

GOAL A

Water, Sewer, and Recycled Water Reliability

Provide the physical facilities and supply to meet the needs of the community.

ETWD will plan for and build the necessary facilities to meet the water, wastewater and recycled water needs of the community. The strategies below define the approach the organization will take to achieve the goal. Objectives are the measurable actions that track progress towards execution of the strategy.

Strategy A.1 Conduct planning to ensure long-term water infrastructure/demands are met.

- | | |
|-----------------|--|
| Objective A.1.1 | Evaluate level and adequacy of emergency water supply reliability
Completed. Staff will evaluate additional opportunities as they arise. |
| Objective A.1.2 | Evaluate opportunities to maintain or improve water system operations
The JTM Pump Station Project is currently in operation.
Staff continues to work with Moulton Niguel Water District on the proposed South County Pipeline Turnout project.
Staff continues to evaluate opportunities as they are identified.
Current system improvements that have recently been completed within the Operations Department include: <ul style="list-style-type: none">• The R-3 Mixer System Improvement has improved chlorine residuals in the R-3 Reservoir.• Replacement of the aging R-6 Inlet Meter was completed during the outage of the R-6 Reservoir.• Pressure Sensors have been installed in four locations in the distribution system providing live pressure data to the SCADA system. Staff continues to evaluate expanding pressure monitoring in the system as appropriate.• System Sampling and Flushing Schedule Efficiency Improvements have been implemented to avoid holiday impacts to the sampling schedule as well as reduce distribution system flushing and the associated impacts on staff resources and water loss. |
| Objective A.1.3 | Complete the 2020 Urban Water Management Plan
Completed. |
| Objective A.1.4 | Continue Moulton Niguel collaboration regarding South County Pipeline turnout to facilitate supply for Baker Water Treatment Plant
MNWD completed hydraulic analyses of the proposed South County Pipeline Turnout Project. MNWD is proposing to locate the facility near the existing ETWD/MNWD interconnection from which ETWD currently receives its Baker water supply. MNWD expects to finalize the property acquisition shortly and anticipates beginning the engineering design effort in the 2023-24 fiscal year. |

- Objective A.1.5 Evaluate merits of a well in the Sespe formation
Completed. The Board and staff concurred there does not appear to be merits in pursuing the Sespe formation.
- Objective A.1.6 Provide periodic Board reports on water consumption and water use efficiency
Reports on water consumption and water use efficiency are provided to the Board monthly in standing Board meeting agenda items.

Strategy A.2 Expand use of recycled water as appropriate

- Objective A.2.1 Evaluate potential recycled water projects to determine cost effective options for a Phase 3 recycled water expansion project
An alternatives analysis of Phase III Recycled Water project options was presented to the Board at the November, 2021 Engineering Committee meeting.
Staff has budgeted and is seeking grant opportunities for an evaluation of potential Direct Potable Reuse options to determine the most appropriate beneficial use of the District's remaining effluent.
Staff submitted a grant application to the U.S. Bureau of Reclamation for the planned DPR Feasibility Study. Staff are also evaluating a grant opportunity through the Governor's Office of Planning and Research.
- Objective A.2.2 Evaluate recycled water supply options to facilitate recycled water distribution system expansion
Staff is in the process of making improvements to the operations and control systems at the Tertiary Treatment Plant to maximize recycled water production and minimize the need for supplementary potable water.
The Ocean Outfall Pump Station Backflow Prevention Project will install a check valve on the Ocean Outfall Pump Station discharge to the Effluent Transmission Main to ensure the District can use 100% of the wastewater effluent as supply to the Tertiary Plant. The construction contract has been awarded and the project will be constructed in the summer.
The Tertiary Plant optimization study is also in progress to consider opportunities to maximize efficiency of the disinfection operation as well as potentially increase the amount of operational storage in the Recycled Water Storage Tank that would serve to reduce the need for any potable supplement. Staff submitted a Technical Memorandum for review by the Division of Drinking Water in April. Staff anticipates the DDW review will take several months.
- Objective A.2.3 Pursue grant funding and other appropriate funding mechanisms for recycled water projects
Staff work with MWDOC and through the South Orange County Watershed Management Area to monitor for any grant opportunities that would help fund future recycled water projects.
As noted above, staff are pursuing grant opportunities to fund the proposed DPR Feasibility Study.

Strategy A.3 Advance demand management and achieve State mandated water use efficiency targets

- Objective A.3.1 Continue to promote drought tolerant and water efficient landscapes in the community
- ETWD promotes water use efficient landscapes utilizing multiple outlets including the quarterly newsletter, website, bill messages, bill inserts, water wise tips flyer, ETWD's Permanent Water Conservation Requirements flyer, outdoor landscape rebate program, social media, Laguna Woods Village e-blast, Laguna Woods Globe and Laguna Woods Television.**
- Staff are working to develop a new website page dedicated to water efficient landscapes.**
- Objective A.3.2 Maintain water use efficiency programs
- Staff provides a monthly report to the Board regarding the on-going Water Use Efficiency program.**
- ETWD participates in the MWDOC Water-Use Efficiency Choice Program that offers the MET/MWDOC regional indoor/outdoor device rebate program, turf removal rebates, landscape design assistance program and MET's online landscape courses. In addition to the regional rebate program, ETWD adds supplemental funding to specific rebates including toilets, clothes washers, turf removal, rain barrels and weather-based irrigation timers.**
- The strategic goal for ETWD's Water Use Efficiency program is to build a database compiling customer data from both the new customer billing software from Springbrook, and use spatial analysis tools in GIS that will allow the District to analyze the information for the following:**
- **Query for customer/HOA targeted data for information that assists the District in developing more targeted WUE programs and monitor customer water use behavior.**
 - **Run targeted water consumption queries for additional customer engagement and outreach.**
 - **Recordkeeping to comply with reporting requirements from the DWR such as water loss audit data, leak registry, water waste report, water use report and data related to overall Urban Water Efficiency Standards.**
- Objective A.3.3 Phase implementation of Automated Meter Infrastructure to better manage demands as resources permit
- Investment in AMI is currently paused as the District focuses financial resources on critical water, wastewater, and recycled water capital infrastructure improvements.**

Strategy A.4 Implement the Capital Improvement Program to maintain water, sewer, and recycled water service

Objective A.4.1

Complete updated Water and Sewer Master Plan with an asset management component to better inform future capital planning

Carollo Engineers, Inc. (Carollo) produced the draft Master Plan. District staff are completing their review to finalize the report.

District staff included the following projects in the 7-Year CIP recommendations as a result of the Master Plan effort:

- **Four water pipe replacement or installation projects to provide adequate fire flow**
- **Rehabilitation of four water pump stations and two sewer lift stations to improve energy efficiency**
- **Four sewer replacement projects to reduce surcharging**

District staff continues to work with Carollo to refine recommendations that will resolve water quality issues in the northwest of the District's distribution system and improve Aliso Creek Lift Station operations.

Objective A.4.2

Maintain and reinvest in the wastewater treatment and collection system to ensure reliable service

The continuous and on-going maintenance strategies including hydro cleaning, video inspection, root removal and mitigation and enforcement of the District's Fats Oils and Grease control program continue to successfully mitigate the potential for sewer overflows.

Since the adoption of the Strategic Plan the District has invested in a number of capital projects, as noted below, to ensure reliable service of the Water Recycling Plant and the sewer collection system. These investments amount to over \$9 million in total.

Project	Status
Oso Lift Station Improvement Project	Complete
Aliso Creek Lift Station Skid Pump	Complete
Retrofit WRP Blowers Intake Air Filters	Complete
WRP Main Electrical Power Breaker Upgrade	Breaker Installation is Complete Waiting for Delivery of Automatic Transfer Switches
WRP Aeration Basin No. 1 Diffusers	Complete
OOPS Emergency Generator Replacement	Complete
WRP Forklift	Ordered
Grit Chamber Rehab/Re-Coating	Headworks Evaluation Complete Issuing a contract to Carollo to revise Grit Chamber Design
Effluent Pump Station Improvement Project	Construction in Progress

DAF Unit #2 Rehabilitation Project	Equipment Ordered. Preparing to solicit construction bids
Aliso Creek Emergency Generator Project	Included in 2023-24 Capital Budget
WRP Headworks Wash Press	Complete
Sewer Lift Station PLC Upgrades	Construction in Progress (All WRP PLCs have been upgraded and lift stations are being replaced at a rate of 1 per year)
WRP Secondary Clarifier and WAC Rehabilitation	Included in 5-Year Capital Budget
WRP Headworks Course Screen Rehabilitation Project	Included in 5-Year Capital Budget
WRP Optimization Study	Study in Progress
4920 Lift Station Siphon Stabilization	Complete
Freeway Lift Station Electrical Equipment Replacement	Included in 2023-24 Capital Budget

Objective A.4.3 Develop strategy for replacing R-6 Reservoir cover and/or liner
Construction is in progress and anticipated to be complete in September 2023.

KEY PERFORMANCE INDICATORS

1. Annual major Capital Improvement Program actual expenditures against planned

The District budgets for the Capital Improvement Program on an annual basis. These projects, however, are often not tied to nor completed in a single fiscal year. Many of these types of investment in the infrastructure require multiple steps to plan, design and ultimately implement or construct a project. The District uses a “carryover” category to account for project budgets over multiple fiscal years.

The annual capital budget, constrained by annual capital revenue, has been \$2.4 million. In the 2023-24 budget the District implemented a plan to increase the capital revenue available to fund the Capital Improvement Plan to approximately \$5 million per year over a four-year period.

2. Progress to develop and implement an Asset Management Program

The development of a formal Asset Management Program is underway with Pump Stations Asset Management on track for completion this fiscal year and WRP Asset Management starting July 2023.

After the District prepared an inventory of all the assets in the Pump Stations Department, the District’s consultant, Hazen and Sawyer (Hazen) prepared condition assessments of each facility and assigned a condition score representing the likelihood of failure to each asset. Hazen then conducted interviews with District staff to determine the criticality of failure. The combined likelihood and criticality of failure generates a risk score for each asset.

District staff is using the analysis to prioritize projects that address the identified poor condition, high risk assets in the District’s Capital Improvement Plan. Hazen is projecting 50-year needs to develop an average annual investment in Pump Stations assets for long-term budgeting purposes. Processes developed as part of the Pump Station Asset Management work will be applied to the WRP Asset Management analysis.

3. Sewer overflows and violations

- **There have been no regulatory violations associated with the operation and maintenance of the sewer collection system.**
- **In Calendar Year 2020 there were no sewer overflows in the ETWD maintained collection system.**
- **In Calendar Year 2021 there were two sewer overflows in the ETWD maintained collection system. One was caused by an obstruction in the sewer pipeline resulting from a private lateral lining project with an estimated spill volume of 200 gallons. The second overflow was caused by apparent construction debris in the sewer line resulting in an estimated spill volume of 60 gallons.**
- **In Calendar Year 2022 there was only one unauthorized sewer discharge in the ETWD maintained collection system resulting from the failure of the Northline Lift Station force main.**
- **In Calendar Year 2023, to date, there have been no sewer overflows or unauthorized discharges**

GOAL B

Water Quality and Environmental Compliance

Ensure ETWD meets or surpasses all water quality and environmental requirements.

The strategies below define the approach the District will take to achieve the goal. Objectives are the measurable actions that track progress towards execution of the strategy.

Strategy B.1 Achieve 100% compliance with all environmental regulations and standards

- | | |
|-----------------|---|
| Objective B.1.1 | Meet all applicable water quality and environmental regulations
The District continues to meet all applicable water quality and environmental regulations with no regulatory violations. |
| Objective B.1.2 | Maintain licensing
The District is current on all applicable licenses. |
| Objective B.1.3 | Track regulatory and statutory changes at both the federal and State levels pertaining to the Safe Drinking Water Act, the Clean Air Act, the Clean Water Act and other applicable requirements
District compliance staff continues to track regulatory and statutory changes for any applicable compliance requirements. |
| Objective B.1.4 | Operate the laboratory to provide reliable and timely information to support operations
On-going. |

KEY PERFORMANCE INDICATORS

1. Completion of required Division of Drinking Water monitoring, sampling and analyses

The District potable water quality compliance program consists of thousands of annual samples and tests with frequencies that vary from weekly to quarterly to ensure compliance with all water quality requirements.

2. Maintain compliance with Safe Drinking Water Act

The District performs thousands of annual tests to verify compliance with the Safe Drinking Water Act water quality compliance requirements. The District water quality maintenance program has successfully avoided any compliance violations.

3. Complete annual Consumer Confidence Report

- The 2020 Consumer Confidence Report was distributed in June, 2020 and is currently maintained on the District website.
- The 2021 Consumer Confidence Report was distributed in July, 2021 and is currently maintained on the District website.
- The 2022 Consumer Confidence Report was distributed in June, 2022 and is currently maintained on the District website.
- The 2023 Consumer Confidence Report is in the final proof stage and will be distributed to customers and posted on the District website in June.

4. Measure and report budget vs. expenditures

Staff provides an update of budget and expenditures on a monthly basis at the Finance Committee meeting.

5. Provide quarterly review of compliance activities and licensing status

The District annually prepares and submits several dozen different reports documenting compliance status for the water, wastewater and recycled water systems. These reports range in frequency from as often as monthly to triennial and as needed reports. The reports are submitted to various agencies including the Division of Drinking Water, State Water Resources Control Board, Regional Water Quality Control Board, Division of Safety of Dams, Department of Water Resources amongst others and include internal reports provided to the ETWD Board of Directors. Staff has developed a log to provide a quarterly review of these compliance activities to the Board during regularly scheduled Board meetings. Staff anticipates including this log in the Board package beginning in June.

GOAL C

Finance

Prudently and transparently manage for long-term stability and affordability.

Provision of ETWD services is capital intensive. Managing the financial resources entrusted to ETWD in a prudent manner ultimately reduces the cost of service to the community. The strategies below define the approach the organization will take to achieve the goal. Objectives are the measurable actions that track progress towards execution of the strategy.

Strategy C.1 Improve financial risk management.

- | | |
|-----------------|---|
| Objective C.1.1 | Evaluate opportunities to improve the relationship between fixed costs and fixed revenues in rate and fee structures

Staff continues to evaluate the relationship between fixed costs and fixed revenues and presents a description of that relationship during the annual budget process. |
| Objective C.1.2 | Continue to monitor 401(k) investments

Monitoring of the District's 401(k) investments is an on-going effort. Staff has recently worked extensively with Empower and Highmark to accommodate the change in the Custodian due to U.S. Bank's decision to cease their role as the current Plan Custodian. |

Strategy C.2 Ensure that adequate financial capacity exists to maintain District assets.

- | | |
|-----------------|--|
| Objective C.2.1 | Evaluate reserve policy

The District adopted the most recent update to the Cash Reserve Policy in July, 2022. The categories defined in the revised Cash Reserve Policy provide for a more detailed presentation of reserves status to the Board in the monthly financial report. |
| Objective C.2.2 | Develop and operate within an annual budget

The District develops an annual budget for each fiscal year and reports performance relative to budget to the Board on a monthly basis throughout the year. |
| Objective C.2.3 | Evaluate implementation of a 2-year budget and or rate cycle

The current environment of inflation presents significant challenges for a 2-year budget cycle. Staff recommends the District maintain its current annual budget approach.

As part of the 2023-24 Fiscal Year budget development process, staff proposed a 3-year Proposition 218 Notice defining rate setting through the 2025-26 fiscal year. |

Objective C.2.4 Fund OPEB to reduce liability

During the 2023-24 Fiscal Year budget development process the Board concurred with Staff's recommendation to defer further discussion of an OPEB trust during the current environment of inflationary impacts on rates and charges.

Strategy C.3 Maintain transparency of financial activities

Objective C.3.1 Publish and disseminate financial documents

The Comprehensive Annual Financial Report, Annual Budgets, Cost of Service Studies, and Proposition 218 Notices are all available on the District's website.

KEY PERFORMANCE INDICATORS

1. Meet reserve fund targets

Reserve fund targets are defined in the District's Cash Reserve Policy most recently updated in July of 2022. Reserves status is reported to the Board of Directors on a monthly basis at the Finance Committee meeting.

Certain reserves are currently underfunded as discussed during the 2023-24 budget process. The long-term financial forecast presented during the Board Budget Workshop includes a plan to replenish the reserves.

2. Actual costs compared to year to date budget

Staff provides an update of budget and actual expenditures on a monthly basis at the Finance Committee meeting.

3. Return on investments

Staff provides a monthly report to the Board documenting performance of the investment portfolio of the District's reserve funds. In addition, the District's investment advisor, PFM, provides a semi-annual report to the Board.

4. Continue to receive an unqualified audit outcome each year

Since the adoption of the Strategic Plan, the District received an unqualified audit outcome each year. In fact, the District has received an unqualified audit outcome for at least the previous five fiscal years.

GOAL D

Organizational Effectiveness

Maintain a high-quality workforce and systems to foster excellence.

The strategies below define the approach the District will take to achieve the goal. Objectives are the measurable actions that track progress towards execution of the strategy.

Strategy D.1 Implement training programs.

- Objective D.1.1 Review training programs (evaluate cross-training program, evaluate training approach for future supervisors, seminars, mentorship, supervisor and management training)
- The District rotates employees for cross training in preparation to be on call. This Cross-training program will help ensure that the Operations Department is not solely reliant on certain individuals to perform specific tasks. If someone is out sick, on vacation or takes maternity leave, there will be someone ready to fill their role without interrupting productivity. Providing employees with opportunities to learn new skills, will highlight the investment in their professional development which can make team members feel more valued, self-confident and enthusiastic at work. This can also keep them engaged and focused, which can increase motivation. This will help develop new skills for employees while also preparing the District in the event of an emergency or natural disaster. The cross-training program is important to management as well as the staff themselves. Staff is in the process of developing a written description of the cross-training program.**
- Following the easing of COVID restrictions staff are attending additional seminars to further education and cross training.**
- Objective D.1.2 Assess key succession vulnerabilities and develop/implement actions to improve staff transitions
- The evaluation of succession opportunities and challenges is an on-going continuous process.**
- Objective D.1.3 Review financial incentives for certifications and/or licenses
- The District's current incentive program for certifications is based on a one-time \$250 lump sum bonus at the time an employee achieves a certification exceeding their minimum job requirement. Staff is in the process of surveying other agencies and is exploring options for an ongoing modified incentive program.**

Strategy D.2 Improve administrative systems.

- Objective D.2.1 Assess and implement opportunities, as appropriate, to streamline procurement system
Staff is evaluating potential options for a Purchasing software that could improve efficiency in the District procurement system. This issue will be evaluated by the District's new Chief Financial Officer.
- Objective D.2.2 Develop Standard Operating Procedures for key District procedures
Staff intends to develop SOPs for key administrative and financial procedures after the Springbrook financial system implementation is complete.
- Objective D.2.3 Work with staff to review and improve performance evaluation process
Complete.

Strategy D3 Implement integrated technology and applications across the organization.

- Objective D.3.1 Develop an Information Technology Master Plan to improve technology and data risk management processes
Staff received and is evaluating proposals for the IT Master Plan effort.
- Objective D.3.2 Continue to analyze and evaluate network vulnerabilities
In an effort to minimize cybersecurity vulnerabilities, the District has enacted an on-going continuous Cybersecurity defense strategy.
- Objective D.3.3 Evaluate appropriateness (considering security and efficiencies) associated with providing remote Supervisory Control and Data Acquisition access for on-call responders
The ability for on-call responders to remotely access the SCADA system to observe system data is complete for water/wastewater systems. The remote access system provides a secure client portal that enables operators to view SCADA data and system status remotely. The implementation of similar remote access to the WRP SCADA system is in progress.
- Objective D.3.4 Maintain computer replacement program and management of technology through an asset management approach
The current computer replacement program is conducted on an as needed basis. The 2023-24 fiscal year budget includes \$30,000 for the replacement of aged desktop computers, laptops, tablets, computer monitors and printers.
Staff is working to develop an asset management approach to facilitate the development of a more detailed plan for future budget years. To date, the asset inventory is complete and efforts are underway to add expected useful life and replacement values to complete the planning tool.

Objective D.3.5 Evaluate implementing a Laboratory Information Management System

Staff is in the process of implementing the Hach WIMS Water Information Management System at the Water Recycling Plant. The Hach WIMS system functions as a Laboratory Information Management System that will help the Laboratory staff efficiently manage water and wastewater data. The software has been deployed at the WRP and populated with the appropriate forms. Staff are in the process of syncing WRP SCADA data with the Hach WIMS software. Once the system integration work is complete training will be provided to appropriate staff. Staff anticipate the system will be in operation by the end of July.

Objective D.3.6 Evaluate options to update Supervisory Control and Data Acquisition infrastructure and communications

The existing SCADA telemetry (communication) system transmits data through AT&T digital phone lines. The telemetry system has become increasingly unreliable. Staff previously implemented cellular telemetry at certain sites at which the AT&T system had failed and been deemed irreparable. AT&T has notified the District they will no longer support the phone telemetry system after June 2023. District staff have been installing cellular transmitters at each remote site as well as independent water and wastewater receivers at the District Field Office. The transition to the cellular telemetry for the entire water/wastewater SCADA system will be complete by the middle of June.

Staff are also evaluating a proposal from a consultant to conduct a Master Plan assessment of the District SCADA system including long-term communications system options and an evaluation of the overall SCADA architecture, reliability, and compliance with evolving industry standards.

Strategy D.4 Promote an open and professional work environment.

Objective D.4.1 Continue to provide employees with “bottom-up” communication through all employee meetings (All Employees meetings, etc.)

The General Manager conducts “All Employee” meetings on a monthly basis.

Objective D.4.2 Evaluate and implement an appropriate innovation program to encourage, capture, and deploy new ideas/suggestions

The Human Resources Manager has completed the process of conducting a phased Focus Group program to solicit feedback from employees. The program included meetings with groups of 5-7 employees from different departments. The focus groups included all employees who wanted to participate. The objectives of the program included:

- Identify and evaluate proactive workplace policies and practices that help attract and retain talented and skilled employees
- Serve as a tool to gather feedback and to check the pulse of the workforce

- **Involve and engage employees in the solutions**
- **Address any immediate concerns, i.e., safety issues, workplace issues, lack of proper tools to complete jobs etc.**

The General Manager and Executive Management team are evaluating the information collected to assess areas of concern, suggestions, and what is working and what is not and any appropriate improvements.

The District maintains “suggestion boxes” in multiple locations that employees are encouraged to use to provide ideas and suggestions.

The District maintains an “Open Door Policy” that is intended to foster an environment where employees are comfortable providing feedback, suggestions or airing any concerns they might have.

Staff is evaluating an Employee Suggestion / Recognition Program that would recognize and reward employees for cost saving, morale enhancing and innovative, ideas, actions, and suggestions.

Strategy D.5 Maintain a safe and secure work environment.

Objective D.5.1 Continue to provide all required and recommended safety training

On-going.

Objective D.5.2 Continue to emphasize safety through weekly tailgate and safety meetings

On-going.

Objective D.5.3 Continue to conduct live confined space entry and rescue drills

The District conducts Confined Space Training annually. Training was last conducted in October 2022. The next training is scheduled to be conducted in October 2023.

Objective D.5.4 Evaluate current chemical spill response training

The District maintains a spill prevention program for all chemicals utilized in District operations. The District staff participates in annual training regarding hazardous chemicals and materials. The last training was conducted in September 2022. The next training is scheduled for September 2023.

Objective D.5.5 Develop protocol for dealing with phone and in-person threats

The District Chief Financial Officer and Customer Service Supervisor are in the preliminary stages of developing a protocol for dealing with phone and in-person threats. This effort will be continued and completed by the District’s new CFO.

Strategy D.6 Ensure the District operations are efficient and effective.

Objective D.6.1 Continue to manage overtime use

Certain overtime expense results from customer calls or system alarms and is out of staff’s control. Staff continues to work to efficiently manage scheduled overtime as a tool for the cost-effective operation of the water, wastewater and recycled water systems.

- Objective D.6.2 Manage staffing to optimize performance
- The District supervisory staff continues to work to optimize performance through cross training programs, utilization of interns and on-going efficiency analyses.**
- Objective D.6.3 Continue to review manual processes for automation opportunities
- The District relies on several automated systems through extensive use of on-site Programmable Logic Controllers that provide automatic operation of pumps, disinfection, and other processes.**
- The Hach WIMS implementation, currently in progress, will help automate certain processes at the WRP.**
- The implementation of the Springbrook financial system will bring a great deal of automation of current manual processes to the Finance and Accounting Department.**
- The addition of remote monitoring capability of the SCADA systems will position the District to evaluate the potential to expand the system to allow remote adjustments to system setpoints and controls.**
- Objective D.6.4 Continue to proactively budget and manage expenses to maintain efficient operations
- On-going.**
- Objective D.6.5 Pursue and document awards and recognition
- Staff continues to pursue awards and recognition where opportunities are available. Staff reports awards and recognition to the Board as they are received.**
- The District, in late 2022, was awarded the Award of Excellence from the Orange County Public Relations Society of America (PRSA) in the Collateral Materials External Audiences Category for the District's Water Views Newsletter.**
- Following receipt of the local PRSA award staff entered the national PRSA Bronze Anvil Tactical Award competition in the Newsletter category. The District was recently notified that it was a finalist meaning either that the District won the award or is the runner up. The awards ceremony will be held in June.**
- The District subsequently applied for the 2023 CAPIO EPIC Awards program in the Newsletter or Magazine category. The District did not receive an award in this extremely competitive category.**

Strategy D.7 Implement the Strategic Plan.

- Objective D.7.1 Track and report progress to the Board
- Staff provides bi-annual updates regarding implementation of the Strategic Plan.**

KEY PERFORMANCE INDICATORS

1. Number and types of certified and licensed staff

The following table identifies the number and types of certifications and degrees that have been achieved by ETWD staff.

Certifications / Degrees	# Staff
D-1 Water Distribution Certification	1
D-2 Water Distribution Certification	11
D-3 Water Distribution Certification	4
D-4 Water Distribution Certification	6
D-5 Water Distribution Certification	3
T-2 Water Distribution Certification	21
Grade III Wastewater Treatment Plant Operator	4
Grade V Wastewater Treatment Plant Operator	2
Grade II Collections System Maintenance Certificate	2
Grade III Collections System Maintenance Certificate	1
Grade IV Collections System Maintenance Certificate	2
SCC Water Distribution Certificate	4
Associates Degree	6
Bachelors Degree	12
Masters Degree	3

2. On-time completion of annual performance evaluations

The District has completed 100% of the scheduled employee evaluations on time for each of the past three years. District staff are currently in the process of writing performance evaluations for the 2022-23 fiscal year. The performance reviews will be conducted with the employees in June. Staff invested time this year to provide in-house training for the supervisors to better prepare them for the current performance evaluation process.

3. El Toro Water District staff use of education reimbursement program (\$/employee)

In calendar years 2020 through 2023 (to date) four District staff have benefitted from the District education reimbursement program. The total reimbursements amount to approximately \$18,016.

4. Measure staff turnover (% annual turnover)

The following data defined staff turnover for the last three calendar years.

	Separated Employees	Retirements	Total	%
2020	1	4	5	8.5%
2021	1	1	2	3.4%
2022	1	3	4	6.8%
2023 (To Date)	1	2	3	5.0%

5. Track staff training hours (annual hours/employee)

District operators spend between 40 and 100 hours per year training on a variety of required and recommended safety and operations training. In total, District staff spends over 2,000 hours per year in training activities.

GOAL E

Relationships

Communicate and collaborate with customers, stakeholders, neighbors, and peer agencies in the region to further the water and wastewater interests of our community.

This goal establishes a commitment on the part of ETWD to align with the values of the customers and the community in fulfilling the organization's mission. ETWD will collaborate with our stakeholders, neighbors and peer agencies. The strategies below define the approach the organization will take to achieve the goal. Objectives are the measurable actions that track progress towards execution of the strategy.

Strategy E.1 Provide "best in class" customer service.

Objective E.1.1 Standardize customer service procedures across ETWD

On-going

Objective E.1.2 Consider phased implementation of Automated Meter Infrastructure

As noted in Objective A.3.3 consideration of an AMI project is currently paused while the District evaluates appropriate allocation of capital resources and capital project priorities.

Strategy E.2 Proactively communicate with and engage the community on water, sewer and recycled waters matters of importance to the region positioning ETWD as a leading resource and reliable authority on water issues.

Objective E.2.1 Increase public understanding of water issues (e.g. water quality, emergency preparedness, value of water, regulatory challenges, etc.)

Staff is working to re-develop the ETWD website and develop new pages and content dedicated to water use efficiency, emergency preparedness and water education – value of water & regulatory challenges. Staff are working to develop a Request for Proposals to solicit professional services for the website redesign. Staff anticipates commencing the redesign effort early in the 2023-24 fiscal year.

Staff has developed a list of topics for a variety of informative videos to use on social media, the website, CAG, etc. Staff are working on costs and schedule to develop, produce and publish the videos. Staff anticipates publishing the first of a series of several videos in the next few months.

Objective E.2.2	<p>Develop engagement tools to receive feedback from stakeholders (e.g. Customer Service Survey)</p> <p>Staff has discussed survey options, procedures and costs with two companies that provide customer engagement surveys. Each proposes a bi-annual survey in which the District develops questions or topics about which it would like input from customers and the survey vendor then conducts the customer engagement through email, text or phone. The costs range from \$10,000 to \$28,000 with an anticipated response from 200 – 400 customers. The Board did not believe the value was commensurate with the expected cost. Staff are currently evaluating alternative lower cost approaches to soliciting feedback from the District’s customers.</p>
Objective E.2.3	<p>Continue to participate in community events</p> <p>The District’s Public Affairs Manager coordinates the District’s participation in a significant variety of community events throughout the year. The following is a detailed list of such events.</p> <p>Lake Forest Chamber/City of Lake Forest – Meet the Mayor/State of the City Events – Drought Tolerant Centerpieces City of Mission Viejo Earth/Arbor Day Green Expo City of Laguna Woods Earth Day Speakers Series Concerned Citizens Earth Day OC Streams of Hope Public Arts Campaign Laguna Woods Village United Mutual Town Hall Laguna Woods Village Third Mutual Gate 11 Meeting City of Mission Viejo National Night Out University of CA ANR Urban Living Education Expo H2O for HOAs City of Mission Viejo South County Disaster Expo City of Lake Forest Leadership Academy Lake Forest Chamber of Commerce/ City of Lake Forest Elf Yourself 5K Event</p>
Objective E.2.4	<p>Maintain conservation programs (e.g. public and school educational programs, participation at public events, ETWD web site, newsletter, social media, and self-guided demonstration garden tour, etc.)</p> <p>The District maintains an aggressive Water Use Efficiency Program. The program benefitted from the recent hiring of a Water Use Efficiency Analyst.</p> <p>A detailed description of the program is included in Objective A.3.2.</p>
Objective E.2.5	<p>Continue engagement in South Orange County Wastewater Authority (SOCWA) matters</p> <p>The District maintains active participation in SOCWA matters. President Freshley is the District’s primary representative on the SOCWA Board. Director Gaskins and Dennis Cafferty, as alternate Board members, also regularly attend the SOCWA Board meetings. District staff meets with the District’s SOCWA Board members each month to review the upcoming SOCWA Board agenda. Dennis Cafferty is the District’s representative on the SOCWA Finance Committee while Hannah Ford represents the District on the SOCWA Engineering Committee.</p>

- Objective E.2.6 Educate customers to protect source sewer water quality
Currently ETWD educates its customers regarding protecting source sewer water quality by avoiding flushing wipes and keeping FOG out of the drain pipes through the website, newsletter, CAG meetings, social media and community events.
- Objective E.2.7 Refresh the website (including featuring Key Performance Indicators & awards)
Staff is working to re-develop the ETWD website and develop new pages and content dedicated to water use efficiency, emergency preparedness and water education – value of water & regulatory challenges. Staff are working to develop a Request for Proposals to solicit professional services for the website redesign. Staff anticipates commencing the redesign effort early in the 2023-24 fiscal year.
- Objective E.2.8 Engage in Local Agency Formation Commission (LAFCO) proceedings as required
Staff is currently actively participating in the LAFCO MSR process. Staff provided an extensive response to the LAFCO consultant information request and met with the consultant to discuss the response.
- Objective E.2.9 Continue to engage customers through the quarterly Community Advisory Group meetings
The District has returned to live CAG meetings and continues to schedule and conduct the meetings on a quarterly basis.

Strategy E.3 Work with local, regional, State and federal agencies, industry associations, and organizations to influence water policy for the benefit of our service area customers.

- Objective E.3.1 Engage in local, state and federal activities to further the interests of ETWD and its customers
With the hiring of the District's new Water Use Efficiency Analyst, Sherri Seitz, as the District's Public Affairs Manager, will devote additional time to evaluating and updating the General Manager and Board regarding local, state and federal activities and potential legislation.
- Objective E.3.2 Maintain strong working relationships with local agencies (water agencies, special districts, city, and local governments)
The District continues to maintain strong working relationships with neighboring agencies, the cities served by the District as well as key customers within the District service area. These relationships include the District Board Members, the General Manager as well as staff at all levels as the District works to collaborate with a variety of other entities to maximize the service provided to the District's customers.

Objective E.3.3 Continue coordination with local, state, and federal elected officials and their staffs on legislative and policy issues

With the hiring of the District's new Water Use Efficiency Analyst, Sherri Seitz, as the District's Public Affairs Manager, will devote additional time to evaluating and updating the General Manager and Board regarding local, state, and federal activities and potential legislation.

In May 2023 the General Manager participated in a roundtable of Special Districts at the office of Assemblywoman Diane Dixon.

KEY PERFORMANCE INDICATORS

1. Complaint log statistics

A log of all Customer Service activity is provided to the Board on a monthly basis. Incorporated into this customer service activity report are several categories that could be considered complaints, including water quality, sewer odor, water pressure checks, and high water use readings. Staff has modified the customer service activity report to specifically reflect complaints.

2. Number of ETWD scheduled and unscheduled emergency shut-offs

Shutoffs of water service to customers typically results from the need to isolate the water distribution system during water main line repairs, service leak repairs, water valve replacements or meter replacements. The District strives to ensure these repairs and the associated service interruptions are schedule with a minimum 48-hour notice to customers whenever possible. The following data describes the number of scheduled and unscheduled shutoffs for the last three calendar years.

	2020	2021	2022	2023 (To Date)
Scheduled	43	50	41	23
Unscheduled	1	2	1	1

3. Public awareness and opinion of ETWD

Staff is considering options for a customer survey regarding public awareness and opinion of ETWD as described in Objective E.2.2.

4. Number of Community Advisory Group participants

Live CAG meetings, suspended during the pandemic, resumed in December 2021. Six CAG meetings have been held since that time with the following numbers of registrations.

December 9, 2021	24 Public Registrations
June 2, 2022	26 Public Registrations
August 31, 2022	26 Public Registrations
November 10, 2022	20 Public Registrations
February 9, 2023	30 Public Registrations
May 17, 2023	25 Public Registrations

GOAL F

Operations

Provide safe, cost-effective, and reliable operations while protecting the environment.

ETWD will provide reliable service while conducting operations with a focus on safety and cost-effectiveness. The District's operations will be sensitive to the environment and in compliance with environmental requirements. The strategies below define the approach the District will take to achieve the goal. Objectives are the measurable actions that track progress towards execution of the strategy.

Strategy F.1 Implement improved planning tools.

Objective F.1.1 Develop and implement an ETWD-wide asset management program with end user/operations level asset management tools to enhance performance

Staff is actively engaged in the development of an asset management plan as previously described herein. Staff anticipates completion of the Asset Management Plan, including condition assessments, expected useful lives and replacements costs for the Pump Stations Department assets by June 2023 and will commence work on the WRP Asset Management analysis in the 2023-24 fiscal year.

Objective F.1.2 Assess current maintenance intervals on infrastructure and implement industry best practice as appropriate

Staff has been in the process of performing a detailed analysis of the preventive pump and motor maintenance program service intervals based on manufacturer's recommendations. Staff implemented changes to the service frequencies to find the balance between appropriate preventive maintenance and the cost of the program. Staff continue to evaluate the program and will continue to make updates and revisions as pumps are replaced.

Staff anticipates that the on-going asset management plan will further assist in the assessment of appropriate maintenance intervals on infrastructure and equipment.

Objective F.1.3 Continue to maintain as-built drawings

On-going.

Strategy F.2 Operate and maintain facilities.

Objective F.2.1 Maintain all facilities and appurtenances in a consistent fashion to achieve operational efficiency and functionality

On-going.

Objective F.2.2

Periodically exercise / replace water system valves as appropriate

The District operates an annual valve exercising program to maintain 5,606 valves in the potable water distribution system. The objective of the valve maintenance program is to operate the 627 valves in arterial streets annually while operating the remaining distribution system valves bi-annually. The total valve exercise program objective is 3,116 valves on an annual basis. The following reflects valve exercising production over the last three fiscal years:

2020-21	2,414 valves exercised
2021-22	2,931 valves exercised
2022-23 (To date)	2,311 valves exercised

In addition, the Operations Department repairs and replaces valves as necessary. The following reflects the repairs and replacement of potable water valves over the last two years:

	Valves Repaired	Valves Replaced
2021-22	11	14
2022-23 (To date)	4	7

Objective F.2.3

Continue to operate within the parameters of the Sewer System Management Plan

On-going.

Objective F.2.4

Conduct an evaluation of system security

Security camera projects at the WRP and at the R-6 Reservoir are included in the five-year Capital Improvement Plan budget.

Objective F.2.5

Manage system to minimize water losses

Service line leaks present a primary challenge in the effort to minimize water losses in the water distribution system. The District Operations Department swiftly responds to service leaks as they are identified.

The District also operates a proactive on-going Leak Detection Program. District staff conduct acoustical leak detection on each single-family residential service connection to identify leaks that may not have otherwise been obvious. The leak detection program started in May 2020 and is on track to evaluate all the District's service connections by the end of 2023. District staff are also working with MWDOC, who received grant funding to assist with leak detection and will survey 45 miles of the District's service lines at no cost to the District this year.

Objective F.2.6

Complete the annual Water Loss Audit

The annual Water Loss Audit is due by January 1 of each year. Staff recently met with E-Source, the District's Water Loss Audit Report consultant, to assess the preliminary data and begin the process of preparing the Water Loss Audit Report for the 2022 calendar year.

Objective F.2.7	<p>Assess use of automatic system flushing devices</p> <p>The commencement of operations of the JTM Pump Station has had a positive impact on water quality in the northwest portion of the District's potable water distribution system. Scheduled flushing has been eliminated, reducing flushing requirements from once or more per week to less than once per month. In addition, flushing durations, when necessary, have been reduced from several hours to approximately 30 minutes. If the water quality improvements can be sustained through the more challenging summer period, staff has determined there will be no need for automatic flushing devices.</p>
Objective F.2.8	<p>Evaluate building maintenance program and contract</p> <p>Currently the District manages building maintenance needs through an efficient combination of outsourced support and in-house maintenance.</p>
Objective F.2.9	<p>Evaluate opportunity to repurpose the filtration plant site</p> <p>The demolition of the Filter Plant is nearly complete. Final completion is anticipated by the end of May.</p> <p>The design of the proposed warehouse/storage facility is complete. The project was put out to bid in April and construction bids presented to the Engineering Committee in May of 2023.</p>
Objective F.2.10	<p>Implement preventative maintenance program on the recycled water system</p> <p>All of the 277 recycled water valves were exercised in the 2019-20 fiscal year and again in the 2021-22 fiscal year. The valves are scheduled to be exercised again in the 2023-24 fiscal year.</p>
Objective F.2.11	<p>Evaluate alternative solutions for root intrusion and fats, oil, and grease control</p> <p>On-going.</p>
Objective F.2.12	<p>Consider efficient and sustainable wastewater solids handling options</p> <p>A previous alternatives analysis concluded that the current trucking alternative remained the most cost-effective solids handling option based on a 20-year life cycle cost analysis. Following completion of the Aeration Basin Diffuser Project staff is in the process of implementing operational changes that are intended to reduce solids production. Staff are currently preparing to perform laboratory analysis that will better inform the concurrent operation of the three aeration basins. Staff anticipates completing the steps necessary for the operation of all three aeration basins in June 2023.</p>

Strategy F.3 Plan and prepare for emergencies.

Objective F.3.1	<p>Update the Emergency Response Plan</p> <p>Complete.</p>
Objective F.3.2	<p>Evaluate materials needs for emergency response</p> <p>Staff recently replaced the emergency supplies storage bin at the Main Office campus as well as certain of the District's emergency response supplies.</p>

Objective F.3.3	<p>Coordinate emergency response planning efforts with the regional water agencies, county, and cities</p> <p>On-going.</p>
Objective F.3.4	<p>Conduct periodic emergency preparedness planning and training for all staff</p> <p>The District conducted an extensive table-top emergency exercise, focused on a District-wide power interruption in October of 2022.</p>
Objective F.3.5	<p>Continue to implement the network, cybersecurity, and threat response plan</p> <p>On-going.</p>
Objective F.3.6	<p>Evaluate need for additional diesel tank(s) and portable generator(s)</p> <p>An additional diesel storage facility is contemplated in the District's Capital Improvement Program budget in the 2028-29 fiscal year. Following the emergency power interruption exercise, Staff is evaluating a variety of backup power contingency options.</p>

Strategy F.4 Actively manage natural resource use consistent with environmental, social and governance (ESG) criteria.

Objective F.4.1	<p>Conduct energy assessment to identify opportunities to reduce energy use</p> <p>A detailed analysis of energy efficiency opportunities is on-going. Staff presents updates to the Board at the Engineering Committee meetings.</p>
Objective F.4.2	<p>Optimize facility operations to most efficiently use power, supplies, chemicals, and labor</p> <p>A detailed analysis of energy efficiency opportunities is on-going. Staff presents updates to the Board at the Engineering Committee meetings</p>
Objective F.4.3	<p>Evaluate opportunities for use of solar energy and other renewable energy sources</p> <p>An evaluation of opportunities for the use of solar energy has been in progress as a component of the energy efficiency evaluation. Terre Verde has informed the District that impending changes in Net Energy Metering in California may have a negative impact on the viability of new solar energy projects. Terre Verde's analysis of the District's solar opportunities indicates there is not sufficient energy production potential to justify the expected cost.</p>
Objective F.4.4	<p>Assess opportunities for electric fleet vehicles</p> <p>The California Air Resources Board (CARB) has enacted new regulations that would phase in requirements to purchase zero emission vehicles rather than the traditional gasoline or diesel fueled vehicles as vehicles are replaced. Staff are evaluating the requirements and assessing the District's vehicle replacement needs for both large and small equipment.</p>

KEY PERFORMANCE INDICATORS

1. Compliance with applicable regulations

The District continues to comply with all applicable regulations. The District has incurred no recent regulatory violations.

2. Compliance with state requirements to improve urban water use efficiency

Staff is tracking the proposed Water Loss Performance Standards regulation as well as others to ensure compliance and assess the impact on ETWD resources. The recent addition of a Water Use Efficiency Analyst has been invaluable in this effort.

3. Monthly monitoring of production and consumption compared to historic months

On-going.

4. Water losses as defined in the annual Water Loss Audit

The preparation of the annual Water Loss Audit for calendar year 2022 is in progress and will be submitted by the January 1, 2024 deadline