City of Columbia, Missouri

Water & Light Department

Strategic Plan

2012-2015

September, 2012

City of Columbia
Water and Light Department

Mission

We deliver reliable, safe and cost effective water and electric service to meet our citizen owners' needs while providing exceptional customer service and environmental stewardship.

Vision

Columbia Water and Light will be a nationally recognized innovative utility providing exceptional service.

Core Values

- **Customer service:** We exist to provide the best possible service to all customers.
- **Communication:** We listen to our customers and respond with clear, compassionate, and timely communication.
- **Continuous improvement:** We value continuous improvement through planning, learning, and innovative practices.
- **Integrity:** We expect our employees to be ethical, honest and responsible. Our customers deserve nothing less.
- **Teamwork:** We achieve results through valuing diversity and partnerships within our own organization and the community. Each person's contribution is critical to our progress.
- **Stewardship:** We develop and empower our employees to serve the community to the best of their ability. We are responsible with the resources the community entrusts to us.

Core Competencies

1. Public service oriented
2. Trusted and reliable utility delivery
3. Environmental and financial stewardship

Moving Forward: Our Six Strategic Priorities

Robust Infrastructure

Ensure that there is sufficient knowledge and resources to meet existing and future physical infrastructure demands.

Workforce

Create an environment that supports engaged, high performing employees; enables Water and Light to recruit, retain and compete for talent; and ensures retention of institutional knowledge.

Financial Health

Meet the overall financial needs of the department while maintaining a strong reserve fund, maintaining strong credit rating and using resources efficiently.

Customer Engagement & Education

Increase educational efforts and connections with customers.

Sustainability

Improve the efficiency of energy and water use and increase generation from renewable resources.

Innovation

Consistently seek new processes to accomplish our mission and to generate extraordinary results through creative and forward-thinking technological solutions.

Strategic Priority: Robust Infrastructure

Strategic Goal:

Ensure that there is sufficient knowledge and resources to meet existing and future physical infrastructure demands.

Strategic Objectives:

- Continuously evaluate existing water and electric infrastructure to identify areas that need to be upgraded or replaced
- Provide reliable electric and water service
- Ensure that the quality and quantity of water and electric production is capable of meeting needs
- Improve system planning to accommodate growth

Department Initiatives:

- Modeling (electric transmission system, electric distribution system, water system)
- Develop an infrastructure replacement plan
- Continually evaluate our regulatory compliance program
- Establish and adopt industry standard performance metrics
- Develop and maintain Integrated Resource Plans for both water and electric systems

Performance Measures:

- Develop model for electric distribution system and keep water model up to date
- SAIDI, SAIFI and other related metrics at or above area average
- Develop infrastructure replacement plan and incorporate into CIP
- Measure emissions of regulated substances and potentially regulated substances for power plant and water system
- Updated IRP for Electric and develop IRP for Water

Strategic Priority: Workforce

Strategic Goal:

Create an environment that supports engaged, high performing employees; enables Water and Light to recruit, retain and compete for talent; and ensures retention of institutional knowledge.

Strategic Objectives:

- No work related injuries or occupational illnesses
- Cultivate an environment which encourages employees to maintain their health
- Cultivate an environment which allows employees to stay connected
- Improve job specific training programs with emphasis of knowledge transfer
- Encourage professional and career development
- Increase competitiveness in the labor market

Department Initiatives:

- Continuous improvement of the safety program
- Encourage employee participation in employee wellness programs
- Install computer kiosks at work locations
- Orientation of Advisory Board members
- Implementation of a knowledge retention and transfer program
- Encourage the use of tuition reimbursement program
- Encourage participation in industry organizations
- Assess and analyze how we want to compete in the labor market

Performance Measures:

- Number of W&L Work Related Injuries
- Participation In Employee Wellness Programs
- Employee Survey Of Information Availability
- Number of Job Specific Training Programs
- Utilization of Tuition Reimbursement and Participation in Industry Organizations
- Lower Rate of Voluntary Turnover

Strategic Priority: Financial Health

Strategic Goal:

Meet the overall financial needs of the department while maintaining a strong reserve fund, maintaining strong credit rating and using resources efficiently.

Strategic Objectives:

- Maintain a reserve fund appropriate for a capital intensive operation
- Improve the rating associated with issuing of debt
- Identify short term and long term requirements that impact funding needs
- Regularly review existing policies, programs and contracts to determine operational efficiency
- Place more responsibility for financial health at the division level

Department Initiatives:

- Establish and follow cash reserve policy
- Conduct a credit rating evaluation
- Maintain and update key utility studies
- Continue to update and follow capital improvement plan
- Develop and update business plans for water, electric and fiber
- Provide professional development for financial planning and operation

Performance Measures:

- Formalization of a Cash Reserve Policy
- Bond Rating
- Evaluate Capital Project Cost and Timeliness
- Pro Forma Financial Review of Water, Electric and Fiber
- Division Adherence to Budget

Strategic Priority: Customer Engagement & Education

Strategic Goal:

Increase educational efforts and connections with customers.

Strategic Objectives:

- Increase avenues of notification for service interruptions and ways for customers to report issues
- Establish a standard to rate the energy efficiency of a building and make that information publicly available
- Provide customers easy access to their detailed city billing data
- Increase the utilities' educational outreach

Department Initiatives:

- Develop one portal for outage notification and reporting problems
- Develop, adopt and expand the home energy score program as a widely utilized community tool
- Revise the billing format to provide enhanced customer feedback
- Increasing educational outreach benefits of a municipal utility; efficiency, utility operations, projects, pricing levels

Performance Measures:

- Availability of current outage information to interested parties
- Number of participants in home energy score program
- Availability of additional information on the bill
- Increased positive results for educational outreach
- Increased opportunities for outreach

Strategic Priority: Sustainability

Strategic Goal:

Improve the efficiency of energy and water use and increase generation from renewable resources.

Strategic Objectives:

- Evaluate new and existing efficiency programs
- Encourage the development of local renewable distributed generation
- Regularly evaluate renewable against current non-renewable energy resources
- Increase the utilities operational efficiencies

Department Initiatives:

- Develop and implement pricing programs to encourage efficiencies
- Utilize surveys to refine services
- Calculate other community benefits of efficiency programs
- Develop opportunities for Photovoltaic installations and biomass energy production
- RFP for renewable energy opportunities on a regular basis
- Review water and electric losses
- Conduct total cost of operation of high use equipment
- Evaluate fleet operations' efficiencies

Performance Measures:

- **Economic impact of efficiency expenditures including number of jobs created**
- **Energy produced from local renewable resources**
- **Total energy produced from renewable resources and rate impact percentage**
- **System Loss percentages**
- **Fuel consumption**
- **Average Heat rate for electricity**
- **Average energy rate for water**

Strategic Priority: Innovation

Strategic Goal:

Consistently seek new processes to accomplish our mission and to generate extraordinary results through creative and forward-thinking technological solutions.

Strategic Objectives:

- Continue platform modernization
- Improve business intelligence and analytics
- Expand communication capabilities
- Modernize electric and water control systems

City Initiatives:

- Migrate electric water and fiber to a unified GIS platform
- Develop data management system to meet needs
- Determine the utility's role in the community communication options
- Modernize electric and water control systems
- Develop a plan for electric cars

Performance Measures:

- **Percentage of water, electric and fiber systems that are represented in the ESRI system**
- **Data Available Within data management system(s)**
- **Creation Of A Communications Business Plan**
- **New Electric Control System and New Water Control System**
- **Creation of Plan to Address Electric Car Needs and Integration**

City of Columbia 2012 Department Strategic Plan

Water &Light Department

Strategic Priority Area: Robust Infrastructure

Strategic Goal: Ensure that there is sufficient knowledge and resources to meet existing and future physical infrastructure demands.

Department Strategic Objectives	Department-Level Initiatives	Related City-Wide Initiatives (New/Existing)	Resources Required	Lead Person	Team Members
Continuously evaluate existing water and electric infrastructure to identify areas that need to be upgraded or replaced.	*Modeling (electric transmission system, electric distribution system, water system)* *Develop an infrastructure replacement plan.* *Continually evaluate our regulatory compliance program.*	**Develop annual infrastructure report**	**Funding and Training for electric distribution tools** **No Additional Resources At This Time**	**Dave Storvick** **Ron Wyble**	*Ryan Williams* *Tony Cunningham* *Floyd Turner* *Tomas Zajicek* *Dan Clark* *Ryan Williams* *David Storvick* *Adam Schuttler* *Blaise Brazos*
Provide reliable electric and water service.	*Establish and adopt industry standard performance metrics.*	**Develop a process to evaluate and implement new**		**Ryan Williams**	*Tony Cunningham* *Floyd Turner*

		best practices			
Ensure that the quality and quantity of water and electric production is capable of meeting needs.	*Modeling (electric transmission system, electric distribution system, water system)* *Develop an infrastructure replacement plan.* *Develop and maintain Integrated Resource Plans for both water and electric systems.* *Continually evaluate our regulatory compliance program.*	**Develop annual infrastructure report** **Develop a method to estimate and prepare for the costs of growth**	**Funding and Training for electric distribution tools** **No Additional Resources At This Time**	**Dave Storvick** **Ron Wyble**	*Ryan Williams* *David Storvick* *Adam Schuttler* *Blaise Brazos* *Ryan Williams* *David Storvick* *Adam Schuttler* *Blaise Brazos*
Improve system planning to accommodate growth.	*Develop and maintain Integrated Resource Plans for both water and electric systems.*	**Develop a method to estimate and prepare for the costs of growth**	**No Additional Resources At This Time**	**Dave Storvick**	*Division managers*
Performance Measures	**Current Status**	**Short-Term Goals (FY '13)**		**Long-Term Goals (Yrs 2-3)**	**Status/ Completion Date**

Develop model for electric distribution system and keep water model up to date	**No current electric model**	**Evaluate tools required for electric distribution system modeling for cost/benefit**	**Implement system if cost effective**	
SAIDI, SAIFI and other related metrics at or above area average	**Electric metrics in place, water metrics need to be developed**	**Determine metrics to utilize for water reliability**	**Implement and update metrics**	
Develop infrastructure replacement plan and incorporate into CIP **Measure emissions of regulated substances and potentially regulated substances for power plant and water system**	**No formal plan** **Meet current regulations**	**Develop methodology for replacement of long lead time items** **Determine how to address possible future regulations**	**Implement methodology and incorporate into CIP** **Meet all existing and any future regulations**	
Updated IRP for Electric and develop IRP for Water	**Electric IRP to be updated in FY13** **No Current Water IRP**	**Finalize Electric IRP** **Develop Water IRP Concept**	**Repeat in 5 Years** **Finalize Water IRP**	

City of Columbia 2012 Department Strategic Plan

Water &Light Department

Strategic Priority Area: Workforce

Strategic Goal: Create an environment that supports engaged, high performing employees, enables Water and Light to recruit, retain and compete for talent; and ensures retention of institutional knowledge.

Department Strategic Objectives	Department-Level Initiatives	Related City-Wide Initiatives (New/Existing)	Resources Required	Lead Person	Team Members
No Work related injuries or occupational illnesses	*Continuous improvement of the safety program.*	**None**	**No new resources required**	**Christian Johanningmeier**	**W&L Safety Committee**
Cultivate an environment which encourages employees to maintain their health	*Encourage employee participation in employee wellness programs.*	**None**	**No new resources required**	**Christian Johanningmeier**	**W&L Safety Committee**
Cultivate an environment which allows employees to stay connected	*Install computer kiosks at work locations for access to: email, policy/procedures(dept/ city-wide), ordinances,*	**Existing: Promote systematic use of employee reward programs.**	**Computer kiosks at each work location**	**Ryan Williams**	*Division Managers*

	city-wide communications, HR applicant portal, City website/intranet, In-Site (Google), safety manual				
Improve job specific training programs with emphasis on knowledge transfer	*Orientation of advisory board members.* *Implementation of a knowledge retention and transfer program.*	**New: Develop City University concept and propose curriculum.**	**Possible additional training resources may be required**	**Carol Schafer**	*Division Managers*
Encourage professional and career development	*Encourage the use of the tuition reimbursement program.* *Encourage participation in industry organizations.*	**New: Develop City University concept and propose curriculum.**	**Possible additional training resources may be required**	**Ryan Williams**	*Division Managers*
Increase competitiveness in the labor market	*Implementation of compressed/flex hours.* *Assess and analyze how we want to compete in the labor market.*	**New: Conduct FY2013 Classification/ Compensation study** **Focus future increases for staff toward salary rather than benefits**	**Departmental Involvement with City Classification & Compensation Study**	**Ryan Williams**	*Division Managers*
Performance Measures	**Current Status**	**Short-Term Goals**		**Long-Term Goals**	**Status/**

		(FY '13)	(Yrs 2-3)	Completion Date
Number of W&L Work Related Injuries	**Stats from Risk Management**	**Ten Percent Reduction**	**Twenty Percent Reduction**	
Participation In Employee Wellness Programs	**Currently Not Tracked**	**Establish Tracking Methodology**	**Twenty Percent Increase In Participation**	
Employee Survey Of Information Availability	**No Current Measure**	**Design and Conduct Employee Survey**	**Initiate Measures Determined In Survey**	
Number of Job Specific Training Programs	**Not Formalized**	**Review Current Status of Job Specific Training Programs By Position**	**Develop Appropriate Curriculum**	
Utilization of Tuition Reimbursement and Participation in Industry Organizations	**Not Formalized**	**Build Awareness of Tuition Reimbursement Program**	**Increase Involvement in Tuition Reimbursement Program**	

Lower Rate of Voluntary Turnover	**Problematic By Division**	**Departmental Involvement with City Classification & Compensation Study**	**Reduce Voluntary Turnover By Being More Competitive In Labor Market**	

City of Columbia 2012 Department Strategic Plan

Water &Light Department

Strategic Priority Area: Financial Health

Strategic Goal: Meet the overall financial needs of the department while maintaining a strong reserve fund, maintaining strong credit rating and using resources efficiently.

Department Strategic Objectives	Department-Level Initiatives	Related City-Wide Initiatives (New/Existing)	Resources Required	Lead Person	Team Members
Maintain a reserve fund appropriate for a capital intensive operation.	*Establish and follow cash reserve policy.*	**Service Cost Recovery Approach**	**No new resources required**	**Jim Windsor**	*Division Managers*
Improve the rating associated with issuing of debt.	*Conduct a credit rating evaluation.* *Maintain and update key utility studies.*	**Refinance debt whenever possible to lower costs of interest**	**No new resources required**	**Jim Windsor**	*Finance Department* *W&L Administration* *W&L Board* *City Council*
Identify short term and long term requirements that impact funding needs.	*Continue to update and follow capital improvement plan.*	**N/A**	**No new resources required**	**Jim Windsor**	*Division Managers*

Regularly review existing policies, programs and contracts to determine operational efficiency.	*Develop and update business plans for water, electric and fiber.*	**Service Cost Recovery Approach**	**No new resources required**	**Jim Windsor**	*Division Managers*
Place more responsibility for financial health at the division level.	*Provide professional development for financial planning and operation.*	**Use more entrepreneurial approaches where possible**	**No new resources required**	**Jim Windsor**	*Division Managers*
Performance Measures	**Current Status**	**Short-Term Goals (FY '13)**		**Long-Term Goals (Yrs 2-3)**	**Status/ Completion Date**
Formalization of a Cash Reserve Policy	**Draft Cash Reserve Policy**	**Council Approval of Cash Reserve Policy**		**Implementation and Review of Cash Reserve Policy**	
Bond Rating	**AA- with positive outlook**	**Complete bond rating assessment**		**AA bond rating**	
Evaluate Capital Project Cost and Timeliness	**No Formal Process**	**Develop Formal Process**		**Implement Formal Process**	

Pro Forma Financial Review of Water, Electric and Fiber.	**No Formal Review**	**Develop Formal Review**	**Implement Formal Review**	
Division Adherence to Budget	**No Formal Review**	**Develop Formal Review and Necessary Training**	**Implement Review and Necessary Training**	

City of Columbia 2012 Department Strategic Plan

Water &Light Department

Strategic Priority Area: Customer Engagement & Education

Strategic Goal: Increase educational efforts and connections with customers.

Department Strategic Objectives	Department-Level Initiatives	Related City-Wide Initiatives (New/Existing)	Resources Required	Lead Person	Team Members
Increase avenues of notification for service interruptions and ways for customers to report issues.	*Develop one portal for outage notification and reporting problems.*	**Provide clear, consistent, accurate, timely, responsive information** **Customer contact center**	**Funding and training for software and hardware necessary to implement**	**Ryan Williams**	*Dave Storvick* *Connie Kacprowicz*
Establish a standard to rate the energy efficiency of a building and make that information publicly available.	*Develop, adopt and expand the home energy score program as a widely utilized community tool.*	**None**	**Funding, staffing and possible software**	**Tina Worley**	*Terry Freeman* *Jay Hasheider* *Ryan Williams*
	Revise the billing	**Establish a process**	**New ERP and**	**Jim Windsor**	*Division Managers*

Provide Customers easy access to their detailed city billing data.	*format to provide enhanced customer feedback.*	**to identify cross-department issues and consolidate information into easy-to-use formats**	**collaborative effort with UAB**		
Increase the utilities' educational outreach.	*Increase educational outreach benefits of a municipal utility; efficiency, utility operations, projects, pricing levels.*	**None**	**Funding, staffing, training**	**Connie Kacprowicz**	*Floyd Turner* *Jim Windsor* *Tony Cunningham*
Performance Measures	**Current Status**	**Short-Term Goals (FY '13)**		**Long-Term Goals (Yrs 2-3)**	**Status/ Completion Date**
Availability of current outage information to interested parties	**Not currently available**	**Identify methods to allow customers to access information of unplanned outages**		**Implement system(s) based on customer interest**	
Number of participants in home energy score program	**Under development**	**Finalize score methodology and verify program goals**		**Educate public, City Council, real-estate community, builders and renters about program**	

Availability of additional information on the bill	**Not currently available**	**Identify information to be included on bill**	**Identify methods to place additional information on/with the bill**	
Increased positive results for educational outreach **Increased opportunities for outreach**	**Few questions on current survey** **Some activity by existing staff**	**Expand survey tools and develop benchmarks** **Hire energy educator**	**Improving results from survey** **Track opportunities**	

City of Columbia 2012 Department Strategic Plan

Water &Light Department

Strategic Priority Area: Sustainability

Strategic Goal: Improve the efficiency of energy and water use and increase generation from renewable resources.

Department Strategic Objectives	Department-Level Initiatives	Related City-Wide Initiatives (New/Existing)	Resources Required	Lead Person	Team Members
Evaluate new and existing electric and water efficiency programs.	*Develop and implement pricing programs to encourage electric and water efficiencies.* *Utilize surveys to refine services.* *Calculate other community benefits of efficiency programs.*	**Provide clear, consistent, accurate, timely, responsive information** **Create an encouraging atmosphere for business opportunities based on environmental stewardship**	**Hire energy educator, additional survey** **Develop additional evaluation tools** **Support energy efficiency in new construction**	**Tina Worley**	*Jim Windsor* *Ryan Williams*
	Develop opportunities	**Create an encouraging**	**Funding, new policies/programs**	**Ryan Williams**	*Tina Worley* *Dave Storvick*

Encourage the development of local renewable energy resources.	*for photovoltaic installations and biomass energy production.*	**atmosphere for business opportunities based on environmental stewardship**			*Jim Windsor*
Regularly evaluate renewable against current non-renewable energy resources.	*RFP for renewable energy opportunities on a regular basis*	**None**	**No new resources**	**Jim Windsor**	*Division Managers*
Increase the utilities operational efficiencies.	*Review water and electric losses.* *Conduct total cost of operation of high use equipment* *Evaluate fleet operation's efficiencies*	**None**	**Software, hardware, training**	**Ryan Williams**	*Dave Storvick* *Jim Windsor* *Floyd Turner* *Tony Cunningham*
Performance Measures	**Current Status**	**Short-Term Goals (FY '13)**		**Long-Term Goals (Yrs 2-3)**	**Status/ Completion Date**
Economic impact of efficiency expenditures including number of jobs created	**Tracking total expenditures for DSM improvements**	**Begin DSM economic impact analysis**		**Complete analysis**	

Energy produced from local renewable resources	**2.2% local**	**Continue with FPC to build out currently identified sites** **Biomass test burn at plant** **Landfill Gas Generator (LFG) #3**	**Develop more local projects**	
Total energy produced from renewable resources and rate impact percentage	**8.4%** **1.5%**	**Continue with FPC to build out currently identified sites** **Biomass test burn at plant** **LFG #3**	**10%** **Below 3%**	
System Loss percentages **Fuel consumption** **Average Heat rate for electricity** **Average energy rate for water**	**4% FY11** **12% FY11** **1.562 Gal/ratepayer-FY**	**Reduce % levels** **Establish measurement for Fuel, heat rate and energy rate**	**Below regional average for system losses**	

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Water &Light Department

Strategic Priority Area: Innovation

Strategic Goal: Consistently seek new processes to accomplish our mission and to generate extraordinary results through creative and forward-thinking technological solutions.

Department Strategic Objectives	Department-Level Initiatives	Related City-Wide Initiatives (New/Existing)	Resources Required	Lead Person	Team Members
Continue platform modernization.	*Migrate electric, water, and fiber to a unified GIS platform.*	**None**	**Future Funding Requested for Purchase, Implementation and Training of Necessary Tools**	**Dave Storvick**	*Division Managers*
Improve business intelligence and analytics.	*Develop data management system to meet needs.*	**None**	**Results of Smart Grid Study and Funding to Implement Recommendations**	**Jim Windsor**	*Division Managers*
Evaluate communication capabilities.	*Determine the utility's*	**None**	**Develop Evaluation**	**Ryan Williams**	*City and Community Stakeholders*

	role in the community's needs for additional communication options.		**Methodology and Funding Requirements**		
Modernize electric and water control systems.	*Modernize electric and water control systems.*	**Provide clear, consistent, accurate, timely, responsive information**	**Funding and Training**	**Ryan Williams**	*Division Managers*
Modernize electric and water control systems.	*Develop a plan for electric cars.*	**Develop A Process To Evaluate and Implement New Best Practices**	**Funding, Training, and Implementation**	**Ryan Williams**	*Division Managers*
Performance Measures	**Current Status**	**Short-Term Goals (FY '13)**		**Long-Term Goals (Yrs 2-3)**	**Status/ Completion Date**
Percentage of water, electric and fiber systems that are represented in the ESRI system	**100% Water; 0% Electric; 20% Fiber**	**Obtain, Implement, and Train on New Platform Migration Tools**		**100% Water; 100% Electric; 80% Fiber**	
Data Available Within data management system(s)	**Awaiting Smart Grid Study Results**	**Determine Data Management System(s) Required**		**Implement Data Management System and Analysis**	
Creation Of A Communications Business Plan	**No Formal Plan**	**Determine W&L's Role As A Fiber Optic Utility**		**Development of a Clear Communications Business Plan**	

New Electric Control System and New Water Control System	**Awaiting Completion of New Control Room and Migration of Electric and Fiber Systems To GIS Platform**	**Completion of New Control Room**	**Migration of Electric and Fiber Systems To GIS Platform**	
Creation of Plan to Address Electric Car Needs and Integration	**No Formal Plan**	**Needs Assessment**	**Develop Plan**	