

CITY OF

TAMPA

WATER DEPARTMENT



STRATEGIC PLAN 2019

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IMPLEMENTATION**MESSAGE FROM THE DIRECTOR**

City of Tampa residents, businesses, and visitors enjoy:

- A plentiful supply of safe, high-quality drinking water every day;
- A water utility that cares about its customers and is actively working to improve and provide exemplary customer service;
- The benefits of decades of fiscal stewardship and sound financial decisions;
- A water utility that is proud of its partnerships for both community and economic development.

Achieving this requires the City of Tampa's Water Department to operate a complex water system, support its diverse and skilled workforce, and effectively plan for the future. In the coming years, our organization will face a number of challenges that we must overcome – aging infrastructure, growth, climate change, increased regulation, finite resources, and a loss of institutional knowledge as employees retire. While the Water Department is not in a unique position, these challenges cannot be addressed without the organization's commitment and consistent attention. To facilitate our response, this strategic plan lays out the Water Department's framework for priorities, projects, and improvements over the next few years and leverages well-defined strategies and measures to move the organization forward.

I would like to express my appreciation for the Water Department's leadership team, which pursued the creation of this plan in the context of a number of other substantial organizational initiatives, as well as the contributions of many others who participated, including the:

- Employees who provided input, developed the plan, and will ultimately implement the plan
- External stakeholders who provided input and helped to define the Water Department's operating environment

With this plan – and smart work – we will be successful. We will continue working every day to deliver high-quality water and provide exceptional customer experiences in a safe, reliable, efficient, and sustainable manner with our skilled, diverse, and committed workforce. We will achieve our vision:

To inspire trust by providing premier water service!

I NTRODUCTION

In 2018, the City of Tampa's Water Department (Water Department) initiated a process to create an updated vision for the future and a plan to drive progress toward the organization's most important goals. This process was driven by the Water Department leadership team and included opportunities for participation and input from the employees, City department representatives, and other external stakeholders.

THE STRATEGIC FRAMEWORK PRESENTED IN THIS DOCUMENT WILL HELP GUIDE ORGANIZATIONAL DECISION MAKING AND RESOURCE ALLOCATIONS FOR THE NEXT SEVERAL YEARS.





To achieve these conditions for success, the Water Department’s strategic planning process involved input from a broad group of internal and external stakeholders within the following key tasks.

PROJECT KICK-OFF WORKSHOP

To initiate the project, develop a project charter, review the impact of key industry trends, and formalize effective communication with the Core Strategic Planning Team (Core Team), which consisted of members of the Water Department leadership team

**FOUNDATION/
STRATEGY WORKSHOP**

To consider inputs gathered from the previous tasks to formulate the foundational elements of the organization's strategic plan, as well as to consider and select specific priorities and strategies for subsequent discussion

STAKEHOLDER ENGAGEMENT

To ensure that key stakeholders had the opportunity to provide input in identifying needs, preferences, and perspectives regarding the future of the organization, through interviews, employee focus groups, and an employee survey

STRATEGY/TACTIC WORKSHOP

To consider previously developed strategy and tactic concepts for inclusion in the plan, as well as to discuss high-level measures of success for each of the priority areas

**STRATEGIC
PLANNING
PROCESS**

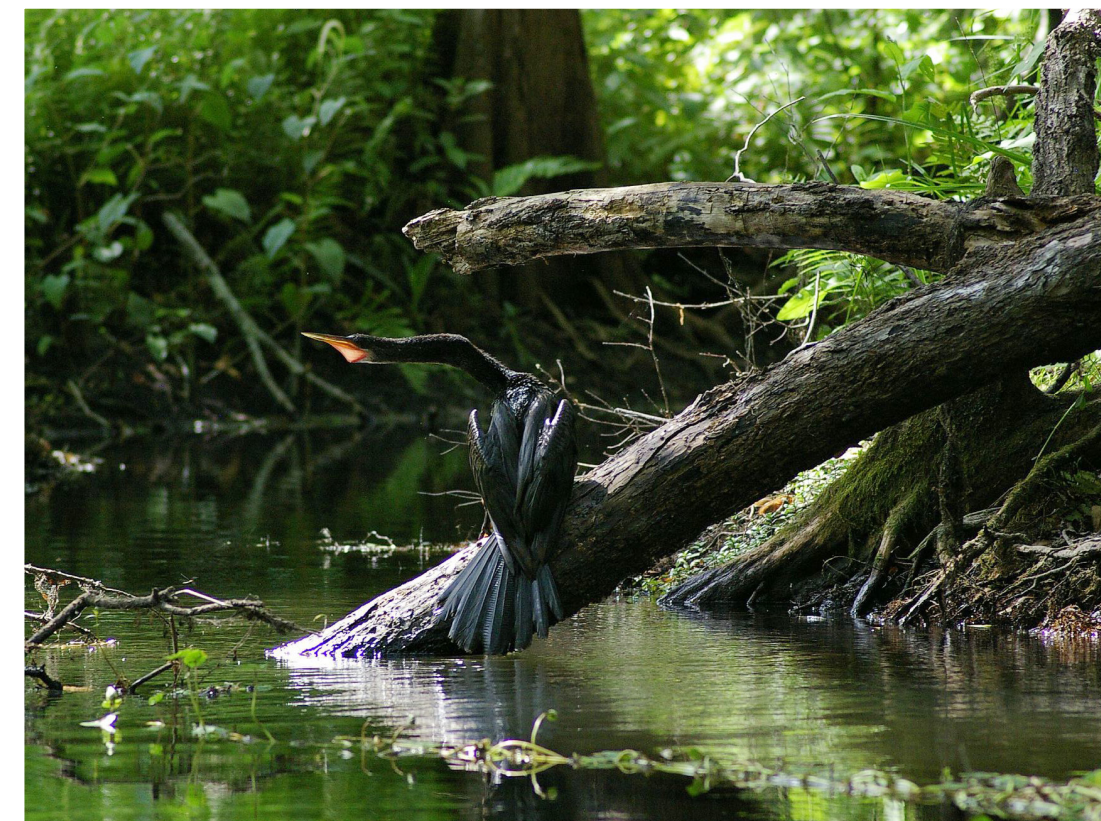
The Water Department’s strategic planning process began with conducting an organizational assessment process sought to understand:

- The presence of best practices at the Water Department, as identified in the EPA’s Effective Utility Management (EUM) initiative;
- Current performance and organizational targets around each of EUM’s attributes of an effectively managed utility;
- Priority areas for additional organizational effort and improvements; and
- How the Water Department performs relative to industry benchmarks and other organizations that have undergone similar exercises.

The results of the organizational assessment are documented in the “Effective Utility Management Assessment.”

The results of the assessment were used as inputs to the strategic planning process, which was designed to assure:

- A shared vision of the organization’s goals and desired future state
- Continued acceptance of the direction and importance of the strategic plan for achieving the Water Department’s ultimate goals
- A collective understanding of the resource needs, commitments, working environment, and principles upon which progress will be based



OPERATING ENVIRONMENT

COMMUNITY PROFILE

The City of Tampa, located in Tampa Bay along Florida’s southwest coast, is a continually evolving and diverse community with a rich history. The City was originally established in 1849 as a military outpost and has retained a military presence ever since, today serving as the location for MacDill Air Force Base. Tampa remained a small town until the discovery of phosphate in the late 1800s, which led to a major economic and population expansion.



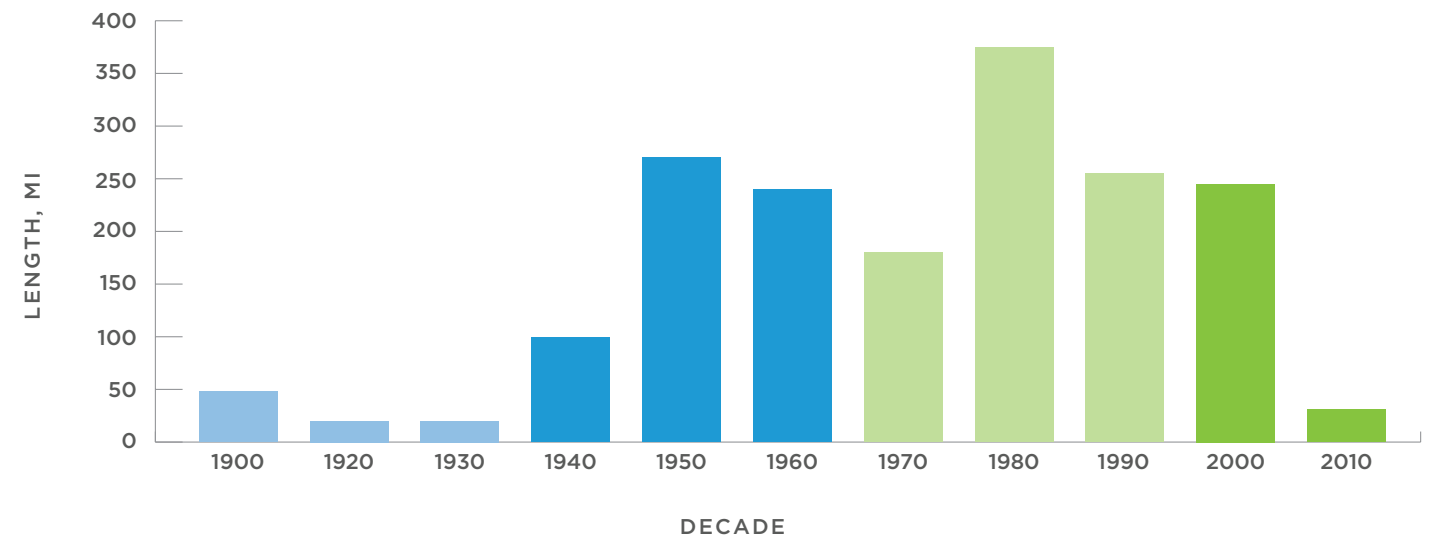
Around this time, immigrants from Cuba, Spain, and Italy arrived to work in the City’s growing job market, contributing to the town’s tapestry of diverse cultures and neighborhoods. Tampa is known for its variety of attractions, including the Museum of Science and Industry, several art and history museums, and Ybor City Museum, the latter a part of historic Ybor City named after the city’s most famous cigar maker. Residents and visitors alike are drawn to Tampa’s unique bay shoreline with white sand beaches, along with many other distinctive outdoor spaces such as Busch Gardens. The Hillsborough River, historically an important trade route, now provides a scenic waterfront and serves as the City’s primary water source.

A part of the Florida High Tech Corridor, Tampa has several top employers in the financial services, healthcare, and technology industries. Tampa’s economy has grown in recent years, reaching \$148.6 billion in 2017 and ranking among the top 25 cities nationally in terms of total economic output. This economic growth has coincided with a period of urban revitalization. The City has invested in new real estate development in its downtown and has created a popular Riverwalk trail along the Hillsborough River. The city’s Median Household Income (MHI) is \$48,245, similar to the

statewide MHI of \$50,883. According to the Census, Tampa’s median age of 35.6 is lower than the statewide median of 41.8 and the area has experienced growth in the number of millennial residents over the past several years, according to a recent Brookings report.

With a city population of 368,087 according to Census estimates, a service population of approximately 620,000, and expectations for future growth, the City must ensure access to a reliable water supply. Much of the City’s water infrastructure was put in place more than 50 years ago, and is currently in the process of being rehabilitated. The City’s growth coincides with a time of heightened focus on resilience in the face of climate change and extreme weather events. To support resource conservation, an important goal given these environmental concerns, the Water Department is conducting a potable water reuse study. Amid the uncertainty affecting the water industry across the country, the City of Tampa and its Water Department continue to adapt and evolve. Supporting the needs of a growing city requires a dedicated workforce and strategic vision. Through this strategic plan, the Water Department is committing to focus on the future for the benefit of Tampa’s citizens.

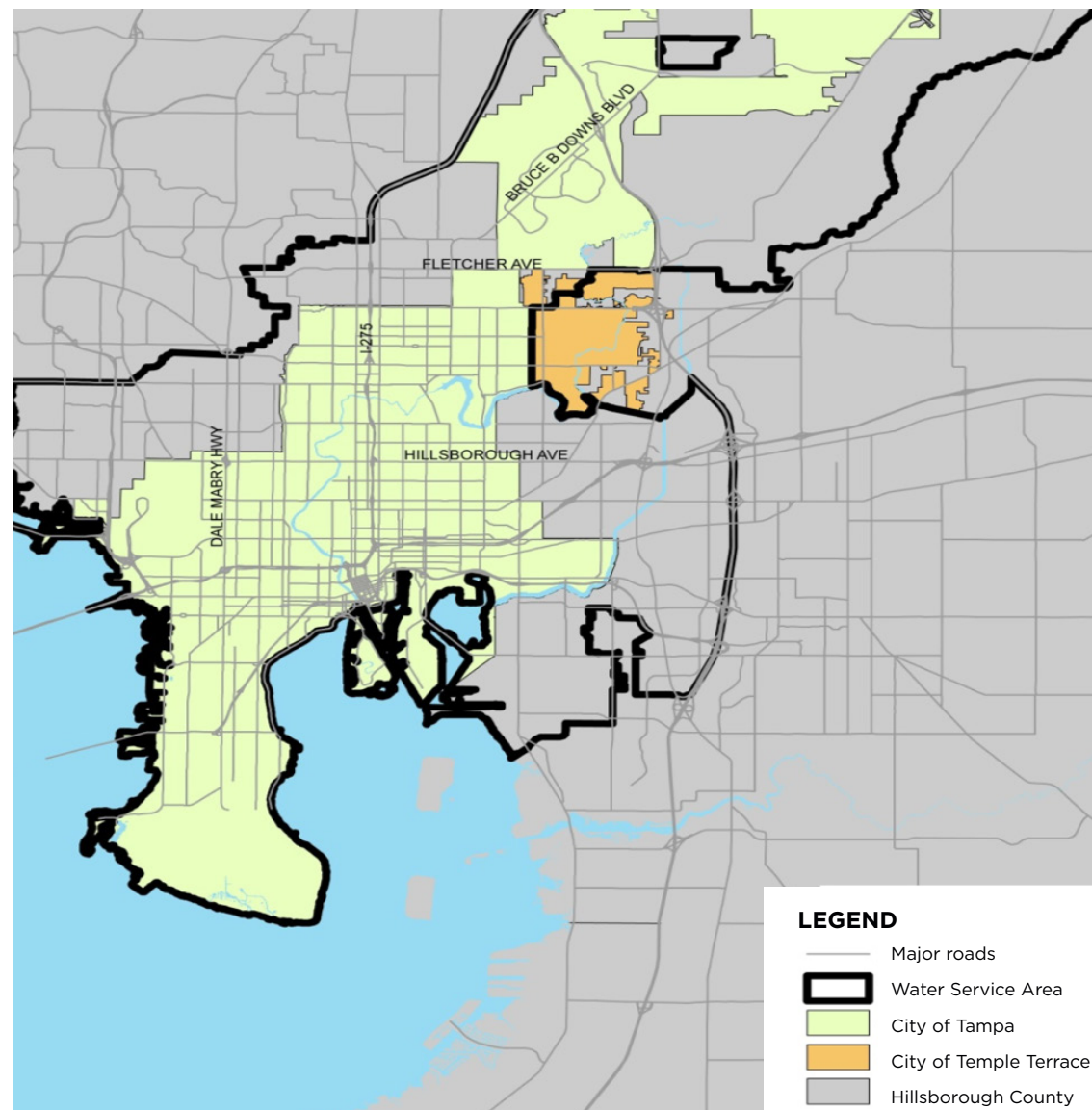
AGING INFRASTRUCTURE



TRENDS ANALYSIS

The Water Department’s services are essential to the health and vitality of its regional service area. To ensure continued success, the Core Team reviewed eight industry-wide trends and determined how each trend impacts the utility’s operating environment and whether it supports or inhibits the utility’s continued success.

For each trend, Core Team members summarized how the trend currently affects the greater Tampa region, as well as the expectations for future impacts. Finally, the Core Team considered potential responses and actions that the Water Department could take to either take advantage of or mitigate each trend’s impacts.



TREND 01 POPULATION

THE CURRENT SITUATION

The Water Department’s service area captures the City of Tampa and parts of neighboring City of Temple Terrace and Hillsborough County for a total service population of 620,000. The City is experiencing a trend of vertical development, but vacant lots remain. More vertical development (e.g., residential towers) resulting in higher density and increased water demand for household use with minimal additional irrigation demand is expected in the next several years. Unincorporated service areas pay a 25% water rate premium. The utility’s water demand projection for 2030 is 88 million gallons per day (MGD). However, the City’s current water use permit limits the City’s withdrawal from the Hillsborough River Reservoir to 82 MGD.

POTENTIAL WATER DEPARTMENT RESPONSES

- Weigh one time and continuing costs of providing water service to enable growth, which may help to prioritize areas of development.
- Implement a master plan that addresses population growth and incorporate more redundancy into infrastructure and operations.

TREND 02 THE OPERATING ENVIRONMENT

THE CURRENT SITUATION

The City of Tampa will need to secure a sustainable water source to support growth and increase drought resiliency. Water supply during droughts is secured via interlocal agreement with Tampa Bay Water. The City also has an interlocal agreement with Hillsborough County. The City’s advanced wastewater treatment plant produces reclaimed water that the Water Department distributes for irrigation and, potentially, for potable reuse. While the Water Department is a high energy user, energy is readily available and cost-effective, and the utility has back-up generation power throughout the distribution system and is focused on improving energy efficiency. The majority of water main replacement project costs are in sidewalk and street restoration.

POTENTIAL WATER DEPARTMENT RESPONSES

- Continue to work with Tampa Bay Water and other regional utilities to explore using highly treated excess reclaimed water as a new water source for the region.
- Implement a project that will make the City more self-reliant in its water supply.
- Look for opportunities to institute energy management practices during peak hours to lower rates.
- Collaborate on projects with other City Departments, regional organizations and municipalities to minimize restoration costs.

TREND
03**REGULATIONS****THE CURRENT SITUATION**

The Water Department is heavily regulated, but maintains regulatory compliance, which is expected to continue into the future. The water supply is limited by the City's current water use permit to 82 MGD. The Water Department complies with the Lower Hillsborough River Minimum Flow requirements and is committed to protecting the environment. The Water Department is required to follow regulations for workplace safety and is committed to ensuring safe working conditions for employees.

POTENTIAL WATER DEPARTMENT RESPONSES

- Expand source capacity to meet service level requirements (estimated at 88 MGD in 2030).
- Continue studying potable reuse to offset withdrawals from the Hillsborough River.
- Phase out liquid chlorine and anhydrous ammonia use, which will reduce safety concerns.

TREND
04**WORKFORCE****THE CURRENT SITUATION**

The Water Department is understaffed in some areas. Knowledge gaps are developing due to turnover resulting from aging workforce, competitive regional employment opportunities, and lack of structured process for continuous training.

POTENTIAL WATER DEPARTMENT RESPONSES

- Work with the City's Department of Human Resources to update job descriptions and recruitment processes.
- Continue to formalize SOPs to facilitate knowledge transfer across the organization.
- Develop a structured process for continuous training.

TREND
05**TECHNOLOGY****THE CURRENT SITUATION**

The Water Department's technology is in the process of evolving with a new utility management system (UMS) having just been implemented. Additional projects on the horizon include Advanced Metering Infrastructure (AMI), Computerized Maintenance Management System (CMMS), and Geographic Information System (GIS) initiatives. Automation (e.g. SCADA) has been implemented, but the Department can improve its application of available data into daily operations and leverage the available technical resources and tools. The organization recognizes the need for more cohesive plans around technology and the overarching need to have confidence in the data in the IT systems. The Water Department relies on the City's Department of Technology and Innovation (T&I) to manage most technology systems.

POTENTIAL WATER DEPARTMENT RESPONSES

- Plan, invest, and train on innovative technologies.
- Develop expectations for technology systems, especially as technological change accelerates.
- Develop SOPs and ensure that all technology systems are more integrated with each other and into their respective workflows.



THE WATER DEPARTMENT'S TECHNOLOGY IS IN THE PROCESS OF EVOLVING WITH A NEW UTILITY MANAGEMENT SYSTEM (UMS) HAVING JUST BEEN IMPLEMENTED.



CUSTOMER EXPECTATIONS

TREND
06

THE CURRENT SITUATION

It is easy for customers to take water utilities for granted, because water is always available, but customers lack full understanding of the value of the Water Department as a community asset. The Water Department is proud of its timely resolution of issues and efficient communication, but continues to strive to improve its external communications and service levels. Social media and NextDoor.com are increasing the urgency to respond to customers.

POTENTIAL WATER DEPARTMENT RESPONSES

- Ensure that Water Department staff have the necessary resources to answer questions and set appropriate response time/service level expectations.
- Provide customers with more self-service options through technology.
- Communicate more and through more media platforms (e.g., websites, inserts, social media).

UTILITY FINANCIAL CONSTRAINTS

TREND
07

THE CURRENT SITUATION

The Water Department has a strong bond rating, healthy reserves, and good cash flows, but is currently dealing with significant deferred needs. As a result, large investment, estimated to be about \$1.5 billion, will be required over the next 20 years, for repair and replacement as well as new capital.

POTENTIAL WATER DEPARTMENT RESPONSES

- Continue to maintain the Water Department's strong financial position.
- Recommend new rate structure to address identified needs.

INCREASED RISK PROFILE

TREND
08

THE CURRENT SITUATION

The Water Department has several areas of risk, relating to weather, finance, cyber threats, the rate base, and politics. Tampa is a tropical area with risk of hurricanes and flooding. The Water Department has benefitted from favorable interest rates. Increasingly, the water industry is affected by cyber security breaches, which the Water Department must continue to address.

POTENTIAL WATER DEPARTMENT RESPONSES

- Strike an appropriate balance between taking on debt and affordable rates.
- Ensure cyber-security and disaster preparedness.





VISION

Ultimately, implementation of this plan will allow the Water Department to achieve its desired future state, as articulated in its organizational vision:

To inspire trust by providing premier water service.

MISSION

The mission describes the organization's purpose and role within the service area. After carefully considering these factors and an evaluation of its strengths, the Core Team articulated the Water Department's mission as:

To deliver high-quality water and provide exceptional customer experiences in a safe, reliable, efficient, and sustainable manner with our skilled, diverse, and committed workforce.

VALUES

Values articulate the Water Department's deeply held beliefs, norms, and qualities, which drive day-to-day activities. The Water Department's Value Statement is:

Committed to the pursuit of excellence, through:



Integrity



Respect



Dedication



Teamwork



STRATEGIC DIRECTION

This strategic plan serves as a blueprint for future decision making and provides a structure for periodic reviews to assure that Goals, Strategies, and Measures retain their relevance over time, address the Water Department's current and future challenges, and help to assure continued success in operations and the management of resources and assets. By documenting a course of action, this plan represents a disciplined process for making the fundamental decisions that will shape the Water Department's future.



Goals represent the most vital issues that the Water Department should focus on, to achieve the organization’s desired future state. These goals were identified through engagement with the Water Department’s leadership team, employees, and other organizational stakeholders, and with consideration given to the industry’s Effective Utility Management initiative. They are what the Water Department will strive to achieve over the next few years.

STRATEGIES AND MEASURES

Strategies are areas of focus where the organization will allocate resources in order to achieve priorities and measures. Measures are quantitative metrics used to express levels of achievement for each priority.

These critical elements of the strategic plan, along with the vision, values, mission, and goals are represented in the strategic framework on the following pages.



Employee Engagement and Development

To engage, develop, and empower our workforce in a commitment to excellence

A high-performing, engaged workforce requires motivated and qualified individuals. Accordingly, the Water Department will attract, develop, motivate, and empower employees.

STRATEGIES

1. Establish effective two-way communication channels and increase approachability
2. Enhance training and knowledge sharing throughout the Department
3. Review and cultivate partnerships for internal and external recruitment and workforce development

MEASURES

- Employee satisfaction levels, as measured by surveys
- On-time employee review submittals
- Average training hours
- Number of employees who meet the minimum requirements for promotions
- Time-to-hire



Customer and Stakeholder Satisfaction

To build trust, collaboration, and support by instilling an organizational commitment to ask, listen, and deliver

Partnerships with customers and other external stakeholders are critically important to the Water Department’s long-term success and it is important that they understand the issues the utility faces and the value that the Water Department provides to the community.

STRATEGIES

1. Develop and implement a proactive Ask-Listen-Deliver methodology
2. Create and implement a comprehensive strategic communications plan with dedicated resources
3. Continually review and develop appropriate skillsets to achieve customer and stakeholder satisfaction

MEASURES

- Call center average wait time
- Percentage of abandoned calls
- Customer satisfaction levels, as measured by surveys
- Website/social media metrics



Operational Resiliency

To maintain and provide premier water service under all circumstances

The Water Department recognizes the importance of making the most of its human, natural, and financial resources to ensure a resilient organization. The Water Department’s commitment to reliability and safety will incorporate innovative solutions across the organization and from the industry.

STRATEGIES

1. Assess existing organizational and operational risks and mitigation efforts
2. Prepare and implement contingency plans, trainings, and other resources to mitigate high-priority vulnerabilities
3. Improve collaborative relationships with other utilities and organizations to increase resiliency
4. Routinely test and improve the Water Department’s operational resiliency using simulations or desktop exercises

MEASURES

- Number of service outages
- Average time to respond to service outages
- Average hours of safety- and emergency response readiness-related training
- Illness and injury rate



Infrastructure Stability

To proactively balance the service level requirements, life cycle costs, and risks of our infrastructure

The Water Department is proud of its work on existing infrastructure systems and the new infrastructure under construction. A continued focus on developing and maintaining a sustainable infrastructure that will meet customer needs now and in the future is critical to success.

STRATEGIES

1. Evaluate asset management plan as it is being finalized and adopted to ensure alignment with the Strategic Plan and implement the Asset Management Plan
2. Build engagement and support for infrastructure priorities
3. Collaborate with other Departments to coordinate City-wide infrastructure improvement activities

MEASURES

- Infrastructure Leakage Index
- Percent of assets beyond useful life by asset type
- Water main replacement rate (miles/year)
- Number of coordinated infrastructure improvement activities

Process Optimization

To continuously assess product, service, and process efficiency to optimize our resource use

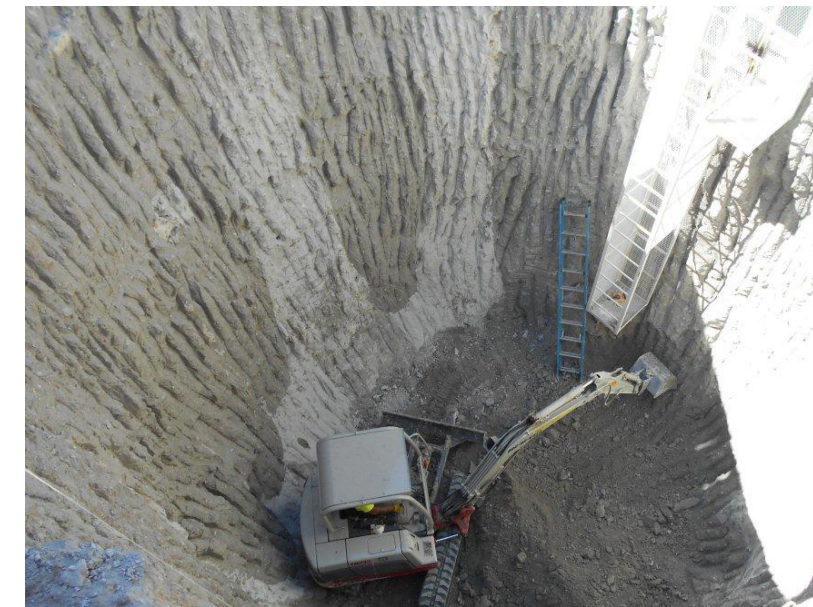
Operating a utility is a resource-intensive endeavor and the Water Department is focused on optimizing resource use through innovative technology, effective processes, and continuous improvement.

STRATEGIES

1. Build organizational culture to sustain continuous improvement and optimization efforts
2. Identify and prioritize key business processes and standard operating procedures (SOPs)
3. Assess, enhance, and track improvements of key business processes and SOPs
4. Leverage technology and other resources to improve processes and service delivery

MEASURES

- Treatment cost per MGD finished water
- Cost savings associated with enhanced business practices



STRATEGIC FRAMEWORK

VISION

To inspire trust by providing premier water service

MISSION

To deliver high-quality water and provide exceptional customer experiences in a safe, reliable, efficient, and sustainable manner with our skilled, diverse, and committed workforce

Committed to the pursuit of excellence, through:

- Integrity
- Respect
- Dedication
- Teamwork

VALUES



GOALS



EMPLOYEE ENGAGEMENT AND DEVELOPMENT
To engage, develop, and empower our workforce in a commitment to excellence



CUSTOMER AND STAKEHOLDER SATISFACTION
To build trust, collaboration, and support by instilling an organizational commitment to ask, listen, and deliver



OPERATIONAL RESILIENCY
To maintain and provide premier water service under all circumstances



PROCESS OPTIMIZATION
To continuously assess product, service, and process efficiency to optimize our resource use



INFRASTRUCTURE STABILITY
To proactively balance the service level requirements, life cycle costs, and risks of our infrastructure

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COMMUNICATIONS

Through this strategic plan, the Water Department has committed to improving internal and external communications. Effective communication is critical not only for the successful implementation of the Strategic Plan, but also for the overall success of the Water Department. The issue of communication, which surfaced in the stakeholder input process, cuts across the various strategic goals. As indicated on the strategic framework, communications will be enhanced through several efforts, including:

- Establishing effective two-way communication channels and increasing approachability within the Water Department
- Leveraging the continued contribution of the goal teams convened for the strategic planning effort
- Creating a culture of communication, both internally and externally
- Expanding team building and networking linking individual contributions to overall organizational success

Overall, enhanced communications will be a major initiative at all levels of the Water Department to assure all Water Department employees work toward the same ultimate vision and mission, regardless of which goals or strategies are their primary focus.



IMPLEMENTATION

The goals and strategies contain a series of initiatives and projects that, when implemented, will move the Water Department toward achievement of its desired outcomes. However, it is important to note that for the desired results to be achieved, the strategies must be effectively implemented. Therefore, careful attention and focus on strategy implementation is essential to achieving strategic success. Elements of the implementation process for the Water Department include:

LEVERAGE GOAL TEAMS

The goal teams are knowledgeable, energized and committed to the implementation of the strategies for their respective priorities. Therefore, they should be instrumental in the implementation planning and ultimate implementation process. Specifically, they should:

- Expand membership to include additional subject matter experts
- Draft implementation plans for each strategy that will include:
 - » Tasks necessary for implementation
 - » Assign individuals or groups
 - » Due dates for key tasks
 - » Resources required
- Monitor implementation progress
- Report on implementation progress to the Core Team

INVOLVE SENIOR MANAGEMENT

During the implementation process, the goal teams, through their respective executive sponsors, should communicate with senior management concerning issues such as:

- Implementation progress
- Resources required (people, money, equipment, etc.)
- Strategies, which after initial implementation efforts, may require updates
- Progress against defined measures



STRATEGIC PLANNING IS A WAY OF THINKING

that guides an analysis of the present and helps create a vision of the future. The Water Department has developed a strategic plan that will take some time to implement completely; however, it will provide a guide to the organization's long-term strategic success.



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