



RIVANNA

WATER AND SEWER AUTHORITY
SOLID WASTE AUTHORITY

Strategic Planning Project Kick-off Meeting Summary

June 15, 2017



INTRODUCTION

On June 15, 2017, the Rivanna Water and Sewer Authority and Solid Waste Authority (Rivanna) Project Steering Team (PST) participated in a Project Kick-Off Workshop led by Raftelis Financial Consultants (RFC) to initiate the Rivanna strategic planning process.

The agenda for the meeting included:

- › Introduction to strategic planning
- › Rivanna strategic planning process
- › Project Charter
- › Environmental Scan/Trend Analysis

In accordance with the RFC scope of work, the results of this meeting are presented in this brief summary report.

INTRODUCTION TO STRATEGIC PLANNING

The consultants presented information concerning the purposes and contents of a strategic plan and definitions of strategic planning terms.

RIVANNA STRATEGIC PLANNING PROCESS

The Rivanna Strategic Planning Process will occur in three phases: Foundation, Strategy, and Implementation. The Rivanna process has been developed and will be implemented to obtain input and facilitate involvement of:

- › **Board of Directors**, through initial interviews, inclusion of Board members in the Project Steering Team, Boards Workshops, and presentation of the resultant draft strategic plan.
- › **Employees**, through participation in interviews, an online and paper survey, employee focus groups, and goal teams; and presentations and other communications.
- › **External stakeholders**, through a series of interviews and the public meeting.
- › **Senior management** through interviews, active participation in strategic planning workshops as members of the PST, and goal team activities.

RFC believes that this extensive involvement will enable Rivanna to achieve the following requirements for a successful strategic planning effort:

- › Shared vision of Rivanna's ultimate goals. Organizations driven by clear purposes and shared values have a greater capacity to succeed than other organizations.
- › Common understanding of the available resources, the environment, and the principles upon which strategies will be based.
- › Acceptance of the direction and urgency of the strategic and implementation plans, which should be integrated into the manner in which Rivanna is operated on a day-to-day basis.

As a result, Rivanna will be in a position to assure that strategic planning becomes part of the fabric of the organization and helps it become more successful for the benefit of its stakeholders.

PROJECT CHARTER

GOALS

To begin the discussion of the Project Charter, the participants articulated their key goals for the strategic planning process. These are to be:

- › Understandable, Specific, Measurable, Achievable, Relevant, and Timely.
- › Inclusive, with reasonable involvement by participants and community members.
- › Focused on short-term goals for long-term vision, and a roadmap for the future.
- › Adopted by the Boards and the organization.
- › Clearly aligned with people, roles, and accountability for the plan.

PROJECT SUCCESS FACTORS

With project goals in mind, the PST identified the following as activities that must be done exceedingly well:

- › Transparent communication throughout the process
- › Commitment to inclusion, participation, and documentation
- › Information should be detailed, understandable, and clear

BOUNDARIES

This project will demand substantial time and resources. Key boundaries for this effort include:

- › Limited resources
- › Federal, state, and local regulations
- › Virginia Water Authorities Act
- › Organizational Agreement
- › Board Members are ex officio

PARTICIPANTS

At an appropriate level of involvement, the following groups or individuals could provide input and/or participate in the strategic planning process.

- › Solid Waste Committee
- › End users of services
- › UVA and PVCC
- › Southern Environmental Law Center
- › Piedmont Environmental
- › Chamber of Commerce
- › CAAR (realtors)
- › City of Charlottesville Environmental Sustainability Division
- › Builders/Developers
- › Regulators (DoH, DEQ), etc.

SCHEDULE

TASKS	PROPOSED DATES
Stakeholder Engagement <ul style="list-style-type: none">• Employee Focus Groups• Additional Interviews	Week of June 26
Public Meeting	August 3
Board Workshop	August 22
Foundation Workshop	August 31
Initial Goal Team Meetings	September 21
Strategy Workshops	October 13
Board Workshop	November 14

ENVIRONMENTAL SCAN/TREND ANALYSIS

The Project Steering Team considered the following nine environmental trends in terms of the current situation facing Rivanna, the expectations for the service area in the future, and potential Rivanna responses.

POPULATION

THE CURRENT SITUATION

- › The service population is increasing

EXPECTATIONS FOR THE FUTURE

- › The community seems to be growing faster than projected in the community water supply plan, building is increasing, and the density around existing facilities is increasing

POTENTIAL RIVANNA RESPONSES

- › Develop a Facilities Master Plan that reflects anticipated growth, and stay abreast of other master planning efforts
- › Specific capital projects include upgrading the observatory water plant, upgrading the capacity in Crozet, finishing Schenk's Branch, and the new Ivy Transfer Station

THE POLITICAL ENVIRONMENT

THE CURRENT SITUATION

- › The community has differing views on several issues, including growth
- › The City of Charlottesville and the Albemarle County Service Authority sometimes have conflicting interests, which affects both Authorities
- › Rivanna is highly regarded as a well-run organization
- › Politics can change quickly which affects our mission, especially solid waste

EXPECTATIONS FOR THE FUTURE

- › The political situation is expected to be stable, but some capital projects may generate community tension

POTENTIAL RIVANNA RESPONSES

- › Continue to be an asset to the community, and provide great water, wastewater, and solid waste services

REGULATIONS

THE CURRENT SITUATION

- › Increased regulation and enforcement on all programs, which impacts rates, operations, capital budgets, etc.
- › Regulations set priorities for CIP, so when new regulations come out, Rivanna builds to greatly exceed current regulations in order to have additional capacity and resiliency

EXPECTATIONS FOR THE FUTURE

- › Continued and changing regulatory challenges, including security, federal dam regulations, and emerging contaminants of concern
- › Increasingly the water quality discussion is shifting from in the system to at the tap, which increases the need for customer outreach
- › Changes necessitated by regulation will require careful planning and implementation in terms of processes, equipment, funding, timelines, etc.



REGULATIONS (CONT.)

POTENTIAL RIVANNA RESPONSES

- › Monitor and accommodate changing regulations by being proactive
- › Rivanna is involved in some associations, including VAMWA, to provide input into regulation and process

WORKFORCE ISSUES

THE CURRENT SITUATION

- › Currently have an aging workforce that is not representative of the larger community
- › Hiring challenges (shortage of applicants, misalignment of skill sets with job responsibilities, lack of interest in trade positions)

EXPECTATIONS FOR THE FUTURE

- › Retirements are coming
- › Current hiring challenges are expected to persist

POTENTIAL RIVANNA RESPONSES

- › Partner with local organizations, including PVCC, that help to develop necessary skills and competencies
- › Emphasize knowledge transfer and the importance of training and cross-training programs
- › Make Rivanna a competitive and attractive employer

TECHNOLOGY

THE CURRENT SITUATION

- › Technology touches every facet of our business, and is necessary to maintain regulatory compliance
- › Rivanna needs to fully utilize its existing technology packages

EXPECTATIONS FOR THE FUTURE

- › Regulation and growth will continue to drive the need for enhanced technology
- › Rivanna has new technological drivers associated with its sustainability goals

POTENTIAL RIVANNA RESPONSES

- › Create a Technology Master Plan, with internal and external resources devoted to developing business cases for new technologies, and to assess the organization's needs and opportunities
- › Allocate sufficient resources to ensure technology training and implementation



CUSTOMER EXPECTATIONS

THE CURRENT SITUATION

- › As an organization, Rivanna needs to define its customer base
- › The general public does not differentiate between Rivanna, the Albemarle County Service Authority, and the City of Charlottesville Public Utilities

EXPECTATIONS FOR THE FUTURE

- › Increased planning, growth, and public involvement
- › Rivanna needs to decide who it is trying to reach with its communication efforts

POTENTIAL RIVANNA RESPONSES

- › Define and communicate with external customers
- › Define internal customers and support functions
- › Collaborate with a consistent message



UTILITY FINANCIAL CONSTRAINTS

THE CURRENT SITUATION

- › Rivanna has an extensive, multi-million dollar CIP with an affordability component
- › Future regulations may define available resources, as will local government and community expectations
- › The Solid Waste Authority is not self-supporting

EXPECTATIONS FOR THE FUTURE

- › Capital and O&M requirements will increase

POTENTIAL RIVANNA RESPONSES

- › Work to present information in creative ways, and to communicate the value proposition of water/wastewater/solid waste services to the public

ENERGY/REUSE

THE CURRENT SITUATION

- › Rivanna has access to adequate supply, especially with a third reactor going in at Lake Anna
- › Power costs are reasonable right now, and there are lots of alternative energy avenues.
- › Rivanna has upgraded to more efficient facilities and equipment

EXPECTATIONS FOR THE FUTURE

- › Alternative energies may become more cost-effective
- › There will likely be more community pressure to be efficient

POTENTIAL RIVANNA RESPONSES

- › Consider methane or other energy bi-products

INCREASED RISK PROFILE

THE CURRENT SITUATION

- › Weather patterns affect water supply and revenues
- › Natural disasters can impact facilities and impact treatment, as can dam breaches, the economy, and cyber risks

EXPECTATIONS FOR THE FUTURE

- › City and county infill and redevelopment are expected to continue

POTENTIAL RIVANNA RESPONSES

- › Be more involved in City/County planning process
- › Be prepared and plan for wet weather, hurricanes, flood, drought, etc.

Questions concerning this report or any aspect of the Rivanna strategic planning process should be addressed to Darin Thomas at 336.209.1347 or dthomas@raftelis.com or Doug Bean of RFC at 704.910.8195 or dbean@raftelis.com.

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