

**DISTRICT OF COLUMBIA WATER AND SEWER AUTHORITY**

**BOARD OF DIRECTORS**

**STRATEGIC PLANNING COMMITTEE**

**THURSDAY, JULY 16, 2014**

**MEETING MINUTES**

**Present Board Members Present D.C. Water Staff**

Robert Mallett, Chair, District of Columbia Biju George, Chief Operating Officer

Matthew Brown, Board Chairman Sarah Neiderer, Strategic Planning Officer

David Lake, Montgomery County Linda Manley, Board Secretary

Bo Menkiti, District of Columbia

James Patteson, Fairfax County

Howard Gibbs, District of Columbia

**I. Call to Order**

Chair Mallett called the meeting to order at 8:35 a.m.

**II.** **Blue Horizon 2020: Implementation Progress Report**

Ms. Sarah Neiderer, Strategic Planning Officer, briefed the Committee on the status of the Blue Horizon 2020 Strategic Plan. Prior to discussing substantive details regarding implementation and progress, Ms. Neiderer recalled for the Committee the steps taken by the Board to develop and approve Blue Horizon 2020. She further explained the strategic plan was comprised of nine (9) goals. For each of the enumerated goals there are also a number of strategic initiatives.

Implementation of a goal is led by a member of executive management commonly considered to be the “goal champion”. Implementation of an initiative is led by a member of senior management commonly referred to as an “initiative champion”.

Ms. Neiderer delivered a PowerPoint presentation highlighting the status of progress for each goal area and its supporting strategic initiatives. Each goal discussed in the presentation contained a description indicating “percent complete”. Ms. Neiderer explained the “percentage complete” number represented an average of the milestones and/or initiatives completed. The majority of goals and objectives were reported as greater than fifty percent (50%) complete. A number of goals were reported as one hundred percent (100%) complete.

Based on the number of initiatives that were reported at fifty percent (50%) or more completed, the Committee raised concerns regarding how the “percentage complete” number was determined. Ms. Neiderer responded to these concerns by explaining the numbers reported were determined based on information provided by initiative champions to the relevant goal champion. Ms. Neiderer explained goal champions ensure plan progress is accomplished through regular progress meetings with initiative champions.

The Committee expressed concerns regarding the subjective nature of self-reporting and self-evaluation. The Committee suggested Authority staff pursue efforts to determine how other organizations measure similar tasks; and to benchmark DC Water’s performance in these areas against other organizations. Ms. Neiderer informed the Committee that DC Water staff are developing performance outcome metrics that will align with the goal areas. It is expected future updates will be validated using quantitative outcome metrics.

With regard to benchmarking, the Committee inquired how the Authority would benchmark the vision to be a “world-class” utility. Biju George, Chief Operations Officer, replied there were two ways to approach the challenge. First, Mr. George suggested there are industry benchmarks that many water and wastewater utilities follow. The second is that for various business processes there are industry groups that have their own benchmarks. Mr. George, further explained for asset management there is a group that conducts audits every four years, not only for metrics but for practices. Accordingly, he expressed it is a true comparison of not only numbers but the business processes. The Committee suggested we benchmark against world-class entities not just utilities.

Additionally, the Committee expressed concerns regarding areas determined to be one hundred percent (100%) complete. The Committee expressed its position that a goal or initiative is never 100% complete because efforts are ongoing. Ms. Neiderer explained the “percentage complete” number was meant to illustrate the completion of milestones and initiatives under each objective and goal area. As a result, the “percentage completed” numbers illustrated in the PowerPoint were a representation of tasks that had been completed in support of achieving an initiative or objective.

Ms. Neiderer explained proposed revisions to the plan would establish new milestones and initiatives because many of the milestones established at the time Blue Horizon 2020 was approved have been completed. By revising the plan with new milestones and initiatives, the Authority was ensuring continued progress would be made in each goal area.

In order to enhance Board oversight and facilitate a more meaningful examination of plan progress, Ms. Neiderer proposed that “Strategic Plan” be added as a standing agenda item on all Committee agendas. Accordingly, DC Water staff will regularly report progress regarding milestones, initiatives and strategic goals to the appropriate committee(s).

**III. Blue Horizon 2020: Proposed Revisions**

Ms. Neiderer indicated that the plan has been updated extensively from the goal to the milestone levels because of completion/progress in quite a few areas of the plan.

Ms. Neiderer reviewed the revisions to the strategic plan detailing changes at the goal and objective levels. Additionally, an appendix to the presentation package identified changes at the initiative and milestone levels.

The Committee indicated an interest in learning more about what has been achieved in the plan in order to adopt changes. As a policy body, the Committee requested to be kept apprised of progress on the Plan. It was suggested that the Committees review their respective goal progress, then bring feedback and proposed revisions to the full Board. This will aid in engaging the subcommittees so that they stay abreast of the status of the goals. The Committee agreed that the Board should make sure the strategic direction of the Authority is moving in the right direction. Mr. George stated that Mr. Hawkins advised a board retreat is slated in the fall to discuss refining the Strategic Plan.

Thereafter, Mr. Mallett requested consensus from the full aboard to approve the proposed changes with the caveat that Ms. Neiderer and others are required to speak to each committee where action is being taken on each of the goals to discuss the implications of changes. The members indicated their agreement.

The committee approved the recommended proposed revisions; whereupon, Mr. Mallett adjourned the meeting.