2024 Strategic Plan Update

Introduction

The purpose of this document is to provide a high-level summary of progress on the execution of OWASA’s Strategic Plan.

Background

On September 8, 2022, the OWASA Board of Directors approved the current Strategic Plan. The Plan is the result of an expansive and inclusive review of the most pressing opportunities for achieving a collectively defined vision for the organization. Each of the 15 strategies identified in the plan were prioritized over many other opportunities because they help us best achieve the vision and advance the mission that were refined and updated in the strategic planning process.

Over the last year, OWASA staff have worked together to execute the initial implementation plans for each of the 15 strategic initiatives put forward in the Strategic Plan. The table on page 3 provides an overview of the implementation schedule and resource needs for each of the initiatives over the initial five and a half years. The following pages include a summary that provides more detailed updates for each initiative.

It’s important to keep in mind that implementation of the Strategic Plan is considered in the context of operating the day-to-day functions of the OWASA, including addressing PFAS and reducing the potential for lead and copper exposure through drinking water.
<table>
<thead>
<tr>
<th>Implementation Schedule</th>
<th>Level of Effort</th>
<th>Financial Resources¹</th>
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<tbody>
<tr>
<td>Develop a recruitment strategy for entry-level and high-turnover positions</td>
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<tr>
<td>Conduct and implement a Pay and Classification Study</td>
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<td>$ $ $ (ongoing)</td>
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<tr>
<td>Develop and institute an Employee Development Plan</td>
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<tr>
<td>Identify affected disadvantaged/underserved households not connected to OWASA’s services and pursue outside funding to connect</td>
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<tr>
<td>Evaluate and update Care to Share program</td>
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<tr>
<td>Implement most viable Jordan Lake alternative</td>
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<td>Develop Climate Action Plan</td>
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<td>Develop and pursue Capital Project Delivery Optimization Plan</td>
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<td>Assess and update Asset Management Plan</td>
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<td>Execute Supervisory Control and Data Acquisition (SCADA) Master Plan</td>
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<tr>
<td>Establish and implement Capital Investment Strategy</td>
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<td>Develop and institute a Continuous Emergency Preparedness Model</td>
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<tr>
<td>Assess risk on collection and wastewater system and implement high priority risk mitigation actions for entire system</td>
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<td>$ $ $ $ $ $ (to design and execute survey; repeated every three years)</td>
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<td>Develop and implement regular community survey</td>
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<td>Integrate online bill and water use portals</td>
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¹ Does not include the cost of additional personnel
Overview of Strategic Initiative Summaries

**Strategic Initiatives and Goals:** These are the goals and initiatives adopted in the final version of the Strategic Plan.

**SMART Metrics:** These are the outcome metrics that will be measured and reported to demonstrate the impact of the initiative. These metrics are not yet calculated but will be in the next strategic plan update.

**Implementation Schedule:** This section provides a high-level summary of when we will begin the initiative and when we will move from planning to implementation stages. The planning stages are denoted by patterned cells; implementation in varying degrees are denoted by cell shading. The darker the cell, the more fully implemented the initiative. The implementation schedule is explained in more detail in the following narrative. For some initiatives, developing the plan is the initiative so completing the plan is the implementation.

**Narrative:** This text provides a summary of the work that has been done to-date on a specific initiative and an overview of the work ahead.

**Projected Resources:** This section provides a high-level summary of the resources required to implement each initiative as currently planned. Resources are broken apart by level of staff effort and financial resources. Please note that the cost associated with the level of staff effort is not factored into the financial resources. The projected resources are summarized using the following icons:

**Level of Staff Effort:**

- ⬆️ Can be implemented by a current employee/position as Project Manager and a manageable amount of coordination and support from other existing staff
- ⬆️ ⬆️ Can be implemented by a current employee/position as Project Manager with a significant amount of coordination and support from other existing staff
- ⬆️ Will require the creation of an additional position to execute as planned (Cost associated with additional staff is not factored into the financial resources.)

**Financial Resources:** If not noted, these financial resources will be one-time expenses, associated with launching an initiative (e.g., engaging a consultant). If an expense will be on-going, it is noted as such.

- $ Initiative will cost tens of thousands of dollars
- $ $ Initiative will cost hundreds of thousands of dollars
- $ $ $ Initiative will cost millions of dollars
- $ $ $ $ Initiative will cost tens of millions of dollars
## Employee Recruitment, Retention, and Development

<table>
<thead>
<tr>
<th>Initiative: Develop a recruitment strategy for entry-level and high-turnover positions</th>
<th>Goal: Increase the number of applicants for entry-level and/or high-turnover positions</th>
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<tbody>
<tr>
<td>SMART Metric: % change in number of applications for targeted positions</td>
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<td>FY23</td>
<td>FY24</td>
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The initial work began with identifying target positions. Staff annualized attrition information from a five (5) year period and determined that the Utility Mechanic I/II (now Utility Technician), Treatment Plant Operator, and Utilities Engineer had the highest turnover rate or were historically hard to fill. Once identified, meetings were held with departmental hiring supervisors, managers, and directors to assist in developing recruitment efforts. Since February 2023 the following has occurred.

- Retitled Utility Mechanic to Utility Technician to better align roles and responsibilities; new title is consistent with like positions with peer utilities. The title change, position reclassification/increase in salary ranges from July 2023, and the recent benefit enhancements seem to be making a positive impact. In FY2023, one Utility Mechanic recruitment was open to receive applications for 7 straight months, 39 people applied. The most recent Utility Technician recruitment was open for 4 weeks and 30 people applied.

- Historically, Utilities Engineer (UE) vacancies have been hard to fill. Staff reviewed OWASA’s needs which resulted in two of the four UE positions being reclassified to a Project Manager. This reclassification significantly increased the number of applications. For example, an 8-month recruitment in 2022 – 2023 for the UE brought in 25 applications. The two recent Project Manager recruitments, 3 - 4 week opening, received a total of 78 applications.

- Hired the first Apprentice for the Wastewater Treatment Plant in April 2023, this individual completed schooling and passed the operators exam. When a full-time operator position was made available, this position was filled by the Apprentice. Today, we have Apprentice incumbents at both treatment plants.

- Engineering staff developed an Internship Program. We plan to announce this opportunity in February 2024, making it available this Spring.

- HR Staff is working to review the effectiveness of our current recruitment strategies while developing new tactics/novel strategies.

- Began using employment signage at the entrances for OWASA facilities and added magnetic decals to OWASA vehicles.

- Focused on building pipelines for future OWASA employees by attending Career Fairs, connecting with local school counselors and teachers, attending community events, hosting operator certification classes onsite, etc.

We will continue the implementation and evaluation of novel recruitment strategies with the expectation to ramp up efforts in FY26. We anticipate that some strategies will require financial resources.

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<th>Projected Resources:</th>
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**Near-Term Board Engagement:** We will report on the strategies and their impact in the next Strategic Plan update.
### Initiative: Conduct and implement a Pay and Classification Study

##### Goal: Achieve and maintain competitive compensation and benefits

<table>
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<tr>
<th>SMART Metric: Favorable attrition rates</th>
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<tr>
<td><strong>Implementation Schedule</strong></td>
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In FY23, we completed a Pay and Classification Study utilizing a multi-step process to evaluate OWASA’s current structure for classification and compensation:

- Phase I – Review of job descriptions, job ratings, compensation schedule, and benefits; Updated job valuations based on 15 compensable factors and updated job descriptions.
- Phase II – External market pay and benefits comparison.
- Phase III – Analyzed results and provided recommendations.

Findings from the Pay and Classification Study justified the following position adjustments/reclassifications:

- Utility Mechanic positions were retitled to Utility Technicians to better align with the nature of the skill sets required to perform the work and be more consistent with peer organizations.
- 22 positions were reclassified to higher salary grades; 1 position was reclassified to a lower salary grade.
- The Strategic Initiatives Manager position was reclassified to the Director of Administration. This position is responsible for leading a restructured Administration Department that would include responsibilities for Communications, Customer Service, and the Customer Assistance Program (Care to Share).
- The Accounting Technician I and II position were combined into an Accounting Technician position title.
- The Clerk/Cashier position was eliminated.

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**Treatment Plant Operator Apprentices**

From Left to Right: Janet Frost, former Apprentice, now Wastewater Treatment Plant Operator; Louis Robinson, Water Treatment Plant Apprentice; Roberto Luna, Wastewater Treatment Plant Apprentice

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**Champion:** Director of Human Resources and Safety

**Co-Champion:** General Manager of Operations
Generally, OWASA’s employee benefits were competitive with our peer organizations. Here are a few notable observations:

- Due to employees’ prudent use of their benefits, the cost share structure of the employee health insurance premiums are more affordable than our peers.
- Dental insurance premiums are above market rates and coverage is below what is offered by our peers.
- Vision insurance premiums and coverage are below market.
- At the time of the study, the deferred compensation employer contribution (3.5%) was on the low end of what our peers provide.

Twelve salary survey comparisons were used for the comparative which included local and regional salary information. Overall, OWASA’s pay ranges were about 3.7% below market averages and wage costs were expected to increase about 4.2% in calendar you 2023 resulting in an approximately 7.9% gap. Pay increases and range movements effective July 2023, addressed these findings.

An important part of the Study’s success was hearing from employees throughout the process. Several new benefits or changes to existing benefits were suggested by employees. The following are changes already addressed.

- Increased the 457 ER contribution from 3.5% to 5%
- Increased the annual safety shoe reimbursement from $150 to $200
- Updated the On-Call pay
  - Increased from 8 hours to 12 hours of pay for the week on on-call duty
  - Added 4 hours of on-call pay for employees that are recalled but not on-call
- NEW: Added Recovery Leave
  - Recovery leave is paid leave intended to provide employees rest (recovery) time when recalled within eight hours of their next regular shift.
- NEW: Accepting sick leave from previous Local Government or State employer
- NEW: Added annual Commercial Driver’s License incentive
- NEW: Added $100 reimbursement for eye protection

More time is needed to fully measure impacts of the attrition rates; in the interim there were 14 employee voluntary resignations in FY23 (of the 14, 3 elected to return and were rehired). In the first half of FY24, there have been 2 employee resignations.

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<th>Projected Resources:</th>
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**Near-Term Board Engagement:** We will report on the strategies and their impact in the next Strategic Plan update. Expect to schedule next Pay and Classification Study in FY2027.

**Champion:** Director of Human Resources and Safety  
**Co-Champion:** General Manager of Operations
Initiative: Develop and institute an Employee Development Plan

Goal: Ensure staff are prepared, informed, and engaged to lead OWASA into the future

SMART Metric: % of trainings and programs offered

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We will begin by developing guiding principles and objectives for OWASA’s Workforce Development Program with an OWASA Team Working Group. We anticipate that this Working Group will also develop a Request for Proposal for consultant direction which may include a Workforce Development Coordinator. We expect to begin Phase 1 of the Workforce Development Plan in the latter half of FY25 and to execute later phases of the Plan in FY26 and beyond.

Projected Resources:

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Near-Term Board Engagement: Once developed, we will bring the Employee Development Guiding Principles to the Board.

Champion: Director of Human Resources and Safety

Co-Champion: General Manager of Operations
Equitable Services

**Initiative:** Identify affected disadvantaged/underserved households not connected to OWASA’s services and pursue outside funding to connect

**Goal:** Decrease number of disadvantaged/underserved households not connected to OWASA’s services

**SMART Metric:** Number of disadvantaged/underserved households not connected to OWASA’s services

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The inclusion of this initiative within this strategic priority coincided with the notice by the North Carolina Division of Water Infrastructure (DWI) of the availability of $191.3 million in American Rescue Plan Act (ARPA) grant funding for “At-Risk” utilities. While the area served by OWASA is not categorized as distressed or “at-risk”, we understood that for this ARPA program DWI would consider extending grant funding to connect existing households identified to be disadvantaged or underserved to public water and sewer. This distinction opened up the potential for funding not typically applicable to OWASA.

In the summer and fall of 2022, OWASA worked to complete several steps to inform the preparation of a grant application, including defining and categorizing the properties not currently served, obtaining information on demographics, and developing outreach methods that would characterize challenges with well and/or septic systems. In preparing for these proposals, OWASA staff identified that there are about 550 households that are not connected to water service and about 1,200 households in OWASA’s service area that are not connected to sewer service.

Staff worked with various departments of local governments to help develop the grant proposal preparation, including Orange County (wells, septic, and soils information), and the Towns of
In September 2022, OWASA submitted two proposals to DWI for ARPA grant funding to extend and connect “at-risk” households to public water and sewer service, respectively. An inherent complication of the proposals was the fact that the actual scope of the specific projects would only be defined in future steps once funding for the project was secured: the grants, if approved by DWI, would initiate a process to identify which of the households are low-income and interested in connecting to public water and/or sewer service. Based on conceptual plans developed by staff for service connections, in conjunction with proxy information for income, the grant proposals identified that we might connect up to 39 low-income families to public water service and up to 88 low-income families to public sewer service for the requested funds ($3 million for each application).

The Fall 2022 ARPA application round was highly competitive, with 144 applications representing over $800 million in project costs submitted for the At-Risk category. In February 2023, we learned that only 15 of these projects were approved, and that OWASA’s two proposals scored relatively low, both due to the lack of project definition and the unclear benefit (i.e., the interest of the households in connecting to public water and/or sewer would need to be determined in future steps.)

Based on staff’s discussions with local program administrators, these two inherent project characteristics in conjunction with the relatively high construction cost per benefit (in comparison to other types of projects), also serve to complicate the consolidated approach to pursuing this initiative through funding streams such as the annual Community Development Block Grants (CDBG) process.

Given that without outside funding OWASA cannot pursue these connections, the low scoring achieved by the ARPA grant applications, as well as the low viability of a similar project application prepared for other funding sources, staff proposes to sunset this initiative. However, the effort to prepare the ARPA grant applications yielded notable benefits going forward: information about unserved parcels as well as conceptual approaches and cost estimates of potential connection projects (i.e., main extensions with networked layout, other project characteristics, etc.) are available to staff within our Geographic Information System and can be used during development review considerations, where the pursuit of the orderly development of OWASA’s water and sewer infrastructure might refer to these conceptual data for connecting underserved households when determining requirements for projects under our review.

### Projected Resources:

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<th>Level of Effort</th>
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**Near-Term Board Engagement:** N/A

**Champion:** Executive Director  
**Co-Champion:** Director of Engineering and Planning

**Initiative:** Evaluate and update Care to Share Program  
**Goal:** Increase adequacy and accessibility of customer assistance funding

**SMART Metrics:** Funding support available versus need; Number of customers with past due bills

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<th>Implementation Schedule</th>
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<td>OWASA engaged the University of North Carolina Environmental Finance Center (EFC) to conduct a review and summary of water bill assistance programs from across the country, a local direct</td>
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assistance gap analysis, and a calculation of the local need for water bill assistance. This research was useful in exploring how to modify the Care to Share Program to serve the need in the community. Unfortunately, the more interesting programs identified by the study are not feasible in North Carolina under the current legal framework OWASA operates. The map below is an excerpt from this report.

After considering alternatives, staff has determined the best path forward is to bring management of the program in-house, and after developing program parameters and an implementation plan, we will present the Board with proposed options.

**Projected Resources:**

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**Near-Term Board Engagement:** In calendar year 2024, we plan to consult with the Board on options for updating the Care to Share program with Staff recommendations on how to pursue the ideal option.

**Champion:** Director of Administration  
**Co-Champion:** Director of Finance
Climate and Land Use Change Adaptation

<table>
<thead>
<tr>
<th>Initiative: Implement most viable Jordan Lake alternative</th>
<th>Goal: Increase drought resilience</th>
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<tbody>
<tr>
<td><strong>SMART Metric:</strong> Model predicts that, after the new intake and treatment facility are in operation (approximately 2031), OWASA will not enter Stage 2 Water Shortages (or greater) based on 2070 projected demands and historic weather patterns</td>
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<th>Implementation Schedule</th>
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<td>OWASA update</td>
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Our 2023 update of OWASA’s Long Range Water Supply Plan found that the most viable option for accessing our Jordan Lake water supply allocation to augment our water supply is to partner with the Western Intake Partnership (WIP: City of Durham, Town of Pittsboro, Chatham County, and OWASA) on construction of a raw water intake and finished water transmission pipelines to be designed and constructed in conjunction with a new regional water treatment facility on the west side of Jordan Lake. Over the past year, staff has been pursuing this initiative along several fronts:

- Staff has been working as part of WIP to develop an interlocal agreement (ILA) that will define OWASA’s level and cost of involvement in the project, including initial design and construction as well as future operation. OWASA’s General Counsel attends meetings with staff to provide input to the ILA and review updates.

- Staff and General Counsel have also been working with the City of Durham, who is lead Partner for the WIP and will operate the proposed facilities, on an Agreement to sell OWASA’s land in Chatham County for the WIP facilities. We want to ensure that any Land Agreement provides OWASA with access to its Jordan Lake allocation as that was the purpose of the land purchase in 1989. We anticipate bringing the draft ILA and Land Agreement to the Board of Directors for consideration in Spring 2024.

- Several OWASA staff have been involved in the preliminary design of and public engagement on the western intake, treatment plant, and transmission line projects, which are being completed (and will be constructed) separately. The preliminary engineering report for the intake and transmission line work (i.e., the projects we are considering participating in) is expected to be completed in early 2024, while the treatment plant preliminary design will be complete later in 2024. The Partners plan to begin final design in FY25 and be completed in FY27. Construction will begin in early FY28 with the goal for the facilities being operational in 2031. This schedule has been set by the WIP and is subject to change.

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<th>Projected Resources:</th>
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<tbody>
<tr>
<td><strong>Level of Effort</strong></td>
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<td><strong>Financial Needs</strong></td>
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</table>

**Near-Term Board Engagement:** We anticipate bringing the draft ILA and Land Agreement to the Board of Directors for consideration in Spring 2024.

**Champion:** Planning and Development Manager  
**Co-Champion:** Director of Engineering and Planning
### Initiative: Develop Climate Action Plan

**Goal:** Prepare for organizational impacts of climate and land use change

**SMART Metric:** Reduce risk to climate change by identifying our largest climate change risks and developing an action plan to reduce those risks

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In Spring 2023, OWASA collaborated with Cadmus, a sub-contractor of EPA, in the use of EPA’s Climate Resilience Evaluation and Awareness Tool (CREAT) in a facilitated exercise free-of-charge. CREAT enables utilities to assess their climate-related risks and informs decision-making through comparison of monetized adaptation options. We evaluated flooding risk at our Mason Farm WWTP in this facilitated exercise and provided a copy of the report to the Board of Directors on September 14, 2023. Our goal for this facilitated exercise was to become familiar with the CREAT tool and determine how it may inform our climate action planning process. The first module of the CREAT tool estimates potential changes in precipitation and temperature based on the global climate change models incorporated into the tool under various climate scenarios. Later modules monetize the potential benefits of potential adaptation measures and compares those against the cost of the infrastructure. This information could be coupled with localized information, such as modeling of flood impacts, to inform decision making regarding potential adaptive measures.

Staff has drafted a Request for Qualifications (RFQ) to engage with a consultant to develop a comprehensive Climate Action Plan for OWASA. We plan to issue the RFQ in FY25 with a CAP being completed in FY26. The CAP will build on regional climate planning efforts and currently available information from OWASA, identify OWASA’s highest climate change risks, and include an action plan to address those risks. Those actions will extend into FY28 and beyond.

### Projected Resources:

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**Near-Term Board Engagement:** The Board will review the draft scope of work for the Climate Action Plan in 2024 before the RFQ is issued.

**Champion:** Planning and Development Manager  
**Co-Champion:** Executive Director
Service Reliability and Resiliency

<table>
<thead>
<tr>
<th>Initiative: Develop and pursue Capital Project Delivery Optimization Plan</th>
<th>Goal: Increase capital project execution</th>
</tr>
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<tbody>
<tr>
<td>SMART Metric: % of CIP budget spent annually; % of CIP projects meeting scheduled target completion</td>
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<table>
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<tr>
<th>Implementation Schedule</th>
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<tbody>
<tr>
<td>OWASA had identified several initial, near-term action items to advance capital project execution through a series of internal workshops. Highest priorities for action items included: alternate/collaborative delivery, on-call consulting services, temporary project management staffing, creation of project manager positions, streamlining paperwork, project scope checklists, improving coordination with Town permitting, continuing contractor outreach, and continuing to utilize the Omnia Partnership (a national public procurement collaborative). A snapshot of the Project Delivery Optimization Plan was completed in December 2024 to baseline progress, and at that time all but two of the initial action items were either on-track from their expected timeline or already completed, as shown in the table below:</td>
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<th>Strategy</th>
<th>Goal</th>
<th>Timeline</th>
<th>Status</th>
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<tbody>
<tr>
<td>Alternate/Collaborative Delivery</td>
<td>Ready to utilize alternate/collaborative delivery</td>
<td>End of FY24</td>
<td>On track</td>
</tr>
<tr>
<td>Identify upcoming CIP projects that would be good fit for collaborative delivery</td>
<td>End of FY24</td>
<td>On track</td>
<td></td>
</tr>
<tr>
<td>On-Call Consulting Services and Surveying Services</td>
<td>Complete contracts with on-call providers</td>
<td>November 2023</td>
<td>Complete</td>
</tr>
<tr>
<td>Track the time from task order to kickoff and compare to conventional RFQ</td>
<td>End of FY24</td>
<td>On track</td>
<td></td>
</tr>
<tr>
<td>Temporary Project Management Staffing</td>
<td>Plan for additional staff augmentation budget every year to support additional needs</td>
<td>FY25 budget planning cycle</td>
<td>No action yet</td>
</tr>
<tr>
<td>Creation of Project Manager Positions</td>
<td>Hire Project Manager #1 and have that staff member start on projects</td>
<td>October 2023</td>
<td>On track</td>
</tr>
<tr>
<td>Hire Project Manager #2 and have that staff member start on projects</td>
<td>January 2024</td>
<td>On track</td>
<td></td>
</tr>
<tr>
<td>Project Scope Checklists</td>
<td>Draft checklist to be developed</td>
<td>November 2023</td>
<td>Complete</td>
</tr>
<tr>
<td>Checklist finalized</td>
<td>End of FY24</td>
<td>On track</td>
<td></td>
</tr>
<tr>
<td>Improving Coordination with Towns</td>
<td>Hold one meeting with Town of Carrboro about improving permitting process for engineered projects with inspection</td>
<td>End of FY24</td>
<td>Complete</td>
</tr>
<tr>
<td>Hold one meeting with Town of Chapel Hill about the TRT process</td>
<td>End of FY24</td>
<td>No action yet</td>
<td></td>
</tr>
</tbody>
</table>

Progress on the strategies above will continue to be reported to the Board in the monthly updates. One of the most impactful of the strategies listed above – the utilization of on call consulting services – has shown immediate benefits in expediting project delivery times for applicable projects, and staff will track and report on this schedule savings in future reports. Some strategies may not immediately show project delivery optimization but will provide tools to allow for more streamlined project management or other efficiencies while they are in development.
In addition to the near-term action items, staff also identified longer term action items that could advance project delivery. These longer-term action items include improving permitting process with other permitting agencies, project prioritization, implementing new technology, utilizing on-call contractors, and providing additional administrative support staff. These strategies will be further evaluated and have not yet been started.

Staff has utilized support from a consultant for the near-term initiative related to alternate/collaborative delivery which has increased the financial needs of this strategic initiative over the past Fiscal Year. Additional budgetary resources may be needed to support future temporary project management staffing.

<table>
<thead>
<tr>
<th>Projected Resources:</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Level of Effort</td>
<td>Financial Needs</td>
</tr>
<tr>
<td><img src="icons/level_of_effort.png" alt="icons" /> ![icons/level_of_effort.png]</td>
<td>$</td>
</tr>
</tbody>
</table>

**Near-Term Board Engagement:** Board approval is required to establish the criteria under which collaborative delivery may be used. Staff is presenting these criteria for approval at the February 2024 Board meeting.

**Champion:** Engineering Manager – Capital Projects  
**Co-Champion:** Director of Engineering and Planning

<table>
<thead>
<tr>
<th>Initiative: Assess and update Asset Management Program</th>
<th>Goal: Reduce downtime of critical infrastructure and equipment</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>SMART Metric:</strong> Risk-based scoring and prioritization is utilized for each asset class</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Implementation Schedule</th>
<th>FY23</th>
<th>FY24</th>
<th>FY25</th>
<th>FY26</th>
<th>FY27</th>
<th>FY28</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>![icons/implementation_schedule.png]</td>
<td>![icons/implementation_schedule.png]</td>
<td>![icons/implementation_schedule.png]</td>
<td>![icons/implementation_schedule.png]</td>
<td>![icons/implementation_schedule.png]</td>
<td>![icons/implementation_schedule.png]</td>
</tr>
</tbody>
</table>

The comprehensive evaluation of our existing asset management program will inform the roadmap for multi-year enhancement of this ongoing program. The focus of the assessment will include:

- maturity evaluation and benchmarking
- refinement of organizational levels of service (LOS) and key performance indicators (KPIs)
- shift from an asset level to an enterprise level risk mapping, and
- CIP prioritization optimization.

Elements of this multi-year plan that were active during the past year include:

1. Evaluation and selection of the Computerized Maintenance Monitoring System (CMMS) for vertical assets (e.g., treatment plants, pump stations). Implementation of this CMMS will occur during FY24 – 25.
2. Procurement of Aquanuity asset management software for horizontal assets (i.e., distribution and collection systems), and configuration of distribution system prioritization model within the Aquanuity framework.
3. Engagement of an engineering consultant to assess and update the risk model for collection system assets.
4. Restructuring of the former Maintenance Coordinator position to report to the Asset Manager as Asset Management Analyst
5. Restructuring of the GIS Coordinator position to report to the Asset Manager
Several key milestones within #1-3 above to be completed in FY24-25, including implementing new CMMS for vertical assets (including asset level risk establishment), updating the collection system risk model, and updating the distribution system model are necessary foundational elements prior to developing enterprise level risk mapping; this latter step is expected to occur in FY26-27, will require consulting assistance, and will be coordinated with the development of the Capital Investment Strategy.

<table>
<thead>
<tr>
<th>Projected Resources:</th>
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</thead>
<tbody>
<tr>
<td><strong>Level of Effort</strong></td>
</tr>
<tr>
<td>![Person] ![Person]</td>
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</tbody>
</table>

**Near-Term Board Engagement:** A request for a second Asset Management Analyst position focusing on horizontal assets may be made in FY25 budget process.

**Champion:** Asset Manager  
**Co-Champion:** Director of Engineering and Planning

### Initiative: Execute SCADA Master Plan

**Goal:** Improve the collection and use of real-time data to inform and drive decision-making

**SMART Metric:** On time Execution of the SCADA Master Plan Tasks

<table>
<thead>
<tr>
<th>Implementation Schedule</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>FY23</strong></td>
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<tr>
<td>![X]</td>
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</table>

Work is underway on all aspects of the SCADA Master Plan including staffing and budget development for the SCADA Program, plant hardware replacements and software improvements. The new SCADA Manager will continue to execute projects within the capital improvements program and develop proposals and contracts for ongoing SCADA maintenance and support. The following table shows the status of execution of the Plan and the percent complete of currently active elements of the plan. The tasks listed are the items scheduled in the SCADA Master Plan as active in years 1 and 2. Note that the disaster recovery plan is not currently active but will begin in the next 12-month period.

- **Task 1 Organizational Improvements** – Provide staffing and training.
- **Task 2 System Network Improvements** – Hardware and Cybersecurity Network Improvements to increase system resiliency.
- **Task 3 Control System Policies and Standards** – Develop graphical standards, database standards and policies for SCADA related activities.
- **Task 4 –Disaster Recovery** – Development of disaster recovery plans scheduled to begin in FY25, currently not active
- **Task 5 – Plant PLC Improvements** – Replacement of Obsolete PLC’s at the plants and remote sites.
- **Task 6 – Monitoring Improvements** – Build smart automation and monitoring functions, currently not active
- **Task 7 – Network Access Improvements** – Provide more secure, reliable internal plant communications and improved access options for business users.
- **Task 8 – Control System Maintenance** – Instrument documentation, assessment and building in house capacity for system maintenance

<table>
<thead>
<tr>
<th>Projected Resources:</th>
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<tbody>
<tr>
<td><strong>Level of Effort</strong></td>
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<td>![Person] ![Person]</td>
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</tbody>
</table>
### Near-Term Board Engagement:  
Requests for the WTP SCADA added in the FY25 budget process are underway. In future years, staff will work with the Board on determining the appropriate staffing plan, operations and maintenance costs to sustainably manage our SCADA system.

<table>
<thead>
<tr>
<th>Champion:</th>
<th>Co-Champion:</th>
</tr>
</thead>
<tbody>
<tr>
<td>SCADA Manager</td>
<td>Engineering Manager - Capital Projects</td>
</tr>
</tbody>
</table>

### Initiative: Establish and implement Capital Investment Strategy  
**Goal:** Establish and pursue capital investment goals

**SMART Metric:** Development of specific annual or multi-year infrastructure renewal and replacement rates per asset class; development of appropriate feedback/improvement process

<table>
<thead>
<tr>
<th>Implementation Schedule</th>
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</thead>
<tbody>
<tr>
<td>FY23</td>
</tr>
</tbody>
</table>

The Capital Investment Strategy will provide the long-range vision of capital spending, utilizing a risk-driven approach to measure the OWASA target levels of service. Through a series of internal discussions and consultations with utilities with well-developed strategic asset management plans, the connection between this initiative and several of the tasks in the “Assess and Update Asset Management Program” were clarified. In particular, implementing new CMMS for vertical assets (including asset level risk establishment), updating the collection system risk model, updating the distribution system model, and further establishing level of service across various asset classes will be prerequisites to developing the Capital Investment Strategy. For the remaining fiscal year and into FY25, we will work as a Team to refine objectives and scope of this strategic initiative, as well as a list of consultant qualifications that are needed for this initiative. In FY27, we plan to identify and engage a consultant to work with our team to re-establish level of service criteria and to develop a Capital Investment Strategy. We plan to begin implementation of this initiative in FY28.

### Projected Resources:

<table>
<thead>
<tr>
<th>Level of Effort</th>
<th>Financial Needs</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$</td>
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</tbody>
</table>

### Near-Term Board Engagement:  
We will report back to the Board on our planning efforts in next year’s Strategic Plan update.

<table>
<thead>
<tr>
<th>Champion:</th>
<th>Co-Champion:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Director of Engineering and Planning</td>
<td>Director of Finance</td>
</tr>
</tbody>
</table>
Emergency Management and Cybersecurity

<table>
<thead>
<tr>
<th>Initiative: Develop and institute a Continuous Emergency Preparedness Model</th>
<th>Goal: Ensure staff are prepared and ready for emergencies of all types</th>
</tr>
</thead>
</table>

**SMART Metric:** # of recurring action items from tabletop/functional exercise After Action Reviews (goal = 0); % of exercises completed by assigned staff

| Implementation Schedule |
|---|---|---|---|---|---|
| FY23 | FY24 | FY25 | FY26 | FY27 | FY28 |

We completed the assessment of all documented emergency related plans including recommendations for updates, edits, corrective actions and noted emergency preparedness facility and equipment needs. We also provided online, in-person and offsite training options to all OWASA employees. We reviewed current program for drills/exercises and identified the need for a Multi-Year Training and Exercise Plan (MYTEP) to be developed.

The MYTEP implementation and items documented in the assessment will be addressed in the remainder of FY24 through FY28.

**Projected Resources:**

<table>
<thead>
<tr>
<th>Level of Effort</th>
<th>Financial Needs</th>
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</thead>
<tbody>
<tr>
<td><img src="image" alt="people" /> <img src="image" alt="people" /></td>
<td>$ (ongoing)</td>
</tr>
</tbody>
</table>

**Near-Term Board Engagement:** We will report back to the Board on our efforts in next year’s Strategic Plan update.

**Champion:** Safety and Risk Manager  
**Co-Champion:** General Manager of Operations

---

*Photo from Dam Emergency Action Plan Tabletop Exercise in November 2023.*
**Initiative:** Assess risk on collection and wastewater system and implement high priority risk mitigation actions for entire system

**Goal:** Reduce risk exposure

**SMART Metric:** Prioritized list of risk mitigation items based on ROI

<table>
<thead>
<tr>
<th>Implementation Schedule</th>
<th>FY23</th>
<th>FY24</th>
<th>FY25</th>
<th>FY26</th>
<th>FY27</th>
<th>FY28</th>
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</table>

We have begun implementing high priority risk mitigation action items identified in the America’s Water Infrastructure Act (AWIA) process completed by a consultant in FY21 on the water and distribution systems. In FY24, we evaluated staff workload to conduct a risk assessment of the collection, wastewater, and reclaimed water systems in house that parallels the analysis completed for the water and distribution systems. Due to the retirement of one of the two OWASA employees trained to perform this analysis and the workload of the other employee, staff will request funding in FY25 to utilize a consultant to perform this assessment. The goal will be to align the analysis to develop a comprehensive risk mitigation plan in FY27.

The top row of the cells above represents the ongoing implementation of the AWIA recommendations for the water and distribution systems. The bottom row represents the collection and wastewater treatment systems. In FY27, these efforts will be combined.

**Projected Resources:**

<table>
<thead>
<tr>
<th>Level of Effort</th>
<th>Financial Needs</th>
</tr>
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<tbody>
<tr>
<td>$ $ $ $</td>
<td></td>
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</table>

**Near-Term Board Engagement:** We will report back to the Board on our efforts in next year’s Strategic Plan update.

**Champion:** General Manager of Operations

**Co-Champion:** Director of Engineering and Planning
## Community Engagement

<table>
<thead>
<tr>
<th>Initiative: Develop and implement regular community survey</th>
<th>Goal: Increase the quality and use of community feedback</th>
</tr>
</thead>
<tbody>
<tr>
<td>SMART Metric: Statistically valid survey conducted, and responsive action plan developed by July 2024</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Implementation Schedule</th>
<th>FY23</th>
<th>FY24</th>
<th>FY25</th>
<th>FY26</th>
<th>FY27</th>
<th>FY28</th>
</tr>
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<tbody>
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<td>✗</td>
<td>✓</td>
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</tbody>
</table>

We have identified a consultant that will help design and execute a community survey, which will be implemented and analyzed in the latter half of FY25. The consultant, ETC, has submitted an estimate and scope of work for review. Champions will lead an OWASA focus group across departments to identify topical priorities for the survey. This survey can be repeated in FY28 and will provide insight into the impact of our efforts and a foundation for the next Strategic Plan.

### Projected Resources:

<table>
<thead>
<tr>
<th>Level of Effort</th>
<th>Financial Needs</th>
</tr>
</thead>
<tbody>
<tr>
<td><img src="image" alt="Level of Effort Icon" /></td>
<td>$</td>
</tr>
</tbody>
</table>

(to design and execute survey; repeated every three years)

**Near-Term Board Engagement:** We will include funds for the survey consultant in the FY25 budget. Once the survey is developed, we will circulate it to the Board. In the summer of 2025, we will share the survey results with the Board, along with the action items prompted by the results.

**Champion:** Public Information Officer  
**Co-Champion:** Customer Service Manager

<table>
<thead>
<tr>
<th>Initiative: Integrate online billing and water use portals</th>
<th>Goal: Streamline customer account experience</th>
</tr>
</thead>
</table>
| SMART Metric: Phase 1 – Implement new Customer Information System.  
Phase 2 – Implement Customer Engagement System which will integrate billing and water use portals. | |

<table>
<thead>
<tr>
<th>Implementation Schedule</th>
<th>FY23</th>
<th>FY24</th>
<th>FY25</th>
<th>FY26</th>
<th>FY27</th>
<th>FY28</th>
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<td>✓</td>
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</tbody>
</table>

The Customer Information System that was selected to replace the current system does not currently offer an online billing platform which fully meets OWASA’s requirements (leak alerts). However, it is expected that within the next two to three years, their offering will include a complete engagement portal that will embed OWASA’s current online billing portal and replace OWASA’s water use, leak alert and customer engagement portal.

Implementation of the new Customer Information System is completed. We went live with the new system on January 29, 2024.

### Projected Resources:

<table>
<thead>
<tr>
<th>Level of Effort</th>
<th>Financial Needs</th>
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<tbody>
<tr>
<td><img src="image" alt="Level of Effort Icon" /></td>
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</table>

**Near-Term Board Engagement:** We will update the Board on the timing of the new portal in the next Strategic Plan update.

**Champion:** Director of Administration  
**Co-Champion:** Director of IT
The billing system transition aligned with an update of customer bills, simpler customer account numbers, and billing in units smaller than thousand gallons. An example of this bill is presented below.

New Bill: We upgraded our billing system to make customer information easier to understand. Your account number has been simplified; we are billing in smaller units.

In March, your drinking water may taste or smell like chlorine due to a temporary change in our treatment process. This practice will not affect the safety of your water. Tips on how to improve the taste and odor of your water are posted on owasa.org.

Please return bottom portion along with your payment. Checks should be made payable to Orange Water and Sewer Authority.

Orange Water and Sewer Authority
400 Jones Ferry Road | Carrboro, NC 27510

Phone #: (919) 537-4343
Email: customerinquiries@owasa.org
Website: www.owasa.org

Billing Summary

| BILL DATE | 01/30/2024 |
| DUE DATE | 02/24/2024 |
| PREVIOUS BILL | $62.18 |
| TOTAL PAYMENTS | -$182.15 |
| NEW BILL | $191.67 |
| TOTAL AMOUNT DUE | $191.67 |

Meter Reading

<table>
<thead>
<tr>
<th>METER #</th>
<th>READ DATES</th>
<th>USAGE (GAL)</th>
<th>DAYS READ</th>
</tr>
</thead>
<tbody>
<tr>
<td>170018287</td>
<td>12/19/2023 - 01/25/2024</td>
<td>8,584</td>
<td>37</td>
</tr>
</tbody>
</table>

Usage Profile

| PREVIOUS YEAR | 6,000 |
| PREVIOUS MONTH | 3,000 |
| CURRENT MONTH | 0,004 |

New Charges

<table>
<thead>
<tr>
<th>CHARGE Description</th>
<th>RATE</th>
<th>USAGE (GAL)</th>
<th>TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>WATER SERVICE CHARGE</td>
<td>$2.90</td>
<td></td>
<td></td>
</tr>
<tr>
<td>CONSUMPTION CHARGE</td>
<td>Block 1</td>
<td>2,000</td>
<td>$7.46</td>
</tr>
<tr>
<td>CONSUMPTION CHARGE</td>
<td>Block 2</td>
<td>2,000</td>
<td>$27.24</td>
</tr>
<tr>
<td>CONSUMPTION CHARGE</td>
<td>Block 3</td>
<td>3,584</td>
<td>$39.93</td>
</tr>
<tr>
<td>SEWER SERVICE CHARGE</td>
<td></td>
<td></td>
<td>$17.06</td>
</tr>
<tr>
<td>SEWER DISCHARGE</td>
<td>Block 1</td>
<td>8,584</td>
<td>$79.06</td>
</tr>
<tr>
<td>TOTAL NEW CHARGES</td>
<td></td>
<td></td>
<td>$191.67</td>
</tr>
</tbody>
</table>

Message Board

New Bill: We upgraded our billing system to make customer information easier to understand. Your account number has been simplified; we are billing in smaller units.

In March, your drinking water may taste or smell like chlorine due to a temporary change in our treatment process. This practice will not affect the safety of your water. Tips on how to improve the taste and odor of your water are posted on owasa.org.

Please return bottom portion along with your payment. Checks should be made payable to Orange Water and Sewer Authority.

Due Date: 02/26/2024
Past Due Charges: $0.00
New Charges: $191.67
Balance Due: $191.67

Amount Enclosed: $