

Austin Water 2024

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# A STRATEGIC PLAN

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Updated July 2023









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# DIRECTOR'S MESSAGE

I joined Austin Water three years ago as an Assistant Director and was immediately impressed by the efforts underway to implement the ambitious initiatives in our Strategic Plan. In January I became Austin Water's new Director at a time when all utilities, including Austin Water, are facing challenges such as the effects of climate change, extreme weather events, supply chain delays, rising costs, cybersecurity threats, and the ongoing but critical work of maintaining aging infrastructure. Completing what we began in 2020 as part of this Strategic Plan is more important than ever.

Our organization must evolve from a traditional utility to a modern service provider by embracing technology innovations, improving processes, and engaging in robust planning to anticipate threats before they happen. Also critical to our success are efforts to recruit, mentor, support, and retain our staff, improvements that were also recommended in a recently completed report by the University of Texas Center for Water and the Environment.

I have prioritized our efforts to improve organizational culture and staff training programs. We have accomplished a lot since January:

- Conducted job title and pay grade reviews.
- Filled 278 vacancies so far this year, thanks to improved recruitment activities and investments in promotions and advertising.
- Implemented a new hire retention bonus, as well as a retention stipend for eligible staff.
- Launched a license stipend program as well as safety incentive pay.
- Initiated improved training programs for supervisors, as well as treatment plant operations and maintenance staff.

This updated Strategic Plan highlights our focus areas and initiatives for 2024, guided by our foundational values: safety, integrity and trust, excellence, sustainability and resilience, equity, and customer service. Austin Water continues to be an industry leader serving customers for more than 100 years and our over 1,200 employees work with tremendous dedication to deliver drinking water of the highest quality. This Strategic Plan reinforces our commitment to the community we serve.



**Shay Ralls Roalson, P.E.**  
Austin Water Director



**Our organization must evolve from a traditional utility to a modern service provider by embracing technology innovations, improving processes, and engaging in robust planning to anticipate threats before they happen.**



# 02 UTILITY OVERVIEW

Austin Water provides water and wastewater services that have met the community's needs for more than 100 years and today serves more 1 million people in the Austin metropolitan area, across more than 548 square miles. The utility draws water from the Colorado River into three regional water treatment plants, Handcox, Davis and Ullrich, which have a combined capacity of 335 million gallons per day. The utility also has two wastewater treatment plants, Walnut Creek and South Austin Regional, that can receive up to 150 million gallons per day of sewage to treat. This wastewater is cleaned into high-quality effluent and delivered to reclaimed water customers for non-potable use or safely returned to the Colorado River to augment environmental flows.

Austin Water is recognized as an industry leader for our innovative strategies, operations and initiatives designed to meet the challenges of today with efficiency, sustainability and overall excellence.

Austin Water is also a leader in environmental protection, providing a wide array of environmental services that benefit the entire community:

- Conservation efforts have been ranked number one in the State of Texas among large utilities.
- The Hornsby Bend Biosolids Management Plant recycles Austin's biosolids and yard trimmings into an EPA-certified soil conditioner called Dillo Dirt. Hornsby Bend is nationally known for its biodiversity and ecotourism and is also one of the best birding sites in Texas.
- The Austin Water Center for Environmental Research at the Hornsby Bend Plant is a partnership formed in 1989 with the University of Texas and Texas A&M University to support urban ecology and sustainability studies for Austin.
- The utility is reducing greenhouse gas emissions by producing renewable energy through a solar rooftop at the Glen Bell Service Center. A cogeneration plant at Hornsby Bend uses methane from biosolids to power the plant.
- The Special Services Division works to ensure compliance with regulations designed to protect water quality and human health.
- Austin Water manages 44,000 acres of wildlands that protect water quality and endangered species habitats. The Balcones Canyonlands Preserve conserves habitat for eight endangered species and 27 species of concern. The Water Quality Protection Lands optimize the quantity and quality of water recharging the Barton Springs segment of the Edwards Aquifer.

Looking toward the future, Austin Water is implementing a water plan for the next century known as Water Forward. Designed to address a rapidly growing population and a changing climate, Water Forward embraces innovative and integrated water management strategies that are diversified, sustainable and resilient to future droughts with a strong emphasis on water conservation. The plan will ensure the utility continues to meet the needs of the community for generations to come.





# STRATEGIC PLANNING CONSIDERATIONS

This Strategic Plan provides an overview of key initiatives and focus areas to be implemented by staff at all levels of the organization over the next fiscal year. Over the course of 2024, Austin Water will also work to develop a new five-year strategic plan to address business challenges and priorities. Successful execution of this plan will result in affordable rates, increased customer satisfaction, resilient operations, improved infrastructure, a diverse and effective workforces, and resource management that responds to a growing population and changing climate.

## City of Austin Strategic Plan

Austin Water participates in the City's annual planning and budgeting processes, considering capital and operational planning, staffing levels, and alignment with the City of Austin Strategic Plan, which is currently being revised.

Austin Water's Leadership Team also reviews organizational performance to assess progress toward meeting goals and areas that are ripe for innovation. Austin Water's strategic planning process incorporates:

## Effective Utility Management

Seven years ago, Austin Water adopted the framework provided by the Environmental Protection Agency and a group of water sector organizations known as Effective Utility Management (EUM) to assess our operations and identify areas for improvement. This EUM framework is built upon industry best practices and management successes, and has been instrumental in aligning employees, programs and strategic initiatives to excel in an ever-changing business environment. EUM has also infused a spirit of learning and continuous improvement throughout all levels of the organization.

## Water Forward: Integrated Water Resource Plan

Water Forward is a plan created in collaboration with the Austin community to develop long-term integrated water resources for the next 100 years. Water Forward recommends strategies that include major water supply projects, as well as incremental solutions through demand management and reuse. This Strategic Plan highlights key strategies from Water Forward that will be initiated over the next three fiscal years.



# 04 VISION, MISSION AND VALUES

## OUR Vision

Innovating to build a resilient water future and customer value.

## OUR Mission

Austin Water provides safe, reliable, high-quality, sustainable and affordable water services to our customers so that all community needs for water are met.

## OUR Values

### Safety

We proactively work to minimize risks for our workforce and the community we serve.

### Integrity and Trust

We adhere to the highest ethical standards as reliable, dependable partners with the community.

### Excellence

We strive to continuously improve our service through a diverse workforce that inspires and embraces collaboration, innovation and industry leadership.

### Sustainability and Resilience

We take action to serve the community by preserving our natural resources, maintaining water system infrastructure and assets, and preparing for potential threats.

### Equity

We advance equitable, affordable outcomes through inclusive engagement with our workforce and the community.

### Customer Service

We are responsive, professional, and embrace exceptional service to continuously build customer satisfaction.



# BUSINESS GOALS

The following goals will guide Austin Water's strategic initiatives to meet key business priorities for the next fiscal year.



**Improve customer experience by enhancing all customer service touchpoints.**



**Protect public health and safety by providing high-quality water services.**



**Maintain strong financial viability to ensure a balanced cost structure and affordable rates.**



**Create an inclusive, high-performing workforce, focused on operational excellence, equity, and the highest ethical and safety standards.**



**Promote enterprise resilience through preparedness, risk assessment and incident response.**



**Enhance infrastructure performance through technology and standardized practices for infrastructure maintenance and renewal.**



**Protect the water supply and promote community sustainability.**





# STRATEGIC INITIATIVES

The following strategic initiatives will be instrumental to achieving Austin Water's business goals:

1. Effective Utility Management
2. Affordability
3. Water Forward
4. My ATX Water, Austin's Smart Water Meter System and Customer Portal

For each initiative, key actions to be implemented have been identified, as well as the staff and resources necessary to execute them.

## Effective Utility Management

Effective Utility Management: A Primer for Water and Wastewater Utilities was developed by industry professionals based on best practices for water utilities across the nation. Ten Attributes of Effective Utility Management are identified as key to providing a balanced approach to utility operations.

In 2016, Austin Water adopted the Effective Utility Management (EUM) framework to assess our operations and pinpoint areas for innovation and improvement. Initially, four areas were identified for focused effort. Teams composed of staff from across the organization were dedicated to making improvements in each focus area. Action plans were developed and implemented, leading to significant progress in achieving Austin Water's strategic objectives.

Since the inception of using the Effective Utility Management framework, Austin Water has successfully implemented numerous improvements in four key areas so that these programs are effectively operationalized across the utility:

- Stakeholder Understanding, Support & Affordability
- Employee & Leadership Development
- Customer Satisfaction
- Infrastructure Strategy & Performance

Austin Water has identified two Effective Utility Management attributes for focus over the next fiscal year:

## Enterprise Resiliency, characterized by:

- Utility leadership and staff collaborating to anticipate, respond to, manage, and mitigate issues.
- Proactively identifying operational business risks.
- Conducting vulnerability assessments to plan for business continuity in the face of various threats.
- Preparing responsive action plans for uninterrupted operations and public safety.

Efforts in this area will concentrate on enhancing emergency preparedness and responsiveness, developing operational resiliency for a range of emergent conditions, and identifying and addressing natural hazards resulting from climate change.

## Operational Optimization is marked by:

- Making effective use of data from automated and smart systems and learning from performance monitoring.
- Minimizing resource use, loss and impacts from day-to-day operations, and reducing all forms of waste.
- Maintaining awareness of information and operational technology developments to anticipate and support timely adoption of improvements.

Initiatives in this area will be centered on ongoing, timely, cost-effective, reliable, and sustainable performance improvements to all facets of operations in service to public health and environmental protection.



# AFFORDABILITY

Austin Water reduced rates in 2018 and they have remained flat since that time, with a modest increase proposed for 2024. Austin Water continues to find savings through cost containment, debt management, and innovations in technology and processes. These cost savings are then passed along to customers.

Austin Water's Customer Assistance Program (CAP), designed to support low income customers, is among the best in the country and offers some of the deepest discounts and most robust assistance to customers in need. Our Customer Assistance Program provides a 51% discount to eligible customers, and Austin Water continues to contribute funding to the City of Austin's Financial Support Plus 1 Program, Arrearage Management Program, and Water Leak Repair and Home Emergency Repair Programs.

The utility continues to identify and improve savings to pass along to customers in the form of rate reductions and other initiatives that improve affordability. The average annual bill as a percentage of median household income (MHI) fell from 1.47 percent in 2017 to 1.21 percent in 2022. Further, the utility projects that the average Austin Water residential customer with a median household income will continue to spend less than 1.5 percent of their annual income on water and wastewater services.

In the coming years, the strategic focus on affordability will include:

- Analyzing affordability metrics annually to monitor historical trends, benchmark against other cities, and ensure that rates for customers are based on sound data and affordability considerations.
- Continuing the debt management strategy of using capital recovery fees to pay off revenue bonds early and create savings.
- Securing low-interest loans through the Texas Water Development Board to fund capital improvement projects that will maintain and improve the water and wastewater system.





# 06 WATER FORWARD IMPLEMENTATION

Austin is one of the fastest growing cities in the country and currently all drinking water comes from the Colorado River system. To meet the needs of a rapidly growing population impacted by a changing climate, Austin Water collaborated with other City of Austin departments, a Citizen Task Force, and the Austin community to develop a water plan for the next century.

Critical goals for implementation of the Water Forward Integrated Water Resource Plan include continued community engagement on Council-approved strategic initiatives, achieving social equity objectives, and increasing community resilience to sustainably meet water demands for the next 100 years.

Several projects have been prioritized for implementation over the next three years:

- Code revisions that will require water use benchmarks to be submitted concurrent with site plan materials; expanded centralized reclaimed system connection requirements; and cooling tower efficiency standards.
- Creation of a new Onsite Water Reuse Program to oversee requirements for onsite rainwater, stormwater, AC condensate, and graywater systems, which will be mandatory for new developments greater than 250,000 square feet.
- Expanded alternative water, landscape transformation, and irrigation efficiency incentives.
- Initiation of a pilot Aquifer Storage and Recovery project that will allow Austin to store water in a natural aquifer during wet periods and recover that stored water during droughts or other emergency conditions. Initially, potential sites for the project will be evaluated, with design and construction scheduled for completion by 2027.

In addition, work has begun on the five-year update of the Water Forward Plan, which will incorporate new supply and demand data, as well as updated modeling to ensure the plan continues to be a road map for a sustainable and resilient water future.



# MY ATX WATER AUSTIN'S SMART WATER METER SYSTEM AND CUSTOMER PORTAL

Austin City Council approved contracts in March 2020 that paved the way for Austin Water to modernize our water metering system. Over the next five years, the project known as My ATX Water will replace more than 250,000 analog water meters with electronically read water meters connected to a wireless network. The project will also develop an online customer portal with near real-time water use data where customers can sign-up for customized notifications.

My ATX Water, Austin's smart water meter system, is an important strategy to achieve water conservation goals in Austin Water's 100-year water plan, Water Forward. The utility is committed to affordability for our customers and has worked with the Texas Water Development Board to secure low interest loans to fund most of the project.

Key project milestones that have been achieved so far include:

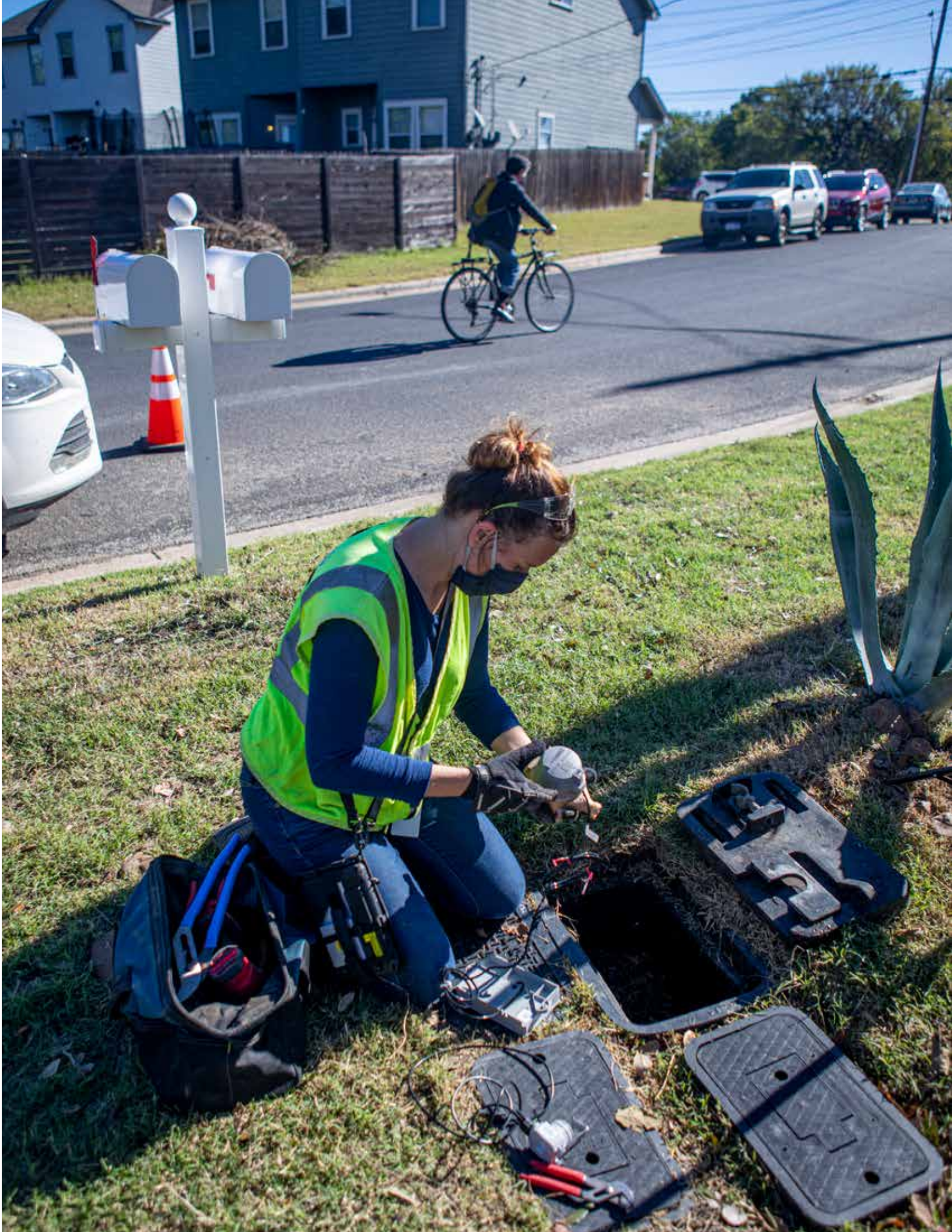
- Over half of all analog water meters have been replaced with more than 125,000 My ATX Water digital meters.
- The My ATX Water customer portal has also launched to give customers near real-time data to better track and manage water use. More than 33,000 customers have enrolled in the portal to create custom notifications and alerts.
- Nearly 3.5 million portal communications have been sent since October 2021, including emergency notifications, information about service area impacts, and leak alerts.
- Continuous Use Alerts through the My ATX Water customer portal have saved an estimated 227 million gallons of leak savings for our customers since 2021.



**My ATX Water**  
Austin's Smart Water Meter System









# LEADERSHIP TEAM



**SHAY**  
**Ralls Roalson, P.E.**

**Austin Water Director**

Leads a team of over 1,200 employees dedicated to providing high-quality drinking water, wastewater, and reclaimed water services to over 1 million people in the Austin metropolitan area.



**ANNA**  
**Bryan-Borja, CIA, CFE**

**Assistant Director,  
Business Services**

Oversees City Council and elected official relationships, strategic planning, performance management, internal auditing, and internal support services to increase the effectiveness of Austin Water's resiliency and organizational performance.



**RANDI**  
**Jenkins**

**Assistant Director,  
Customer Experience**

Enhances the customer experience through meter accuracy and billing transparency, responsive action to address customer issues and concerns, and effective communication to achieve high customer satisfaction levels.



**JOSEPH**  
**Gonzales**

**Assistant Director,  
Financial Services**

Provides strong financial planning and leadership, budgeting and accounting, and supply chain management to ensure a balanced cost structure, solid bond rating and affordable rates for our customers.



**DAVID**  
**Johnson**

**Chief Information Officer**

Oversees information systems and architecture, geographic information system (GIS) services, and cybersecurity protocols for effective, efficient and secure operations and workflow.





**KEVIN**  
**Critendon, P.E., PMP**  
**Assistant Director,**  
**Environmental, Planning**  
**and Development Services**

Oversees responsible and effective resource and infrastructure planning, as well as environmental leadership to support sustainable and reliable water and wastewater services that meet community water demand, now and for the next century.



**SHERRI**  
**Hampton, SPHR & SCP**  
**Assistant Director,**  
**Employee & Leadership**  
**Development**

Supports a high-performing, safe workplace by recruiting and retaining qualified employees, providing professional development programs and focusing on operational excellence and equitable treatment for all.



**MERCEDES**  
**Garcia-Lopez, P.E.**  
**Acting Assistant Director,**  
**Operations**

Provides essential services in drinking water production and distribution; wastewater collection, treatment and recycling; system maintenance; environmental engineering; and regulatory and technical services for the Austin community.



**MATT**  
**Cullen, P.E.**  
**Acting Assistant Director,**  
**Engineering Services**

Plans and implements an asset-management driven capital improvements program and offers operational support to enhance the stability and longevity of Austin's water, wastewater and reclaimed water infrastructure for the benefit of our community.

Austin Water 2024

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# A STRATEGIC PLAN

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Updated July 2023

