



Saint Paul Regional Water Services

2022-2024 STRATEGIC PLAN

A Note

from our General Manager



In my first year as General Manager of Saint Paul Regional Water Services (SPRWS) I have witnessed time and time again why this organization has come to be known as an innovative leader in the water industry. In the face of unimagined local and global trends and drivers of change, our dedicated Board of Water Commissions and the 250 water professionals at SPRWS have continued to embrace the responsibility of service in the delivery of safe, reliable drinking water to over 450,000 customers in the greater Saint Paul area. The residents of Saint Paul and surrounding communities have good reason to be proud of their water system – proud of the high quality of its product and the efficient use of resources in the treatment and distribution of Minnesota’s best tasting drinking water.

The motivation of this strategic plan is to ensure we continue to deliver unparalleled water services to our community, as well as position the organization to address future needs. The provision of water for public consumption involves a public trust; the health of the public must be protected. SPRWS understands and embraces its role in building resilient communities and advancing economic and social health.

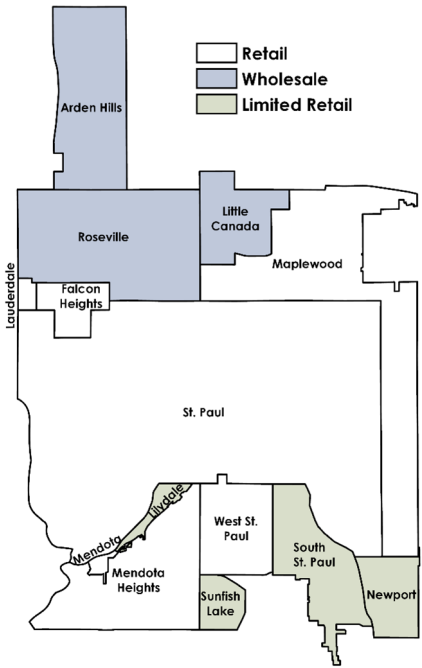
Much of the next three years will be marked by two monumental projects; the McCarrons Water Treatment Plant Upgrade Project and the start to Lead Free SPRWS, a 10 year plan to remove all lead service lines in our service area. However, a thoughtful, engaging strategic planning process has helped us develop an ambitious plan that ensures we are moving our organization forward in many other areas as well.

Engagement in this process from the Board of Water Commissions and employees has provided all the opportunity to leave their fingerprint on this document and shape the strategic direction of the organization. The result is a clear view of where this organization is headed and the path forward to achieve the next level of performance and service, to the great benefit of our customers.

As SPRWS employees continue to build on the foundation with which we have been entrusted, we will work to become a more sustainable, more resilient, more efficient, and more equitable organization. To do this, we will be using the goals and supporting plans outlined in this Strategic Plan to sharpen our vision for an even better tomorrow.

Patrick Shea

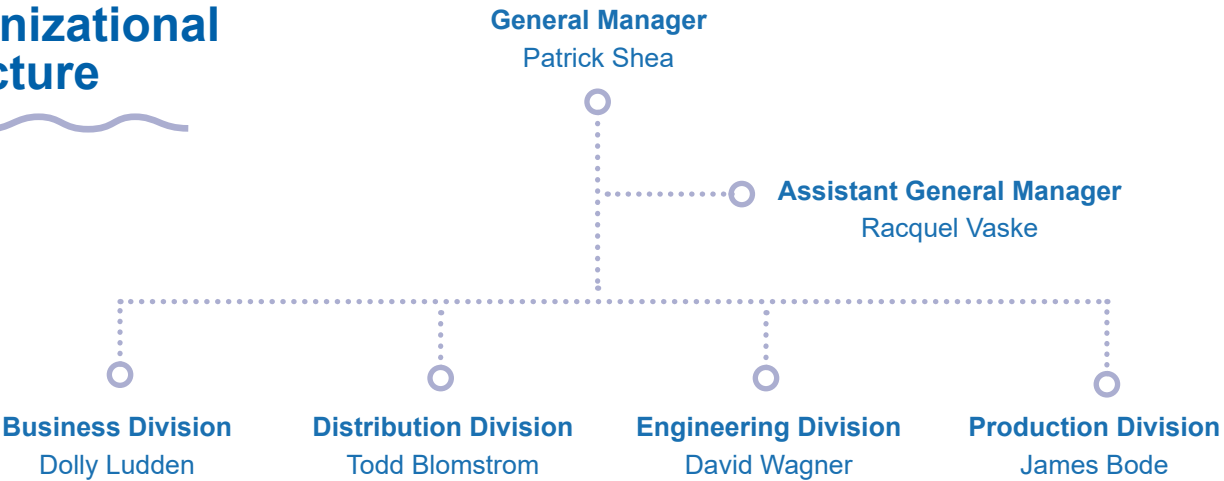
Patrick Shea
SPRWS General Manager



SPRWS Service Area

Saint Paul Regional Water Services serves over 450,000 customers within a 113-square mile geographic area in which we are responsible for more than 1,100 miles of water main and 10,000 fire hydrants. Retail customers, for which we provide billing and infrastructure maintenance, include Falcon Heights, Lauderdale, Maplewood, Mendota, Mendota Heights, Saint Paul, and West Saint Paul. We supply select accounts in Lilydale, Newport, South Saint Paul, and Sunfish Lake. We supply wholesale water to Arden Hills, Little Canada, and Roseville. In addition, we supply emergency maintenance to the cities of Oakdale, Little Canada and the township of White Bear.

Organizational Structure



Board of Water Commissioners

Saint Paul Regional Water Services (SPRWS) is governed by a seven-member Board of Water Commissioners that sets policy and guides the future direction of the water utility and its staff. The Board consists of three members of the Saint Paul City Council, two Saint Paul citizens, and two representatives of the suburbs served by SPRWS.



The History and Process of

Strategic Planning

Saint Paul Regional Water Services (SPRWS) has had a Strategic Plan since 1993 which has been updated regularly as goals continue to evolve. This is an extensive process in which the Board of Water Commissioners and all employees are provided the opportunity to share their experiences, concerns, and innovative ideas for the future. Having these open and honest conversations at all levels of the organization has allowed us to gather diverse input that will guide our goals and initiatives.

We'd like to thank our employees for their continued hard work and dedication to SPRWS. Their thoughtful input and excitement for the future has enabled us to create a plan that will help push SPRWS forward in a direction that will result in continued success for years to come.

Strategic Plan

Development Process

1 STRATEGIC PLAN SURVEY

All employees and Water Commissioners were given an opportunity to complete a survey to kickoff the strategic planning process. These surveys allowed participants to provide feedback about the current state of the goals represented in our Pyramid of Success as well as offer new ideas to better achieve them moving forward.

2 DIVISION SUPERVISORS BRAINSTORMING SESSIONS

Brainstorming sessions were held with the supervisors from each division to allow space for employees to evaluate the ideas shared in the surveys. Groups took the time to dig into each of the 7 goal areas to identify ways they could specifically help push their division forward in each area.

3 STRATEGIC GOAL MEETINGS

Workshops were conducted for each of the 7 goal areas with volunteers and subject matter experts for each topic. These groups reviewed the ideas generated in previous steps through the survey and division specific meetings to begin bringing ideas together to form a full utility perspective.

4 SENIOR MANAGEMENT REVIEW

The Senior Management Team reviewed the goals and objectives created for each area to create a final draft that encompassed a wide variety of ideas with the right balance of risk, innovation, and accountability.

5 BOARD REVIEW

The SPRWS Board of Water Commissioners provided final review and input on the developed plan before its formal adoption.



EXTERNAL ANALYSIS OF INDUSTRY TRENDS



Regulations:

The regulatory environment will continue to put pressure on budgets as unfunded mandates are expected to continue and increase. Continued involvement at the State and Federal level regulatory process will be critical.



Utility Financial Constraints:

Reductions in water consumption and increases in operational and capital needs will likely result in increased rates. Rate adjustments will require transparency, cost containment, and operational efficiency to gain stakeholder support.



Customer Expectations:

Customer expectations have historically been based on whether water flowed from the tap. Today, water quality and customer service standards are higher than ever. Organizations must find ways to improve communication and problem resolution to meet these climbing expectations.



Workforce Changes:

The workforce is transitioning generations, which have different values and expectations. As employees retire, replacements will need the knowledge and commitment to continue to provide a high level of quality and service.



Energy:

Energy costs will remain a significant percentage of the total cost to provide utility services. As the cost of energy and the push for conservation continue to rise, so will the need to focus on energy efficiency.



Increased Risk Profile:

Terrorism, natural disaster events, climate change, and pandemics have caused an increased focus on emergency management, employee safety, and security. We must continue to find ways to keep our organization resilient and our employees and customers safe.



Technology:

The water industry will continue to be transformed because of and through the use of advanced technology in all aspects of business.

VISION

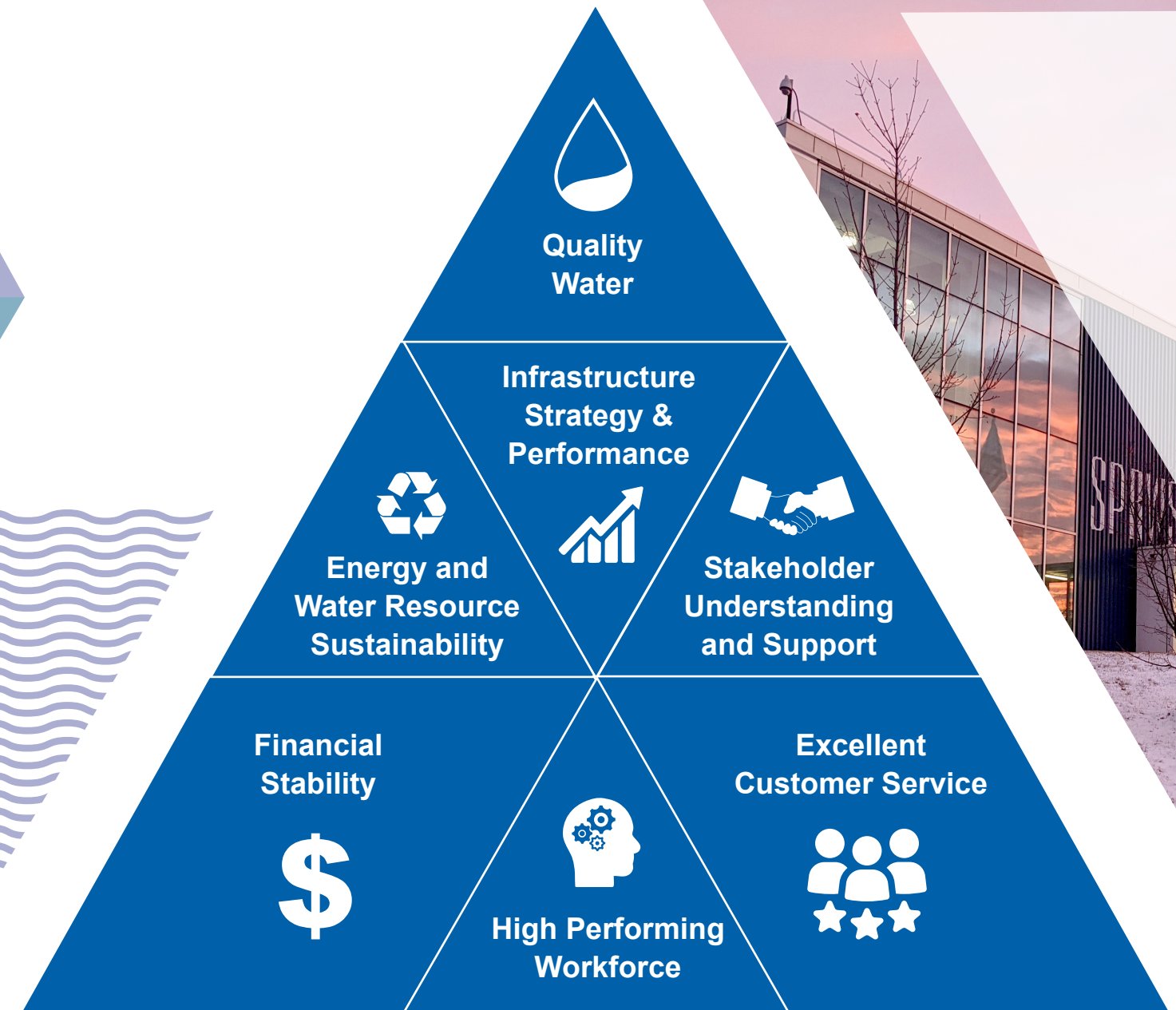
To be a regional and national water industry leader emphasizing quality product, services and cost containment.

MISSION

To provide reliable, quality water and services at a reasonable cost.

VALUES

Equity
Innovation
Resilience



SPRWS Pyramid of Success

High Level Overview of Organizational Goals

Each component of the SPRWS Pyramid of Success is as important as the next in our overall ability to meet our mission. The bottom layer of goals is the foundation to our success from which we can build upon. As we become more efficient and grow at each layer of the pyramid, it then enables us to enhance what we are able to do with the next layer of goals. The top of the pyramid is our ultimate goal of providing quality water to our customers now and into the future. The following pages of the Strategic Plan outline these seven goals and the ways in which we hope to continuously improve in each area.



Excellent Customer Experience

Goals

Objectives

Strategies

Increase Understanding of Customer Expectations and Perceptions

- Conduct customer surveys to ensure SPRWS is informed about customer opinions, desires, and concerns.
- Implement methods to obtain customer feedback more frequently.
- Utilize cultural and socioeconomic lenses to get to know our customers better.

Utilize Evolving and Integrated Communication Methods to Improve Customer Engagement, Confidence, and Understanding

- Expand and promote online services including automatic bill pay options, and enhance communication tools.
- Implement Customer Portal Enhancements by providing additional functionality and integration of the customer information system.
- Increase customer awareness of service issues and projects using social media and an automated customer alert system.
- Revamp the SPRWS brand to increase engagement with educational materials available for customers.
- Translate and distribute all priority communications in culturally relevant ways.

Meet or Exceed Customer Expectations and Our Commitments

- Enhance leak audit program by investing in Automated Metering Infrastructure (AMI) to minimize high leak bills.
- Continue to evaluate and develop customer assistance programs and accessibility.
- Obtain funding to replace private side lead services at low to no cost to the customer.



High Performing Workforce

Recruit a Diverse, Talented Workforce

- Utilize stakeholder relationships and other creative methods to increase awareness of utility jobs and career paths.
- Highlight and showcase total package appeal of working for SPRWS that will strengthen the talent and diversity of candidate pool.
- Evaluate and adjust position requirements to expand candidate pools.
- Enhance methods used to evaluate and select the best candidates for positions.
- Hire a diverse workforce that represents the communities we serve.

Provide Opportunities for Employee Development

- Develop comprehensive training plans and a welcoming, insightful on-boarding experience to prepare new hires for success.
- Provide cross training for employees to better understand the organization's mission and their role in contributing to the pyramid of success.
- Provide technical skill development to empower employees to meet the demands and challenges of evolving work environments.
- Create a trusting environment where continuous 360-degree feedback is welcomed and encouraged to support growth and overall success.
- Foster autonomy, creativity, initiative, innovation, and calculated risk-taking in order to advance strategic goals at all levels and adapt to changing business needs.
- Provide leadership development opportunities to cultivate leaders that inspire those around them and foster meaningful work.
- Develop a comprehensive strategy for knowledge transfer and succession planning that will better prepare SPRWS for employment turnover.

Foster an Engaging and Inspiring Work Environment to Retain Talent

- Provide ongoing evaluation and investment to provide employees the proper tools to efficiently conduct their duties.
- Launch and support cross functional teams around Equity, Safety, Technology, Community Engagement, and Employee Engagement.
- Develop a comprehensive internal communication plan to help break down silos.
- Conduct employee satisfaction surveys and take appropriate action for improvement.
- Encourage networking through professional organizations, company activities, mentoring, and community engagement.
- Implement an employee recognition and rewards program to celebrate and encourage efforts around safety, customer service, and innovation.
- Explore opportunities to create welcoming and collaborative workspaces.
- Continue to evaluate and adapt practices and policies around flexible work arrangements to support work life balance.
- Create an inclusive work environment that respects and values differences in others.

Assure Safety and Security of Employees

- Regularly review work conditions and policies/ protocols to reduce opportunities for employees to be placed in at risk locations and/or confronted with unsafe situations.
- Provide the necessary training, tools, exercises, and support to ensure that employees and management work together to prevent and address safety and security issues.



Financial Stability

Foster Accountability and Transparency

- Maintain compliance with generally accepted accounting principles and the Government Accounting Standards Board to continue abiding by honest accounting practices.
- Utilize real-time financial reporting and dashboards for decision making and state of the utility assessment.
- Improve understanding and use of financial software (INFOR).
- Design and implement a more inclusive budgeting process.
- Streamline and standardize purchasing processes utility-wide.
- Provide accurate water rate impact of projects to ensure leadership is making informed decisions early in the process.

Support Operational and Capital Funding Needs

- Maintain reasonable water rates in comparison to similarly sized utilities by improving understanding of affordability in our service area.
- Maintain accurate forecast of operating costs, capital expenditures, cash reserves, and water rates.
- Reevaluate and update the 10 Year Capital Plan and corresponding funding requirements on an annual basis.
- Actively explore and develop opportunities to increase funding including grants and the potential to expand the SPRWS service area.
- Ensure funding for lead replacement 10-year plan.

Ensure Effective Debt Management

- Adopt strategic financial plans to avoid rate spikes while working to minimize the debt burden for future generations.
- Maintain bond rating at current or improved levels.



Energy and Water Resource Sustainability

Ensure the Availability and Sustainable Management of Water Resources

- Continue to track non-revenue water and further refine water loss programs.
- Continue to expand the leak audit outreach program which informs customers when they may have a water loss issue and provides them with information on how to fix it.
- Proactively monitor water quality and environmental parameters within source water.
- Partner with and support other agencies' efforts to protect local and upper Mississippi River watersheds.
- Reevaluate Drought Response Plan and update Water Supply Plan as needed.

Further Incorporate Environmental Stewardship into Operations

- Conduct system wide energy audit and develop an Energy Master Plan.
- Increase the use of renewable energy sources.
- Keep up with research regarding value of energy alternatives and utilize an environmental lens in decision making.
- Improve upon internal operational practices aimed at sustainability.





Infrastructure Strategy and Performance

Plan Infrastructure Investments Consistent with Organizational Goals and Community Needs

- Finalize and implement Lead Free SPRWS, an enhanced lead service line replacement 10-year plan.
- Continue implementation of McCarron's Water Treatment Process Improvements Project.

Continue Development and Implementation of Utility-Wide Asset Management Program

- Implement Enterprise Asset Management System.
- Continue development of Asset Management Plans for critical infrastructure.

Deliver Advanced and Secure IT Infrastructure by Implementing Technology Roadmap

- Expand data access, integration and use of a business intelligence platform to make informed business decisions.
- Continue implementation of cybersecurity mitigation measures and best practices to avoid disruptions and costs associated with breaches, ransomware, and other threats.



Stakeholder Understanding and Support

Become a Pillar Organization by Contributing to Social, Economic and Environmental Health of the Community

- Build relationships and increase awareness of SPRWS activities and employees within the community.
- Establish a stronger online presence to share educational information, project updates, recruitment information, and to serve as an outlet for stakeholder feedback.
- Develop a more thorough program around facility tours and partner with local organizations and schools to increase opportunities for stakeholders to visit and learn more about SPRWS.
- Provide a better understanding of the variety of employees as well as career opportunities.

Strive to be Recognized as a Responsible, Innovative Leader in the Industry

- Continue research relationships with organizations including the Water Research Foundation and the University of Minnesota.
- Collaborate with organizations including watershed districts, counties, Department of Natural Resources, and the Minnesota Department of Health.
- Attend and present at local and national conferences to network and share the innovative work happening at SPRWS.

Build and Maintain Strong Relationships with the Board of Water Commissioners and City of Saint Paul

- Present and request Board input on initiatives around community education and engagement.
- Increase awareness of Board activity amongst employees by providing opportunity for interaction.
- Enhance collaboration with the City of Saint Paul to improve the effectiveness of shared citywide workflows and programs.





Quality Water

Assure Complete and Consistent Compliance with Federal, State and Local Laws and Regulations

- Meet or exceed primary drinking water regulations.
- Meet secondary drinking water contaminant limits.
- Monitor and control taste and odor.
- Prepare for changes in current and upcoming regulations including the Lead and Copper Rule and emerging contaminants.

Employ Best Practices and Continuous Improvement Processes to Provide Efficient, Uninterrupted Delivery of Services

- Achieve Phase IV Partnership for Safe Water in the Distribution System Program
- Maintain Phase IV Partnership for Safe Water in the Production Division
- Implement strategic performance measures for construction and preventative maintenance functions in all Divisions.
- Regularly review and optimize business processes in all Divisions.

Prepare for the Unexpected

- Plan for possible disruptions due to pandemic, meteorological, intentional attacks, or other events.
- Participate in emergency management planning with other levels of government.
- Evaluate and update our emergency response plan and continuity of operations plan and exercise them annually.

NEXT STEPS

The 2022-2024 SPRWS Strategic Plan helps to document the organizational goals and outlines the identified objectives and strategies. From here, staff from SPRWS will take this work further by defining and regularly updating the necessary tasks and associated responsible parties to ensure progress is occurring. Performance measures will be developed and monitored where applicable to leverage data in our pursuit of innovation and improvement.



