

# RIVERSIDE PUBLIC UTILITIES

## Board Memorandum

**BOARD OF PUBLIC UTILITIES**

**DATE:** FEBRUARY 13, 2017

**ITEM NO:** 7

**SUBJECT:** RIVERSIDE PUBLIC UTILITIES STRATEGIC PLAN 2017-2021

**ISSUE:**

Receive and file the Utility 2.0 Strategic Plan: 2017-2021.

**RECOMMENDATION:**

That the Board of Public Utilities receive and file the Utility 2.0 Strategic Plan: 2017-2021.

**BACKGROUND:**

Riverside Public Utilities kicked off the strategic planning process in January 2015 with public workshops hosted by the Board of Public Utilities. Our fundamental purpose in developing a strategic plan is to define the actions we will take over the next ten years to implement our Utility 2.0 vision. The process was designed to assess where we've been, where we need to go, and respond to near and long term challenges. The General Manager led the development of our plan with participation by the community, Board of Public Utilities, Mayor and City Council. Implementation of the Strategic Plan is a Utility-wide effort and will be led by the General Manager and senior management team.

Throughout early 2015, senior management staff developed and refined Utility 2.0 roadmaps, working with cross-functional teams to consider input from various sources such as infrastructure master plans, which optimize capital project investments; integrated resource plans, which define our long range water and power supply strategies; workforce development plans, which identify our current and future required competencies and our strategies to achieve them; a long range financial proforma, which identifies affordability and constraints; new initiatives and employee and customer feedback to define and update the focus areas; and strategies, objectives and key performance indicators.



In August 2015, the resulting roadmaps were presented in public workshops to the Board and City Council for feedback and refinement. Infrastructure and resource investment options were presented ranging from status quo spending (falling further behind) to industry leading (referred to as Option 4). Ultimately, the Board and Council conceptually adopted Option 3, an accelerated infrastructure renewal plan, subject to considerations of affordability. The Strategic Plan identifies goals, strategies and objectives to implement the Option 3 plans.

The Utility 2.0 Strategic Plan builds upon and supports the broader Riverside 2.0 Strategic Plan which sets the course for the City and its Departments. Specific points of alignment to Riverside 2.0 are tracked and reported to the City Manager on a quarterly basis.

## **DISCUSSION:**

The Utility 2.0 Strategic Plan is built around six focus areas and related goals:

1. **Customer Experience:** Provide world-class customer-centered service in every encounter, every day.
2. **Reliability & Resiliency:** Renew, replace, upgrade, modernize and extend the water and electric system infrastructure to ensure reliability is maintained or improved and that resilience to extreme events is maintained or improved.
3. **Affordability:** Keep water and electricity prices affordable and comply with Fiscal Policy.
4. **Sustainability:** Meet all city goals and state and federal compliance targets related to efficient use of water and electricity, renewable resources, greenhouse gas emissions.
5. **Operational Excellence:** Instill, maintain and grow a culture of learning, innovation and continuous improvement in all internal processes achieving excellence in all our operations.
6. **Strong Workforce:** Attract, retain, train, educate and promote employees ensuring that a high level of employee performance, productivity and engagement is achieved.

Supporting each of these goals are a set of strategies and objectives. Key Performance Indicators (KPIs) have been identified for each focus area. An annual target for each KPI is identified and results will be reported to the Board periodically.

The following table highlights the strategic plan by the numbers.

<b>Goals</b>	<b>6</b>
<b>Strategies</b>	<b>24</b>
<b>Objectives</b>	<b>155</b>
<b>Key Performance Indicators</b>	<b>64</b>

## **FISCAL IMPACT:**

There is no fiscal impact in receiving the Strategic Plan. Execution of certain strategies and objectives will require expenditure of funds for planning, design or construction of projects. Specific expenditures within the Board's purview will be considered by the Board in a separate action at future dates.

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Attachments:

1. Utility 2.0 Strategic Plan: 2017-2021
2. Presentation