Strategic Planning

Long-term water and wastewater planning continues to be a critical component in managing the region’s water resources. EPWU continues to take a leadership role in working with various entities from throughout the region that are all devoted to regional planning efforts.

In 2012, EPWU along with other stakeholders in the Far West Texas Regional Plan attended meetings to begin work on the 2016 State Water Plan. The Region E State Water Plan is included as part of the State Water Plan that will be submitted to the Texas Legislature. The Plan will provide an evaluation of current and future water demands for all water-use categories, and water supplies available during drought-of-record conditions to meet those demands. Where future water demands exceed an entity’s ability to supply that need, alternative strategies are considered to meet the potential water shortages. State water planning is updated every 5 years and covers a 50 year time period. Regional leadership is and has been an important consideration as the Utility implements long-term planning strategies aimed at ensuring a sustainable supply of water.

In 2012, EPWU’s water resources managers advanced the knowledge of the city’s three water sources (Rio Grande Diversion, Hueco Bolson groundwater and Mesilla Bolson groundwater) as well as potential future sources of water. Data collection continued in the Mesilla and Hueco Bolsons as part of an ongoing effort to update the groundwater models. Groundwater models simulate potential future groundwater management scenarios, which can be helpful in evaluating the feasibility of proposed projects.

Both natural and man-made climate change can affect local water supplies, most notably water from the Rio Grande. However, as an effective steward of El Paso’s water resources, the Public Service Board incorporates possible climate change scenarios into the Utility’s adaptive management water resources policies. The analysis demonstrated
that the historic variability and predicted changes associated with climate change are insignificant with respect to meeting municipal water demands in El Paso County. Thanks to proactive planning and sound management, El Paso is prepared for the extreme weather patterns that could occur.

The analysis also confirms that because of EPWU’s water resource management policies, fresh groundwater storage in the El Paso portion of the Hueco Bolson will remain above 75 percent of 2002 fresh groundwater storage. This means that over the next 50 years, there will not be less than 7.05 million acre-feet of fresh water available in the Hueco Bolson, even under the worst case scenario.

The current management approach and infrastructure ensure that El Paso County’s groundwater supply will not be significantly impacted by the worst-case climate change scenario. Future water demands will be met through the year 2060.

The continued implementation of the County Water and Wastewater Master Plan previously developed by the Utility and El Paso County continues to serve as a guide for working with communities located outside the City limits of El Paso that require assistance in receiving water. In addition, efforts to adhere and consider smart growth principles within land use Master Plans developed for property owned by the Public Service Board are well underway. Such planning efforts are to be completed before development occurs and will ensure that the necessary infrastructure and quality of life amenities are in place before development occurs.
CHARTER

The El Paso Public Service Board - El Paso Water Utilities exists to serve the water resource needs of the population of the El Paso geographical area. Its strategic and operational impetus is on delivering quality services in an affordable manner to all who demand it. These services include water for all uses, wastewater services, and related services as demanded and as deemed feasible.

As a growing Utility in a rapidly growing region, El Paso Water Utilities strives to anticipate, plan for, and react to the changing environment in which it operates. Through diligence in all of its functions, the Utility seeks to deliver ever-increasing value to its customers while promoting orderly growth in its service area. We encourage the involvement and participation of the public through open and honest communication at all levels with all our stakeholders.

To be as effective as we can be, we use all our resources to continuously create an enterprise for leadership. That leadership is reflected in our technology, our management style, our critical business practices, and in our vision. Most importantly, it is reflected in the people whose diligence is the cornerstone of the success of the Utility. To that end, we continually work to develop the capabilities and initiative of our employees and our leadership. We believe it is primarily through their efforts that the Utility will continue to excel.

We recognize the criticality of the mission with which we are entrusted. Through a consistently high level of attention to the needs of the public, the Utility demonstrates an ongoing commitment to supporting the lifestyle demands of the El Paso Southwest. In all of our actions we seek to balance those demands with attention to conservation and restraint in our use of water resources. With our stakeholders as partners, we envision a bright future of water availability, technological innovation, and support of economic growth for the personal, commercial, and industrial benefit of El Paso.
MISSION STATEMENT

The Public Service Board is the trustee for the water, sewer and drainage system of the City of El Paso with complete authority and control of the management and operation of the Utility, in accordance with Ordinance 752, Ordinance 016668 and subsequent bond ordinances. The Board provides management and financial stability to the Utility through the establishment of sound rules, regulations, and policies for directing its operation.

- The mission of the El Paso Water Utilities/Public Service Board is to furnish at fair and reasonable costs to our customers:
  - High quality, sustainable potable water in sufficient quantities and at adequate pressures to satisfy domestic, industrial, and fire protection requirements, and in accordance with the Board’s Water Conservation Plan, and as economically as feasible without sacrificing quality or reliability.
  - Collection of liquid waste from individual customers for treatment and disposal without hazard to the health of the community in a manner that will protect the environment.
  - Planning and management of all Stormwater related functions within the City of El Paso and El Paso County, as may be contracted by the Public Service Board and the County.
  - Continue to be good environmental stewards of the land, watershed, wastewater, reclaimed water and water resources of the utility.
STRATEGIC PLAN FY 2013-14

In FY 1997-1998, the Public Service Board developed a strategic plan to guide the Utility. This “Ten-Year Strategic Plan” is updated annually and specifies a comprehensive prioritized set of initiatives and ongoing activities to enhance the present and future delivery of quality water and wastewater services for our current and future customers.

Section managers play an active role in the strategic planning process, where critical success factors along with key goals and objectives are developed in an effort to identify problem areas, define plans for addressing various issues within each section, and establish priorities. Internal and external issues in the technical, finance, operations and maintenance, communications & government affairs, legal, human resources, and policy and administrative related areas are considered and addressed. The internal process includes the development of critical success factors along with key goals and objectives. This process allows key section managers an opportunity to provide policy recommendations that are considered by the Public Service Board. The approved Strategic Plan is monitored by staff on an ongoing basis to ensure compliance and implementation.

During the planning process for 2013, the PSB determined that the most significant issues centered on rehabilitation and replacement of aging infrastructure, rapid growth throughout the City and County, State and Federal regulations, and energy issues related to changes in climate. The updated plan identifies the driving forces that have an impact on the Utility, and addresses how the Utility should proactively deal with these driving forces on a prioritized basis:

- Drought
- Financial Planning
- Government/Policy
- Power Reliability/Energy
- Communications Research
- Agreement on Policy Issues with City
- Stormwater Management
- New President/CEO
- Land Sales/Planning
The PSB also identified factors that contribute most critically to the future success of the organization and create an environment of understanding of what needs to be done. The critical success factors fall into seven major categories: quality, government affairs/communications & marketing, resource management, organization & management, financial, security and stormwater. These categories are then used to address key water issues and how each issue is to be implemented:

I. QUALITY

- Maintain high quality and reliable service.
- Maintain a high level of community support and customer satisfaction.
- Apply technology and innovative management techniques to sustain competitiveness with comparable service providers.
- Use available technology to enhance the Utility’s ability to provide superior industry service.

GOALS:

1. EPWU will empower employees to help achieve best practices through the consistent application of Total Quality Management principles.
   Measured by:
   a. Implementing refresher and updated training for all Utility employees.
   b. Continue training of new employees in Total Quality Management techniques.

2. EPWU will be acknowledged as the leader in providing quality water and wastewater services.
   Measured by:
   a. Sustaining a 95% customer satisfaction rating measured through a periodic survey of customers.

3. EPWU will continue to implement best operation, management, and maintenance practices throughout the Utility.
   Measured by:
   a. Using a computerized water distribution maintenance management system to its full potential.
b. Completing the implementation of an automated cathodic protection system monitoring for all large diameter steel pipe segments.

c. Continue implementation of Strategic Information Technology Plan 2014.

d. Enhancing the security of the SCADA system through installation of state of the art encrypted radios.

e. Conducting a feasibility analysis for investigating options/best practices to merge the call center and emergency dispatch center, along with other primary call-taking functions.

f. Creation of a Public Working Committee to advise on topics to include a “water smart home” concept (water and energy use) and policy issues regarding land and water use.

4. EPWU will optimize best use practices in planning, engineering, and management to protect and gain a high yield on its investments.

   Measured by:

   a. Continuing the integration of models and economic considerations into the Capital Improvement Project (CIP) planning efforts to optimize quality infrastructure investments.

   b. Implementing a priority system for the CIP that includes costs, benefits, environmental, and political considerations.

   c. Assessing the cost-effectiveness and timeliness of the 10-year CIP (comparison of plan vs. history) on an annual basis.

5. EPWU will operate and maintain a bi-national regional water quality laboratory and a water quality data management system for the regional Rio Grande Watershed, and be instrumental in directing future Watershed Management activities.

   Measured by:

   a. Developed operational reports that are accessible through the IT NET.

   b. Successfully completed a TCEQ on site assessment for TNI Laboratory accreditation.
II. GOVERNMENT AFFAIRS, COMMUNICATIONS, & MARKETING

- Continue to educate political constituents on policy issues.
- Gain public support for EPWU issues and maintain key alliances.
- Deliver effective and consistent messages to include City Management, concerning EPWU's plans, policies, and programs.
- Participate in the formulation of water, wastewater, and stormwater legislation and policy issues that will further the interests of the Utility.
- Identify opportunities through interim studies, hearings, as well as introduced legislation to incorporate specific strategic initiatives of EPWU.
- Continue to foster an environment of cooperation, coordination, and support with the City and County of El Paso, as well as other regional stakeholders.
- Brand EPWU as an industry leader, its facilities as state of the art, and its services as superior.

GOALS:

1. EPWU will clearly and consistently communicate its priorities, goals, and objectives to all stakeholders.
   Measured by:
   a. Monitoring the Strategic Plan to ensure compliance, and updating the plan as external conditions warrant.
   b. Continuing to increase the amount of stakeholder involvement and public support for EPWU initiatives; including but not limited to private/public partnerships on land management initiatives, stormwater, water and wastewater, and reclaimed water infrastructure, and sustainability efforts.
   c. Conducting surveys to measure customer acceptance of EPWU’s goals and objectives.
   d. Meeting with major boards and stakeholders of utilities, Chamber(s) of Commerce, Regional Economic Development Corporation, Paso Del Norte Group, etc., to emphasize various key messages.
   e. Informing customers about key messages.
   f. Providing representation and leadership in appropriate “think-tank” organizations and meetings to demonstrate the Utility’s interest in forming
partnerships with organizations seeking to improve the quality of life in El Paso.
g. Fostering good working relationships with various media outlets, using new techniques to pitch stories, and creating more awareness about utility achievements in an effort to increase coverage of important EPWU issues.

2. EPWU will successfully market all EPWU programs, services and facilities. Measured by:
a. Developing and disseminating messages and materials, in English and Spanish, about the Utility’s plans, policies, and programs, through paid advertising, news coverage, and social media.
b. Creating public awareness of events, conferences, and public use at the Carlos M. Ramirez TeCh2O Water Resources Learning Center, El Paso Zoo Discovery Center, and Keystone Botanical Gardens.
c. Using facilities to educate the public about EPWU’s successes in water resource management.
d. Gauging customer awareness to develop future marketing plans.

3. EPWU will nurture regional and international partnerships (both public and private) that recognize, value, and support joint regional water initiatives beneficial to our international border reality. Measured by:
a. Identifying and obtaining support to ensure planning projects address the region’s groundwater issues.
b. Continuing to identify and meet with local, state, and federal (water-related) entities in Mexico in an effort to ensure dialogue and the exchange of information.
c. Working with the Consortium for High Tech Investigations in Water and Wastewater (CHIWAWA) in regard to obtaining funding for projects to include salinity management.
d. Continuing to work closely with the University of Texas at El Paso (UTEP) to establish a program of exchange and collaboration in areas of interest and benefit to both institutions and that support UTEP’s Center for Inland Desalination Systems (CIDS).
e. Participate in the Engineering Research Center (ERC) for Re-inventing the Nation’s Urban Water Infrastructure (ReNUWIt), a multi-institution research center whose goal is to change the ways in which we manage urban water.

4. EPWU will work with state and federal lobbyists to promote and implement the utility’s state and federal agendas. Measured by:
   a. Balancing legal and lobbying expenditures vs. strategic goals attained.
   b. Identifying the lobbying investment versus the payback expectation in lobbying efforts tied to strategic planning.
   c. Continuing to emphasize the need for water resource flexibility through the combination of reclaiming water, desalination, importation, surface water purchases, conservation, and land acquisition for groundwater rights in order to provide varied approaches in maintaining a sustainable water supply.
   d. Expanding current lobbying efforts through increased interaction and cooperation with key legislators, political and community leaders, state and bi-national entities, and local and international service providers.
   e. Coordinate with state lobbyist opportunities to provide oral or written testimony for interim studies or hearings conducted by legislative committees which promote EPWU strategic issues.
   f. Coordinate with state lobbyist opportunities to incorporate EPWU’s strategic issues into interim committee final reports as well as proposed legislative bills for the 83rd Session of the Texas Legislature.

III. RESOURCE MANAGEMENT

- Secure the financing to construct the necessary infrastructure to ensure a long-term water supply and continue rehabilitation of infrastructure.
- Continue to demonstrate leadership, expertise, and excellence, in planning, engineering, and operations management, and continue as the regional water, wastewater, and stormwater utility planner and provider.
- Complete and execute the Smart Code Land Master Plans to promote economic development commensurate with sound water policies.
- Develop opportunities to maximize land assets.
- Update the Northeast Master Plan to Smart Code and sell when economically feasible.

GOALS:

1. EPWU will implement the 10-year Capital Improvements Program to meet water supply needs, replacement of infrastructure, growth, system maintenance, and regulatory compliance demands, and do so in a cost-effective manner.

   Measured by:
   a. Meeting or Exceeding 70% of annual CIP spending goal.
   b. Completing 95% of projects, including change orders, within the contracted schedule.
   c. Maintaining an overall change order level of less than 2% of the original construction contract amount.
   d. Placing emphasis on increased funding for replacement of critical water/sewer lines identified by EPWU Technical Services Department.
   e. Increasing the use of leak detection and condition assessment.
   f. Amending PSB Rules and Regulations to mandate Automatic Meter Readers in all master planned developments.

2. EPWU will create strong and flexible in-house project management capability and offer training and information assistance to other El Paso area public works managers.

   Measured by:
   a. Continuing to providing planning for city-wide developments including Master Plan areas
   b. Continuing the improvements made to the Utility’s project management procedures.
   c. Continuing work with colonias & outside city utility staff in execution of project management and service objectives
   d. Meeting with the Consulting Engineers Council periodically regarding the performance of Utility projects.
e. Developing uniform designs standards for EPWU facilities and providing access of design standards through internet.

3. EPWU will increase contractor awareness of and capability to execute PSB work, with emphasis on developing local project management and business resources.

Measured by:

a. Continuing to invite and meet on an annual basis with local and out-of-town prime contractors, local subs and material/equipment suppliers to convey information, emphasize local participation, encourage teaming, and discuss other creative approaches regarding Utility contracts.

b. Assure the Utility continues to successfully attain small, locally owned, minority- and women-owned (MBE/WBE) business goals.

5. EPWU will secure water resources and finance/build infrastructure in order to ensure an adequate and affordable 50-year water supply.

Measured by:

a. Continuing with regional water resource planning to evaluate the population, demand and existing water supplies in the development of a 50 year plan. When existing supplies are inadequate to meet demands of the future, additional water management strategies (supplies) are included in the 50 year water plan.

b. Working with the U.S.G.S. and the Bureau of Reclamation to develop a groundwater model of the Southern Mesilla Bolson of New Mexico, Texas, and Northern Mexico to evaluate the long term viability of this important water resource.

c. Develop a solute transport model for the Hueco Bolson. The model will be used to evaluate long-term water quality changes in the Hueco Bolson.

d. Renegotiating with EPCWID#1 the Rio Grande Project third party contract regarding effluent discharge.

e. Addressing how water management is changing to “water management under drought conditions” as a constant challenge.

6. EPWU will achieve overall per capita water consumption of 130 gallons per person per day or less by 2020.
Measured by:

a. Analyzing cost benefits analysis to reduce water consumption and consider further reductions in per capita consumption (water savings vs. population growth).

b. Encouraging and promoting the availability of Xeriscape plant materials in El Paso and evaluate and promote the use of new water efficient turf grasses.

c. Continue distributing low water use showerheads to El Paso residents to reduce per capita consumption (lowest cost conservation program, estimated $9-per acre foot).

d. Monitoring the impact of the rate structure on water demand and making recommendations for improvement.

e. Expanding the reclaimed water “purple pipe” program to reduce the amount of potable water used for irrigation and industrial purposes.

f. Measuring success by increasing water reuse usage from 10% of total wastewater to 15% over the next 10 years.

g. Maximizing aquifer recharge and reclaimed water service and meeting contract requirements with EPCWID#1.

7. EPWU will promote supply-side conservation and minimize the impact, costs, and effect of drought conditions by carefully managing surface water and balancing available water resources in the Mesilla and Hueco Bolsons.

Measured by:

a. Encouraging supply-side entities to cooperate in conservation initiatives and promote supply-side conservation at every opportunity.

b. Obtaining additional data regarding supply and demand on both sides of the border.

c. Developing a plan to ensure that effluent discharge quantities are addressed with EPCWID#1.

8. EPWU will develop a range of scenarios and strategies on energy issues to provide the optimum benefit to the Utility and its customers and to obtain a reliable power supply.

Measured by:
a. Calculating energy efficiency of large energy using equipment. Rank by efficiency and prioritize use according to efficiency.
b. Installing more energy efficient lighting and energy saving controls.
c. Performing energy audits to identify energy saving opportunities, quantify potential savings and promote projects with short payback periods.
d. Promoting specification of more energy efficient products in utility projects by revising utility standards. Enforce its adoption on new projects and project upgrades.
e. Implementing the selected strategies in a timely and cost-effective manner.
f. Extending favorable energy contracts.
g. Implementing the Derceto energy management system to maximize the efficiency of the water system operation and to monitor energy efficiency.

9. Identify and obtain needed funding in order to expand the provision of reclaimed water to those areas where feasible to do so.

Measured by:

a. Designing and constructing Phase 1A Part 2 and Phase 1B of the North Central/Fort Bliss Reclaimed Water Facilities.
b. Continuing the leadership role in developing a consolidated maintenance program for turf management with an emphasis on municipal property, i.e.; golf courses, parks and right of ways.
c. Maximize the cost effectiveness of the reclaimed water system by increasing demand by concentrating customer recruitment to those located on existing reclaimed water lines.
d. Constructing needed facilities to provide reclaimed water service to Blackie Chesher Park.

10. Provide service to out-of-city areas and participate in cost sharing of projects based on cost of service, grant funding, and water availability in accordance with “smart growth” principles.

Measured by:

a. Providing service to the newly annexed areas as per the City’s Master Plan, along with those areas outside the City where it is feasible and cost-effective to extend service.
b. Providing service to areas located both in and outside the city limits and within the City's impact fee service areas.

11. Develop opportunities to maximize PSB-owned land assets. (inside/outside city limits)
   Measured by:
   a. Continuing to develop opportunities for maximizing lease revenues.
   b. Updating and completing the Utility’s master plans to allow for sale and development of land in Northeast and Northwest El Paso.
   c. Identifying and budgeting required infrastructure to make land available for development in Northeast and Northwest El Paso.
   d. Conducting an inventory and develop a marketing strategy to sell excess PSB property, primarily within the developed area of the City that is no longer needed for water and wastewater infrastructure.

12. Acquire new water rights as a means to ensure the availability of water resources, especially during times of drought.
   Measured by:
   a. Initiating new acquisitions as required in the future. Surface water rights currently exceed treatment capacity.

13. Evaluate economies and affordability of water deliveries, both inside as well as outside of city limits.
   Measured by:
   a. Measure cost of infrastructure as a function of distance/location and housing density.
   b. Identify availability of grant funds/other.
   c. Determine areas economically feasible.
   d. Preparing market analysis where appropriate.

IV. ORGANIZATION & MANAGEMENT

- Recognize, plan and implement succession planning.
- Keep the focus on our core business practices.
- Optimize the use of limited resources.
Monitor, measure, and evaluate performance constantly and update strategies as necessary.

Evaluate staffing needs for meeting growing demands for service, operation, and maintenance of new facilities.

Expand the leadership development plan into the trades to ensure EPWU has adequate trained staff to continue field and plant operations.

GOALS:

1. EPWU will implement a leadership development program to sustain internal leadership and minimize the impact resulting from the departure of key leadership.
   Measured by:
   a. Continuing to build a leadership development plan for all the Utility’s key areas.
   b. Identifying any licensing/professional registrations that may be required for the positions and enter the training and licensing requirements for in-house interim replacements under the goals sections of the performance evaluation reports.
   c. Informing in-house interim replacements of the progress achieved during the rating period.
   d. Continuing review of job class specifications for managers and professionals to determine whether minimum qualifications need to be adjusted based on market availability.

2. EPWU will retain and attract talented employees by implementing a competency management system that facilitates extending the careers of managers and professionals beyond normal retirement.
   Measured by:
   a. Using turnover ratios to determine effectiveness.
   b. Providing salaries commensurate with the market value of the position and recruits.
   c. Taking a direct role in the recruitment process by setting Utility parameters for the selection process.
d. Continuing to provide initiatives and benefits designed to attract and retain high level managers that report to the Utility’s President and CEO and Vice-Presidents of the Utility.

3. EPWU will evaluate staffing needs for meeting growing demands for service, operation, and maintenance of new facilities.
   Measured by:
   a. Ensuring needed staff are budgeted and accounted for during the budget process.
   b. Evaluating the Utility’s current organizational structure and modifying as appropriate in an effort to meet current and future Utility needs.
   c. Preparing an audit of operations within the Utility to ensure best management practices are being adhered to and that the Utility is operating efficiently.
   d. Continuing to provide salaries to key employees that are commensurate with the market value of recruits.
   e. Continuing to reduce employee injuries and minimize lost time.
   f. Improving basic supervision/management training.
   g. Updating new employee orientation on a regular basis.

4. EPWU will conduct best practices study to recommend changes to the City Charter regarding Civil Service Commission system inefficiencies while maintaining due process for employees.
   Measured by:
   a. Completing study, analyzing findings, and determining feasibility of recommended changes.

V. FINANCIAL

- Fully price water as a precious resource and allocate expenses accordingly.
- Optimize supply and demand planning and modeling to support the Utility’s Capital Improvement Program.
GOALS:

1. El Paso Water Utilities will deliver the best-valued product by continuing to fully price water as a precious resource, and allocate expenses in order to deliver the best-valued product.

Measured by:

a. Sizing Capital Infrastructure bond issues for future years and incorporate into the Utility’s Financial Plan.

b. Continuing annual update and use of the Utility’s comprehensive water, wastewater, and reuse rate models based on AWWA’s rate methodology.

c. Maintaining competitive water and wastewater rates as compared to other utilities that reside in an arid climate and also those that utilize both ground and surface water supplies.

b. Developing models for every major project that analyzes socioeconomic, environmental, political, engineering, planning and financial data in order to provide the Public Service Board and management with the best available information to make informed decisions regarding proposed capital improvement projects and its financial impacts on the community on a project-by-project basis, annually.

e. Developing financing scenarios, including the evaluation of restructuring debt, lowering the debt service coverage requirement, accessing low-interest loans and grants and other financing alternatives to mitigate rate impacts and ensure the Utility receives the best available costs.

f. Utilizing the $40 million Water & Wastewater commercial paper program to finance interim construction costs at a rate of 125 basis points below a fixed 20-year municipal revenue bond.

g. Maintaining the Water & Wastewater Utility’s bond rating of AA+ from Fitch and AA from Standard and Poor’s.

h. Maintaining the Utility’s commercial paper rating of A1+ from Standard and Poor’s and P-1 from Moody’s.

i. Maintaining debt service coverage at a minimum of 1.5 times as per the bond covenant, but with a goal of 2.0 times coverage for the Water & Wastewater Utility.
j. Maintaining a 45-day operating reserve fund balance, with a goal of a 90-day reserve target based on the current adopted annual operating budget.

k. Maintaining a debt ratio (outstanding debt/total assets) of not more than 50%.

Drainage Utility:

a. Maintaining debt service coverage at a minimum of 1.25 times as per the bond covenant, but with a goal of 1.5 times coverage for the Municipal Drainage Utility.

b. Maintaining a 45-day operating reserve fund balance, with a goal of a 90-day reserve target based on the current adopted annual operating budget.

c. Maintaining a debt ratio (outstanding debt/total assets) of not more than 50%.

d. Maintaining the Municipal Drainage Utility’s rating of AA+ from Fitch.

2. Develop a plan to address deferred projects and drought projects to take advantage of favorable debt rates and examine rate requirements for sustainability.

   Measured by:

   a. Project movement at favorable rates that addresses maintenance equilibrium.

3. Develop a policy to create a reserve fund from land sale revenues for future supply projects identified in the State Water Plan.

   Measured by:

   a. Implementation of a reserve fund

VI. SECURITY

- Keep abreast of security issues, identify vulnerabilities, and implement the measures necessary to protect the Utility’s services, personnel, property, plant, and equipment.

- Continue to update and coordinate the Utility’s Emergency Management Plan, test, and evaluate the updated security strategies.
• Obtain the necessary funding to build the required and necessary security.
• At least once each year meet with Department Heads to discuss security related concerns and technology development.

GOAL:

1. Explore opportunities for federal funds as a means to implement and construct needed security measures.
   Measured by:
   a. Adding to the centralized surveillance camera system.
   b. Developing a comprehensive security Plan.
   c. Participating in joint exercises with other utilities and the Fire Department/EOC.
   d. Integrating a combination of high tech and low tech security tools.

VII. STORMWATER

• Continue implementation of Stormwater Master Plan.
• Continue regional stormwater planning working with other governmental agencies.
• Continue improvements in stormwater operations and maintenance.
• Continue open space acquisitions as prioritized by Open Space Advisory Board (OSAB) and PSB.

GOALS:

1. Implementation of Stormwater Management Plan.
   Measured by:
   a. Continue working with the City to design in 2012 and construct identified park/ponds to occur in 2013 at the request of the City.
   b. Bid and construct needed stormwater projects.
   c. Reducing localized flooding in identified areas.
   d. Acquiring open space land for stormwater purposes.
   e. Working with the EPCWID#1, UTEP, and the City in improving management of the Rio Bosque.
2. Improve Stormwater Operations and Maintenance.
   Measured by:
   a. Increasing preventive maintenance program.
   b. Reducing blockages and overflows.
   c. Reducing number of customer complaints and improve customer responsiveness.
   d. Achieving an “acceptable” rating on all Army Corps Dams.
   e. Updating all City wide Dams Emergency Plans (EAPS).

3. Initiate discussion with the City of El Paso to pursue management of stormwater projects to include design and construction.
   Measured by:
   a. Achieving a better design and control that results in more efficient systems that reduce blockage and overflow.
   b. Having all design and management reside at EPWU.
ACHIEVEMENTS FY 2012-13

The approved Strategic Plan is monitored on an ongoing basis to ensure compliance and implementation. The following are a few of the achievements resulting from the established goals and critical success factors for FY 2012-13.

WATER RESOURCE MANAGEMENT

- Initial meetings with Region E Water Planning Group to begin working on the State Water Plan for the year 2016. Updated information will include population, water demands, and water supplies for the next 50 years. In the event existing supplies are inadequate to meet demands, additional water management strategies will be implemented. Indirect potable reuse projects are likely to appear in the 2016 State Water Plan.
- Continued working with operations to maximize well pumping capacity.
- Completed the drilling and equipping of 10 Municipal Water Supply wells in various locations across El Paso.
- Completed the drilling and equipping of 9 Municipal Water Supply wells in the Lower Valley area of El Paso.
- Received letter from EPA approving the Aquifer Exemption. Exempt Aquifer permit will allow greater flexibility of desalination plant operation.

WATER

- Performed complete rehabilitation on 14 wells to insure adequate groundwater supply during the ongoing drought conditions expected during the summer of 2013.
- Treated approximately 55% of a full allocation of surface water due to a short surface water supply that resulted in the use of all surface water that was available from the EPCWID #1 (32,527.08 acre feet)
- Continued to be TCEQ compliant with system-wide sanitary survey.
- Replaced 275 Remote Telemetry Units (RTU’s) radios out of 300 radios that communicate to wells, lift stations, booster stations and storm water stations to provide encrypted communications in SCADA system for increased
security. 25 radio sites will need to be engineered for proper line of site issues.

- Received six year Partnership for Safe Water Award for the Canal and Rogers Surface Water Treatment Plants.
- Completed the design of several water projects including Turf Estates, Colonia Revolution, and the Mayfair, Shuman, and Nuway subdivisions.
- Completed construction of Vista del Sol pump station.
- Completed various projects including the Northeast Franklin water transmission main, the Resler extension, and the Mesa to Camille 24” replacement.

**WASTEWATER**

- Completed startup operations of the new 3rd train at the Fred Hervey Water Reclamation Plant.
- Successfully completed startup of biogas cogeneration facilities at the Haskell Street, Bustamante, and Fred Hervey.
- The National Association of Clean Water Agencies (NACWA) awarded the Peak Performance Awards to all four wastewater plants as follows:
  - Northwest Plant – Platinum (for 13 consecutive years of perfect compliance)
  - Haskell Street Plant – Silver Award
  - Roberto Bustamante Plant – Silver Award
  - Fred Hervey Reclamation Plant – Platinum (for 6 consecutive years of perfect compliance)
- Completed the data collection phase for the Wastewater Master Plan.
- Completed the Bustamante plant optimization study and startup of design.
- Incorporated the Saipan and Dallas stormwater pump stations and the Montecillo lift station into the Section 620 maintenance program.
- Odor studies were completed at the Northwest and the Haskell Street wastewater plants. Started designs on recommendations from studies.
- Implemented the new Supervisory Control and Data Acquisition (SCADA) system upgrades at the Northwest Plant and evaluated pilot testing for upgrading of sand filters.
- Successfully completed the first year of reducing silica levels in reclaimed water supply as requested by El Paso Electric Company.
➢ Rerouted flows to allow for the emergency replacement of over 5,000 feet of collapsed 39” Eastside Interceptor, and completed replacement project.

RECLAIMED WATER

➢ Continued to promote the use of reclaimed water for new construction as well as “Green Infrastructure” aspect of reclaimed water to recruit potential customers.
➢ Reclaimed water sales exceeded goals: End of FY total is 2.18 billion gallons (does not include aquifer augmentation)
➢ Dispensing Station accounts = 39 to date
➢ Miles of pipe in the system = 51.5
➢ Active services = 128 (includes active meters for 5 flushing stations and 4 hydrants)
➢ Issued a Request for Submittal and selected respective engineering consultant to design the Newman Reclaimed Water Transmission Main and Pump Station.
➢ Northwest Project: Added two long-term-use construction customers
➢ Completed North Central Phase 1A reclaimed water line, Phase 1B-Part 1 is currently under construction, and Phase 1B-Part 2 is under design.

STORMWATER

➢ Completed Cebada Clearance of Utilities Phase II
➢ Completed construction of the Northeast Channel #2
➢ Finalized the purchase of ten properties for Stormwater Projects
➢ Completed planning for stormwater and park improvements at the Palisades

FINANCE

➢ Issued $52.78 million in Water & Sewer Revenue Refunding bonds, Series 2012, saving the Utility $7.69 million in debt costs.
➢ Issued $14.08 million in Municipal Drainage Utility System Revenue bonds, Series 2012, to fund various stormwater projects.
Issued $75.72 million in Water & Sewer Revenue Refunding and Improvement bonds, Series 2012A, to fund the Emergency Backup Power Generation project, and thru the refunding, saving the Utility $6.52 million in debt costs.

Received the Government Finance Officers Association (GFOA) Distinguished Budget Presentation Award for the FY 2012-13 budget.

Received the GFOA Certificate of Achievement for Excellence in Financial Reporting for the FY 11-12 Comprehensive Annual Financial Report (CAFR).

Approved the annual water, wastewater, reclaimed water and stormwater budget for FY 2013-14.

**LAND SALES, EASEMENTS, WATER RIGHTS, AND ACQUISITIONS**

- Acquired property for 2 Water and Wastewater Projects
- Acquired properties for 3 Stormwater projects
- Acquired easements and right-of-ways for 2 Water and Wastewater Projects
- Finalized the sale of over 113 acres of land to the City of El Paso, EPISD, TXDOT and other private property owners
- Finalized the transfer of approximately 22.8196 acres to the City of El Paso for the Blackie Chesher Park.
- Finalized four land transfers between the City of El Paso and the PSB for stormwater infrastructure and park sites.
- Finalized the amendment to the Joint Resolution between the City of El Paso and the PSB regarding the PSB land management program setting forth the policies and procedures relating to transfers of real estate, land use, joint use and water rights.
- Obtained City approval of Northwest Master Plan of 1,600 acres located in northwest El Paso Water Utilities.
- Obtained City approval of Northeast Active Adult Retirement Community Master Plan of 427 acres in northeast El Paso.
- Obtained City approval of Painted Dunes Master Plan of 480 acres in northeast El Paso Water Utilities.
- Provided input on proposed City’s Comprehensive Plan Update by Dover Kohl.
- In coordination with El Paso County Water Improvement District #1, conducted mass mailing to landowners with water rights to acquire leases of the water rights.
Executed 2.53 acres of new water rights leases under 1962 Contract and 10.38 acres under the Lower Valley Water District’s 1989 Contract.

**ENERGY**

- Completed process/energy optimization study at Bustamante Wastewater Treatment Plant. Phase 1 implementation (Westside) of Derceto energy management system completed.
- Biogas co-generation projects at Bustamante, Haskell and Fred Hervey Wastewater Treatment Plants were completed and are generating electricity.
- EPWU took active role in settlement of El Paso Electric’s 2012 rate case, resulting in no increase to EPWU.

**GOVERNMENT/POLICY**

- Prepared EPWU legislative and funding agendas (State/Federal).
- Monitored Interim Charges at State level for possible impact to EPWU.
- Monitored Federal legislation for possible impact to EPWU.

**COMMUNITY INVOLVEMENT**

- Teamed with the El Paso Rescue Mission of El Paso, as per the Strategic Partnerships and Alliances with Non-Profit Organizations.
- Sponsored the 2012 “Respect the Water” luncheon for the Drowning Prevention Coalition of El Paso Water Utilities.
- Completed another successful year of employee fundraising for the United Way of El Paso.

**COMMUNICATIONS**

- Developed and implemented a water conservation campaign comprised of paid advertising, community relations, and media relations. The “Less is the New More” campaign educates customers about the watering schedule and indoor and outdoor conservation.
Increased awareness of EPWU’s water resources and the impact of the extended drought on our water supply.

Increased traffic to the EPWU website including a robust social media program and newly designed conservation home page that is heavily promoted in marketing materials. Traffic to the conservation home page in the month of May increased by 75%.

Continued illegal dumping campaign to further reduce the amount of trash and debris left in the stormwater system.

Continued aggressive media relations campaign on stormwater system improvements and open space acquisitions.

Received 3 Watermark Awards for Communications Excellence from American Water Works Association – Texas Section and the Water Environment Association of Texas for EPWU’s social media strategy, the public education campaign on stormwater safety, and a video on the TecH₂O Water Resources Learning Center.

Coordinated 4 special ceremonies and media events.

**Conservation**

Registered with Ysleta Independent School District as partners in education to offer teacher workshops and be part of the Speakers Bureau to deliver presentations on water conservation and other local water related topics.

Collaborated with El Paso Independent School District under a grant to host a total of 640 students at the TecH₂O center.

Planned and implemented mass shower head distribution throughout the month of April at four different sites around the city.

Successfully hosted, participated and organized 172 events at the TecH₂O center, area schools, and other venues in the city to reach a total of over 30,000 people.

**Human Resources**

Coordinated recruitment of President/CEO and conducted recruitments for key management positions.

Completed review of Total Quality Management/Continuous Process Improvement training and implemented updated training program.
Continued implementation of Leadership Development Program.
Completed updated mandatory Ethics Training for all Utility employees.

INFORMATION TECHNOLOGY

- Completed installation of hardware, software and network requirements for Derceto Aquadap system.
- Incorporated PeopleSoft self-service payroll advice form functionality on EPWU Intranet.
- Completed enQuesta Version 3. to Version 4. hardware and software upgrade.
- Secured UASI (Urban Areas Security Initiative) grant funding to establish a centralized Security Alert Monitoring (SAM) Center at the Central Dispatch office.
- Implemented Trimble FieldPort payment receipt printing and automated payment batch processing for Customer Service field collections.
- Expanded walk-in bill payment locations to include all city wide Wal-Mart and K-Mart stores.
- Implemented Trimble FieldPort enQuesta meter repair and testing mobile work orders for Section 912.
- Implemented Hansen buildings and grounds related maintenance and inspection applications for Section 917.
- Completed Network hardware and software gigabit desktop connectivity upgrade.

RESEARCH

- Prepared research funding proposal with regard to concentrate management that resulted in obtaining $463,000 in research monies (grants/in kind services) from several entities/utilities throughout the southwest.
- Obtained $80,000 in funding from U.S. Bureau of Reclamation for pilot testing of alternate design for leak detections to replace