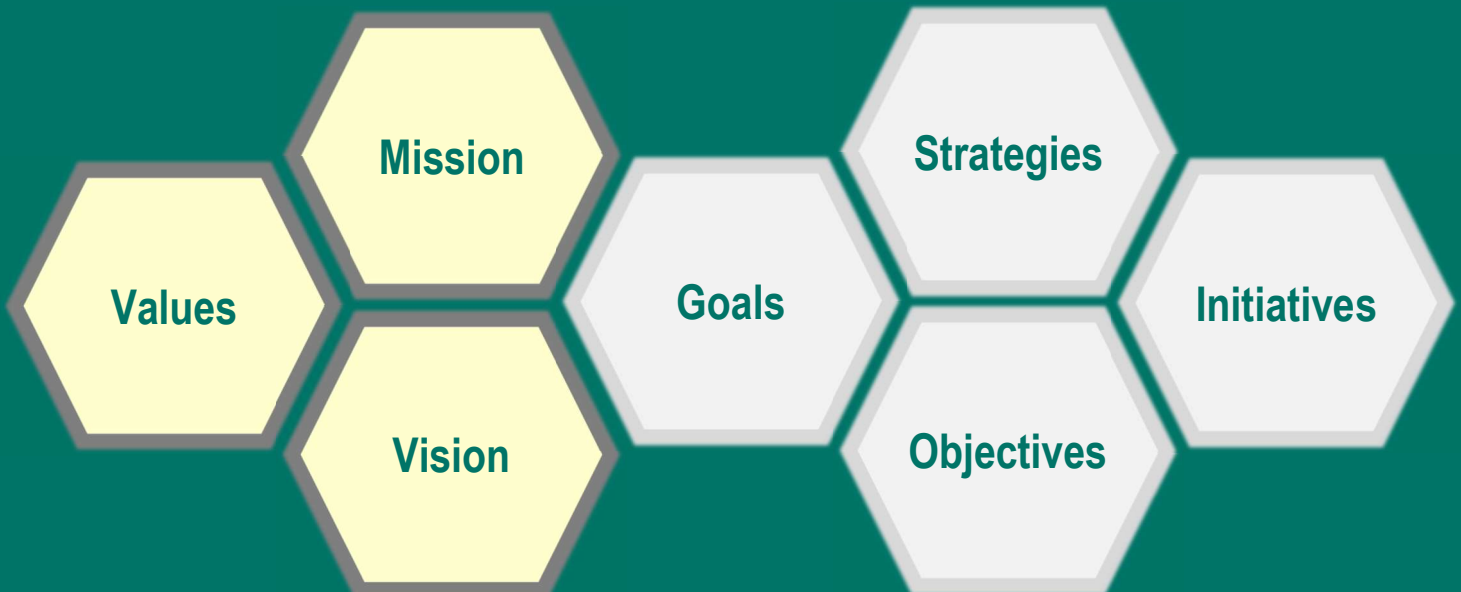




Strategic Plan

Fiscal Year 2021/2022 – 2023/2024

August 2021





Strategic Plan

Transforming Wastewater to Resources

FY21/22-FY23/24

August 2021

About Delta Diablo

Delta Diablo is a special district that provides wastewater conveyance and treatment services for over 215,000 residents in Antioch, Pittsburg, and Bay Point.

The District treats 13 million gallons of wastewater each day with a focus on exemplary regulatory compliance, innovative and sustainable approaches, and sound stewardship of the public's resources and trust.

The District has transformed its Wastewater Treatment Plant (WWTP) into a "wastewater resource recovery facility" by:

- ➔ Producing an average of 6 million gallons of recycled water per day
- ➔ Generating on-site renewable energy to meet over 55% of WWTP power needs
- ➔ Reusing residual biosolids as fertilizer through land application at farm sites
- ➔ Providing household hazardous waste (HHW) collection services
- ➔ Protecting the Delta by providing street sweeping services to remove pollutants that would otherwise enter local stormwater systems

General Manager's Message



Vince De Lange

As a nationally-recognized leader and progressive "Utility of the Future," Delta Diablo (District) is firmly committed to organizational excellence, exemplary regulatory compliance, resource recovery, innovative approaches, sustainable solutions, and community engagement. In achieving our core mission of protecting public health and the environment, we are focused on providing effective and reliable services, maintaining reasonable rates, and continuing to serve as responsible stewards of the public's resources and trust.

The District faces a suite of challenges that present opportunities for long-term strategic planning and decision making, including:

- **Addressing aging infrastructure needs** in the District's wastewater collection, conveyance, and treatment systems through increased capital investment
- **Meeting long-term regulatory drivers** (e.g., nutrient removal requirements, biosolids management) and associated significant increases in future capital and operations and maintenance (O&M) costs
- **Navigating a competitive labor market** in the wastewater sector and ensuring existing workforce development
- **Effectively engaging with the local community** and key stakeholders regarding District services, initiatives, and collaboration opportunities
- **Implementing prioritized workflow and process enhancements** to drive sustained organizational improvements over time

This Strategic Plan, coupled with the dedicated leadership of the District's Board of Directors, represents the strategic framework that will guide key decisions, initiatives, and activities at the District.

Board of Directors



Juan Banales

City of Pittsburg
Councilmember



Federal Glover

Contra Costa County
Board of Supervisors



Monica Wilson

City of Antioch
Councilmember



215,000
residents



13 million gallons of
wastewater per day



76 miles of
sewer pipes,



5 pumps stations to
convey wastewater



Wastewater
Treatment Plant



Recycled Water
Facility

Expresses our core function, duty, and responsibility

MISSION

Delta Diablo protects public health and the environment for our communities by safely providing exceptional wastewater conveyance, treatment, and resource recovery services in a sustainable and fiscally-responsible manner

Expresses what we want to become in fulfilling our mission

VISION

Delta Diablo will achieve sustained organizational excellence through dedicated commitment to public service, stewardship, innovation, industry leadership, and active engagement at all levels



We have identified Behavioral Values that directly support success in achieving our shared Mission and Vision

Stewardship

Public Trust

Work Environment

Communication, Trust

Innovation

Teamwork, Engagement

Accountability, Ownership

Engaging to Address Key Issues

Learning Culture

VALUE STATEMENTS

- ➔ **Serve as responsible stewards of valuable public resources at all levels in the organization**
- ➔ **Maintain public trust and confidence through excellent customer service, community engagement, transparency, and responsiveness**
- ➔ **Ensure a positive, safe, equitable, diverse, and inclusive work environment that promotes honest, transparent, ethical, and respectful interactions**
- ➔ **Communicate with integrity to share knowledge, inspire trust and camaraderie, and maintain authentic professional relationships**
- ➔ **Embrace and manage change to support implementation of innovative approaches that add value and drive sustained organizational improvement over time**
- ➔ **Foster a collaborative, team-based work culture that inspires engagement, solutions-oriented dialogue, and sound decision-making processes to achieve successful outcomes**
- ➔ **Reinforce accountability and ownership to ensure each employee is supported in effectively contributing to the District's overall success**
- ➔ **Model an open, proactive, and productive approach to resolving key issues to enhance organizational unity and alignment**
- ➔ **Actively seek opportunities to build a "learning" culture by supporting individual and peer professional development; expanding knowledge, skills, and abilities; learning from mistakes and "near misses"; and improving work processes and use of technology**



Strategic Goals (FY21/22-23/24)

1

Infrastructure Investment

Ensure the long-term effectiveness and reliability of critical District infrastructure through prioritized, cost-effective capital investment and maintenance

2

Environmental Stewardship

Meet or surpass environmental and public health requirements to maintain public trust

3

Fiscal Responsibility

Manage financial resources effectively to meet funding needs and maintain fair and reasonable rates

4

Organizational Change

Embrace innovation, engagement, and change to enhance service delivery, work processes, and use of technology to drive sustained improvement in organizational effectiveness and efficiency

5

Workforce Development

Support development of an engaged, skilled workforce that is dedicated to organizational excellence and exceptional service delivery

6

Customer Services and Engagement

Deliver an exceptional customer service experience and embrace opportunities to enhance service value through engagement and collaboration

Goal 1 Infrastructure Investment

Ensure the long-term effectiveness and reliability of critical infrastructure through prioritized, cost-effective capital investment and maintenance



STRATEGY NO. 1 Identify existing infrastructure vulnerabilities and long-term planning considerations (e.g., service area growth, regulatory requirements, new technologies) that drive future investment in new and existing infrastructure

Key Objectives

- Conduct periodic infrastructure condition assessment activities and document findings in the wastewater conveyance (“linear assets,” including pump stations, gravity sewers, and force mains) and treatment (“vertical assets,” including WWTP, RWF) systems, using multi-faceted evaluation methods
- Prepare comprehensive master plans for major infrastructure focus areas that include infrastructure condition assessments, prioritized capital investment needs, service area growth considerations, and opportunities to improve operating effectiveness and efficiency through new processes or technology

STRATEGY NO. 2 Meet operational needs, support reliability goals, and extend asset life through continued development and implementation of a formalized, risk-based Asset Management Program

Key Objectives

- Expand utilization of computerized maintenance management systems (CMMS) and formalized workflow changes to support reliability-based asset maintenance activities and data-driven decision making
- Utilize an action-based, strategic approach with clear goals, objectives, roles, and responsibilities to support successful Asset Management Program implementation



Goal 1 Infrastructure Investment (cont'd)

Ensure the long-term effectiveness and reliability of critical infrastructure through prioritized, cost-effective capital investment and maintenance

STRATEGY NO. 3 Integrate condition assessment, master planning, and asset management findings and recommendations

Key Objectives

- Ensure the 5-year capital improvement program (CIP) reflects prioritized investment to address critical infrastructure needs, while tracking key infrastructure needs over the next 10 years
- Coordinate various master planning efforts to ensure a cohesive and integrated approach

STRATEGY NO. 4 Ensure coordinated and cost-effective capital project delivery during the planning, design, construction, and startup project phases

Key Objectives

- Ensure meaningful engagement with key stakeholders during the planning and design phases to avoid unforeseen scope changes with associated cost impacts
- Consider project lifecycle costs (i.e., operations and maintenance costs) in addition to capital costs during project alternatives evaluation processes to ensure lowest overall value to customers; and “triple bottom line” analyses, when applicable
- Conduct project risk assessments and reviews of potential unintended consequences during the planning and design stages to identify and mitigate potential technological, regulatory compliance, financial, operational, and public acceptance risks
- Integrate reviews of “lessons learned” from prior capital projects to improve future project delivery, including initial and long-term operational experience and issues
- Ensure an effective transition of capital projects from the construction phase to the operational phase
- Formalize roles and responsibilities (e.g., project managers, construction managers, construction inspectors, and key stakeholders) and ensure preparation of proper documentation during each project phase, consistent with District Project Management Manual/Design and Construction Standards

Key Success Indicators: Goal 1 Infrastructure Investment

Indicator	Target
Number of Master Plans included in 5-year CIP	≥3
Meet Completion Schedule for Master Plans and Condition Assessment Activities	varies
Actual Annual Capital Expenditures as Percent of Budgeted Cash Flow (including carry forward)	≥80%
Construction Change Orders (weighted average of completed projects)	<5%
Construction Change Orders due to Design Errors and Omissions (weighted average of completed projects)	<3%
Annual Number of Miles of Wastewater Collection System Pipe Inspected (Bay Point only)	14 miles

Goal 2 Environmental Stewardship

Meet or surpass environmental and public health requirements to maintain public trust



STRATEGY NO. 1 Operate District facilities to meet or exceed federal, state, and local regulatory requirements

Key Objectives

- Conduct periodic regulatory compliance vulnerability assessments and implement applicable preventive measures, key recommendations, and contingencies
- Foster a learning culture by capturing “lessons learned” from regulatory non-compliance events, “near miss” incidents, and infrastructure failures through identification of root causes and associated corrective and preventative measures
- Invest in value-added automated process control and monitoring systems to minimize potential for regulatory non-compliance events (“early warning systems”)
- Integrate data, systems, and business/information technology applications to support data-driven decision making and process control
- Ensure appropriate levels of service, reliability, and redundancy is included in capital projects



STRATEGY NO. 2 Maximize wastewater resource recovery via recycled water production, on-site energy production and management, beneficial use of biosolids, and recycling of household hazardous waste materials

Key Objectives

- Ensure effective and reliable operation of District’s Recycled Water Facility (RWF) to maximize facility “uptime” and production and delivery of Title 22 compliant recycled water to customers
- Invest in biogas utilization for energy production to provide environmental benefits and cost savings
- Advocate for continued use of existing biosolids management options as beneficial uses (i.e., land application, composting) and expand future options to ensure a diversified, cost-effective portfolio



Goal 2 Environmental Stewardship (cont'd)

Meet or surpass environmental and public health requirements to maintain public trust

STRATEGY NO. 3 Advocate for achievable, sustainable, and cost-effective environmental regulations based on sound science and public health benefits

Key Objectives

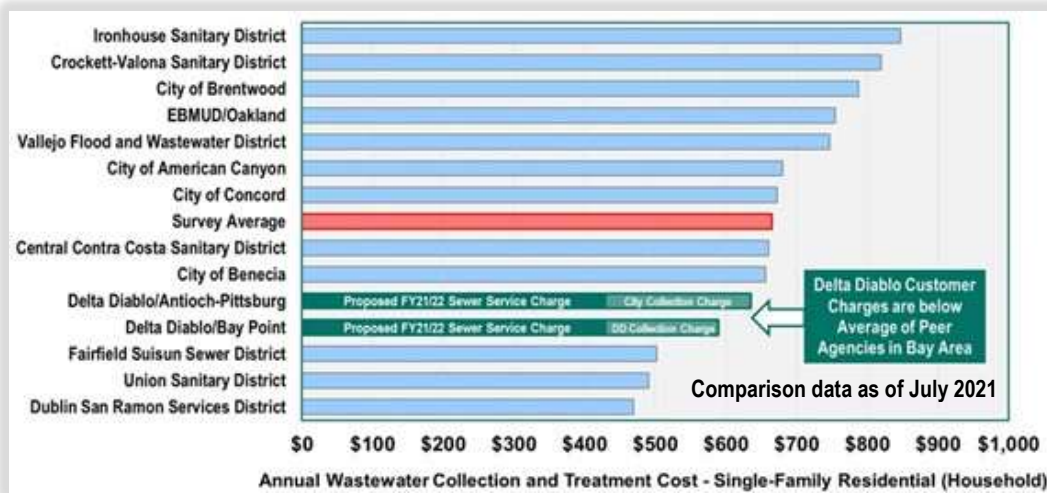
- Actively engage with regulators and scientific community via Bay Area Clean Water Agencies to continue investment data collection and understanding water quality impacts and public health benefits associated with nutrient management in San Francisco Bay
- Support development of a regional nutrient load “trading” program to reduce capital infrastructure investment costs at the District



Key Success Indicators: Goal 2 Environmental Stewardship	
Indicator	Target
Number of Violations or Exceedances of National Pollutant Discharge Elimination System (NPDES) Permit for District’s Wastewater Treatment Plant (WWTP)	0
Number of Violations or Exceedances of Recycled Water Title 22 Compliance Requirements	0
Number of Violations or Exceedances of Air Permit Title V Compliance Requirements	0
Number of Annual Sanitary Sewer Overflows (Bay Point collection system)	≤1
Annual Environmental Compliance Inspections and Permit Issuances Completed on Schedule	100%
Household Hazardous Waste Facility – Compliance with Requirements	100%
Received recognition from the National Association of Clean Water Agencies for exemplary regulatory compliance (e.g., Gold Award), and industry leadership and excellence (Utility of the Future Today)?	Yes
Annual Recycled Water Production and Distribution (as percent of WWTP influent)	≥50%
Annual On-site Power Generation (as percent of WWTP power demand)	≥55%
Annual Biosolids Beneficial Use (as percent of biosolids production)	100%
Annual Household Hazardous Waste Material Recycled (as percent of recyclable)	100%

Goal 3 Fiscal Responsibility

Manage financial resources effectively to meet funding needs and maintain fair and reasonable rates



STRATEGY NO. 1 Conduct long-term horizon financial planning to minimize potential for sharp rate increases due to unanticipated funding needs

Key Objectives

- Develop and maintain a 5-year financial model with a 10-year outlook that includes projections for operating and capital expenditures, revenue needs, financing assumptions, and associated rate adjustments
- Ensure sufficient financial reserves during the planning horizon to mitigate potential impacts of significant unforeseen costs due to emergency needs (e.g., major infrastructure failure) and maintain good standing in the financial credit markets
- Critically review operating budget assumptions and staffing levels each year to identify opportunities to reduce costs through “zero-based” budgeting, review of past performance, and contingency levels
- Maximize cash funding of a prioritized CIP to ensure lowest overall costs for District customers, while utilizing debt financing assumptions to offset near-term rate impacts for large-scale CIP projects
- Seek the lowest cost of capital through applicable federal, state, and local grant and low-interest loan programs, and update financing assumptions in financial model
- Reserve debt management capacity for long-term nutrient management WWTP upgrades



STRATEGY NO. 2 Ensure legal, equitable, and cost-of-service based rates with revenue need allocation to appropriate customer categories

Key Objectives

- Review and adjust cost-of-service assumptions and revenue need allocation each year and update financial plan, as needed
- Conduct periodic third-party cost-of-service studies and implement applicable recommendations
- Ensure equitable collection of Sewer Service Charge revenue from existing customers and Capital Facilities Capacity Charges from new customers (i.e., growth in service area)

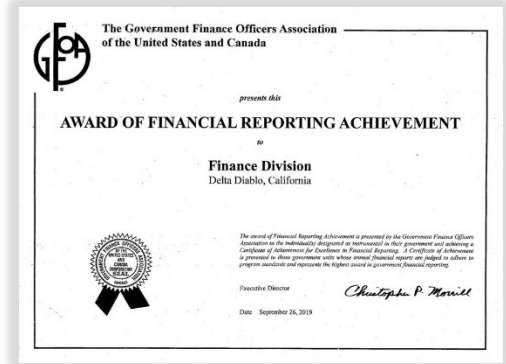
Goal 3 Fiscal Responsibility (cont'd)

Manage financial resources effectively to meet funding needs and maintain fair and reasonable rates

STRATEGY NO. 3 Ensure effective communication, transparency, and integrity in financial reporting documentation and make readily available to customers

Key Objectives

- Develop clear, informative, and transparent public communication materials (e.g., Proposition 218 Notices, fact sheets, “Frequently Asked Questions,” and Board communications) in support of the rate-setting, CIP, and budget approval processes
- Prepare a Comprehensive Annual Financial Report (CAFR) each year that meets best practices for excellence and transparency in financial reporting
- Prepare a “Budget Book” that integrates annual operating and capital budget drivers, considerations, and necessary appropriations, as well as a “General Manager’s Message” to provide clear communications to customers
- Conduct regular external financial audits and implement recommended improvements, as necessary



Key Success Indicators: Goal 3 Fiscal Responsibility

Indicator	Target
Maintain Reasonable Sewer Service Charges when Compared to Peer Agencies in the San Francisco Bay Area	<average of peer agencies
Actual Annual Operating Budget Expenditures as Percentage of Budget	90-100%
Received Annual Recognition from Government Finance Officers Association for Excellence in Financial Reporting for CAFR and Budget Book?	Yes
Number of “Significant Deficiencies” in Internal Controls or “Material Weaknesses” Identified during Annual Third-party Audit of Financial Reports	0
Percent of Third-party Financial Audit Findings Resolved within 90 days	100%
Debt Service Coverage Ratio	≥1.75 (or more current District policy)

Goal 4 Organizational Change

Embrace innovation, engagement, and change to enhance service delivery, work processes, and use of technology to drive sustained improvement in organizational effectiveness and efficiency

STRATEGY NO. 1 Promote and value a high-performing organizational culture that is open to new ideas, innovative approaches, and sharing of diverse employee perspectives and experiences

Key Objectives

- Empower employees to share ideas and opportunities to improve the organization’s service delivery, work processes, and use of technology
- Encourage new and existing employees to share alternative approaches and ideas based on previous work experience to support identifying potential organizational improvements
- Actively engage employees in developing annual Strategic Initiatives to support implementation of the District’s Strategic Plan
- Form cross-divisional teams to identify and recommend improvements to critical organizational and business functions, including a summary of key benefits, impacts, transition planning, and training needs
- Recognize employees and teams acting as “change agents” to drive innovation and improvement



STRATEGY NO. 2 Expand value-added use of information technology (IT) services and applications

Key Objectives

- Apply a strategic, prioritized, and value-added focus in implementing IT initiatives to ensure effective utilization of IT resources
- Conduct periodic IT planning assessments to update work completed, identify current business needs and priorities, evaluate and prioritize new IT initiatives, and identify change management and training needs
- Implement new IT services and applications with minimal interruption to internal and external customers

STRATEGY NO. 3 Effectively manage implementation of organizational changes

Key Objectives

- Actively engage with key cross-divisional stakeholders to understand and manage potential impacts associated with implementation of the proposed change(s)
- Identify and implement training needs and prepare necessary documentation or updated documentation to support successful change implementation
- Evaluate change implementation at key schedule milestones and seek opportunities to receive feedback

Key Success Indicators: Goal 4 Organizational Change

Indicator	Target
Number of Annual Strategic Initiatives Identified	>8
Increased Organizational Effectiveness and Efficiency	varies
Critical IT Application Uptime	100%
IT Customer Satisfaction Results	>95%

Goal 5 Workforce Development

Support development of an engaged, skilled workforce that is dedicated to organizational excellence and exceptional service delivery



STRATEGY NO. 1 Ensure a safe, diverse, inclusive, and equitable workplace

Key Objectives

- Ensure each employee has received required training and exhibits behavior consistent with the District's Behavioral Values
- Design training sessions to be dynamic, interactive, and support engagement, connectivity, and retention
- Meet or exceed industrial safety standards in the workplace; expand use of safety-related IT applications; and utilize the Safety Committee to adapt the workplace, procedures, and/or protocols in response to safety incidents, as necessary
- Utilize IT applications to track training records to ensure required training is completed on schedule
- Cultivate a positive, team-based work culture that inspires engagement, strong professional relationships, and reflects commitment to the District's Behavioral Values

STRATEGY NO. 2 Promote employee professional development and training to ensure readiness and adaptability to meet future workforce challenges and needs

Key Objectives

- Engage with individual employees to understand future career progression interests and incorporate applicable professional development plans into annual performance plans and appraisals
- Encourage staff to acquire certifications, licenses, and training, and demonstrate personal commitment to professional development through use of tuition reimbursement programs, and participation in management/supervisory training and/or industry association training, seminars/webinars, and conferences
- Promote employee participation through active engagement and/or leadership roles in key industry associations (e.g., CASA, BACWA, CWEA) to explain District positions and advocate for District interests, while staying abreast of industry challenges and potential impacts to the District
- Clearly communicate performance expectations and standards to employees; conduct regular assessments that include employee strengths and opportunities for development; and integrate coaching and mentoring techniques, and develop targeted plans to improve performance deficiencies, as needed
- Identify and implement opportunities to improve the performance planning and appraisal process to support timely completion, effective supervisor-employee engagement, and professional development



Goal 5 Workforce Development (cont'd)

Support development of an engaged, skilled workforce that is dedicated to organizational excellence and exceptional service delivery

STRATEGY NO. 3 Generate awareness of career employment opportunities at the District

Key Objectives

- Partner with local universities, colleges, and community colleges to communicate potential career paths at the District and generate interest in future employment
- Utilize internships and temporary, short-term positions in various workgroups, as needed (e.g., laboratory, operations, maintenance)
- Participate in value-added regional, institutional, and/or peer agency partnerships and coalitions designed to cultivate and produce highly-qualified candidates for future employment
- Target specific employment markets and industry associations, and prepare high-quality job announcements with professional supporting documentation to attract high-quality candidates during recruitment and selection processes



STRATEGY NO. 4 Recognize and celebrate key team and individual achievements

Key Objectives

- Use multi-faceted approaches to consistently recognize employees who demonstrate commitments to teamwork, the District's Behavioral Values, innovation, and organizational excellence via presentations at Board meetings, internal newsletters, staff communications, meetings, and employee recognition events
- Celebrate successes associated with regional partnerships with local communities, industry associations, regulators, and/or peer agencies

Key Success Indicators: Goal 4 Organizational Change

Indicator	Target
Compliance with Mandatory Training Requirements	100%
Maintain All Required Licenses, Certifications, and Training	100%
Employee Injury and Illness Lost Time Incident Rate	<4.0 (BLS), <5.6 (AWWA)
Annual Performance Plans Completed on Schedule	>95%
Annual Performance Appraisals Completed on Schedule	>95%

Note: BLS = Bureau of Labor Statistics; AWWA = American Water Works Association

Goal 6 Customer Services and Engagement

Deliver an exceptional customer service experience and embrace opportunities to enhance service value through engagement and collaboration

STRATEGY NO. 1 Enhance customer services by streamlining District communications to share accurate information with the public and effectively resolve potential inquiries or concerns

Key Objectives

- Ensure a timely, professional, and responsive approach to all customer service interactions
- Provide opportunities for customers to provide feedback on their customer service experience
- Develop uniform messaging points and guidance for addressing specific customer inquiry or concern scenarios for the most common customer service engagements—permit counter, Delta Household Hazardous Waste Collection Facility, street sweeping services, pollution prevention, and sharps
- Enhance external website content, organization, and consistency as a key public information tool

STRATEGY NO. 2 Minimize potential impacts to local residences and businesses during normal facility operations and maintenance, construction project activities, and emergency repair work

Key Objectives

- Operate and maintain the District's WWTP and pump stations to minimize the potential for odor impacts in the local community; and ensure timely, responsive actions are implemented, if conditions warrant
- Develop and distribute public communications materials to effectively support planned construction activities in the local community, including a project hotline, and resolve construction-related issues and/or customer concerns in a timely manner
- Ensure timely, effective response actions to protect public health and the environment during an infrastructure failure event; and provide targeted public communication materials, as necessary

STRATEGY NO. 3 Maintain an updated Strategic Communications Plan

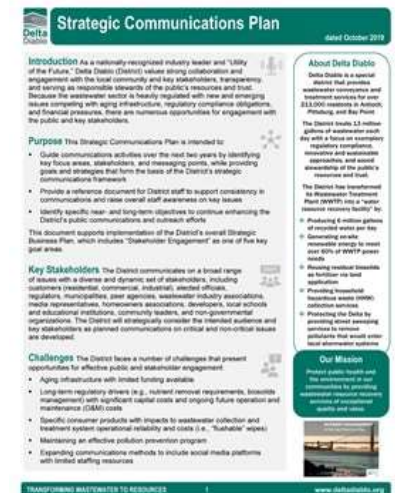
Key Objectives

- Highlight key focus areas and discussion points to ensure consistency and understanding among employees

STRATEGY NO. 4 Ensure development of effective Business Continuity and Emergency Response plans to maintain operational resiliency during extreme climate events and/or local community emergency conditions

Key Objectives

- Conduct periodic reviews and update existing plans to ensure effective responses and limit disruption of District services to customers
- Maintain organizational awareness of key roles and responsibilities, initial response actions, key plan changes, and specific contingency plans in response to potential business continuity disruption scenarios and emergency events
- Conduct periodic “table-top” exercises to reinforce and improve response plans



Goal 6 Customer Services and Engagement (cont'd)

Deliver an exceptional customer service experience and embrace opportunities to enhance service value through engagement and collaboration

STRATEGY NO. 5 Engage in beneficial local community, industry association, regulatory, and/or peer agency partnerships to further environmental protection awareness and address critical issues impacting the District's operations

Key Objectives

- Support source control efforts for problematic consumer products (e.g., non-flushable wipes) that may impact regulatory compliance and/or operational effectiveness and reliability through targeted public outreach, collaboration with industry associations, participation in related research, and engagement with regulators
- Maintain awareness of best practices in pollution prevention program administration and ensure development and implementation of targeted public outreach and education programs, as applicable
- Pursue opportunities to expand residential hazardous waste collection services at the Delta Household Hazardous Waste Collection Facility or local retail partners in coordination with program partners and/or other HHW programs
- Provide effective oversight of street sweeping services, resolve customer service issues, and ensure timely incorporation of new customers to route designs as growth occurs in service area

Key Success Indicators: Goal 6 Customer Service and Engagement

Indicator	Target
Initial Response Time for Conveyance/Collection System Emergencies	≤30 minutes
Initial Response Time for Customer Voicemails/Emails (during business hours)	≤2 hours
Average External Customer Satisfaction Rating	≥95%
Number of Annual Confirmed Odor Complaints to BAAQMD	0
Number of Annual Unresolved Construction-related Customer Complaints	0