

PALMDALE WATER DISTRICT

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May 9, 2013

***Agenda for a Strategic Plan Workshop
of the Board of Directors of the Palmdale Water District
to be held at the District's office at 2029 East Avenue Q, Palmdale***

Monday, May 13, 2013

6:30 p.m.


NOTE: To comply with the Americans with Disabilities Act, to participate in any Board meeting please contact Dawn Deans at 661-947-4111 x103 at least 48 hours prior to a Board meeting to inform us of your needs and to determine if accommodation is feasible.

Agenda item materials, as well as materials related to agenda items submitted after distribution of the agenda packets, are available for public review at the District's office located at 2029 East Avenue Q, Palmdale. Please call Dawn Deans at 661-947-4111 x103 for public review of materials.

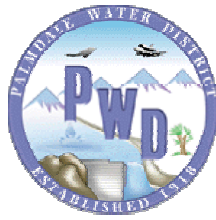
PUBLIC COMMENT GUIDELINES: The prescribed time limit per speaker is three-minutes. Please refrain from public displays or outbursts such as unsolicited applause, comments, or cheering. Any disruptive activities that substantially interfere with the ability of the District to carry out its meeting will not be permitted and offenders will be requested to leave the meeting.

Each item on the agenda shall be deemed to include any appropriate motion, resolution, or ordinance to take action on any item.

- 1) Pledge of Allegiance.
- 2) Roll Call.
- 3) Adoption of Agenda.
- 4) Overview and discussion of the District's Strategic Plan. (General Manager LaMoreaux)
- 5) Board members' requests for future agenda items.
- 6) Adjournment.


MATTHEW R. KNUDSON,
Engineering Manager

DDL/MRK/dd



Governing Board of Directors

Division 1, Gordon G. Dexter, Asst. Secretary

Division 2, Dick Wells, President

Division 3, Linda J. Godin, Secretary

Division 4, Raul Figueroa, Director

Division 5, David T. Gomez, Vice-President

District Staff

Dennis LaMoreaux, District General Manager

Dawn Deans, Executive Secretary

2006 Initial Strategic Plan Steering Committee

Dennis LaMoreaux

Curtis Paxton

Matthew Knudson

Claudette Roberts

Sheryl Sarna

Raul Figueroa

Initial Strategic Plan Approved: February 2006

Update: September 2006

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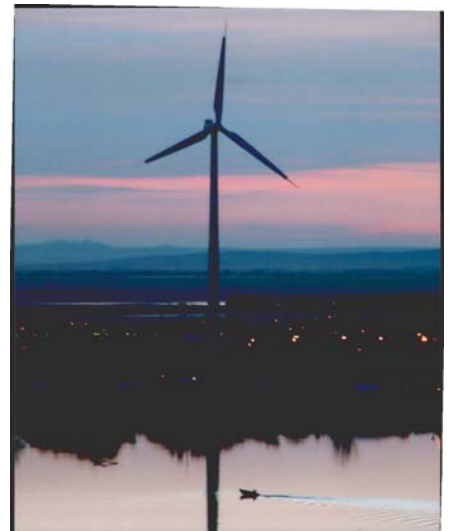
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INTRODUCTION

A strategic plan serves as a framework and basis for decision making and detailed planning in a five-year planning horizon. As a top level planning document, a strategic plan:

- 1) confirms the overall mission of the organization, affirms the vision for the District in looking out into the future, assesses core values as how an agency will do business, then dovetails with current and future activities, actions and initiatives to best position the agency for continued mission success.
- 2) creates a clear, scheduled, roadmap of actions and activities into the future. It is visionary, conceptual, and provides clear direction for the application of organizational resources.
- 3) identifies and forecasts areas where attention is needed, followed with realistic, attainable goals to address critical areas.
- 4) seeks to assure that actions will be taken in the proper sequence and at the appropriate time to protect the District and allow for safe, efficient workflow.
- 5) takes the form of actions, projects or planning efforts that may be conducted annually to identify specific key need areas
- 6) identifies and builds on strengths and opportunities, while addressing any apparent weaknesses or threats.

The Palmdale Water District (District) uses effective planning as a formula for success. The District has been exemplary in managing the core mission and works diligently to keep strong relationships with both ratepayers and regulators. The District is recognized for providing high quality water for its customers by carefully watching and effectively managing rates and efficiencies. It is in this spirit of strong planning that the District embarks on continued means of ensuring the best possible water, service and workplace. This Strategic Plan (Plan) will guide them into the future.



Strategic Plan
Palmdale Water District

It is well understood that only a certain level of confidence can be assigned to conditions in the future. This five-year plan seeks to prepare the District for known and future unanticipated conditions. In recognition of these future uncertainties, the Plan also provides for self-maintenance via periodic reviews and updates in a planned fashion.

Many considerations have been made in conducting this planning effort, including the following:

- Collaboration with partner agencies.
- Technology can provide new opportunities.
- Environmental changes can significantly affect District operations.
- Changes in Federal, State and local laws and land use policies can have significant effects on District operations.
- Employee development and organizational health is critical to meet the District's service goals.

The Plan is organized so that strategies are derived from the overall mission of the District. Strategic goals are actions, plans and activities that assure the mission and strategic elements are well planned and accomplished within the planning horizon. The finished Plan creates a clear roadmap of plans, activities, strategies and actions for a five-year period for the Palmdale Water District.

A MESSAGE FROM THE BOARD PRESIDENT AND GENERAL MANAGER

Palmdale Water District is a significant part of the Antelope Valley's history. The District has served the community of Palmdale first as a private company in the late 1800's and then as a public water district created by our customers in 1918. There are many milestones and accomplishments over time that remain vital. These include the construction of Littlerock Dam and Reservoir, becoming a part of the State Water Project, and reconstructing Palmdale Lake. We are proud of this history. We also recognize the foresight shown by past District leaders in providing for the resources we have to serve our customers today.

There are a number of challenges facing the District today. They include providing quality customer service, meeting increasingly strict water quality regulations, meeting the water demands of a growing community, finding ways to make better use of our existing water resources through storage and water conservation, exploring new water resources, maintaining a skilled and motivated staff, determining groundwater use in the Antelope Valley, and maintaining a healthy and flexible organization to meet future challenges. The District Board, management, and staff developed this strategic plan to provide a basis for meeting these challenges.

The Strategic Plan acknowledges the challenges and provides a roadmap toward meeting them. Just as importantly, it allows us to share our plans with our customers, other local agencies and organizations, and regulators. We firmly believe it is an important tool for focusing our energies. It will help us and future leaders make the types of decisions that will continue the District's record of progressive actions. We ask that you use it and participate in it as we move forward.



Richard "Dick" Wells, President of the Board of Directors



Dennis D. LaMoreaux, General Manager

STAKEHOLDERS

The Board of Directors has carefully assessed District stakeholders to determine their interests and how they might best be addressed. Water customers are interested in reasonable rates, high quality and reliable water, and attaining quality service. Water regulators are interested in establishing that the District is and is able to continue meeting current and evolving water quality and flow regulations. Employees are interested in having a secure high quality workplace, pride in excellence and their association with a place that is meeting a foundational need of their community. They care about job stability, job quality, advancement, recognition for a job well done and to be a part of what is going on in the District. The development community wants to know what is expected to be able to attain water for their developments. Other neighboring agencies want partners in planning and cooperation in regional projects.

All of these concerns and interests are considered and addressed throughout this Plan. With the careful study for the District into the next five years it has become clear that the concerns of each of these stakeholder groups must be included and planned in a deliberate way. This Plan seeks to meet the expectations of all concerned.

PROCESS

The Board of Directors began the strategic planning process by engaging a consultant, BHI Management Consulting, to coordinate the planning process. Input was gathered from the District employees in the areas of core values, mission statement, vision, current issues, and known future issues as well as first cut strategic elements. This input process allowed District employees to play a foundational role in the development of the Plan.

The Board of Directors completed a questionnaire that facilitated the strategic outlook process. The Board participated in a workshop where members spent significant time with the consultant and senior District staff to consider inputs and complete a revised mission statement and core values, identify strategic elements and element objectives, and work through initial supporting strategic goals. The five-year goals were further developed by a steering committee and are detailed herein.

Strategic Plan
Palmdale Water District

The process culminated in the development of this Plan. Self-maintenance for the Plan is also included to allow future Boards and staff to continue thinking and planning into the future.

MISSION OF THE PALMDALE WATER DISTRICT

The Mission of the Palmdale Water District is to provide high quality water to our current and future customers at a reasonable cost.

VISION STATEMENT

The PWD will strive for excellence in providing high quality, reasonably priced water in a growing Antelope Valley by participating in local and regional water issues as a strong advocate for our customers, public education, asset management, water conservation, planning and securing additional water supplies, continuing our commitment to operate efficiently with the help of emerging technologies, challenging, motivating and rewarding our employees and offering premium customer service in all we do.

CORE VALUES

- ① Efficiency
 - ① Fiscal Responsibility
 - ① Natural Resources Management
 - ① Integrity
 - ① Customer Service
 - ① Water Conservation
 - ① Continuous Improvement
 - ① Stakeholder Trust
 - ① A Safe, Productive & Rewarding Workplace

STRATEGIC ELEMENTS AND GOALS

Strategic elements represent vital areas of the District operations and management that will be specifically addressed in the next five years. Strategic elements are carefully linked to the District's mission, core values and vision statements. They are also linked to action in the form of strategic goals that serve to implement the Plan in the future. Strategic goals and projects are listed on Table-1.

Strategic Planning Linkages – the following graph shows how Strategic Goals and resultant actions are linked to the Core Values and Mission of the District.

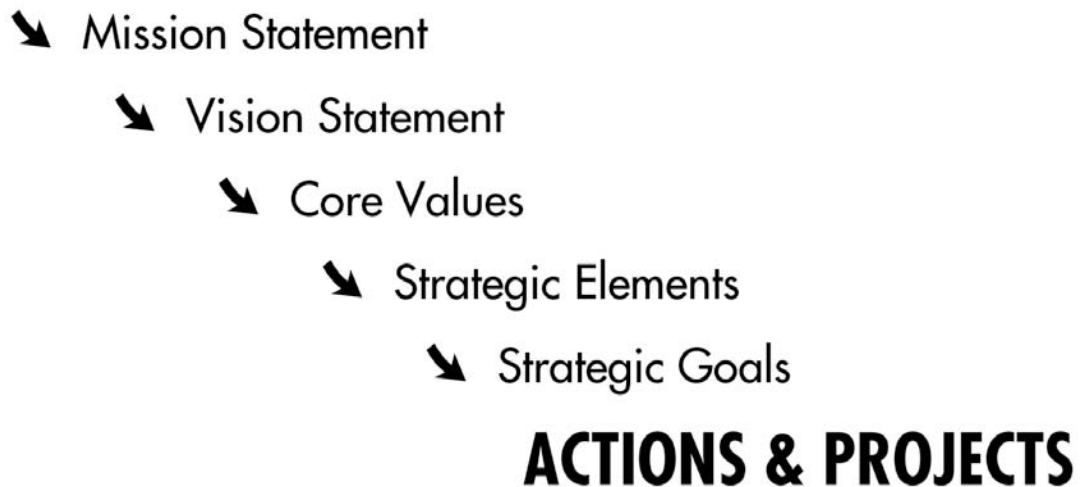


TABLE 1 – ONE PAGE STRATEGIC PLAN OVERVIEW

Strategic Element	Strategic Goals	Timeframe
1.0 Regulatory Compliance	1.1 Meet Stage 2 DBPR maximum contaminant levels (MCL's)	2006-2008
	1.2 Comply with Initial Distribution System Evaluation (IDSE) requirements	2006-2008
	1.3 Obtain CALFED Bay-Delta "Water Conservation Certification"	2006-Ongoing
	1.4 Develop and prepare an Urban Water Management Plan	2009 & 2010
	1.5 Comply with safety and emergency preparedness requirements	2006-Ongoing
	1.6 Monitor and participate in emerging regulations	2006-Ongoing
	1.7 Conduct investigation(s) into technologies to meet water quality standards	2006-Annually
2.0 Natural Resources Management	2.1 Ensure adequate water supplies for existing and future customers	2006-Ongoing
	2.2 Improve reliability of groundwater through local groundwater storage projects	2006-Ongoing
	2.3 Develop recycled water as a water source	2006-2011
	2.4 Use renewable energy sources for all new facilities as appropriate	Ongoing
	2.5 Develop Water Conservation Garden Park	2006-Ongoing
3.0 Infrastructure Management	3.1 Plan for improvements and expansion of the existing water delivery infrastructure	2006-Ongoing
	3.2 Develop a Headquarters/Maintenance Yard Facilities Master Plan	2006-2008
	3.3 Develop an Asset Management Program	2007-2008
	3.4 Maintain Littlerock Reservoir storage capacity	2006-2009
	3.5 Improve the security of PWD facilities	2006-Ongoing
4.0 Personnel Management	4.1 Develop a broad based employee communication plan	2006-Ongoing
	4.2 Design and launch a new employee orientation	2006-2007
	4.3 Review and formalize hiring, interviewing and selection procedures	2006-2007
	4.4 Perform annual compensation reviews	Ongoing
	4.5 Design a succession plan for the entire District	2007-2008
	4.6 Design a workplace health implementation program	2006-Ongoing
	4.7 Design and implement a staffing master plan	2006-2007
	4.8 Develop a function specific employee training plan and training policy	2006-2007
5.0 Administrative Management	5.1 Maintain existing Employee Manual	2006-Bi-annual
	5.2 Maintain existing Rules and Regulations Manual	2006-Ongoing
	5.3 Introduce a Board "Code of Conduct" manual or policy section	2006-2007
	5.4 Perform comprehensive organizational structure review	2007 & 2010
	5.5 Perform regular maintenance on District job descriptions	2006-Ongoing
	5.6 Develop written departmental standard operating procedures	2006-2008
6.0 Financial Management	6.1 Develop and approve annual budgets	Annually
	6.2 Institute multi-year financial planning	2006-Ongoing
	6.3 Provide appropriate levels of risk management	Ongoing
7.0 Customer Service	7.1 Design and implement customer communication plan	2006-2007
	7.2 Conduct customer survey	2006-Ongoing
	7.3 Develop a Customer Service Plan	2006-2007, Biannual

1.0 REGULATORY COMPLIANCE

Element Objective and Strategy: Our objective is to meet or exceed all applicable regulations for District operations. We will continue to proactively monitor and address all current and emerging standards, and implement technologies and methods for compliance.

- 1.1 *Meet Stage 2 DBPR maximum contaminant levels (MCL's)* – Stage 2 Disinfectants and Disinfection Byproducts Rule (DBPR) is proposed by the EPA. Under the Stage 2 DBPR, water systems must meet MCL's as related to TTHM/HAA5. The District's goal is to remain on free chlorine and in order to do so must upgrade the existing treatment process in order to comply with Stage 2 DBPR MCL's as proposed by the EPA.

1.1.1 Improve existing Palmdale Water Treatment Plant – The District is currently completing Phase I of the Water Treatment Plant Improvements which will improve the coagulation, flocculation, and sedimentation processes within the treatment train and has begun construction of Phase II Improvements which add filters, GAC contactors, and additional sludge basins. The District worked with Carollo Engineers on a pilot study to determine the treatment process that will be utilized to ensure the District complies with Stage 2 DBPR. The determination was made to utilize Granular Activated Carbon (GAC) in a post-filter mode as the treatment process. The District hired Carollo to prepare design plans and specifications for these projects with construction bidding immediately following the design approval. The District's goal is to have all of the existing Water Treatment Plant Improvements (Phase I and Phase II) completed and operational by December 2008.



- 1.2 *Comply with Initial Distribution System Evaluation (IDSE) requirements* – The IDSE is a requirement of the Stage 2 Disinfectants and Disinfection Byproducts Rule (DBPR) proposed by the EPA. Under the Stage 2 DBPR, water systems will conduct an evaluation of their distribution system to identify the locations with high disinfection byproduct concentrations. These locations will then be used by the water systems as the sampling sites for DBP compliance monitoring. The IDSE must be completed no later than two years after the final Stage 2 DBPR is published by the EPA. The preparation of the IDSE will include:
- Collecting water distribution system information
 - Developing a calibrated hydraulic model
 - Developing and submitting new monitoring locations for DHS approval
- 1.3 *Obtain CALFED Bay-Delta “Water Conservation Certification”* – Identify appropriate Best Management Practices (BMP’s) for the District to implement in order to obtain CalFed Bay Delta Water Conservation Certification. Develop a comprehensive water conservation plan and submit it to the Board for adoption. Certification requirements will start one year after signing the California Urban Water Conservation Council’s (CUWCC) Memorandum of Understanding (MOU). Those signing the MOU pledge to develop and implement fourteen BMP’s. The water conservation plan will identify the most cost effective way to implement a BMP.
- 1.4 *Develop and prepare an Urban Water Management Plan* - Every five years, in accordance with Water Code Section 10631 and in conjunction with the District’s five year Master Plan, the Urban Water Management Plan will be submitted to the Board for adoption. The adopted plan will be submitted to the Department of Water Resources for review. Copies of the plan will also be sent to other appropriate agencies. A guide book to assist suppliers in the



preparation of an Urban Water Conservation Plan has been prepared by the Department of Water Resources. The plan may be developed by staff, by contract, or in cooperation with other governmental agencies.

- 1.5 *Comply with safety and emergency preparedness requirements* – There are a number of State and Federal regulations related to safety and emergency preparedness that the District has and will continue to implement programs for compliance. These include training, procedures, practices, specialized equipment, and maintaining the Emergency Response Plan. The purpose of the ERP is to help the District effectively respond to emergencies, to minimize injuries, lessen the impact in the community, minimize plant damage, and provide guidance to local emergency response personnel. The ERP is designed to comply with Section 1433(b) of the Safe Drinking Water Act (SDWA) as amended by the Public Health Security and Bioterrorism Preparedness and Response Act of 2002. All District employees will be trained on the ERP, and emergency response drills will be conducted with District and local emergency staff.
- 1.6 *Monitor and participate in emerging regulations* – The District must be aware and active as new regulations are developed that affect future operations. A plan will be developed to identify job position responsibilities, provide guidelines for participating in discussions with regulatory agencies, and internal communication procedures with staff and Board members.
- 1.7 *Conduct investigation(s) into technologies to meet current and emerging water quality standards* – The District has a history of involvement on research designed to address water quality regulations through membership in the American Waterworks Association Research Foundation and direct pilot testing. This will continue over the scope of this Plan. Specifically, research will continue on a bromide reduction electrolysis process that may address State Water Project water quality issues.

2.0 NATURAL RESOURCE MANAGEMENT

Element Objective and Strategy: Our objective is to provide sustainable high quality water. We will increase the reliability of existing water resources and pursue additional sources of water.

- 2.1 *Ensure adequate water supplies for existing and future customers* – The 2007 Water System Master Plan Update being prepared by Carollo Engineers (engineering consultant) includes sections on future water demands and water supply. Future water demands will be predicted using population and land use estimates. The District’s existing and potential water supply and storage resources will be analyzed, and cost estimates for various options will be developed.

The District will identify additional water supply sources. Some of these sources are: increasing the yield from Littlerock Reservoir, water conservation, recycled water (urban irrigation and groundwater recharge), additional Table A SWP water, and water transfers. After the potential additional water supply sources are identified and evaluated, a plan will be developed and implemented to obtain the necessary water supplies. The District may utilize a water resources consultant to assist District staff in these efforts.



- 2.2 *Improve reliability of groundwater through local groundwater storage projects –*
The District relies on groundwater for a portion of its water supply and faces reduced reliability due to other demands on the Antelope Valley's groundwater basin. Reliability can be increased by developing projects to use the groundwater basin for water storage and being an active participant in the current groundwater adjudication to determine rights and help shape the resulting groundwater management plan. The District's continued active involvement in the Antelope Valley State Water Contractors Association and developing the Antelope Valley Integrated Regional Water Management Plan are needed to help move potential projects forward.
- 2.3 *Develop recycled water as a water source –* There are two ways that recycled water can be developed as an additional source of water for the District: urban irrigation reuse and groundwater recharge. The District participated in the County Sanitation Districts of Los Angeles County (District 20) Palmdale Water Reclamation Plant 2025 Facilities Plan and Environmental Impact Report by providing input and commenting on the plan. For recycled water to be a viable source of water for urban irrigation reuse and groundwater recharge, a minimum of tertiary level treatment is required.
- 2.4 *Use renewable energy sources for all new facilities as appropriate –* The District will continue to seek out and utilize renewable energy sources at existing and future facilities for self-sufficiency, reliability, and economic savings.
- 2.5 *Develop Water Conservation Garden Park –* This project has been preliminarily designed for the purpose of demonstrating water efficient landscape design and educating Antelope Valley residents about landscaping and water use. A business plan will be presented for approval and implementation that will outline partnerships, phasing, and future operations of the Park.

3.0 INFRASTRUCTURE MANAGEMENT

Element Objective and Strategy: Our objective is to provide a high quality water distribution system for current and future customers. We will carefully maintain our existing system and ensure that future additions will meet District standards.

- 3.1 *Plan for improvements and expansion of the existing water delivery infrastructure –*
The 2007 Water System Master Plan Update being prepared by Carollo Engineers (engineering consultant) and the associated EIR will serve as the basis for improving and expanding the District’s water delivery infrastructure.

3.1.1 *Existing Infrastructure Plan –* The 2007 Water System Master Plan Update includes development of an existing system hydraulic model and identifying improvements needed to mitigate existing deficiencies. The existing system Capital Improvement Program (CIP) will be a prioritized list of recommended improvement projects to correct identified system deficiencies or to take advantage of potential efficiencies. A communication plan for informing the public and District Board/staff of the various projects in the existing system CIP will be prepared. The projects identified will be placed in future budgets and constructed as recommended in the Master Plan.



- 3.1.2 *Future Infrastructure Plan* – The 2007 Water System Master Plan Update includes the expansion of the existing system hydraulic model to include build out and various intermediate scenarios to account for phasing of the District’s water distribution system as development progresses. Future system construction triggers will be identified to allow the District to construct required future capital improvements according to the pace of development. A 10-year future system Capital Improvement Program (CIP) will be developed. A communication plan for informing the public and District Board/staff of the various projects in the future system CIP will be prepared. The projects identified will be placed in future budgets and constructed as recommended in the Master Plan.
- 3.2 *Develop a Headquarters/Maintenance Yard Facilities Master Plan* – Establish future needs of office headquarters and facilities yard. Produce master plan layout of headquarters and facilities yard. Update and redefine building sizes, parking areas, and roadways using the 2007 Water System Master Plan update. Refine layout and implement.
- 3.3 *Develop an Asset Management Program* – Establish procedures and develop programs for planned management of District facilities and equipment including headquarters and facility buildings, well and booster sites, and District equipment. Work will include educating staff on asset management, developing the overall program and approach, and implementing the program.
- 3.4 *Maintain Littlerock reservoir storage capacity* – The Littlerock Dam and Reservoir are located on Littlerock Creek below the confluence of Santiago Canyon in the Angeles National Forest. The Reservoir was constructed in 1924 with an initial design capacity of 4,300 acre-feet. The capacity has been substantially reduced over time by deposition of sediment behind the Dam, and Reservoir capacity is further being reduced at a rate of approximately 30 to 40 acre-feet per year. The District proposes to

excavate sediment from the reservoir and construct a grade control structure (proposed project) at, or just downstream of, River Station 4,235, also known as Rocky Point to restore water storage and flood capacity of the reservoir and to prevent sediment loss and headcutting of the stream channel upstream of Rocky Point in order to prevent the incidental “take” of arroyo toad (*Bufo californicus*), a federally endangered species. Upon obtaining the necessary permits, the District will develop plans and specifications utilizing an outside firm and publicly advertise for construction bids for the actual sediment removal and disposal.

3.4.1 Work with USFS and consultants to complete environmental (CEQA/NEPA) documents – the District and the United States Forest Service, Angeles National Forest will prepare a joint Environmental Impact Report/Environmental Impact Statement (EIR/EIS) for the District’s proposed Littlerock Reservoir Sediment Removal Project. The District (as the State Agency under the California Environmental Quality Act) and the Forest Service (as the Federal Agency under the National Environmental Policy Act) will continue to work together to obtain the necessary permits to comply with CEQA and NEPA. An outside consulting firm will be utilized to assist with the preparation of necessary permits.

3.4.2 Implement sediment removal program – the District will develop a removal program that will monitor the amount of annual deposition of sediment within the reservoir and determine if removal of sediment is required in order to maintain Littlerock reservoir storage capacity. The removal program will require annual surveys and mapping of the reservoir bottom and may be conducted with in-house resources. Upon determination, if sediment is to be removed in order to maintain reservoir capacity, an outside contractor may be engaged to assist with the removal effort.



- 3.5 *Improve the security of PWD facilities* – The District is now faced with the need to add security to its normal operations more than in the past. A review of security improvement recommendations from the Vulnerability Assessment, the ranking of those recommendations, and the development and implementation of a plan to complete the recommendations will improve security at District facilities.

4.0 PERSONNEL MANAGEMENT

Element Objective and Strategy: Our objective is to provide a safe, productive and rewarding work environment. Our strategy is to hire and keep quality employees and implement the best personnel management practices available.

- 4.1 *Develop a broad based employee communication plan* - Good communications with our employees is critical. The approved Employee Communications Plan will be implemented and will serve to assure that important information is distributed to employees and from employees within the organization. The following areas are included in the recommendations:

- Planned Group Meetings in all Departments
- Re-design and commission a new Employee Suggestion program
- Employee Specific Newsletter program
- Assure clarity and usefulness of the Employee Manual
- Achievement Recognition
- Employee Committees
- 360-degree appraisals of Management and Supervisors
- Communication of Annual Budget to employees

Employee input was important in drafting the plan. The approach included the commissioning of employee populated committees to work on various aspects of the plan. Supervisory training and indoctrination on communications are also part of this program and have been started.

- 4.2 *Design and launch a new employee orientation* – A new employee orientation will be designed and implemented. The orientation will include elements such as a complete indoctrination, thorough personal and functional level introductions, assignment of mentors, guidance through the employee manual, and more. An outside firm may be engaged to assist with this effort.

- 4.3 *Review and formalize hiring, interviewing and selection procedures* – A project will be commissioned to assure that processes for recruiting, hiring, interviewing and selection methods are optimized for both new hires and promotions. Current practices will be reviewed and assessed as a baseline for process improvement steps. An outside firm may be engaged to assist with this effort. This review and associated actions may include:
- examination of recruiting practices
 - an assessment of hiring procedures
 - design and training of enhanced interviewing methods
 - integrate upgrades with a new employee indoctrination
- 4.4 *Perform annual compensation reviews* - The District will continue to perform annual compensation studies. These studies will include salary and whole compensation package value comparisons with similar local agencies. Alignment with industry standards in pay and compensation are important and will also be assessed to assure fair and accurate comparisons. Studies will project trends in the market and carefully consider the cost of replacement of each position. Results of these studies will play a key role in baselining position specific compensation rates/schedules, recruiting as well as annual compensation package determinations. This annual review may be conducted with in-house resources.
- 4.5 *Design a succession plan for the entire District* – The District will commission the development of a succession plan for all functions within the District. This analysis should be a comprehensive review of all functional positions populated now and anticipated in the future. The succession plan will result in a clear path for avoiding staffing gaps, assuring appropriate depth in critical functions, assuring critical information spread and providing for adequate staffing in the future. An outside firm may be engaged to assist with this effort.

- 4.6 *Design a workplace health implementation program* - Based on the results of the 2005 employee survey results, the District will engage in a program to assure long-term workplace satisfaction. The findings and recommendations of the employee survey will be utilized to move the program forward. Many of the recommendations and findings of the survey analysis are commissioned within this strategic element. The actions below represent the remaining issues that need attention in 4.6.1 and measure the results of the actions taken in 4.6.2. An outside firm may be engaged to assist with this effort. The following actions are anticipated.
- 4.6.1 Work with General Manager to develop a workplace health program for institution within 18 months.
- 4.6.2. Conduct a follow-up survey after implementation of these and other recommendations, found above, to assess effectiveness of workplace health efforts.
- 4.7 *Design and implement a staffing master plan* – The 2007 Water System Master Plan update includes future demand projections and capital improvements. A Staffing Master Plan will be developed using this information to include staffing “triggers” based on increased service connections, expansion of water treatment facilities, and additional water distribution facilities. These “triggers” will act as a guide for including staffing changes in future budgets and will allow the District to adequately grow as needed to respond to future development. Future organizational charts will be developed as part of the Staffing Master Plan.
- 4.8 *Develop a function specific employee training plan and training policy* – The District has relied significantly upon informal practices to train employees in their positions. A training policy covering each position’s functions, safety aspects, and employee career and personal development and its implementation will improve job performance and satisfaction within the District staff.

5.0 ADMINISTRATIVE MANAGEMENT

Element Objective and Strategy: Our objective is to provide supportive and effective policies, procedures and practices that will assure that the District operates in an effective manner. Our strategy is to routinely monitor and upgrade these to address current requirements, operational efficiencies and emerging needs.

- 5.1 *Maintain existing Employee Manual* – The District’s Employee Manual must be somewhat dynamic and reflect current legal requirements and employee practices. This will be done through developing and implementing a regular review and revision schedule for the Employee Manual.

- 5.2 *Maintain existing Rules and Regulations Manual* - The District’s Rules and Regulations Manual must be somewhat dynamic and reflect current legal requirements and Board-adopted policies and be consistent throughout its text. This will be done through developing and implementing a regular consistency review and revision schedule for the Rules and Regulations Manual

- 5.3 *Introduce a Board “Code of Conduct” manual or policy section* – The Policy and Procedures (Rules and Regulations) manual will be updated with a Board Code of Conduct Section. This section will include the implementation of Ethics training for Board members and designated staff. A series of Board workshops will continue to establish clear guidelines for Director conduct, meeting definitions, and travel expense costs.

- 5.4 *Perform comprehensive organizational structure review* – A review of the organizational structure, associated alignment and charting will be conducted to assess for a logical and productive work structure. Future needs will be assessed, associated attrition, and workforce shifts will be considered. The results of this study will be reported to the Board for endorsement.

- 5.5 *Perform regular maintenance on District job descriptions* – The responsibilities of positions will evolve somewhat over time and will also be altered by additional requirements and duties. A plan will be developed to provide a regularly scheduled review and revision, if necessary, of all the District’s job descriptions.
- 5.6 *Develop written departmental standard operating procedures* – As the District continues to grow, it is necessary to ensure all functions are handled properly and the procedures are passed forward to new employees. Documenting the functions will fulfill this and provide for consistency in the District’s operations and service to our customers.

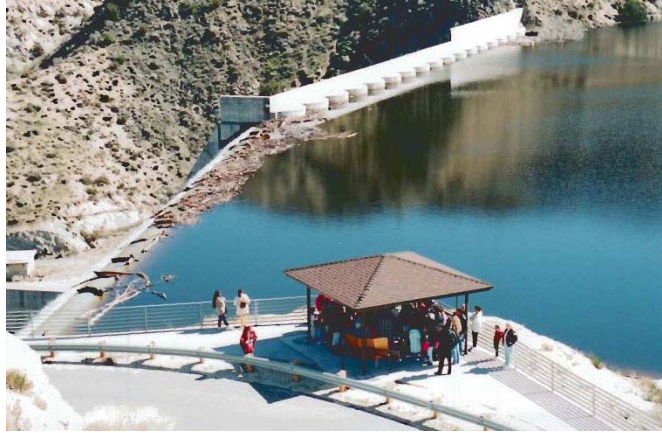
6.0 FINANCIAL MANAGEMENT

Element Objective and Strategy: Our objective in financial planning is to manage public funds to assure financial stability and demonstrate responsible stewardship. PWD will assure that financial resources are available to fund current and future demands.

- 6.1 *Develop and approve annual budgets* – The District will continue to prepare and adopt budgets at least annually. The maintenance of this Strategic Plan will be integrated into the annual budgeting process. Annually, when Staff prepares the budget for Board review, the strategic goals herein for the budget year will be reviewed, delayed, removed or included and resource loaded for Board consideration. As such, the annual Budget workshop will be combined with the annual Strategic Plan update workshop. Goals that are endorsed in the budget workshop will, in most cases, be brought back to the Board in greater detail when staff intends to commission the work within the year. This process will also allow for review and extension of the Strategic Plan each year.
- 6.2 *Institute multi-year financial planning* – A comprehensive, multi-year financial plan is needed to provide a solid foundation for the District’s activities. Aspects of the Plan should include: water rates, large project funding, project based grant funding, Capital Improvement Fee structure, a water resource fee for addition water supply, development of other fees or charges needed to address growth impacts, and a reserve policy.
- 6.3 *Provide appropriate levels of risk management* – The District will continue to manage its operations and procure appropriate amounts of protection to reduce its risk exposures. This includes periodic review of insurance coverage and programs, ensuring appropriate risk transfers occur with contractors and vendors, and employee training is completed.

7.0 CUSTOMER SERVICE

Element Objective and Strategy: Our objective is to provide high quality customer service. We will anticipate customer needs, communicate District information, listen to concerns, and provide service in a timely and courteous manner.

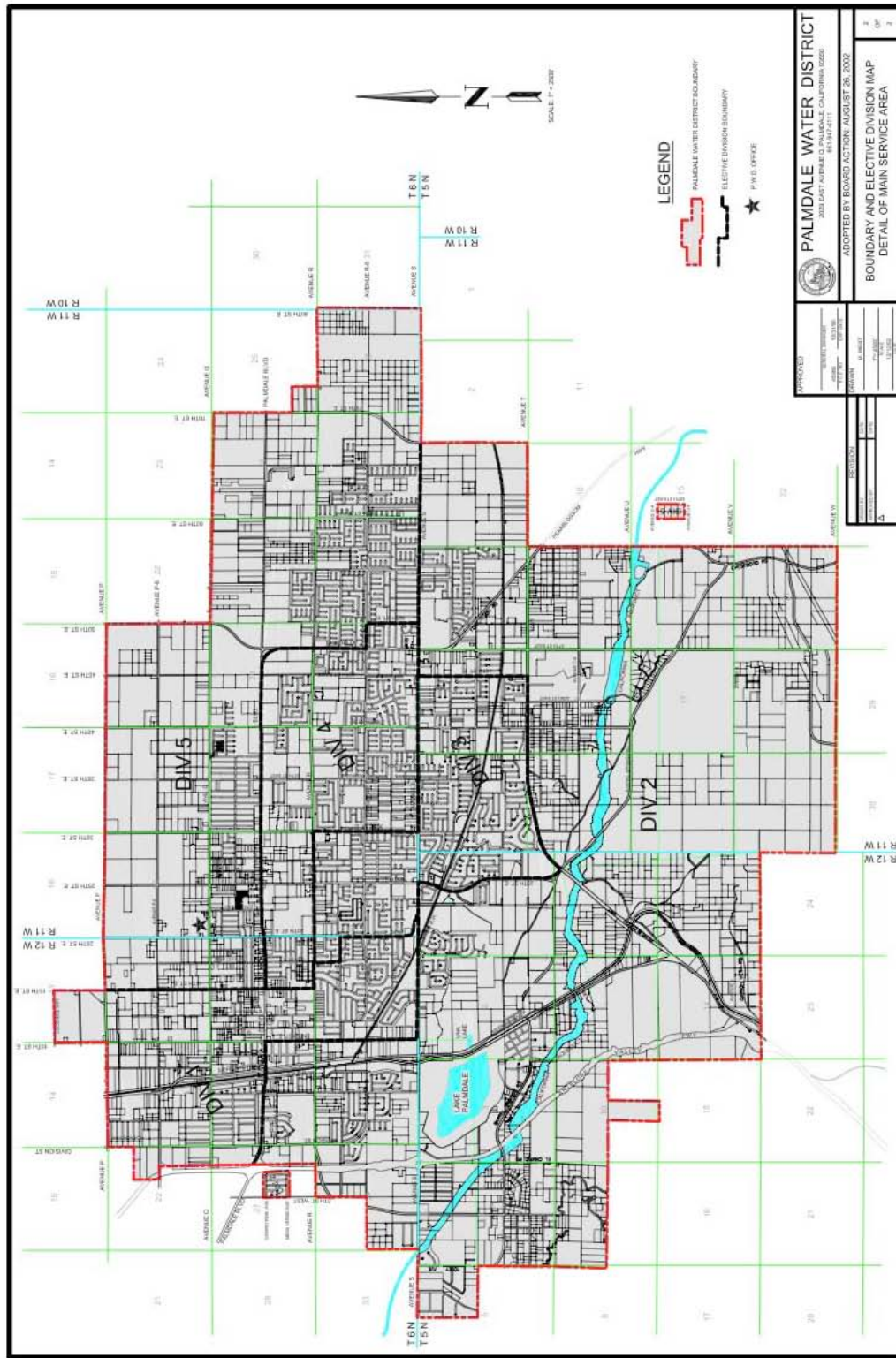
- 7.1 *Design and implement customer communication plan* – The Plan is intended to be a comprehensive approach to communicating with our customers. Elements of the Plan may include: review of quarterly newsletter, bill messages, web site review and updates, and feedback methods.
- 7.2 *Conduct customer survey* – This will be designed to receive feedback from our customers on overall District operations and perceptions and any specific areas needed to assist District operations. Examples of this include input on improvement projects, new facilities, and water awareness activities.
- 
- 7.3 *Develop Customer Service Plan* – The District exists to provide a set of services to our customers. These customers include rate payers, the general community, the development community, local agencies, and local organizations. Therefore, an overall Plan is needed to assure the District fulfills its mission. Elements of the Plan will include: identifying customer services areas, establishing performance criteria and goals in those areas, staff training to meet the goals, determination of organizational changes or outside service vendor contracts required, and monitored implementation of the Plan.

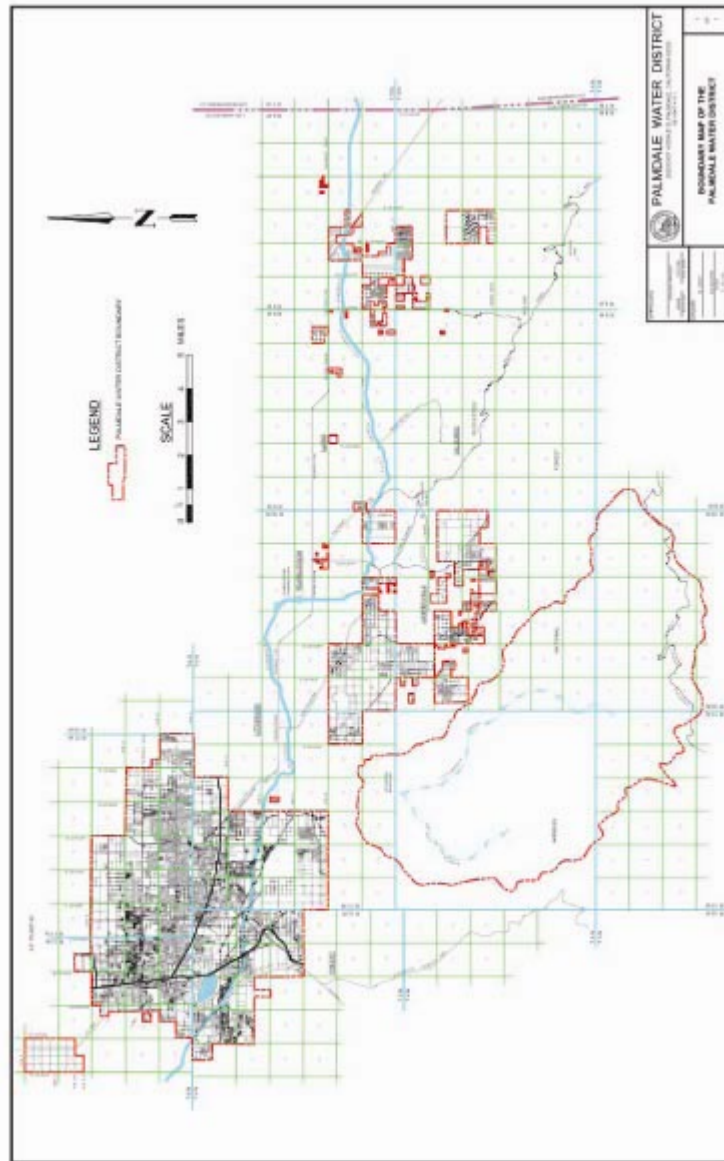
STRATEGIC PLAN MAINTENANCE

This Plan will be reviewed annually and coordinated with both budget planning and General Manager performance evaluation. Reviews may be conducted internally, by staff or facilitated, and presented to the Board with updated strategies each year. Changes from the annual reviews will be documented yearly by issuing an annual Strategic Plan supplement.

Five-year Plan updates will involve a facilitated comprehensive overview of the existing District vision, the progress on the revised Plan, needs as they are then known and needs within the future five-year planning horizon. Updates will result in an updated plan with new and revised elements as needed.

Strategic Plan
 Palmdale Water District
 District Maps





Strategic Plan

Palmdale Water District

Table 2 – Scheduled Strategic Elements and Goals

Strategic Goals and Objectives	Strategic Goals by Year					
	2006	2007	2008	2009	2010	2011
1.0 Regulatory Compliance						
1.1 Meet Stage II DBP Maximum Contaminant Levels						
1.1.1 Improve existing Palmdale Water Treatment Plant						
1.1.1.1 Phase I Water Treatment Plant Improvements						
1.1.1.1.a Construction	x					
1.1.1.2 Phase II Water Treatment Plant Improvements						
1.1.1.2.a Design	x					
1.1.1.2.b Construction	x	x	x			
1.2 Comply with Initial Distribution System Evaluation (IDSE) requirements						
1.2.1 Prepare and submit IDSE Plan	x					
1.2.2 Initiate IDSE Monitoring		x	x			
1.2.3 Prepare and submit IDSE Report			x			
1.3 Obtain CALFED Bay-Delta "Water Conservation Certification" by developing comprehensive Water Conservation Plan						
1.3.1 Identify projects to meet Best Management Practices for PWD to obtain certification	x					
1.3.2 Develop and submit Water Conservation Plan to Board of Directors for adoption	x	x				
1.3.3 Implement Water Conservation Plan		x	ONGOING			
1.4 Comply with Urban Water Management Plan regulations				x	x	
1.4.1 Identify current regulations				x	x	
1.4.2 Prepare and approve Plan					x	
1.5 Comply with safety and emergency preparedness requirements						
1.5.1 Provide safety training to employees						
1.5.2 Provide safety equipment for employees						
1.5.3 Maintain emergency preparedness						
1.5.3.1 Maintain Emergency Response Plan						
1.5.3.2 Train and drill employees on Emergency Response Plan						
1.5.3.3 Participate in regional emergency response exercises						
1.6 Monitor and participate in emerging regulations						
1.6.1 Identify job position(s) responsible for monitoring and participating in the development of new regulations	x					
1.6.2 Establish procedures for periodic reporting to staff and Board of Directors on status of regulations	x	x				
1.6.3 Implement reporting procedures		x	ONGOING			
1.7 Conduct investigation(s) into technologies to meet current and emerging water quality standards						
1.7.1 Maintain membership in American Water Works Association Research						
1.7.2 Large scale demonstration of bromide reduction electrolysis process	x	x				

Strategic Plan

Palmdale Water District

Table 2 – Scheduled Strategic Elements and Goals

Strategic Goals and Objectives	Strategic Goals by Year					
	2006	2007	2008	2009	2010	2011
<u>2.0 Natural Resources Management</u>						
2.1 Ensure adequate water supplies for existing and future customers						
2.1.1 Determine future water supply requirements by completing 2006 Master Plan Update	x	x				
2.1.2 Develop and approve plan to obtain required water supplies		x				
2.1.3 Implement plan to obtain additional water supplies		x	ONGOING			
2.2 Improve reliability of groundwater through local groundwater storage projects		ONGOING				
2.2.1 Participation in development of groundwater banking projects through the AVSWCA						
2.2.2 Use of gravel pit area of Littlerock for groundwater recharge operations						
2.2.2.1 Contract with engineering firm for feasibility study of future use	x					
2.2.2.2 Develop project(s) and implementation plan based on feasibility study	x	x				
2.2.2.3 Implement plan for use of gravel pit area for groundwater recharge	x	x	ONGOING			
2.2.3 Participation in AV Integrated Regional Water Management Plan	ONGOING					
2.3 Develop recycled water as a water source						
2.3.1 Develop urban irrigation reuse project(s)		x				
2.3.1.1 Develop conceptual plan for use of tertiary water for large irrigation sites (parks, schools, etc.)			x	x		
2.3.1.2 Refine projects, begin permitting process, and execute necessary contracts					x	x
2.3.1.3 Implement reuse projects						
2.3.2 Develop groundwater recharge project(s) using reclaimed water						
2.3.2.1 Develop conceptual project(s) for groundwater recharge	x	x				
2.3.2.2 Refine projects, begin permitting process, and execute necessary contracts		x	x	x		
2.3.2.3 Implement groundwater recharge project(s)					x	x
2.4 Use renewable energy sources for all new facilities as appropriate	ONGOING					
2.5 Develop Water Conservation Garden Park						
2.5.1 Develop and approve business plan	x	x				
2.5.2 Implement business plan		x				

Strategic Plan

Palmdale Water District

Table 2 – Scheduled Strategic Elements and Goals

<u>Strategic Goals and Objectives</u>	<u>Strategic Goals by Year</u>					
	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
<u>3.0 Infrastructure Management</u>						
3.1 Plan for improvements and expansion of the existing water delivery infrastructure						
3.1.1 Existing Infrastructure Plan						
3.1.1.1 Determine existing infrastructure improvements by completing 2007 Master Plan Update	x	x				
3.1.1.2 Develop plans to address existing infrastructure needs		x				
3.1.1.3 Develop a public and internal communications plan for the infrastructure		x				
3.1.1.4 Implement plan to construct existing infrastructure improvements as prioritized in 2007 Master Plan Update		x	ONGOING			
3.1.2 Future Infrastructure Plan						
3.1.2.1 Determine future infrastructure requirements by completing 2007 Master Plan Update	x					
3.1.2.2 Develop plans to address future infrastructure needs	x	x				
3.1.2.3 Develop a public and internal communications plan for the infrastructure		x				
3.1.2.4 Implement plan to construct additional infrastructure as needed to match growth		x	ONGOING			
3.2 Develop a Headquarters / Maintenance Yard Facilities Master Plan						
3.2.1 Determine needs of Headquarters / Maintenance Yard using information from the 2007 Master Plan Update	x					
3.2.2 Develop layout of Headquarters / Maintenance Yard property to address needs	x	x				
3.2.3 Refine and implement plan		x	x			
3.3 Develop an Asset Management program		x	x			
3.4 Maintain Littlerock Reservoir storage capacity						
3.4.1 Work with USFS and consultants to complete environmental (CEQA/NEPA) documents	x	x				
3.4.2 Implement sediment removal program			x	x		
3.5 Improve the security of PWD facilities						
3.5.1 Review Vulnerability Assessment recommendations	x					
3.5.2 Prioritize recommendations and develop a plan to fund and construct improvements		x	x			
3.5.3 Implement planned improvements		x	ONGOING			

Strategic Plan

Palmdale Water District

Table 2 – Scheduled Strategic Elements and Goals

<u>Strategic Goals and Objectives</u>	<u>Strategic Goals by Year</u>					
	2006	2007	2008	2009	2010	2011
<u>4.0 Personnel Management</u>						
4.1 Develop and approve a broad-based employee communication plan	x	ONGOING				
4.1.1 Communicate approved budget to employees		x	ANNUALLY			
4.2 Design and launch a New Employee Orientation procedure	x	x				
4.3 Review and Formalize Hiring, Interviewing and Selection Procedures	x	x				
4.4 Perform annual compensation review	ANNUALLY					
4.5 Design a succession plan for the entire District		x	x			
4.6 Design a workplace health implementation program						
4.6.1 Work with GM on specific organizational issues	x	x				
4.6.2 Conduct periodic employee survey			x	AS NEEDED		
4.7 Design and Implement a staffing master plan						
4.7.1 Determine staffing needs using information from the 2007 Master Plan	x					
4.7.2 Develop draft future organization charts to meet the projected needs	x	x				
4.8 Develop a function specific employee training plan and training policy	x	x				

Strategic Plan

Palmdale Water District

Table 2 – Scheduled Strategic Elements and Goals

<u>Strategic Goals and Objectives</u>	<u>Strategic Goals by Year</u>					
	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
<u>5.0 Administrative Management</u>						
5.1 Maintain existing Employee Manual						
5.1.1 Review and update Employee Manual on a regular basis	x		x		x	
5.2 Maintain existing Rules and Regulations Manual						
5.2.1 Establish periodic overall consistency reviews for Rules and Regulations Manual	x	x				
5.2.2 Implement consistency reviews for Rules and Regulations Manual		x	ONGOING			
5.3 Introduce a Board "Code of Conduct" manual or policy section	x	x				
5.4 Perform comprehensive organizational structure review		x			x	
5.5 Perform regular maintenance on District job descriptions	x	ONGOING				
5.6 Develop written departmental standard operating procedures	x	x	x			
<u>6.0 Financial Management</u>						
6.1 Develop and approve annual budgets						
6.1.1 Integrate Strategic Planning Process with Annual Budgeting	x	ANNUALLY				
6.1.2 Establish and implement periodic Budget vs. Actual status reports	x	x	ONGOING			
6.2 Institute multi-year financial planning						
6.2.1 Develop water rate plan					x	
6.2.2 Develop and implement plan to provide project funding	x	x				
6.2.3 Obtain available grant funding for District activities, programs, and projects	ONGOING					
6.2.4 Review and update capital improvement fees	ANNUALLY					
6.2.5 Develop and approve water resource fee	x	x				
6.2.6 Establish and maintain a reserve fund policy	ANNUALLY					
6.3 Provide appropriate levels of risk management	ONGOING					
<u>7.0 Customer Service</u>						
7.1 Design and implement customer communications plan	x	x				
7.2 Conduct customer survey						
7.2.1 Develop initial customer survey and procedures for continuing surveys	x	x	ONGOING			
7.3 Develop a Customer Service Plan						
7.3.1 Establish Customer Service performance goals	x	x				
7.3.2 Provide appropriate level of customer service training to all District employees	BI-ANNUALLY					
7.3.3 Implement Customer Service Plan		x				