
Olivehurst Public Utility District FIVE YEAR 2018-23 STRATEGIC PLAN

Approved September 20, 2018





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Introduction

A Strategic Plan is a top-level planning document for an organization to set clear direction over all operational aspects of its mission. It serves as a framework for decision making over a five-year period. It is a disciplined effort to produce fundamental decisions that shape what a District plans to accomplish by selecting a rational and balanced course of action. A public agency, like the Olivehurst Public Utility District also benefits from setting clear direction. The District's Mission, Vision and Strategic Focus set the overall structure of this Strategic Plan. The foundational elements of this strategic plan were developed by the Board in workshop settings. Within the framework of that structure and the business environment, strategic focus and goals were developed to sustain and improve the District over the next five years. At its highest level, this Strategic Plan seeks to strengthen and build upon opportunities while addressing areas of concern all aimed toward forecasting an optimized future condition.

This plan also identifies actions, activities, and planning efforts that are currently underway which are needed for continued success in operations and management of the District, and provides for periodic reviews and updates.

Strategic Planning Definitions

Mission Statement: A declaration of the District's purpose which succinctly describes why the District exists. All activities of the District should be in support of the Mission Statement. The District's Mission statement also reflects the values to which the District Board is dedicated. The Board of Directors adopts the Mission Statement. The Mission Statement is reviewed bi-annually but is generally constant over the long term.

Vision: The Board of Directors adopts the Vision sheeted and organized in the form of Focus Areas. The Vision will be reviewed bi-annually and will typically change more frequently than the Mission Statement to reflect the direction the Board wants to take the District over the five-year time horizon of the Strategic Plan.

Strategic Focus Areas: The broad and primary areas of District operations, planning, and management that are addressed and supported by the Strategic Plan goals. These essentially serve as the outline and organization of the Strategic Plan. The Board of Directors adopts the Strategic Elements. The Strategic Elements are reviewed annually but are intended, absent major new issues to be faced, to be relatively constant over the life of the five-year Strategic Plan.

Focus Area Objective/Strategy statement: A concise statement associated with each Strategic Element that describes what the Objective for that Element is and how it will be achieved.

Strategic Focus Goals: The goal statement is supported by a narrative that more fully explains the nature of the goal and the issues that the goal intends to address. The Strategic Goals are prepared by District staff and accepted by the Board. The Strategic Goals may change from year-to-year when the annual assessment is made of the progress on each Strategic Element. The Strategic goals define the line between policy (Board responsibility) and implementation (staff responsibility) and as such are a collaborative effort of both the Board and staff.

Strategic Plan Development

In FYE 2017 the District retained the services of BHI Management Consulting (BHI) to facilitate and coordinate the development of the District's five-year Strategic Plan. BHI first gathered input from the District Board members, staff and employees in a number of meetings to allow direct and "ground level" input to the Board during deliberations in a number of planning workshops. The following topics were discussed at all of the input gathering meetings:

- Mission
- Vision
- Core Values
- Strengths
- Weaknesses
- Opportunities
- Threats

The Board supported this process as a way to allow all to participate in the foundation of the Strategic Plan. The Board workshop was conducted in February of 2018. At this workshop the Board reviewed all input, considered the strengths, weaknesses, opportunities and threats to the District, revisited the existing Mission statement of the District and discussed focus areas

for the District. The Board identified six strategic focus areas around and within which to organize implementation actions that will support the Mission and assure success of District Vision.

Key members of District staff, worked with BHI to develop the Focus Areas objective with strategy statements, actions and initiatives that support each element. Using this process, this Strategic Plan was assembled in a way that provides assurance of success for the Board's Vision and Strategy for the District over the next five years.

The implementation of the strategic focus areas having been proposed by staff was then checked with the Board to serve as a check to assure that implementation properly addressed the Vision of the Board. Formal Board adoption of the Plan occurred on September 20, 2018.

Maintenance of the Plan

A key part of the Strategic Planning process is to conduct a bi-annual reviews to update and manage the Plan. These reviews allow for regular maintenance of the Plan so it reflects the actual progress and conditional needs of the District. The reviews will be documented and followed up with either a Plan supplement or an updated Plan. A five-year planning horizon will be maintained with each review effort developing a new fifth year of actions, projects and initiatives.

Mission Statement and Vision Focus Areas

District Mission Statement and Strategic Focus Areas

Our Mission is to provide superior, environmentally sensitive services to responsibly enhance our community.

(Water – Wastewater - Fire Protection – Parks and Recreation – Streetlights)

District Strategic Focus Areas

Strategic Focus Areas represent the vital areas of the District's operation and management that must be addressed in the strategic plan. They are created by the Board of Directors and link the implementation work to the Mission and Vision. Strategic elements are derived from the foundational Mission and Vision statements of the District. They are linked to action and results through the Strategic Goals written in each area and the Strategic Work Plan. Within the five-year period covered by this Strategic Plan, these areas assure that all aspects of District operations are well supported; moving forward in a way that reflects Board priorities and creates balanced implementation. The Strategic Work Plan which contains the supportive actions and initiatives organized and prioritized by year within the planning period, is presented along with each Strategic Goal and is also consolidated in tabular form in Table 1 - Strategic Plan "At-a-Glance" (pg. xx). Business Plans and employee goals can be derived from these and are not a part of the Strategic Plan, but tactical; these are developed on a one to two year timeframe with tasks, and are handled within the management structure of the District.

In 5 years we must deal with the following strategic focus areas...

The Strategic Focus Areas are:

- 1.0 OPUD Growth
- 2.0 Positive Public Image
- 3.0 Recreation and Parks
- 4.0 Sustainable Long-Term Fire Protection
- 5.0 Fully Depreciated District Facilities
- 6.0 Organizational Stability

Strategic Focus #1 - OPUD Growth

OPUD growth can come in many ways: District boundaries; population; infrastructure and services to name a few. Growth can also come in the areas of residential, commercial and industrial. With purposeful growth comes operational and economic efficiency and the OPUD Board and staff are committed to the watchful stewardship of our ratepayer and taxpayer's money.

1.1 Streamlining Permit and Inspection Procedures

By lessening the burden of OPUD permit applications, plan review, plan comments and inspections we can encourage builders, whether residential, commercial or industrial, to come to our community and settle here.

We will review our procedures, compare them to other local agencies procedures and streamline the process where necessary. An annual review of the procedures should be undertaken to be certain the procedures are up to date and as streamline as possible.

Proposed Completion: 03/2019

1.2 Being 'Developer Friendly' Without Compromising District Standards

Aid to developers such as fee deferral, responsiveness to requests and quick turn-around of OPUD permit applications promotes goodwill towards developers, encouraging development within the District.

We will assess permit applications, perform infrastructure inspection and strive to process requests quickly and to keep the Board informed of methods within their disposal to aid in promoting development. We will strive to keep our development meetings short and focused to produce results.

Proposed Completion: This will begin in 2019/20 and be refined throughout the life of this plan.

1.3 Reducing Homeowner Fees When Possible

Developers generally pass along Mello-Roos type fees to homeowners which cuts into their profit in order to sell the homes at competitive prices. Additionally, homeowners doing due diligence look at

and compare these fees between developments and tend to select homes with fewer and/or lower fees.

The District can help control and reduce some of these fees through bond refinance and reduction of park maintenance fee amounts, to name a couple methods. The District will endeavor to look at these fees at least annually to seek out ways to reduce them when possible.

Proposed Completion: Annually

1.4 Seeking Grants For Infrastructure

OPUD has areas currently within its Sphere of Influence (SOI) which are slated for commercial and industrial growth but lack water and wastewater infrastructure. This action focuses on commercial and industrial areas but can also apply to residential areas as well. Additionally, improvement to or addition of infrastructure in residential areas can promote growth as well. There is grant money available for various types of projects at federal and state levels.

We will seek new grant opportunities where available and continue to work through existing grant opportunities toward the desired outcome. Some grants do require some level of matching funds so together with funds from our Capital Improvement Plan we can tackle many projects in this manner.

Proposed Completion: Ongoing, with quarterly committee and Board updates as to progress

1.5 Partnering With Other Agencies

Partnering is likely the most important action item in supporting OPUD growth and will provide the largest benefit. Whether working with the County to streamline the permit and development process or working with Yuba Sutter Economic Development Corporation (EDC) to locate and secure grants there are great benefits to working as one big team.

We will establish quarterly or monthly, if warranted, meetings with the County, Yuba Sutter EDC and other pertinent local agencies to brainstorm and promote District growth. We will also provide regular updates to the OPUD Board regarding progress.

Proposed Completion: Ongoing, with quarterly committee and Board updates as to progress

Strategic Focus Area #2 - Positive Public Interface

There are many ways in which OPUD can improve its relationship with the community it serves, such as enhancing communication strategies for non-English speaking customers, better communicating with customers that aren't homeowners, and developing better brand visibility. OPUD is committed to building a strong relationship with its community by recognizing the community's needs and adapting accordingly.

2.1 Enhancing Communication Strategies with Non-English Speakers

OPUD serves an area that has a large minority population, many of which don't feel comfortable coming to discuss their issues. By better communicating with members of the community that don't speak English as a first language, OPUD can address issues that may otherwise go unnoticed. This can build trust within a minority population, leading to a better relationship with the community as a whole.

We are currently working with a consultant that specializes in minority outreach. With their input in mind, we will review our current communication strategies and compare them with other agencies that also serve a large minority population. This will ensure that OPUD is serving its entire community at the highest standard.

Proposed Completion: 01/2019

2.2 Informing/Educating the Community about Water

Informing/Educating the community can help build a positive relationship in many ways. Studies in the community have shown some customers don't trust the quality of the water enough to drink it. By

informing/educating the public on the process water takes to get to their home, we reassure our customers that our water is of high quality and adheres to all regulatory guidelines. Other education efforts can focus on water conservation, and its importance to our region.

We will review and update any existing educational material and look into developing new programs, and partner with other local agencies to determine the best methods of outreach.

We will establish a water conservation program, and already have an employee working towards a Water Use Efficiency Practitioner License. We will use space that is available to us to inform/educate the community on these topics. This will include the water and wastewater treatment plants, where tours will be given to the public when time permits.

Proposed Completion: Establish Water Conservation Program by 2020, multiple ongoing projects.

2.3 Improved Brand Visibility

OPUD is the only water purveyor in its service area. However, customers are often unsure who provides their water and therefore don't know with whom to discuss problems. This is especially true in the minority population. By making our customers more aware of our "brand", we build relationships and trust with our users.

Documents that are regularly sent out will be reviewed to ensure clarity on which we are. Promotions such as OPUD branded water bottles are a cheap but effective way to advertise the agency. During the summer, the OPUD pool sees a large number of customers and provides a great place to advertise ongoing efforts. In conjunction with education efforts listed above, OPUD will make itself more known within the community.

Proposed Completion: Advertising Campaign by the end of 2019, multiple ongoing projects.

2.4 Public Information and Customer Service

Customer service is one of the most important aspects of any agency. We are always working on

improving customer service. Enhanced customer service should help give OPUD a more positive image in the community.

This includes a much needed remodel of the Business Office where we will open up a second customer window and lower the counter so that customers can sit while working with staff to establish a new service, pay a bill, change their mailing address, etc.

We have expanded the use of customer communication platforms such as the OPUD website, OPUD Facebook page, and the information window in the OPUD bills. One of our goals is to provide interactive forms on our website, so that customers can fill them out and send them directly to staff. Another goal is for customers to be able to view and pay their bills on line. Continuous use of these multi-faceted forms of communication gives us the opportunity to reach more of our customer base and receive early feedback on upcoming changes or events.

Proposed Completion: 01/2020

Strategic Focus Area #3 - Recreation and Parks

Our parks and recreational facilities are a valued community asset but tend to be underutilized in some areas. Our goal is to leverage the parks and recreational facilities we have to realize the maximum benefit to the community.

3.1 Partnerships and Sponsorships

Partnerships, such as with Yuba First 5 and Yuba County Health and Human Services for example, help to provide funding for irreplaceable recreation opportunities within the community. The OPUD aquatics program is a great example for how partnerships can benefit the community. Sponsorships can also play a large role in developing new and existing recreational opportunities.

We will continue to seek partnerships with other local agencies, community organizations and community members to develop and enhance our parks and recreational facilities and programs. We will identify needs for sponsorship within the community and provide all the support within our ability.

Proposed Completion: Ongoing

3.2 Capital Investment in Our Parks and Recreational Facilities

As times change so do the types recreational activities the community is interested in, as well as regulations that govern parks and recreational facility safety. To keep up with the times we must make capital improvements to our parks and recreational facilities. Our parks and recreational facilities must be both safe and appealing to the community to draw them in and promote maximum use.

We will endeavor to keep up-to-date on safety improvements and innovative new types of equipment and facilities to keep the community interested in our parks and recreational facilities. We will intelligently work with staff and our parks consultants to provide the most efficient use of capital funding for our parks and facilities to meet our goals. Additionally, we will continue to seek grants to construct, update and modernize our parks and recreational facilities.

Proposed Completion: Ongoing, with quarterly committee and Board updates as to progress

3.3 Continue High Level of Maintenance

Currently, our parks and recreational facilities are among the best maintained in the area. In order to realize the maximum benefit of these facilities we must continue to maintain them at the level we are currently or higher.

We will continue to seek improved methods to more efficiently maintain our parks and recreational facilities so that we maintain the current, and possibly increase, the level of service. We must continue to annex new subdivisions into our parks maintenance CFD where appropriate. We will continue to evaluate various methods such as outsourcing parts of our maintenance to maintain the parks at or above our current service level.

Proposed Completion: Ongoing

3.4 Implementation of Community Park Feasibility Study Recommendations

We are near the end of the process for conducting a feasibility study relating to our 25-acre community park in Plumas Lake. The study focuses on what type of recreational improvements we can make at the park site after the required infrastructure improvements are made based on the current amount of funding for the park available. Infrastructure improvements include entrances/exits to the site for safe egress, County frontage improvements like sidewalks and curb/gutter, drainage and utility. After all of these requirements are fulfilled, how much funding will we have currently to make any recreational improvements? The OPUD Parks Master Plan estimated cost for the community park is based on roughly 14,000 homes when currently we only have about 2200 in the area and only a small portion of the funding for the complete park.

We will continue to work with our parks consultant and the community to determine the most efficient route to take in providing some recreational benefit at the community park site. To make sure and realize the maximum benefit for recreational improvement at the community park site it is important to involve the community. A community workshop in the early stages will provide the citizens a voice and buy in to any recreational improvements we can fund.

Proposed Completion: 01/2020

Strategic Focus Area #4 - Sustainable Long-Term Fire Protection

Olivehurst Fire Department has struggled over the past decade to provide a high level of service that the community desires. Over the past few years we have operated on federal Safer grants but these are not sustainable long-term. Additionally, we have asked the community for additional funding, by assessment, which was voted down. In order to provide full-time fire service in Olivehurst we must find a sustainable funding source for our fire department. Following are some ideas with action plans for providing sustainable funding for the department. It is possible that every idea and action plan may not yield the results we are seeking but this is a complex issue that requires out-of-the-box thinking and exploration of every idea.

4.1 Working with Other Local Agencies

Working with other local agencies such as the County to either provide some funding from projected taxes collected for safety or perhaps a renegotiation of property tax revenue would be examples of this action plan.

We will contact other local agencies to discuss various alternatives available. It may also help to form committees containing OPUD Board members to meet with the other agencies. We will start with a target budget for full-time operation of the department so that all involved in the discussions have a clear understanding of our funding shortfall.

Proposed Completion: Ongoing

4.2 Consolidation

Consolidation of the local area fire departments (Olivehurst, Linda and Wheatland, for example) has been discussed and studied exhaustively over the past decade. All discussions and studies indicate that it makes sense to consolidate for many reasons. It is more operationally efficient and saves the taxpayers money due to economy of scale, it would standardize the service levels within the area, it would help financially struggling departments and larger organizations have a more potent bargaining power when it comes to new laws and regulations.

Talks have already begun between Olivehurst and Linda Fire and we have had preliminary talks with Wheatland regarding consolidation. So far, all parties are interested and see the benefits. We propose to continue the talks via ad-hoc committee(s) and to bring updates to the Board as necessary. Additionally, EDC has informed us that there may be grant funding for any studies required related to the consolidation.

Proposed Completion: 12/2020

4.3 New Customers

New customers could include commercial, industrial and even residential. Serving more facilities and residents can have some of the same effects as consolidation in that it would increase operational efficiency due to economy of scale and help our financially struggling department. The MOU between OPUD and the Enterprise Rancheria for services at the Fire Mountain Casino is a good example of this idea.

We will continue to work with developers, other local agencies and community members to promote the department's abilities and do what we can to streamline the process for locating new commercial, industrial and residential development in the Olivehurst Fire Department service area. This idea ties in well with the OPUD growth goal and whether working with the County to streamline the permit and development process or working with Yuba Sutter Economic Development Corporation (EDC) to locate and secure grants there are great benefits to working as one big team.

Proposed Completion: Ongoing

4.4 Recoup Medical Call Charges

This would be a possible method for sustainable funding related to charging for medical emergency calls since the vast majority of calls for the department fall under this category. Many local fire departments are currently charging these fees which are typically billed to insurance companies. By California statute, municipalities are allowed to recover costs incurred by responding to emergencies.

We will identify and contact consultants who specialize in assisting municipalities in the setup and administration of these fees. Additionally, we will contact and visit local departments that currently have this type of fee in place. We will seek input from other local agencies and the community.

Proposed Completion: 12/2021

4.5 Special Tax

A special tax could provide sustainable funding for years to come. A special tax is added to the ballot for an election year and must receive 2/3 or 67% support to pass. Although assessments only requiring 51% support to pass have failed in the past a special tax ballot measure focusing only on the Olivehurst Fire Department may be different.

We will identify and contact consultants who specialize in the preparation and strategizing of special fire taxes. Together with some of the other ideas we could propose a special tax that is minimal and show the community that it makes sense. It is possible we could find a consultant who would work for a minimal or no fee unless the measure passes based on their previous success.

Proposed Completion: 12/2022

Strategic Focus Area #5 - Fully Depreciated District Facilities

Capital assets and infrastructure ensure delivery of quality services to the District's customers. To ensure the same level of service quality, the District needs to plan for replacement and maintenance of these assets. Planning efforts should include measures to increase revenues and available funding for the replacement of depreciated assets and infrastructure, and provide for expenses, which keep assets operational such as major repairs and overhauls.

5.1 Rates that Reflect the Cost of Use and Replacement of Capital Assets

The rates charged to customers need to cover the cost of use and replacement of capital assets and infrastructure, in addition to the operational costs of providing services. Regular rate reviews and adjustable rates allow the District to evaluate if current funding levels meet anticipated needs and make adjustments.

Proposed Completion: Review allowance for capital replacement reserve during the next rate review in 2021, and review rates annually for inflation adjustments in 5/2019, 5-2020, 5/2021.

5.2 District Growth

District growth measures are a component of OPUD's Strategic Plan. The District's existing excess capacity can provide services to more customers. For rates with a 35% component for capital funding an annual growth rate of 188 homes with an average bill of \$30 per month will add \$23,000 annually for capital reserve funding for water assets and infrastructure. The average bill of \$40 per month will add \$30,000 annually for capital reserve funding for wastewater assets and infrastructure. In five years the growth rate of 188 homes would provide additional capital reserve funding of \$115,000 for water and \$150,000 for wastewater. In the future, we will implement an on-line billing system to allow for the efficient processing of receipts from our growing customer bases

Proposed Completion: December 2019

5.3 Funding Sources

We will actively seek alternate sources, e.g. grants, to match capital outlay projects with funding. We will utilize available resources, such Yuba-Sutter Economic Development Corporation, to identify and procure funding sources. Reserve funds set aside for replacement of depreciated assets can be invested in higher-yield options that are within the District's investment authority.

Proposed Completion: Ongoing

5.4 Efficient Asset Management

Retaining assets as near as practicable to an appropriate service condition allows for delivery of quality service to the District's customers. Efficient asset management extends the useful life and defers replacement of capital assets to a future date. District reserves are used at a later date and continue to grow faster. Therefore, we will invest in higher-yield options that are within the District's investment authority by revising the District's investment policy.

Proposed Completion: New investment policy for Board approval as of the 2018-19 fiscal year.

Strategic Focus Area #6 - Organizational Stability

Our objective is to employ and retain a qualified and productive workforce. We will do this by utilizing sound policies and personnel practices, offering competitive compensation and benefits,

providing opportunities for training, development and professional growth while ensuring a safe and secure workplace.

6.1 Recruit and Retain a High Performing Workforce:

Our goal is to ensure the District remains a desirable place to work. This includes the ability to recruit and retain a high-performing workforce. Staff will periodically obtain market studies to determine compensation and benefit competitiveness relative to local and regional labor markets. Structure the salary schedule and professional growth opportunities to allow employees to see a clear and attainable career path at OPUD.

In order to attract and retain the best talent, we provide opportunities for employees to enhance their job skills and knowledge in their career field.

Proposed Completion: Ongoing

6.2 Retain Qualified Personnel through a Unique and Competitive Salary/Benefits Package

Investing exclusively in professional growth and training without a plan to retain qualified personnel is not in the best interest of the District's operational excellence. If we do not focus on employee retention, staff may to accept other employment opportunities.

In order to retain qualified personnel, we will seek to maintain a competitive salary and benefits package, which are unique in their offerings and will encourage employees to consider OPUD a career employer. Management/supervisors will also annually train to become better managers and meet with employees regularly to listen to their concerns, address issues they may be experiencing, and generally keep the lines of communication open. Ensuring that there are open lines of communication between employee and employer allows both personal and professional growth.

Proposed Completion: Ongoing

6.3 Regulatory and Professional Associations

Supporting professional development and professional networking through encouraging the participation in professional affiliations such as CSDA, CWEA, AWWA and CRWA will be continued. Attendance at annual relevant training events and workshops for both employees and board members sponsored by these organizations has proven to provide opportunities to network not only with peers, but also with regulatory agency representatives. At the first meeting in each year the District will provide a preliminary calendar of events and attendees for available training events. This will be reviewed by the Board to act as the initial plan for training each year.

Proposed Completion: Annually

Table 1 –The Strategic Plan “At a Glance”

Strategic Objective	Strategic Elements	Completion (Fiscal year)
1.0 OPUD Growth		
	1.1 Streamlining Permit and Inspection Procedures	FY2019
	1.2 Being ‘Developer Friendly’ without Compromising District Standards	FY2019/20
	1.3 Reducing Homeowner Fees When Possible	Annually
	1.4 Seeking Grants For Infrastructure	Ongoing
	1.5 Partnering With Other Agencies	Ongoing
2.0 Positive Public Interface		
	2.1 Enhancing Communication Strategies with Non-English Speakers	FY2019
	2.2 Informing/Educating the Community about Water	FY2020
	2.3 Improved Brand Visibility	FY2019
	2.4 Public Information and Customer Service	FY2020
	2.5 Planning for the Future	FY2013/2014
3.0 Recreation and Parks		
	3.1 Partnerships and Sponsorships	Ongoing
	3.2 Capital Investment in Our Parks and Recreation Facilities	Ongoing, quarterly committee meetings
	3.3 Continued High Level of Maintenance	Ongoing, quarterly committee meetings
	3.4 Implementation of Community Park Feasibility Study Recommendations	FY 2020
4.0 Sustainable Long-Term Fire Protection		
	4.1 Working with Other Local Agencies	Ongoing
	4.2 Consolidation	FY2020
	4.3 New Customers	Ongoing
	4.4 Recoup Medical Call Charges	FY 2021
	4.5 Special Tax	FY 2022

5.0 Fully Depreciated District Facilities		
	5.1 Rates that Reflect the Cost of Use and Replacement of Capital Assets	FY2021, with annual checks
	5.2 District Growth	FY2019
	5.3 Funding Sources	Ongoing
	5.4 Efficient Asset Management	FY2018/19
6.0 Organizational Stability		
	6.1 Recruit and Retain a High Performing Workforce	Ongoing
	6.2 Retain Qualified Personnel through a Unique and Competitive Salary/Benefits Package	Ongoing
	6.3 Regulatory and Professional Associations	Annually