

# **Austin Water 2023**

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# **A STRATEGIC PLAN**

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Updated December 2020









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# 01

## DIRECTOR'S MESSAGE

So much has changed since we published Austin Water 2023: A Strategic Plan in 2019. Who could have foreseen a global pandemic that necessitated swift action to adapt our operations to deliver essential water and wastewater services while keeping Austin Water employees safe and healthy? The events of 2020 demonstrated the importance of proactive strategic planning. By having a solid plan in place, Austin Water was able to rise to the challenges of the last year with no impacts to service delivery.

In this unprecedented year, we were committed to reviewing and updating our strategic plan to ensure each goal and objective supports Austin Water's ability to provide safe, reliable, high-quality, sustainable and affordable water and wastewater services to our customers. Serving the community is still job one, but the circumstances have certainly changed – and so should our strategies.

This year, we reaffirmed our mission and refreshed our vision and values to more clearly articulate the foundational underpinnings for our operations and drive our day-to-day work. We evaluated the progress that we've made since embracing the Effective Utility Management framework in 2016 and determined we need to focus on Enterprise Resiliency so we can continue to prepare for the unexpected. We expanded our business goals and objectives to set targets for cultivating and developing our incredible workforce, as well as for Austin Water's operational resiliency.

This updated Strategic Plan aligns with the City of Austin's Strategic Direction 2023 and establishes a strong roadmap to address community priorities while improving our services. We remain committed to continuous improvement and making necessary changes along the way – this plan provides the path forward.

Sincerely,



**Greg Meszaros**  
Director of Austin Water



WE EXPANDED OUR  
BUSINESS GOALS  
AND OBJECTIVES  
TO SET TARGETS  
FOR CULTIVATING  
AND DEVELOPING  
OUR INCREDIBLE  
WORKFORCE,  
AS WELL AS FOR  
AUSTIN WATER'S  
OPERATIONAL  
RESILIENCY.

MESSAGE



# 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 was recognized in 2020 as a **Utility of the Future Today** by four water sector organizations: The National Association of Clean Water Agencies, Water Environment Federation, WaterReuse Association, and Water Research Foundation.

Austin Water is 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 43,000 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.

OVERVIEW



# STRATEGIC PLANNING CONSIDERATIONS

This Strategic Plan provides an overview of key initiatives and focus areas for the next three fiscal years. The plan identifies the importance of each initiative in addressing current business challenges, as well as the strategies and objectives that will be implemented by staff at all levels of the organization. Successful execution of this plan will result in increased affordability and satisfaction for our customers, more efficient and resilient operations, enhanced and improved systems and infrastructure, a diverse and effective workforce, and resource management and planning that is responsive to a growing population and changing climate.

## Austin Strategic Direction 2023

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's Strategic Direction 2023. The goals, strategies and objectives described in this plan support the six strategic outcomes identified in Strategic Direction 2023: Culture and Lifelong Learning, Economic Opportunity and Affordability, Health and Environment, Mobility, Safety and Government that Works for All.

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 also incorporates:

## Effective Utility Management

Four 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.





# PLANNING



# 04

## VISION, MISSION AND VALUES

### OUR VISION

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Innovating to build a resilient water future and customer value.

### OUR MISSION

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



# VISION MISSION VALUES

## OUR VALUES

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### 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.





# 05 BUSINESS GOALS

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



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



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



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



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



# GOALS



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



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



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



# 06

## STRATEGIC INITIATIVES

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

1. **Effective Utility Management**
2. **Affordability**
3. **My ATX Water,**  
Austin's Smart Meter System  
and Customer Portal
4. **Water Forward**
5. **Reclaimed Water Program**
6. **Facility Improvements**

For each initiative, key actions to be implemented over the next three fiscal years 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.

Building upon those achievements, Austin Water has identified four Effective Utility Management areas for focus over the next three fiscal years:

- Customer Satisfaction
- Enterprise Resiliency
- Infrastructure Strategy & Performance
- Employee & Leadership Development



# STRATEGIES



# EUM: CUSTOMER SATISFACTION

This attribute of Effective Utility Management is marked by:

- Delivering reliable, responsive and affordable services in line with explicit, customer-derived service levels.
- Using a mix of evolving communications technologies to respond to customer needs and expectations.
- Collecting timely customer feedback that is used to enhance programs and outreach.
- Communicating effectively with customers during emergency incidents.

Efforts in this area will be centered on making continuous improvements to customer touchpoints that affect satisfaction levels. Over the next three fiscal years, this work will entail:

- Using JD Power scores to review and refine program areas and messaging related to water quality & reliability, price, conservation, billing & payment, communications and customer service.
- Optimizing the Austin Water phone system to streamline customer contact with key program areas.
- Establishing an Outbound Call Center to follow up with customers about their experiences with service requests and resolution and provide notifications about service interruptions and impacts.
- Improving customer understanding about ways to manage their bill and conserve water.
- Enhancing digital platforms to provide effective notifications and easy-to-find information and resources.
- Conducting research through surveys and focus groups to yield insights into customer experience that result in programmatic and communications improvements.

# CUSTOMER SATISFACTION



# EUM: ENTERPRISE RESILIENCY

This attribute is 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.

Over the next three fiscal years, efforts will focus 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. This work will involve:

- Implementing comprehensive software, providing additional staff training, and improving the Austin Water Department Operations Center to enhance readiness for emergency response activities.
- Expanding and improving emergency communications plans and materials to provide consistent and reliable notifications and messaging to Austin Water staff and the public.
- Conducting vulnerability assessments of water and wastewater systems to identify and address risks to essential operations.
- Implementing proven technologies and processes to reduce cyber security threats.
- Reducing wildfire risks utilizing best practices for land management and hardening utility assets.
- Addressing potential flooding risks to Austin Water facilities with industry mitigation strategies.

# ENTERPRISE RESILIENCY





# EUM: INFRASTRUCTURE STRATEGY AND PERFORMANCE

Developing this attribute involves:

- Understanding the condition and costs associated with critical infrastructure assets.
- Maintaining and enhancing the condition of all assets over the long-term by balancing life-cycle cost and acceptable risk, consistent with customer, community and regulatory-supported service levels.
- Coordinating asset repair, rehabilitation and replacement efforts with the community to minimize disruptions and other negative consequences.

Over the next three fiscal years, activities will include:

- Expanding use of an Austin Water-specific asset criticality and risk framework to assess all infrastructure groups and establish condition tracking programs.
- Validating preventative maintenance activities for critical assets at all treatment plants and pipeline networks.
- Developing standardized Maintenance Excellence practices for all utility facilities and assets.
- Conducting Maintenance Excellence workshops with staff.
- Providing visual management tools to communicate the state of critical assets including condition, availability, and upkeep.
- Identifying additional infrastructure performance improvement projects that can be rapidly deployed to strengthen and stabilize water and wastewater systems.

# INFRASTRUCTURE STRATEGY AND PERFORMANCE



# EUM: EMPLOYEE AND LEADERSHIP DEVELOPMENT

Key characteristics for this attribute include:

- Recruiting and retaining a workforce that is competent, motivated and safe-working.
- Establishing a participatory, collaborative organization dedicated to continual learning and improvement.
- Ensuring that employee institutional knowledge is retained and improved upon over time.
- Emphasizing opportunities for professional and leadership development.
- Striving to create an integrated and well-coordinated senior leadership team.

For the next three fiscal years, efforts will focus on Safety, Equity and Knowledge Transfer. Activities will include:

- Conducting safety audits of high-risk field operations to identify leading and lagging measures for safety performance, as well as corrective actions required.
- Developing a Safety Management System to provide training on best practices and to track compliance with established safety procedures.
- Engaging with employees at all levels of the organization on topics of equity and anti-racism to improve the work environment, as well as services provided to the community.
- Launching The Phoenix Group, an affinity group for employees who were formerly incarcerated to provide support, training, and professional development guidance and coaching.
- Establishing a framework for capturing key job functions, institutional knowledge and skills for critical positions that can be linked to annual performance evaluations, as well as recruitment and hiring processes.

# EMPLOYEE AND LEADERSHIP DEVELOPMENT





## AFFORDABILITY

While many water utilities across the country have increased rates by as much as 5 percent year-over-year, Austin Water reduced rates in 2018 and has not increased them since. 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. Customers enrolled in the CAP program received an 11.4 percent average rate reduction in FY2018, no rate increase in FY2019, an 8.3 percent average rate reduction in FY2020, and a 10 percent average rate reduction in COVID-19 Relief for FY2021.

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 1.31 percent in 2020. Further, the utility projects that the average Austin Water residential customer with a median household income will spend 1.29 percent of their annual income on water and wastewater bills in 2021.

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.
- Creating and implementing a Multi-family CAP Program, which will provide financial assistance to low-income customers who live in apartment complexes or other types of multi-family dwellings that do not have a dedicated water meter.
- 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.

# AFFORDABILITY



# 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. Potential sites for the project will be evaluated in 2021, with design and construction scheduled for completion by 2027.

In addition, work will begin 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.

# WATER FORWARD





# 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 for the next three fiscal years include:

- Completion of a pilot phase installation of 5,000 meters and assessment of outreach and communications efforts before future phases of implementation begin.
- Testing and refinement of the My ATX Water online portal interface and notification opportunities before deployment to all Austin Water residential customers.
- Development of an Equity Framework to guide all decision-making, communications and outreach for the My ATX Water project.
- Phased implementation of My ATX Water meters will begin in fall of 2021 and will be complete by the end of 2025.



**My ATX Water**

Austin's Smart Water Meter System

# MY ATX WATER



# 06 RECLAIMED WATER PROGRAM

Reclaimed water is recycled from wastewater generated by homes and businesses and treated for non-potable uses that include irrigation, cooling towers, and virtually any use not requiring higher-quality drinking water. Austin's reclaimed water meets all state and federal laws for non-potable use.

Installation and expansion of reclaimed water infrastructure continues throughout Austin and is an important component to meeting Water Forward goals for water supply. Currently, 154 commercial customers use more than 1.5 billion gallons of reclaimed water for beneficial purposes each year, which is about 3 percent of Austin's water demand. The purple pipe system is currently comprised of more than 72 miles of reclaimed water transmission mains.

In the years to come, Austin Water's reclaimed water system will focus on:

- Implementing ordinances that require more new developments to connect to the City's centralized reclaimed water system.
- Expanding reclaimed water connections to residential customers in addition to commercial customers.
- Developing the reclaimed water system to more than 194 miles of mains to provide more than 9 billion gallons of reclaimed water annually.

# RECLAIMED WATER



# FACILITY IMPROVEMENTS

In 2019, Austin Water evaluated office space and service centers with the intention of creating a 10-year plan for improving aging facilities, some of which are 70 years old. The work involved an inventory and condition assessment of each facility, as well as a review of current space configurations and future needs.

## The evaluation included 15 sites

- Five Service Centers
- Waller Creek Center
- Administrative Areas at Six Treatment Plants
- Summit Labs
- Govalle Support Center
- Reicher Ranch

## Based on this evaluation, focus areas for the next three years will include:

- Developing a Facilities Master Plan based on building conditions, which will allow Austin Water to enhance service center operations, reduce crew travel times, and improve service delivery to customers.
- Reviewing and implementing housekeeping best practices at all facilities.
- Developing workplace standards for office configurations, furnishings, and finishes that are cost effective and consistent.
- Reevaluating space usage at Austin Water's headquarters, Waller Creek Center, to improve efficiency.





# AUSTIN WATER

# LEADERSHIP TEAM



**Greg  
Meszaros**

**Austin Water Director**

Leads a team of 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 organizational performance.



**Enrique "Rick"  
Coronado, P.E.**

**Assistant Director,  
Operations**

Leads a team of 800 employees that provide 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.



**Sherri  
Hampton, SPHR & SCP**

**Assistant Director,  
Employee and 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.



**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.



# LEADERSHIP



**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.



**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.



**Shay  
Ralls Roalson, P.E.**

**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.



**Chris  
Stewart, MPA**

**Chief Information Officer**

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







**WE REMAIN COMMITTED TO  
CONTINUOUS IMPROVEMENT  
AND MAKING NECESSARY  
CHANGES ALONG THE WAY –  
THIS PLAN PROVIDES  
THE PATH FORWARD.**

**Water**

for maintenance needs  
or Dispatch at 512-972-1000

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**Austin Water 2023**

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Updated December 2020



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