STRATEGIC PLANNING

Long-term water and wastewater planning continues to be a critical component in managing the region’s water resources. EPWater continues to take a leadership role in working with various entities throughout the region that are all devoted to regional planning efforts.

This past year, EPWater along with other stakeholders in the Far West Texas Regional Water Planning Group attended meetings to begin working on the 2021 Far West Texas Water Plan (Region E). The Region E State Water Plan is included as part of the State Water Plan that will be submitted to the Texas Legislature. The Plan provides an evaluation of current and future water demands for all water-use categories and water supplies available during drought-of-record conditions to meet those demands. Where future water demands exceed an entity’s ability to supply that need, alternative strategies are considered to meet the potential water shortages. State water planning is updated every 5 years and covers a 50 year time period.

The water supply projects included in the 2021 Region E plan will be developed in the next couple of years. Based on the future water supply needs, EPWater will develop additional supplies as necessary. EPWater will continue to use its diversified water supply portfolio to meet the water supply needs of the future. The major components of the EPWater supply portfolio include the Rio Grande, groundwater from Mesilla and Hueco Bolsons, desalination of brackish groundwater, water reuse, conservation and importation.

Regional leadership is and has been an important consideration as the Utility implements long-term planning strategies aimed at ensuring a sustainable supply of water. In 2018, EPWater’s Water Resources Section advanced the knowledge of the city’s current and future water sources (Rio Grande, groundwater from the Hueco Bolson, Mesilla...
Continued data collection is part of an ongoing effort to evaluate potential changes in water quality and to update groundwater models. Groundwater models simulate potential future groundwater management scenarios, which can be helpful in evaluating the feasibility of proposed projects. Climate variability can affect the allotment of water from the Rio Grande. However, as an effective steward of El Paso’s water resources, the Public Service Board incorporates possible drought scenarios into the Utility’s adaptive management water resources policies. The analysis demonstrates that the historic variability and predicted changes associated with climate variability are insignificant with respect to meeting municipal water demands in El Paso County. Thanks to proactive planning and diversification of their water supply portfolio, El Paso is prepared for the extreme weather patterns that could occur.

The current management approach and infrastructure ensure that El Paso County’s groundwater supply will not be significantly impacted by the worst-case drought conditions. Future water demands will be met through the year 2060 and beyond.

The continued implementation of the County Water and Wastewater Master Plan previously developed by the Utility and El Paso County continues to serve as a guide for working with communities located outside the City limits of El Paso that require assistance in receiving water. In addition, efforts to adhere and consider smart growth principles within land use Master Plans developed for property owned by the Public Service Board are well underway. Such planning efforts are to be completed before development occurs and will ensure that the necessary infrastructure and quality of life amenities are in place before development occurs.

El Paso Water continues to explore and pursue different water supply options to maintain a diversified water supply portfolio to meet the water supply challenges of the future. Diversification includes: groundwater, aquifer recharge, surface water, conservation and education, water reuse, desalination and importation.
CHARTER

The El Paso Water – Public Service Board exists to serve the water resource needs of the population of the El Paso geographical area. Its strategic and operational impetus is on delivering quality services in an affordable manner to all who demand it. These services include water, wastewater, reclaimed water and stormwater.

As a growing Utility in a growing region, EPWater strives to anticipate, plan for, and react to the changing environment in which it operates. Through diligence in all of its functions, the Utility seeks to deliver ever-increasing value to its customers while promoting orderly growth in its service area. We encourage the involvement and participation of the public through open and honest communication at all levels with all our stakeholders.

To be as effective as we can be, we use all our resources to continuously create an enterprise for leadership. That leadership is reflected in our technology, management style, critical business practices, and in our vision. Most importantly, it is reflected in our employees whose diligence is the cornerstone of the success of the Utility. To that end, we continually work to develop the capabilities and initiatives of our employees and our leadership. We believe it is primarily through their efforts that the Utility will continue to excel.

We recognize the criticality of the mission with which we are entrusted. Through a consistently high level of attention to the needs of the community, the Utility demonstrates an ongoing commitment to supporting the lifestyle demands of the El Paso Southwest. In all of our actions we seek to balance those demands with attention to conservation and restraint in our use of water resources. With our stakeholders as partners, we envision a bright future of water availability, technological innovation, and support of economic growth for the personal, commercial, and industrial benefit of El Paso.

STRATEGIC PLAN

In 2015 as EPWater prepared for the next strategic planning cycle, management recognized the need to develop a more robust strategic plan. The Utility envisioned a more holistic approach and started with establishing the strategic direction for the entire organization which could then be used to align departmental strategies. The Utility embarked on a new direction in developing a plan that is formatted in a way that is easily communicated and understood by employees and key stakeholders.

EPWater enlisted the Balanced Scorecard Institute (BSI) to help with development and implementation of the Balanced Scorecard, an integrated strategic planning and performance management system that:

- Communicates with clarity an organization’s vision, mission, and strategy to employees and other stakeholders
- Aligns day-to-day work with vision and strategy
- Provides a framework for prioritizing programs, projects, services, products and resources
- Uses strategic performance measures and targets to measure progress for continuous improvement
EPWater has strengthened its internal capacity by training cross-functional teams and using them as a resource throughout the strategic planning process. Many employee teams have taken part in multiple workshops and are actively involved in the development of a balanced scorecard using BSI’s Nine Steps to Success™ methodology. In 2018, in the alignment step, EPWater continued to cascade or translate the organization-wide scorecard to the next level organized by functional units. These functional units are comprised of teams of employees where they develop a scorecard for their common function within the organization.

Nine Steps to Success™ Framework

Assessment & Strategy
The Utility developed or revalidated its: mission, vision, core values, customer value proposition, strategy profile, perspectives, themes and results.
MISSION

To provide our customers a sustainable water supply and the highest quality water services to enhance the vitality of El Paso

VISION

We are an international model for water resource innovation, respected and trusted by our customers for our leadership in delivering sustainable water services to a thriving El Paso community

STRATEGIC THEMES AND RESULTS

Talent Growth

• Cultivate a loyal, committed workforce dedicated to teamwork. Place our people first, recognize talent, and create opportunities for leadership and development.

Exceptional Service

• Build trust, deliver value and prioritize timely, responsive, reliable, courteous service.

Organizational Excellence

• Demonstrate internal processes that show financial stability and accountability, operational reliability, efficiency and resiliency.

Innovative Resource Management

• Lead in innovative resource management solutions that attract business and retain talented people to enhance the quality of life for our community, including water management solutions, land management practices, and research and development.
Strategic Objectives
Developed strategic objectives or goals for strategic themes. In addition, identified objective owners, roles, and responsibilities.
Strategy Mapping
Built the Utility-wide strategy map from the theme maps. (see page 40)

Performance Measures and Targets
Created performance measures:
- Understand alternative measures
- Selected performance measurements for each objective
- Defined the composite indices
- Set targets and thresholds

Strategic Initiatives
Created Strategic Initiatives
- Identify potential strategic initiatives
- Develop selection criteria
- Select prioritization ranking framework
- Rank in priority order
- Fund and manage portfolio of initiatives
- Execute

Performance Analysis
- Select the most appropriate automation tool
- Collect and monitor performance
- Analyze and draw conclusions
- Improve performance
Alignment
- Select the cascading approach
- Organize cascading teams
- Align sections or departments with Tier 1 strategy
- Align teams and individuals with Tier 2 strategy

Evaluation
- Strategic Effectiveness Evaluation
- System Effectiveness Evaluation

In January 2017, EPWater successfully rolled out its Strategic Plan to all employees and has focused on working with the alignment of the organization-wide (Tier 1) strategy where functional units cross-coordinated strategy maps and scorecards to develop a Tier 2 strategy with their common objectives. These functional units are comprised of different departments with a mutual purpose. Throughout 2018, the functional teams have collected performance measure data that is reported quarterly to senior management. In an effort to cultivate the adoption of the balanced scorecard methodology, the cross functional teams have shared their knowledge and added team members across the organization.

Business Unit (Tier 2) Scorecards
Following are the business unit scorecards illustrating the strategy map with the team’s objectives, purpose, and strategic initiatives. These are the business units with their corresponding sections:

<table>
<thead>
<tr>
<th>Business Unit</th>
<th>Section Members</th>
</tr>
</thead>
<tbody>
<tr>
<td>Administration</td>
<td>105, 110, 120, 140</td>
</tr>
<tr>
<td>Customer Relations</td>
<td>115, 120, 150, 720</td>
</tr>
<tr>
<td>Information Technology</td>
<td>810</td>
</tr>
<tr>
<td>Inside the Fence</td>
<td>410, 430, 450, 470, 480, 510, 525, 610, 640, 650, 670, 680, 825</td>
</tr>
<tr>
<td>Outside the Fence</td>
<td>210, 410, 420, 440, 510, 540, 560, 610, 620, 630, 690, 720, 825</td>
</tr>
<tr>
<td>Support – Business</td>
<td>710, 715, 740, 750</td>
</tr>
<tr>
<td>Support – Operations</td>
<td>230, 520, 912, 914, 915, 916, 917</td>
</tr>
<tr>
<td>Technical Services</td>
<td>130, 220, 310, 315, 320, 325, 335</td>
</tr>
</tbody>
</table>
EPWater Tier 1 Strategy Map

Customers

Financial Stewardship

Internal Process

People, Tools & Technology

- Increase Customer Satisfaction & Confidence
- Strengthen Financial Viability
- Increase Innovative Solutions
- Improve Land & Water Management
- Strengthen Stakeholder Partnerships
- Improve Communication (Internal/External)
- Improve Efficiency

- Improve Succession Planning
- Improve Organizational Culture
- Improve Knowledge, Skills & Abilities
- Improve Use of Technology
- Improve Infrastructure
Tier 2: Administration Strategic Scorecard

PURPOSE
Manage and maximize our assets by providing leadership, direction, support and guidance to our customers.

TIER 2 STRATEGIC INITIATIVES
1. Establish Administration Business Unit topic discussions.
2. Develop a claim processing manual.
3. Establish a campaign for increased communication and distribution of internal policies to their respective units/employees.
4. Create training policy and revise existing incentive and tuition reimbursement policies.
5. Establish and implement a Management Engagement Plan.
6. OSHA 30 and OSHA 10 Certification Courses.

CORE VALUES
Service / Stewardship / Innovation / Integrity / Safety / Excellence / Teamwork
**Tier 2: Customer Relations Strategic Scorecard**

**PURPOSE**
Build trust and confidence with our customers and stakeholders through service, communication, education and partnerships.

**STRATEGY MAP**

<table>
<thead>
<tr>
<th>Customer</th>
<th>Financial Stewardship</th>
<th>Internal Process</th>
<th>People, Tools &amp; Technology</th>
</tr>
</thead>
<tbody>
<tr>
<td>Improve Customer Satisfaction &amp; Confidence</td>
<td>Improve Communication (Internal)</td>
<td>Improve Training Opportunities</td>
<td>Improve Organizational Culture</td>
</tr>
<tr>
<td>Strengthen Stakeholder Partnerships</td>
<td>Improve Communication (External)</td>
<td>Improve Organizational Culture</td>
<td>Increase Use of Technology</td>
</tr>
</tbody>
</table>

**CORE VALUES**
Service / Stewardship / Innovation / Integrity / Safety / Excellence / Teamwork

**TIER 2 STRATEGIC INITIATIVES**
1. Develop and implement employee learning and networking programs.
2. Assess and evaluate customer service barriers.
3. Create and implement employee recognition programs.
4. Implement shadowing and cross training programs focused on customer relations.
5. Identify internal leads for stakeholder and partnership programs.
Tier 2: Information Technology Strategic Scorecard

PURPOSE:
Provide accurate and timely information by collecting, managing, providing, storing and securing data; maintaining communication infrastructure; providing hardware; and maintaining and supporting applications.

STRATEGY MAP:

1. Expand customer satisfaction Help Desk report.
2. Implement a repository where ideas are stored and reviewed – review committee.
3. Establish monthly technology/improvement meetings – schedule.
4. Survey Monkey – Communication and Confidence.
5. Establish Skills Inventory database.

CORE VALUES:
Service / Stewardship / Innovation / Integrity / Safety / Excellence / Teamwork
Tier 2: Inside the Fence Strategic Scorecard

PURPOSE
Provide high-quality water treatment services that are reliable to our customers.

STRATEGY MAP

TIER 2 STRATEGIC INITIATIVES
1. Employee Training Opportunities
2. Customer Employee Satisfaction Survey
3. Program to Promote Licenses, Certifications & Degrees
4. Implement EPWater Leadership Academy for Inside the Fence
5. Promote Safety Culture

CORE VALUES
Service / Stewardship / Innovation / Integrity / Safety / Excellence / Teamwork
Tier 2: Outside the Fence Strategic Scorecard

**PURPOSE**
Transport water.

**STRATEGY MAP**

<table>
<thead>
<tr>
<th>Tier 2 Strategic Initiatives</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Employee Suggestion Box/Log.</td>
</tr>
<tr>
<td>2. Job Satisfaction Survey.</td>
</tr>
<tr>
<td>3. OTF Internal Customer Satisfaction Survey</td>
</tr>
<tr>
<td>5. Conduct Work Order Analysis (analyze pending work orders).</td>
</tr>
</tbody>
</table>

**CORE VALUES**
Service / Stewardship / Innovation / Integrity / Safety / Excellence / Teamwork
Tier 2: Business Support Strategic Scorecard

**PURPOSE**
Provide financial stability with procurement, asset management and accounting services in support of EP Water operations.

**STRATEGY MAP**

- **Customer**
  - Improve Customer Satisfaction
  - Reduce Costs & Increase Revenues
  - Increase Alternate Solutions
  - Improve Communication

- **Financial Stewardship**
  - Improve Employee Satisfaction

- **Internal Processes**
  - Increase Training
  - Increase Knowledge Sharing

- **People, Tools & Technology**
  - Improve Use of Electronic Solutions

**Tier 2 Strategic Initiatives**

1. Mentoring Program
2. Upper Management Communication.
3. Each Employee’s Position will be documented and backups trained.
4. Create a purchasing marketplace.
5. Implement electronic bidding.

**Core Values**
Service / Stewardship / Innovation / Integrity / Safety / Excellence / Teamwork
Tier 2: Operations Support Strategic Scorecard

**PURPOSE**
Provide material, equipment, and services to help the Utility function.

---

**STRATEGY MAP**

- **Customer**
  - Improve Customer Satisfaction

- **Financial Stewardship**
  - Reduce Costs

- **Internal Processes**
  - Improve Communication
  - Improve Response Time
  - Increase Productivity
  - Improve Use of Technology
  - Improve Resources
  - Increase Knowledge, Skills & Abilities
  - Increase Cross Training
  - Improve Morale

---

**TIER 2 STRATEGIC INITIATIVES**

1. Evaluate and Recommend Incentive Programs.
2. Project Coordination Meetings.
3. Career Development Program.
4. Procurement Improvements.
5. Standardize Tracking System.

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**CORE VALUES**
Service / Stewardship / Innovation / Integrity / Safety / Excellence / Teamwork
Tier 2: Technical Services Strategic Scorecard

**PURPOSE**
Plan, design and inspect improvements, repairs and expansions of water systems in a cost effective and safe manner.

**STRATEGY MAP**

<table>
<thead>
<tr>
<th>Tier 2 Strategic Initiatives</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Create a shared network drive for water planning materials.</td>
</tr>
<tr>
<td>2. Set up meetings: operations and water supply planning.</td>
</tr>
<tr>
<td>3. Prepare standard operating procedures.</td>
</tr>
<tr>
<td>4. Set up system that produces a report: inst and service contract time; - meter installation activation dates.</td>
</tr>
<tr>
<td>5. Create a system to solicit, capture and evaluate new ideas and reward successful ideas.</td>
</tr>
</tbody>
</table>

**CORE VALUES**
Service / Stewardship / Innovation / Integrity / Safety / Excellence / Teamwork