

# Strategic Plan 2024 Update

# 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 <u>the current Strategic Plan</u>. 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.

	Implementation Schedule					Resources		
	FY23	FY24	FY25	FY26	FY27	FY28	Level of Effort	Financial Resources <sup>1</sup>
Develop a recruitment strategy for entry-level and high-turnover positions							Ϋ́ ΤΫ́	\$
Conduct and implement a Pay and Classification Study							<b>أ أ</b>	\$\$\$ (ongoing)
Develop and institute an Employee Development Plan							<b>†</b> †	\$ \$ (ongoing)
Identify affected disadvantaged/underserved households not connected to OWASA's services and pursue outside funding to connect							N/A	N/A
Evaluate and update Care to Share program	$\geq$						<b>İ</b>	\$
Implement most viable Jordan Lake alternative							Т́Т́	\$ \$ \$ \$
Develop Climate Action Plan	$\geq$						<b>^</b>	\$\$
Develop and pursue Capital Project Delivery Optimization Plan	$\mathbf{\mathbf{\sum}}$						<u> </u>	\$
Assess and update Asset Management Plan	$\geq$							\$\$
Execute Supervisory Control and Data Acquisition (SCADA) Master Plan							<b>^</b>	\$ \$ \$ (ongoing)
Establish and implement Capital Investment Strategy							Ť	\$
Develop and institute a Continuous Emergency Preparedness Model							Ϋ́ Ϋ́	\$ (ongoing)
Assess risk on collection and wastewater system and implement high priority risk mitigation actions for entire system							Ť	\$ \$ \$ \$
Develop and implement regular community survey							ŕ	(to design and execute survey; repeated every three years)
Integrate online bill and water use portals							<b>İ</b>	\$ \$ \$

<sup>&</sup>lt;sup>1</sup> 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**

Initiative: Develop a recruitment strategy
for entry-level and high-turnover positions

**Goal:** Increase the number of applicants for entry-level and/or high-turnover positions

**SMART Metric:** % change in number of applications for targeted positions

	FY23	FY24	FY25	FY26	FY27	FY28
Implementation Schedule						

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.

Projected Resources:						
Level of Effort	Financial Needs					
<b>† †</b>	\$					
Near-Term Board Engagement: We will report on the strategies and their impact in the next Strategic						
Plan update.						



## 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

Initiative: Conduct and implement a Pay			Goal: Achieve and maintain competitive				
and Classification Study	Y		compensatio	n and benefi	ts		
SMART Metric: Favorable	e attrition rate	es					
	FY23	23 FY24 FY25 FY26 FY27					
Implementation							
Schedule							
In FY23, we completed a	Pay and Class	sification St	udy utilizing a r	nulti-step pro	ocess to evalu	iate	
OWASA's current structu	re for classifi	cation and	compensation:				
<ul> <li>Phase I – Review of</li> </ul>	<sup>;</sup> job descripti	ons, job ra	tings, compensa	ation schedul	e, and benefi <sup>.</sup>	ts; Updated	
job valuations base	d on 15 comp	pensable fa	ctors and updat	ted job descri	ptions.		
Phase II – External	market pay a	nd benefits	comparison.				
<ul> <li>Phase III – Analyzed</li> </ul>	d results and	provided re	commendation	IS.			
Findings from the Pay an	d Classificatio	on Study jus	stified the follow	wing position	adjustments,	/	
reclassifications:							
<ul> <li>Utility Mechanic pc</li> </ul>	sitions were	retitled to	Utility Technicia	ins to better a	align with the	e nature of	
the skill sets require	ed to perform	n the work	and be more co	nsistent with	peer organiz	ations.	
<ul> <li>22 positions were r</li> </ul>	eclassified to	higher sala	ary grades; 1 po	sition was ree	classified to a	lower	
salary grade.							
<ul> <li>The Strategic Initiat</li> </ul>	The Strategic Initiatives Manager position was reclassified to the Director of						
Administration. Th	is position is	responsible	e for leading a re	estructured A	dministration	า	
Department that w	ould include	responsibil	ities for Commu	unications, Cu	istomer Servi	ce, and the	

Customer Assistance Program (Care to Share).The Accounting Technician I and II position were combined into an Accounting Technician

- The Accounting Technician I and II position were combined into an Accounting Technicia position title.
- The Clerk/Cashier position was eliminated.

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.

Projected Resources:							
Level of Effort	Financial Needs						
Ť Ť	\$\$\$ (ongoing)						
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	<b>Co-Champion:</b> General Manager of Operations						

Initiative: Develop and institute an Employee			<b>Goal:</b> Ensure staff are prepared, informed, and				
Development Plan			engage	ed to	lead OWASA	A into the ful	ture
SMART Metric: % of trainir	ngs and progr	ams offered					
	FY23	FY24	FY25 FY26 FY27				FY28
Implementation							
Schedule							
We will begin by developin	ig guiding prir	nciples and ob	ojectives	for O	WASA's Worl	kforce Develo	pment
Program with an OWASA T	eam Working	Group. We a	inticipate	e that	this Working	Group will al	so develop
a Request for Proposal for	consultant di	rection which	i may inc	lude	a Workforce [	Development	
Coordinator. We expect to	begin Phase	1 of the Work	force De	evelop	oment Plan in	the latter ha	lf of FY25
and to execute later phase	s of the Plan i	n FY26 and b	eyond.				
		Projected F	Resource	s:			
Level of	Effort		Financial Needs				
ŕ	Ť				\$\$	(ongoing)	
<b>Near-Term Board Engagement:</b> Once developed, we will bring the Employee Development Guiding							
Principles to the Board.							
Champion: Director of Hun	nan Resource	s and	Co Cha	mnia	n. Conoral M	anagor of On	arations
Safety			CO-Chai	inhio	II. General IVI		

# **Equitable Services**

<b>Initiative:</b> Identify affect disadvantaged/underset not connected to OWAS pursue outside funding	olds and	<b>Goal:</b> 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									
	FY23	FY24	FY25	FY26	FY27	FY28			
Implementation Schedule									
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									
households in OWASA's set	ervice area the eholds in OWASA's	at are not	connected to se	ewer service.	ved (Sewer) Househ	nolds in			
Staff worked with various preparation, including Ora	departments nge County (	of local go wells, sep	overnments to h tic, and soils info	help develop tormation), an	the grant provide the Towns	ounda see			

Carrboro and Chapel Hill to understand the areas and proxy information to define disadvantaged and underserved communities.

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 <u>and interested in</u> 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:					
Level of Effort	Financial Needs				
N/A	N/A				
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: Inc of custon	<b>Goal:</b> Increase adequacy and accessibility of customer assistance funding			
SMART Metrics: Funding support available versus need; Number of customers with past due bills							
	FY23	FY24	FY25	FY26	FY27	FY28	
Implementation Schedule							
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							

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.



**Figure 18:** Average amount spent per OWASA customer for each block group (total spent on consumption/number of customers) in 2019 on water consumption, excluding base charges. This includes multi-family, townhome, and single-family residential customers. Bold outlined block groups had the highest density of cutoffs in 2019 (count of cutoffs/count of customers).

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:							
Level of Effort	Financial Needs						
Ť	\$						
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

Initiative: Implement most	Initiative: Implement most viable Jordan Goal: Increase drought resilience								
Lake alternative									
SWAKT Wetric: Wodel predicts that, after the new intake and treatment facility are in operation									
(approximately 2031), OvvASA will not enter stage 2 Water Shortages (or greater) based on 2070									
		EV24	EV25	EV26	EV27	EV28			
Implementation		1124	1125	1120	1127	1120			
Schedule	$\sim$								
Our 2023 update of OW/ASA's		Water Sur	nly Plan found	that the m	l oct viable ont	tion for			
accessing our lordan Lake wat	or supply all	ocation to	augment our	water supply	vis to partne	r with the			
Western Intake Partnershin ()	NIP: City of F	Jurham To	wn of Pittshoi	ro Chatham	County and	$O(M/\Delta S\Delta)$			
on construction of a raw wate	r intake and	finished w	ater transmiss	sion nineline	s to he desig	ned and			
constructed in conjunction wi	th a new reg	ional wate	r treatment fa	cility on the	west side of	Iordan			
Lake. Over the past year, staff	has been ni	irsuing thi	initiative alor	ng several fro	onts:	soraan			
	nuo been pe			5 5 5 5 5 6 1 6 1 1 1 1					
<ul> <li>Staff has been workin</li> </ul>	g as part of V	NIP to dev	elop an interlo	ocal agreeme	ent (ILA) that	will define			
OWASA's level and co	st of involve	ment in th	e project, inclu	uding initial (	design and				
construction as well a	s future ope	ration. OW	ASA's Genera	l Counsel att	ends meetin	gs with			
staff to provide input	to the ILA ar	nd review ι	pdates.			0			
Staff and General Cou	nsel have als	so been wo	orking with the	e City of Durl	ham, who is l	ead			
Partner for the WIP a	nd will opera	te the pro	posed facilities	s, on an Agre	ement to se	ll OWASA's			
land in Chatham Cour	ity for the W	IP facilities	. We want to	ensure that	any Land Ag	reement			
provides OWASA with	access to its	s Jordan La	ke allocation a	as that was t	he purpose c	of the land			
purchase in 1989. We	e anticipate l	oringing th	e draft ILA and	l Land Agree	ment to the	Board of			
Directors for consider	ation in Spri	ng 2024.		C					
	•	0							
Several OWASA staff I	nave been in	volved in t	he preliminary	/ design of a	nd public eng	gagement			
on the western intake	, treatment	plant, and	transmission l	ine projects,	which are b	eing			
completed (and will b	e constructe	d) separat	ely. The prelim	ninary engine	eering report	for the			
intake and transmission	on line work	(i.e., the p	ojects we are	considering	participating	g in) is			
expected to be compl	eted in early	2024, whi	le the treatme	ent plant pre	liminary desi	gn will be			
complete later in 2024	4. The Partn	ers plan to	begin final de	sign in FY25	and be com	pleted in			
FY27. Construction w	ill begin in e	arly FY28 v	vith the goal fo	or the faciliti	es being ope	rational in			
2031. This schedule h	as been set	by the WIF	and is subject	t to change.					
Projected Resources:									
Level of Effo	rt			Financial	Needs				
<b></b>				\$\$	\$\$				
Near-Term Board Engagemen	t: We antici	pate bringi	ng the draft IL	A and Land /	Agreement to	o the			
Board of Directors for conside	ration in Spr	ing 2024.							
Champion: Planning and Deve	elopment Ma	anager (	o-Champion:	Director of E	Engineering a	ind			
		F	lanning						

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

	FY23	FY24	FY25	FY26	FY27	FY28
Implementation						
Schedule						

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:						
Level of Effort	Financial Needs					
<b>^</b>	\$\$					
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

Initiative: Develop and pursue Capital Project Goal: Increase capital project execution								
<b>Delivery Optimization</b>	Plan							
SMART Metric: % of CIP	budget spent annua	ally; % of C	P projects m	neeting	scheo	duled target	I	
completion								
	FY23	FY24	FY25	FY2	.6	FY27	FY28	
Implementation								
Schedule								
OWASA had identified s	everal initial, near-te	erm action	items to adv	ance ca	apital	project exe	cution	
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 man	ager positions, strear	mlining pa	perwork, pro	oject sco	ope cl	necklists, im	proving	
coordination with Town	permitting, continui	ing contrac	tor outreach	n, and c	ontin	uing to utili	ze the	
Omnia Partnership (a na	ational public procure	ement coll	aborative). A	snapsl	hot of	the Project	Delivery	
Optimization Plan was c	ompleted in Decemb	oer 2024 to	baseline pr	ogress,	and a	at that time	all but two	
of the initial action item	s were either on-trac	ck from the	eir expected	timelin	e or a	Iready com	pleted, as	
shown in the table below	w:							
Strategy	Goal				Т	imeline	Status	
Alternate/Collaborative	Ready to utilize alternate/collaborative delivery				En	d of FY24	On track	
Delivery	Identify upcoming CII fit for collaborative d	P projects tl elivery	nat would be	good	En	d of FY24	On track	
On-Call Consulting	Complete contracts v	with on-call	providers		Nove	mber 2023	Complete	
Services and Surveying Services	Track the time from t compare to convention	task order to onal RFQ	o kickoff and		En	d of FY24	On track	
Temporary Project	Plan for additional sta	aff augment	ation budget	every	FY2	5 budget	No action	
Management Staffing	year to support addit	ional needs	•	-	plan	ining cycle	yet	
	Hire Project Manager	r #1 and hav	e that staff		Oct	oher 2023	On track	
Creation of Project	member start on proj	jects			000	0000 2020	Ontrack	
Manager Positions								
	Hire Project Manager	r #2 and hav	e that staff		Jan	uary 2024	On track	
	Draft checklist to be (	developed			Nove	mbor 2022	Complete	
Project Scope		uevelopeu			NOVE		complete	
Checklists	Checklist finalized				En	d of FY24	On track	
	Hold one meeting wit	th Town of	Carrboro aboi	ut	Г.,-		Complete	
Improving	improving permitting	g process for	engineered		En	U OI FY24		
Coordination with	projects with inspect	ion						
Towns			ol I					
	Hold one meeting wil	th Town of	Chapel Hill ab	out	En	d of FY24	No action	
	the IRI process						yet	

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.

Projected Resources:							
Level of Effort	Financial Needs						
<b>^</b>	\$						
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.	Board meeting.						
Champion: Engineering Manager – Capital	<b>Co-Champion:</b> Director of Engineering and Planning						
Projects							

Initiative: Assess and update Asset Management Program				<b>Goal:</b> Reduce downtime of critical infrastructure and equipment				
SMART Metric: Risk-based scoring and prioritization is utilized for each asset class								
		FY23	FY24	FY25	5	FY26	FY27	FY28
Implementation Schedule		$\ge$						
<ul> <li>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:</li> <li>maturity evaluation and benchmarking</li> <li>refinement of organizational levels of service (LOS) and key performance indicators (KPIs)</li> <li>shift from an asset level to an enterprise level risk mapping, and</li> <li>CIP prioritization optimization.</li> </ul>								
Elements of this multi-year plan that were active during the past year include:								
<ol> <li>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.</li> </ol>								
2. Procuremen and collectic Aquanuity fr	t of Aquan on systems amework.	uity asset m ), and config	anagemer uration of	it software distributio	for l n sys	horizontal as stem prioriti	sets (i.e., dis zation mode	tribution within the

- 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.

Projected Resources:						
Level of Effort	Financial Needs					
<b>^</b>	\$\$					
Near-Term Board Engagement: A request for a sec	cond 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			<b>Goal:</b> Improve the collection and use of real- time data to inform and drive decision-making				
SMART Metric: On time Exe	ecution of th	e SCADA Ma	ster Plan Task	٢S		0	
	FY23	FY24	FY25	FY26	FY27	FY28	
Implementation							
Schedule	$\land$						
<ul> <li>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.</li> <li><i>Task 1 Organizational Improvements</i> – Provide staffing and training.</li> <li><i>Task 2 System Network Improvements</i> – Hardware and Cybersecurity Network Improvements to increase system resiliency.</li> <li><i>Task 3 Control System Policies and Standards</i> – Develop graphical standards, database standards and policies for SCADA related activities.</li> <li><i>Task 4 –Disaster Recovery</i> – Development of disaster recovery plans scheduled to begin in FY25, currently not active</li> <li><i>Task 5 – Plant PLC Improvements</i> – Replacement of Obsolete PLC's at the plants and remote sites</li> </ul>							
currently not active	nprovement	s – bullu silla				15,	
<ul> <li>Task 7 – Network Access Improvements – Provide more secure, reliable internal plant communications and improved access options for business users.</li> <li>Task 8 – Control System Maintenance – Instrument documentation, assessment and building in house capacity for system maintenance</li> </ul>							
		Projected R	esources:				
Level of E	ffort			Financia	l Needs		
<b>^</b> 1				\$\$	(ongoing)		



### OWASA SCADA Manager Simon Lobdell inspects system at Jones Ferry Water Treatment Plant

**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.

Champion: SCADA Managor	Co-Champion: Engineering Manager - Capital			
Champion: SCADA Manager	Projects			

Initiative: Establish and implement Capital			Goal: Establish and pursue capital investment			
Investment Strategy			goals			
SMART Metric: Development	of specific a	nnual or n	nulti-year infr	astructure rei	newal and re	placement
rates per asset class; developr	ment of appr	ropriate fe	edback/impro	ovement proc	ess	
	FY23	FY24	FY25	FY26	FY27	FY28
Implementation						
Schedule						
The Capital Investment Strate	gy will provi	de the lon	g-range visior	of capital sp	ending, utiliz	ing a risk-
driven approach to measure t	he OWASA t	arget leve	ls of service. ٦	hrough a ser	ies of interna	al
discussions and consultations	with utilities	s with wel	-developed st	rategic asset	managemer	nt plans,
the connection between this i	nitiative and	l several o	f the tasks in t	he "Assess a	nd Update A	sset
Management Program" were	clarified. In J	particular,	implementin	g new CMMS	for vertical a	assets
(including asset level risk esta	blishment) <i>,</i> ເ	updating t	he collection	system risk m	odel, updati	ng the
distribution system model, an	d further est	tablishing	evel of servic	e across vario	ous asset clas	sses will be
prerequisites to developing th	e Capital Inv	estment s	trategy. For t	he remaining	fiscal year a	nd into
FY25, we will work as a Team	to refine obj	ectives an	d scope of thi	s strategic ini	tiative, as w	ell as a list
of consultant qualifications th	at are neede	ed for this	initiative. In F	Y27, we plan	to identify a	nd engage
a consultant to work with our	team to re-e	establish l	evel of service	criteria and	to develop a	Capital
Investment Strategy. We plan	to begin im	plementat	ion of this init	iative in FY28	8.	
	Р	rojected F	esources:			
Level of Effo	ort			Financial	Needs	
L Ť				\$		
Near-Term Board Engagemen	<b>it:</b> We will re	eport back	to the Board	on our planni	ing efforts in	next
year's Strategic Plan update.						
Champion: Director of Engine	ering and Pla	anning	Co-Champio	<b>1:</b> Director of	Finance	

# **Emergency Management and Cybersecurity**

Initiative: Develop and in:	ntinuous	<b>Goal:</b> Ensure staff are prepared and ready for					
Emergency Preparedness	Nodel		emergencies	s of all type	S A fue a A at is a f	<b>.</b>	
SMARI Metric: # of recurring	ng action itei	ms from tabl	etop/functio	nal exercise	After Action	Reviews	
(goal - 0), % of exercises col			EV25	EV26	EV27	EV38	
Implementation		1124	1125	1120	1127	1120	
Schedule	$\nearrow$						
We completed the assessme	ent of all doc	umented en	nergency rela	ted plans inc	luding		
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							
Training and Exercise Plan (I	MYTEP) to be	e developed.	exercises and	identined tr	le fieed for a	Multi-Year	
The MYTEP implementation remainder of FY24 through	The MYTEP implementation and items documented in the assessment will be addressed in the remainder of FY24 through FY28.						
		Projected Re	esources:				
Level of E	fort		Financial Needs				
Ń Ť	١		\$ (ongoing)				
Near-Term Board Engageme Strategic Plan update.	ent: We will	report back t	to the Board	on our effort	ts in next yea	r's	
Champion: Safety and Risk I	Manager	(	Co-Champion	: General M	anager of Op	erations	
, ,	0		•		0 1		
		20					

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 li	st of risk mit	igation item	s based on RC	וכ		-	
	FY23	FY24	FY25	FY26	FY27	FY28	
Implementation							
Schedule							
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.							
		Projected R	esources:				
Level of E	ffort			Financial	Needs		
<b>f</b>				\$\$	\$\$		
Near-Term Board Engagem	ent: We will	report back	to the Board	on our effort	s in next yea	r's	
Strategic Plan update.							
Champion: General Manage	er of Operation	ons	Co-Champior	<b>1:</b> Director of	Engineering	and	
			Planning				

# **Community Engagement**

Initiative: Develop and implement regular community survey		r <b>Goa</b> com	<b>Goal:</b> Increase the quality and use of community feedback			
SMART Metric: Statistically valid	survey cond	ucted, and	responsive a	action plan o	developed b	y July
2024						
	FY23	FY24	FY25	FY26	FY27	FY28
Implementation	$\searrow$					
Schedule						
We have identified a consultant t	hat will help	design and	execute a c	community s	survey, whic	h will be
implemented and analyzed in the	latter half o	of FY25. The	consultant,	ETC, has su	bmitted an	estimate
and scope of work for review. Cha	ampions wil	ا lead an O	VASA focus	group acros	s departme	nts to
identify topical priorities for the s	urvey. This	survey can	be repeated	in FY28 and	l will provid	e insight
into the impact of our efforts and	, a foundatio	on for the n	ext Strategic	: Plan.	·	Ũ
	Proje	ected Resou	irces:			
Level of Effort				<b>Financial</b>	leeds	
<b>.</b>				\$		
l n n			(to design and ex	Yecute survey: re	preated every th	ree vears)
Near-Term Board Engagement: V	Ve will inclu	de funds fo	r the survey	consultant	in the FY25	hudget
Once the survey is developed, we	will circulat	te it to the l	Roard In the	summer of	2025 we w	vill share
the survey results with the Board	along with	the action i	tems nromr	ted hy the	results	
Champion: Public Information Of	ficer		hamnion (	iustomer Se	rvice Manag	per

Initiative: Integrate online b	illing and w	/ater	Goal: Stream	line custom	ier account	
use portals			experience			
SMART Metric:						
Phase 1 – Implement new Cust	omer Inforn	nation Sys	tem.			
Phase 2 – Implement Customer	r Engagemei	nt System	which will inte	grate billing	and water u	use portals.
	FY23	FY24	FY25	FY26	FY27	FY28
Implementation Schedule	$\ge$					
The Customer Information Syst offer an online billing platform expected that within the next t portal that will embed OWASA alert and customer engagemer Implementation of the new Cus system on January 29, 2024.	em that was which fully wo to three 's current or it portal. stomer Infor	s selectec meets OV years, th hline billir rmation S	to replace the /ASA's require eir offering will g portal and re /stem is compl	current syst ments (leak a include a co place OWAS eted. We w	em does no alerts). How omplete eng GA's water us ent live with	t currently ever, it is agement se, leak the new
	Pr	ojected R	esources:			
Level of Effor	t			Financial	Needs	
<b>^</b>				<u>\$</u>	\$	
Near-Term Board Engagement	: We will up	date the	Board on the ti	ming of the	new portal i	n the next
Strategic Plan update.						
Champion: Director of Adminis	tration		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.

400 Jones Ferry Roa	and Sewer Authority d   Carrboro, NC 27510		Phone #: Email: Website:	(919) 537-4343 customerinquiri www.owasa.org	es@owasa.org	
Mailing Address			Billing Summ	arv		
e anna e anna anna anna anna anna anna			BIII Date Due Date Previous Bill Total Payments New Bill			01/30/2024 02/26/2024 \$82.15 -\$82.15 \$191.67
			Total Amoun	t Due		\$191.67
Account Informatio	n		Meter Readir	g		
Primary Account Holder	1		Meter #:	Read Dates:	Usage (GAL):	Days Read:
Account Number			1700118287	12/19/2023 - 01/25/	2024 8,584	37
Jsage Profile			New Charges	Ra	te Usage ((	GAL) Tota
Previous Year	Previous Month	Current Month	Water Service Ch	arge		\$20.90
6,000	3,000	8,584	Consumption Ch	arge Blo	1 2,000	\$7.48
			Consumption Ch.	arge Bloi	-4.3 3,000	\$27.24
	🛢 Previous Year 🛢 Current Year		Sewer Service Ch	arge Bloi	.K 3 3,584	\$37.93
9.000			Sewer Discharge	Rio	k1 8 584	\$79.04
8,000			Total New Ch	argos	5,504	±101.4
7,000			Total New Ch	aiges		\$171.0
5.000 4.000 5.000 2.000 1.000	hilli					
FEB MAR AP	R MAY JUN JUL AUG SEP OCT	NOV DEC JAN				
New Bill: We upgraded units. In March, your drinkin water. Tips on how to	our billing system to make custom g water may taste or smell like chioi mprove the taste and odor of your	er Information easier t rine due to a temporar water are posted on o	o understand. Your accour y change in our treatment wasa.org.	nt number has been si process. This practice	implified; we are bl	lling in smaller safety of your
Plea	se return bottom portion along witi	h your payment. Check	s should be made payable	to Orange Water and	Sewer Authority.	
Bill Date: Due Date: Account Number:	01/3 02/2	10/2024 26/2024	Due Date	Past Due Nev Charges Nev	v Charges Bala	ance Due
Service Address:			02/26/2024	\$0.00 \$	191.67 \$	191.67
			Amount Enclosed: \$			
	re Program: You can help families experiencing	t		SE WATER AND SI	EWER AUTHORI	