We have always risen to the challenge.

The first wooden water mains were laid when Washington was a fledgling capital on the banks of the Potomac and Anacostia rivers. Two catastrophic fires in the 1800’s accelerated improvements in the water system, including construction of the Washington Aqueduct, which still serves District residents to this day.

A surge in population in the latter half of the nineteenth century made it imperative – for public health protection – to add miles of new sewers and seal off open waste channels running through the city. The completion of the Blue Plains wastewater treatment plant in the 1930’s was another tremendous step forward in the District’s – and the region’s – infrastructure evolution.

Today, Blue Plains is the largest advanced wastewater treatment plant in the world. It treats close to 300 million gallons a day, and discharges effluent that is cleaner than the source water drawn upstream from the Potomac River. The plant also boasts some of the most cutting-edge technology in the industry, demonstrating our willingness to embrace innovation that makes us more sustainable, energy efficient and effective.

Rather than polluting the environment, we’re now a driving force behind the rejuvenation of our local rivers. The massive Clean Rivers Project is capturing billions of gallons of combined sewage that otherwise would have soiled those waterways, and the cleanup effort is drawing people back to the riverbanks to live, work and play.

We are proud of our progress over the past two centuries. The wooden water mains and open sewers are long gone. In their place are overlapping grids of water and sewer lines crisscrossing the entire city. Our 1,200 employees ensure those pipes and the pumps, tanks, reservoirs, valves and fire hydrants keep up with the demand in a city that is still rapidly growing.
We have new challenges before us.

We must ensure that this critical infrastructure – which has served us so well and sustained this great city since the mid-1800’s – can continue to do its job for the next 150 years. That means we need to examine every aspect of our organization and make the necessary changes and commitments to put us on the path to long-term success and sustainability. We’re looking 5, 10, 20 years into the future – even further really – but strategic planning begins with setting a solid short-term course to guide our decisions over the next few years.

The Blueprint aligns DC Water’s vision, mission and core values.

This is a critical time for our organization. We must now harness the operational excellence and innovative spirit that have made us an industry leader to tackle the 21st century challenges before us, including aging pipes that have outlasted their useful lives and capital costs that are driving rate increases. The Blueprint gets us heading in the right direction.

It also focuses our attention and resources on a set of strategic programs to enable us to operate as a high-performing utility, improve employee engagement and the customer experience, better leverage technology, ensure a safe workplace, and enhance our readiness and resilience.

“This strategic plan shows the commitment of our Board of Directors, management team and workforce to meet our challenges head on and position DC Water for success in the coming years.”

– David L. Gadis, CEO
Strategic planning is about setting a course for an organization by establishing specific choices for the future and driving resources and attention to ensure those choices are reflected in the operation. One major challenge for a mission-driven organization like DC Water is that we can’t suspend operations while we discover our strategy. We must deliver today, and simultaneously build for the future. The Blueprint is our game plan for continuing to deliver superior services while at the same time taking necessary steps toward fulfilling our vision. 

**Background**

- Used to set priorities, focus energy and resources, and strengthen operations
- Ensures that employees and other stakeholders are working toward common goals
- Establishes agreement around intended outcomes/results, and assesses and adjusts the organization’s direction in response to a changing environment
Strategy operates on two time horizons

- **5 year** what do we want to become?
- **2 year** what’s important now?

**Longer Term Strategy (5 Years)**

- **Vision**
  - What do we want to become?
- **Capabilities**
  - Where do we need to be strong to lead our industry?
- **Trends**
  - What is changing around us that impacts our strengths?

**Short Term Strategy (2 Years)**

- **Shared Challenge**
  - What do we need to achieve in the immediate future to move towards our vision?
- **Change Programs**
  - Where do we need to change DC Water to meet the shared challenge?
- **Behaviors**
  - How should we behave as leaders and throughout DC Water to support our shared challenge and our vision?

**Approach**

- **Board**
  - Interviews
  - Strategic Planning Committee
- **Staff**
  - Executive Team
  - Executive Advisory Group
  - Core Group
  - All-Staff
Excellent Service
We are committed to understanding customer needs and expectations.

Running and Sustaining Operations
We will lead by prioritizing assets; appropriate and timely investments; and staying committed to core operations and safety.

Engaging the Workforce
Our top priority is a clear connection of work to mission and strategy.

Customer Expectations
Expectations for more frequent and accurate information and increasing stability of service and rates.

Regulatory Dynamics
Heavily impacted by even small changes in regulatory requirements at local and federal level and must aggressively track and influence shifts.

Technology Advances
Increased ability to monitor the system, connect components and people, and algorithms introduces new approaches to work and drive efficiency.

Resiliency
Heightened awareness of natural disasters, man-made threats, and expectations for proactive, communicated strategies.

Workforce Talent
Need to adjust to the next generation of employees and their expectations and mindsets.
S.O.A.R.
Strengths • Opportunities • Aspirations • Results

Strengths: What can we build on?
• Proven and accomplished executive leadership team
• Diverse, skilled and high performing workforce
• Financial stewardship and superior credit worthiness
• Operational excellence
• Board governance
• Customer service and engagement
• Global recognition
• Asset management

Opportunities: What are our stakeholders asking for?
• Leverage technology and business analytics
• Secure secondary water source
• Leverage collaboration and partnerships for new sources of funding
• Harness energy opportunities for new revenue streams
• Enhance regional alliances and increase customer advocacy
• Increase opportunities for certified business enterprises

Aspirations: What do we care deeply about?
• Dedicated local government funding for infrastructure
• Employer of choice
• 100% lead free District of Columbia
• Water source resiliency
• 21st century infrastructure
• Totally energy independent utility
• Enhance public appreciation for the value of water

Results: How do we know we are succeeding?
• Develop a plan to increase employee engagement
• Develop a plan to reduce the age of our infrastructure
• Develop a plan to increase customer satisfaction
The Blueprint serves as a roadmap to ensure we meet the challenges ahead and continue to deliver reliable services. The services we provide are vital to our ratepayers and we have made it our priority to prepare for challenges and develop solutions. The Strategic Programs captured in the Blueprint will guide where we need to focus to meet our vision.
Strategic Plan Framework

Balanced Scorecard

Our Strategy

- Customer Perspective: Excellent Customer Experience
- Workforce Perspective: Engaged and High Performing Workforce
- Operations Perspective: Optimize and Innovate Operations
- Financial Perspective: Demonstrate Sustainability & Compliance

Why We’re Here

Provide high quality water services in a safe, environmentally friendly, and efficient manner

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Vision
We will be known for superior service, ingenuity and stewardship to advance the health and well-being of our diverse workforce and communities.

Mission
Exceed expectations by providing high quality water services in a safe, environmentally friendly, and efficient manner.
Values

Our values guide decision-making and how we conduct ourselves in a variety of settings. Fundamental to our organization, our values are a true reflection of our culture enabling us to achieve our mission and vision.
We conduct ourselves in a manner that surpasses ordinary standards and take responsibility for our actions and their collective outcomes to our workplace, community and environment at all times.

We strive to achieve the highest standards of professionalism and ethical behavior by always seeking to be open, honest, fair and respectful.
Teamwork

We approach all we do in a collaborative way, delivering superior service and outcomes through enthusiasm, helpfulness, positivity, skills, knowledge and a collective commitment to excellence.

Customer Focus

We see every engagement with our customers as an opportunity to deliver an exceptional customer experience that improves customer satisfaction and the overall perception of DC Water among the communities we serve.
Safety

We are uncompromising in our commitment to the health and safety of our employees, customers, and community. We require individual accountability, expecting all employees to strictly adhere to our safety standards, and actively participate in and support the advancement of our safety practices.

Well-being

We recognize DC Water’s number one resource is our people. We are committed to seeing that our team thrives physically, mentally and emotionally by endeavoring to create a culture that increases awareness, inspires individual responsibility, promotes healthy choices and encourages work/life balance.
Strategic Programs

Our Strategy

Customer Perspective
Programs 1,3,5,6

Workforce Perspective
Programs 2,3,4

Operations Perspective
Programs 1,3,4,6

Financial Perspective
Programs 1,3,4,6

Why We’re Here

Exceed expectations by providing high quality water services in a safe, environmentally friendly, and efficient manner.

Programs

1. Driving Performance —— Wayne Griffith, Executive Vice President Performance
2. The Employee Experience —— Keith Lindsey, Acting Executive Vice President People and Talent
3. Leveraging Technology —— Tom Kuczynski, Vice President Information Technology
4. Operational Safety —— Maureen Holman, Executive Vice President Administration
5. Customer Experience —— Armon Curd, Executive Vice President Customer Experience
6. Resilience and Readiness —— Biju George, Executive Vice President Ops & Engineering
Driving Performance
Objective:
To operate a high-performing utility that delivers exceptional service to our customers.
Initiatives:
1. Create and implement an enterprise-level performance program geared towards execution of the strategic plan and improving line of sight for our employees.
2. Develop an optimized model for repeated processes and socialize it throughout the enterprise.

Employee Experience
Objective:
To support and engage a workforce that is aligned with our vision to provide superior service to our customers.
Initiatives:
1. Create training profiles for all job categories and establish a schedule for renewal. Job profiles will include three categories of trainings for employees within every job title.
2. Utilize the Blueprint to create individual performance goals anchored to strategic planning and operational priorities.
3. Identify critical leadership and operational positions, then develop a comprehensive succession plan.

Leveraging Technology
Objective:
To develop an integrated set of solutions that leverages people, process and technology to improve reliability, increase efficiency, reduce cost, drive innovation and improve the customer experience.
Initiatives:
1. Create the Digital Utility Platform that will transform data into information and knowledge.
2. Build analytics and model capabilities across the Authority.
3. Build a comprehensive energy portfolio management capability.

Operational Safety
Objective:
To ensure a safe workplace that supports the continuity of operations and services to our customers.
Initiatives:
1. Review and update all safety policies on a regular basis to ensure consistent safety practices across DC Water.
2. Develop an environmental health and hygiene program for DC Water facilities and operations.

Resilience, Readiness and Enterprise Risk Management
Objective:
To protect and maintain the resources, systems and operations necessary to deliver safe and reliable services to our customers.
Initiatives:
1. Establish an early warning notification system of contamination threat to drinking water.
2. Identify secondary source water.
3. Harden DC Water facilities against climate change impacts.
4. Utilize asset management for linear and vertical assets.

Customer Engagement
Objective:
To deliver an exceptional customer experience and communications plan that enhances the value of our services by listening to and engaging with our customers.
Initiatives:
1. Design and execute a customer communication plan.
2. Leverage strategic partnerships to voice DC Water priorities and messages.
Implementation Framework

**Governance**
Provides oversight and ensures alignment with strategic priorities

*Strategy Office*
Provides oversight of strategic programs.

Meet quarterly in FY19 and biannually in FY20.

*Board Strategic Planning Committee*
Reviews and approves all new or modified strategic initiatives.

All new and ongoing initiatives report quarterly on the status according to timeline and measurable outcomes.

**Project Management**
Provides guidance and support for on-target implementation of initiatives

*Performance Office*
Supports initiating, planning and executing initiatives.

Provides methodology, tools and templates.

**Change Management**
Provides a centralized capability to support communications, training and readiness

*Strategy Office*
Provides CM practitioners, tools and resources necessary to support initiatives.

*Talent & People*
Provides any training resources necessary to support initiatives.

*Marketing & Communications*
Provides any communication or marketing resources necessary to support initiatives.

**Execution**
Next Steps & Timeline

2020

<table>
<thead>
<tr>
<th>phase 1</th>
<th>phase 2</th>
<th>phase 3</th>
<th>phase 4</th>
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<tr>
<td>February – April</td>
<td>May – June</td>
<td>June – October</td>
<td>November</td>
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<tr>
<td>Assess and Organize</td>
<td>Strategy Formulation</td>
<td>Strategic Planning</td>
<td>Board Approval</td>
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<tr>
<td>• Board assessment and environmental scan.</td>
<td>• Define vision.</td>
<td>• Translate strategy to actional objectives.</td>
<td>• Board review and approval.</td>
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<tr>
<td>• Formation of executive steering committee. Assessment and environmental scan.</td>
<td>• Define core values.</td>
<td>• Define strategic measures.</td>
<td>• Implementation of New Strategic Plan January 2021.</td>
</tr>
<tr>
<td>• Formation of core team.</td>
<td>• Define strategic direction.</td>
<td>• Core team report back to executive steering committee.</td>
<td>• Establish governance model and accountability structure.</td>
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<tr>
<td>• Perform SOAR analysis with core team.</td>
<td>• Create Balanced Scorecard with core team.</td>
<td>• Define KPI's and targets.</td>
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Departmental Overview

DC Water’s organizational structure is a key tool for ensuring that the mission is achieved. The structure consists of twenty-six departments that are grouped within clusters to ensure accountability and to enhance efficiency and delivery of various services. A member of the Executive Team heads each cluster group and is accountable for service delivery and performance metrics of the departments within their cluster.

The Executive Vice Presidents report to the Chief Executive Officer. The CEO’s Office also includes the Strategic Planning and Cultural Transformation programs.
Administration
DC Water strives to become the most resilient water and wastewater utility in the nation by ensuring that our critical operations can continue to serve the people of the District under almost any condition. Within the Administration cluster, the Security, Occupational Safety and Health, Office of Emergency Management, Fleet Management, and Facilities departments provide guidance, coordination and oversight for planning and implementing policies and procedures that promote resiliency, sustainability, and environmental stewardship within the Authority’s assets and operations.

Customer Experience
This cluster includes Customer Care, Information Technology, and Marketing and Communications. The Customer Care Department provides first-line service to our customers, including the Customer Care Call Center, Billing and Metering sections, and the 24-hour Command Center. Information technology is responsible for delivering and maintaining IT solutions to the entire enterprise. That includes providing Helpdesk services for as many as 2,000 users of technology, hardware, software, telephone and mobile services; managing a portfolio of over 100+ applications running both on-premise and in the cloud; and cyber security to protect our systems. The Office of Marketing and Communications manages DC Water’s relationships with customers, the media, the federal and District governments, and other internal and external stakeholders.

Finance and Procurement
The Finance and Procurement Cluster is composed of five departments (Finance, Rates and Revenues, Budget, the Controller, Procurement and Compliance), and is led by the Chief Financial Officer and Executive Vice President. The cluster manages the finances of DC Water ensuring the financial integrity of DC Water assets and liabilities, while maintaining strong credit ratings. The cluster recommends rates for Board approval, issues debt, prepares financial reports, formulates, publishes and monitors budgets for DC Water’s 26 departments, acquires goods and services and collaborates with Engineering to deliver infrastructure improvements.

Legal Affairs
The Office of Legal Affairs (OLA) is a critical and supporting arm to the Board of Directors, the CEO and General Manager, and all DC Water clusters to minimize liability exposure and risks to DC Water. OLA provides legal advice in the areas of: Governance, Administrative, Legislative and Regulatory Law; Construction, Procurement and Contracts; Employment/Labor Law; Litigation, including Tort, Employment, Bid Protest, and Contracts; Environmental Compliance and Enforcement; and Customer Service, Collections (Receivership), Bankruptcy and Foreclosures. OLA also provides advice and recommendations in developing and implementing DC Water’s policies, practices and procedures.

Operations and Engineering
All operational and engineering functions are consolidated into a single cluster. This includes Department of Engineering & Technical Services (DETS), Wastewater Engineering, Clean Rivers, and Permit Operations. The operations departments include Sewer Operations, Water Operations (includes Water Quality and Technology), Pumping Operations, Wastewater Operations, Process Engineering, Maintenance Services, and Infrastructure Management.

People and Talent
The People and Talent Cluster is composed of six strategically significant elements: Labor Relations and Compliance; Benefits; Compensation; Talent Acquisition; Employee Development; and Human Resource Information Systems. The employee experience helps drive our activities, while DC Water’s values keep us focused.

Our most critical strategic objective across the cluster is “to support and engage a workforce that is aligned with the Authority’s vision to provide superior service to our customers. We continue to build critical people programs to support this important objective.

Performance
The Performance Cluster’s vision is to advance a high-performing, innovative business culture with the purpose of delivering exceptional service to our stakeholders and ensuring the proper stewardship of our resources. To achieve this, the Performance Cluster works with leadership to manage the Business Performance Management program that identifies, gathers and synthesizes key measures that validate DC Water’s progress against critical short-term initiatives and long-term strategic objectives. This ensures business-as-usual and discretionary initiatives are in support of established strategies. The Enterprise Program Management Office provides strategic direction and operational leadership to support the Authority in successfully achieving the organization’s enterprise goals. The Cluster engages with cross-functional teams to discover and drive utility performance improvement leveraging a common structure and approach under the leadership of the Performance Integration and Delivery Director. And finally, a Watershed Management and Sustainability strategy is being established within the context of new legislation promulgated in January 2019.
Culture is the lifeblood of an organization. It reflects the values, beliefs, and behaviors that determine how people perform and interact with each other every day. In some organizations, culture is widely discussed and understood by all. In others, it is an unspoken set of rules and norms. Culture, regardless of how it is communicated, plays an enormous role in organizations’ performance.

Organizations that thrive are those best able to align their culture to their strategy. But transforming workforce culture is difficult. It means undoing unspoken ‘rules’ and challenging unconscious behaviors. It determines what people do when no one is telling them what to do.

Culture change starts in the executive suite. Top leaders need to define the culture, communicate it to all organizational levels, and act and behave in ways that reflect and reinforce desired outcomes.

– Korn Ferry

DC Water is widely recognized as one of the best water utilities in the world. These recognitions have been achieved through the vision, ingenuity, talent and the boundless dedication of our employees. Notwithstanding our achievements and recognitions, DC Water must embrace the notion that we can always be better. Navigating constant challenges such as aging infrastructure, customer affordability, environmental and regulatory requirements, resilience and sustainability does not afford us the luxury of aspiring to be better. Instead, it demands we continue to deliver and evolve at a pace that exceeds these pressures and challenges.

We believe regardless of the complexity, scale or cost of the challenges we face, our continued success will be determined by building and sustaining a high performing and results-oriented culture. The 2017 and 2019 Employee Engagement surveys provided both humbling and insightful feedback from our employees that our culture is not on par with our stellar standing in the industry.

We recognize the need for more proper care and feeding of the culture we endeavor to create and maintain.

To this end, David Gadis, CEO/GM has taken several steps to sharpen our focus on “People, Place and Pay.” The first was to develop a strategic approach to deliberately shape our culture into one that fuels our aspirations and exceeds customer expectations. At DC Water, we call this effort “cultural transformation.” In simpler terms, cultural transformation is the consistent organizational approach we take to ensure our talent management practices and behaviors are aligned across the organization with our mission, vision, and values.

This approach includes revising our talent management strategy, improving our people and talent capacity and resource management, leveraging human resources data and analytics, and most importantly investing in replacing our training and development program with a learning organization model.

These efforts take place under the leadership and daily direction of the CEO and General Manager who in partnership with the Executive Team, are responsible for our cultural transformation strategy. In less than a year, this function has already implemented several new initiatives such as:

**Communication**
- The General Manager’s Roadshows
- The implementation of a new DC Water Sports and Social Networking Program

**Learning and Development**
- The establishment of a new job rotation program “Walk in My Shoes”
- An executive coaching program for all department directors
- Expansion of Leading Blue leadership development program to include mandatory training for all persons with supervisory duties (“Line of Sight”)
- Increased the tuition reimbursement program, doubling the amount available for aspiring supervisors and managers

In 2020, we will continue to expand on our efforts from 2019 by launching the first leadership development program for frontline union and non-union employees who aspire to supervisory positions. We will enhance our employee recognition and rewards program by reimagining spot awards and creating more department level recognitions. We will demonstrate our unwavering commitment to both succession planning and diversity and inclusion with every member of the executive team serving as a mentor as part of our new mentorship program known as B.L.A.S.T. (Building Leaders and Skills for Tomorrow) Finally, we will continue to add new opportunities for team building, networking and fellowship through our DC Water Sports and Social Networking Program.

**Culture is the lifeblood of an organization** – The public sector is not well known for its ingenuity, commitment and success in this area. We seek to be the exception. The cultural transformation program we envision will touch all levels of the organization and thrive because our culture will promote and reward strategic thinking, teamwork, customer service, ingenuity and results. It will deliver results beyond the boundaries of our imagination because of the incredible array of talent we have assembled. Talent that already has a proven track record of achieving outstanding results but is primed to deliver and is capable of so much more.