on workload balancing

Internal communication and coordination

Strategies:

- Explore additional methods of communication with staff
- Continue to ensure the “right people” are in the room for policy, SOP, and project work
- Continue hosting Work Group and “all hand on deck” meetings

Maintaining healthy work teams

Strategies:

- Tie team structure and processes to strategic plan. Include a review in each cycle of strategic planning.
- Initiate discussions on team boundaries and responsibilities (ex: TPO-FMC)
 - Use SLA process to frame conversations

Appendix C- Key Strategic Issues and Strategies

- Evaluate effectiveness of team chartering
 - Periodically start from scratch
 - Use an outside facilitator
 - Identify what's working/what needs improvement (strengths/ weaknesses)
 - Address team specific issues
 - Discuss with Coaches at Sept Management Meeting

Employee Health & Safety

Strategies:

- Sustain improvements made to date
- Continue to improve safety record and processes
- Sustain changing culture
- Foster employee ownership of the safety program
 - Team safety strategies
 - Input into SOPs, equipment, etc.
 - Involvement of EHSPM at team level
 - Recognition
 - Identification of best practices industry trends
 - Visits to other agencies and organizations we can learn from
- Continue to hold employees accountable for violations of policy
- Continue to demonstrate commitment to safety and operational training
- Streamline paperwork and improve reporting for accidents/incidents

Appendix D

Union Sanitary District

Safety Strategy for FY2019

The following is a description of the key elements in the Districts Safety Strategy for Fiscal Year 2019.

Worksite Inspection Program. This program provides for coaches and managers to make visits to their employees work sites for observing work practices relative to safety. It promotes more frequent contact between management and employees specifically related to safety. During inspections, coaches and managers identify good safety practices observed and areas for improvement by engaging employees in discussions at their work sites. The Environmental Health and Safety Program Manager (EHSPM) will accompany those performing the inspections at least once per quarter. Each manager will evaluate whether it is appropriate to reduce the total number of inspections in their work group or teams for the new fiscal year, after which the Executive Team will set targets for the number of inspections to be conducted.

District Facilities Inspection Program. The Safety Inspection Team (SIT) is composed of members of the Districts Safety Committee. Each quarter, the SIT selects one physical area of the District (Collections Services, Treatment Plant, Shops, Pump Stations, or Office Buildings and Grounds) for an inspection. A list of safety deficiencies is developed, corrective action determined, and work is performed over the next 45-day period to complete all action items. Coaches are responsible for ensuring items in their team's jurisdiction are properly addressed. Training will be provided to Safety Committee members annually.

Training. The District will continue to emphasize safety in all elements of training. Continue with new employee orientation safety training and refresher training per the 5-year training plan. For FY19, Confined Space Entry, Excavation Safety, Construction Flagging, Blood Borne Pathogens, Ergonomics, CPR/First Aid and Defensive Driving will be emphasized, and accident investigation training will be provided as needed.

Communication and Recognition. This strategy is meant to ensure employees receive important information about the District safety program and have discussions on avoiding accidents and injuries. The General Manager and Work Group Managers will address safety on a regular basis through meetings and electronic communications.

The new Safety Recognition Program will be evaluated during FY19 to assess effectiveness of new District-wide, team, and individual recognition components. Evaluate new options for identifying employees with multiple years without an accident and display the total number of days without an OSHA Reportable accident or injury District-wide.

Learning from Successful Programs. USD staff, including Managers, Coaches, the EHSPM, Employees and Union Leadership will identify other agencies, including private industries such as refineries, which have successful safety programs. Arrangements will be made to visit those locations and discuss elements that contribute to their success. The group visiting those sites will develop recommendations for changes, if appropriate, in USD's Safety Best Practices to present to the Safety Committee and Executive Team. For FY19, two site visits will be conducted. In lieu of visits to discuss safety programs in general, arrangements may be made to observe other agencies field operations, such as traffic set-up, confined space entry, or fall protection.

Team Safety Strategies. Teams will review the safety strategies from FY14 and any new accidents or near misses that occurred in the prior year. Strategies will be modified to address any new areas of concern. The continuing purpose of the team safety strategies will be to promote increased awareness of safety in day to day activities at the District. Safety strategies may include joint team meetings between different work groups to discuss how the teams interact or how they address similar safety issues. (Applies to both operations and admin teams). This can be done with 3-4 members of one team meeting with 3-4 members of another team and reporting the results to the entire team.

Working with Contractors. In working with outside construction contractors, the responsible USD employees will:

- Ensure employees are aware of potential hazards associated with the projects on USD property
- Confirm that contractors have prepared appropriate site safety programs
- Ensure that contractors are made aware of hazards associated with USD facilities.

For FY19, this will include selected small contractors performing services at USD including the landscaping contractor, window washing contractor and others selected by the EHSPM.

Debriefing Major Events. Upon conclusion of project events or high-risk operations involving multiple teams or contractors, which includes a significant safety element, a debrief will be conducted. The EHSPM will facilitate the debrief and discuss what went well, what could be improved, lessons learned for future operations, and comments from individuals involved. The EHSPM will chose which events are debriefed or employees may suggest specific events that they feel warrant discussion.

Safety Audit. USD's insurance carrier, CSRMA, will conduct a survey and audit of USD's safety program and make recommendations for improvements. This information will be shared with the Executive Team and the Safety Committee.

Ongoing Elements. In addition to the above elements, the District will continue to conduct monthly Safety Committee meetings. Safety Star Points representing each team will attend the Safety Committee and be the point person for safety communication on their team. The District Safety Scorecard will continue to be used as the Strategic Plan for safety and will include safety performance measures. The Scorecard will be reviewed at least quarterly by the Executive Team and the Board of Directors. Teams will continue to use safety checklists.

Appendix E: Union Sanitary District
Table of Operational Objectives, Measures, and Initiatives

	Objectives	Measures	Targets	Activities/Initiatives
Customers	<p><u>Service:</u></p> <p>Provide reliable high-quality service</p> <ul style="list-style-type: none"> ○ Customers can easily contact the District and be connected to the person or service they need in a timely manner ○ Services are provided in manner that meets all regulatory requirements and minimizes adverse impacts of our activities on customers <p>Be prepared for emergencies</p> <ul style="list-style-type: none"> ○ Equipment and processes are in place and tested and employees are prepared to respond to emergencies. ○ We are prepared to activate and operate the Emergency Operations Center (EOC). 	<p>Response time to call-outs</p> <p>Response time to “Contact USD” email inquiries</p> <p># adverse impacts on customers (includes all claims filed)</p> <p># USD or local drills, training events, and/or debriefs</p>	<p>≥90% within 1 hour</p> <p>≥90%</p> <p>≤10 per yr.</p> <p>3 per yr.</p>	<p>Enhanced communication with and responsiveness to customers:</p> <p style="text-align: center;">External web site (ongoing)</p> <p>Odor control project/study</p>
	<p><u>Stewardship:</u></p> <p>Demonstrate responsible stewardship of District assets and the environment</p> <ul style="list-style-type: none"> ○ Assets are maintained in a manner that provides adequate capacity, prevents failures and minimizes disruption to service. ○ USD’s outreach/education activities deliver a consistent, positive message (branding) and targets the message to the audience ○ Outreach activities differentiate USD from other government agencies and emphasize our role in environmental & health protection ○ We conserve natural resources and protect the environmental (see Environmental Protection objective) 	<p># critical asset failures- both with and without impacts (2 measures)</p> <p># priority CIP project milestones completed vs. planned</p> <p>Progress implementing outreach program- % planned outreach activities completed</p>	<p>≤2 per yr., none with negative impact on customers or the environment</p> <p>85% CIP milestones completed as planned</p> <p>≥90% completed</p>	<p>Coordinated strategic outreach program</p>

Appendix E: Union Sanitary District
Table of Operational Objectives, Measures, and Initiatives

	Objectives	Measures	Targets	Activities/Initiatives
Internal Business Processes	<p>Asset Management: Manage and maintain assets and infrastructure Some of the ways we measure:</p> <ul style="list-style-type: none"> ○ Master Plans are developed to project future needs and avoid cost spikes ○ Assets are maintained in a manner that provides adequate capacity, prevents failures and minimizes disruption to service. ○ We understand the condition and value of District assets and optimize life-cycle costs of maintenance and replacement. 	<p># critical asset failures</p> <p># priority CIP projects completed</p> <p>% asset renewal/year (Collections and Plant measures)</p>	<p>≤2 per yr., none with negative impact on customers or the environment</p> <p>85%</p> <p>Track & Report</p>	<ul style="list-style-type: none"> ● IT Master Plan ● Network Master Plan ● Irvington Basin Master Plan ● Pump / Lift Station Master Plan ● Evaluation of CMMS ● Hansen asset hierarchy implementation ● Classify new assets ● Updating, control and red-lining of schematics, drawings, etc. ● Review of process for obtaining accurate as-built drawings for new projects

Appendix E: Union Sanitary District
Table of Operational Objectives, Measures, and Initiatives

	Objectives	Measures	Targets	Activities/Initiatives
	<p>Efficiency:</p> <p>Optimize processes</p> <p>Some of the ways we measure:</p> <ul style="list-style-type: none"> ○ Processes are regularly evaluated and improved to reduce cost while maintaining or enhancing level of service. <p>Use technology effectively</p> <ul style="list-style-type: none"> ○ Technology and computer automation are used appropriately to control costs while maintaining or enhancing level of service. ○ Communication technology (GIS, mobile) is used appropriately to control costs while maintaining or enhancing level of service. 	<p>New: # processes evaluated</p> <p>Process specific measures TBD</p> <p>Also see Team and Process scorecards</p> <p>See measures on the IT Team scorecard</p>		<p>Benchmarking level of service and best practices with other agencies, where reliable data is available</p> <p>Enterprise Content Management (document/data control) exploring alternatives to Portal and other systems</p> <p>Collection Systems preventive maintenance program review</p> <p>Study on optimizing existing tankage for capacity</p>

Appendix E: Union Sanitary District
Table of Operational Objectives, Measures, and Initiatives

	Objectives	Measures	Targets	Activities/Initiatives
Internal business Processes	<p><u>Environmental Protection:</u> Maintain our ability to meet current and future regulations Some of the ways we measure:</p> <ul style="list-style-type: none"> ○ We are 100% compliant with permit and other regulatory requirements ○ Wet weather capacity is adequate to meet demand ○ We are aware of and prepared for developments with new regulations & emerging pollutants ○ Our ability to meet current and future regulations is enhanced by participation in regional projects and committees. <p>Implement projects and programs that benefit the environment Some of the ways we measure</p> <ul style="list-style-type: none"> ○ We conserve natural resources and reduce wastes and pollutants. ○ Adverse environmental impacts are measurably reduced. 	<p># adverse impacts on the environment</p> <p>New: # regional projects/ initiatives with environmental benefit to District</p>	<p>Cat 2/3 SSOs: ≤10 All others: 0</p> <p>Minimum of 3</p>	<ul style="list-style-type: none"> • Permit renewals: <ul style="list-style-type: none"> ○ Wet Weather ○ Plant ○ Hayward Marsh • Equalization study • Land acquisition where appropriate • Coordination of regulatory compliance • Participation in regional groups • AB 32-carbon footprint reporting • Recycled water study • Lean & Green Taskforce • “Green” projects: fuel cells; solar panel; Fleet retrofit; biodiesel • Certification of underground tank for biodiesel storage
	<p><u>Planning:</u> Plan for long-term needs: Financial, Project, Staffing Some of the ways we measure:</p> <ul style="list-style-type: none"> ○ The strategic plan is developed and implemented. ○ Master Plans are developed to project future needs and avoid cost spikes ○ Future workforce needs are met through long-term staffing and succession planning. 	<p>Progress developing plans will be tracked on Timeline</p>		<p>Strategic Planning Master Plans Leadership succession planning 2019 (projected) LTS Study</p>

Appendix E: Union Sanitary District
Table of Operational Objectives, Measures, and Initiatives

	Objectives	Measures	Targets	Activities/Initiatives
Employee Growth & Development	<p><u>Employees:</u> Maintain a highly competent, flexible workforce Some of the ways we measure:</p> <ul style="list-style-type: none"> ○ Hiring practices are designed to grow-our-own; hire for abilities and train for skill ○ Hiring, promotion and training processes are aligned with the competency-based model ○ Long-term staffing (LTS) recommendations for knowledge capture and transfer are implemented ○ Job knowledge is captured and transferred ○ Employees are increasingly competent to do their job and to train others ○ Employees include financial and ethical considerations when making decisions. 	<p># Training Modules developed vs. planned</p> <p># Assessments completed</p>	<p>8</p> <p>65</p>	<p>Design of processes to attract and retain effective employees and Integrate competencies</p> <p>Effective management of new hires</p> <p>LTS knowledge capture and transfer, Cross Training Projects</p> <p>Training module development; Assessments (Operational teams) Train-the Trainer sessions</p> <p>Investigation of apprenticeship programs for operator, mechanics, electricians</p> <p>Finance/budget education</p> <p>Annual Star Point Orientations</p>
	<p><u>Labor Relations:</u> Foster a collaborative Employee-Management relationship that encourages new ideas and continuous improvement Some of the ways we measure:</p> <ul style="list-style-type: none"> ○ Employee input is solicited and utilized. ○ Employee are involved in projects, committees and taskforces ○ Union –Management issues are collaboratively addressed through JLMC and during MOU negotiations ○ Employees are recognized for their contributions 	<p>New: #/% employees participating in District committees or taskforces</p> <p>New: #/% employees participating in alternate compensation</p>	<p>45-55%</p> <p>Track & Report (if program is retained)</p>	<p>Problem-solving/ interest-based training</p> <p>Salary survey MOU Negotiations</p>

Appendix F- Strategic Initiatives w/Timeline

Perspective	Sub-Category	Project Name	Ranking (Priority)	Description	Work Group(s)	Owner(s)	Planned Start Date	Expected End Date
Customer Service	Service	CS Lateral Outreach	Low	Educational piece (video) to share related to trouble calls; outreach related (brochures to direct to website and link on website)	CS	James	3/1/2018	3/1/2019
Customer Service	Service	Forcemain Relocation	Medium	Service arrangement to enable Developer project (William Lyon Homes) to relocate a section of our forcemain to facilitate a development. Side benefit to negotiation is the developer has assumed responsibility for the demolition of the old Newark treatment plant.	TSCS, FMC	Sami, Robert	9/1/2017	10/15/2019
Customer Service	Employee Growth	GM Presentation for Staff	Business Necessity	Annual or Bi-Annual "State of the District" communication by GM to all staff	GM	Paul	3/1/2018	9/1/2018
Customer Service	Service	Rebranding Initiative	High	Cross-functional effort to explore options for rebranding and updating the District's public image and logo; Kick off meeting and Committee selected	GM	Paul, BOD	3/1/2018	3/1/2020
Customer Service	Service	Odor Study	High	Ongoing; Comprehensive odor study in plant and throughout the USD service area (collection system) to determine types and intensity of odors potentially impacting the public; late summer 2018 report due from CH2M Hill	T&D, TSCS	Armando, Sami	1/1/2017	12/1/2018

Financial	Fiscal Responsibility	EBDA JPA Renewal	High	Involvement in ongoing negotiations related to USD inclusion in and share of the EBDA system capacity and related services/responsibilities	GM	Paul, BOD	1/1/2017	12/1/2019
Financial	Planning	Plant Master Plan	High	New plant versus rehab; based on financial modeling; inputs from many sources (Solids capacity etc.	All	ET (Paul or Sami contact)	7/1/2016	12/30/2018
Internal Process	Asset Management	Back-Up Power Generation	High	Design phase (B&C); pre-design completed; late winter design then out to bid for construction (contingent on permits); build may start 2019	TSCS, T&D, FMC	Sami, Armando, Robert	2/1/2018	6/30/2021
Internal Process	Service	Evaluation of Lab Certification (TNI)	Business Necessity	Gap analysis, determination to proceed with certification; activities for conformance to standard identified and implemented, certification by third party registrar, if we move forward	T&D	Armando	9/1/2018	6/1/2019
Internal Process	Planning	IT Master Plan (update)	Business Necessity	Complete update of plan; technology moves rapidly		Robert	FY 19	12 months
Internal Process	Efficiency	Document & Records Management System	Business Necessity	Reassemble a cross-functional TF to review options for this important function; research and propose viable solutions to management for budgeting, acquisition, implementation and training	GM, FMC	Paul, Regina M., Robert	4/1/2017	TBD

Internal Process	Capacity	Digester 7	Business Necessity	Design phase (B&C); pre-design completed; late summer design then out to bid for construction (contingent on permits); build may start 2019	TSCS, T&D	Sami, Armando	2/1/2018	12/30/2020
Internal Process	Asset Management	Forcemain Location Strategy	Medium	Where are they? USA Markings et al; ongoing; should be completed by late summer	CS, TSCS, FMC	James, Sami, Robert	9/1/2017	10/1/2018
Internal Process	Asset Management	Forcemain Corrosion Repair	Medium	Let's fix it; Phase 1 complete (East side North of Newark); Phase II is West side North of Newark ;	TSCS, FMC	Sami, Robert	3/1/2016	6/1/2021
Internal Process	Asset Management	Forcemain Condition Assessment	Low	To perform destructive testing on relocated sections ; also other work spanning relocation area	TSCS	Sami	3/1/2016	6/1/2021
Internal Process	Environmental	Operating Permits	Business Necessity	NPDES (3) plus BAAQMD and Watershed (multiple-Nutrient, Mercury and PCB)	T&D	Armando	Varies	Varies
Internal Process	Environmental	Wet Weather Effluent Management	High	Future of Hayward Marsh, equalization, et al	GM, TSCS, T&D	Paul, Sami, Armando	7/1/2016	12/30/2018

Internal Process	Asset Management	IT Disaster Plan Assessment	Business Necessity	Needs definition; Robert to get more info; recovery plan is completed; need to look at rebalancing physical components	FMC	Robert	TBD	12 months
Internal Process	Efficiency	CS PM Schedule Review	Low	TF evaluating West Yost study recommendations to determine if we can modify our existing business practices and still maintain acceptable risk	CS	James	Feb-18	24-36 months
Internal Process	Efficiency	Mobile Technologies	Low	Phase II still needs to be implemented (EC, CST, other field inspectors); likely still only tablets involved	FMC	Robert	7/1/2018	7/2/2019
Internal Process	Asset Management	Hansen PM Project	Low	Ongoing; matching O&M's with tasks and ensuring serial and model #'s are accurate in Hansen	FMC	Robert	3/1/2018	3/1/2020
Internal Process	Planning	Newark Basin Master Plan	Medium	Condition assessment in FY18 and capacity assessment in FY19	TSCS	Sami	7/1/2017	6/1/2019
Internal Process	Asset Management	Plant Condition Assessment	Medium	Determining the overall condition of treatment plant infrastructure and assets; CIP study	TSCS,T&D, FMC	Sami, Armando, Robert	7/1/2017	6/30/2018
Internal Process	Capacity	Plant Solids Capacity Study	High	Ongoing, study almost completed; results will feed into many other initiatives (interim RAS control, aeration system rehab- both near term and long-term)	TSCS, T&D	Sami, Armando	7/1/2016	6/30/2018
Safety/Employee Growth	Emergency Response	Emergency Preparedness	Business Necessity	Establish a continuing and robust schedule for ER training and related activities to promote awareness, including quarterly activities	BS	Gene	6/6/2016	

Safety/Employee Growth	Stewardship	Regional Workforce Development	Low	Collaboration with various external entities and development of internship programs and other conduits for trained and skilled staff for succession planning and future District needs	BS, T&D	Gene, Laurie, Armando		
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