



San Francisco
Water Power Sewer

Services of the San Francisco Public Utilities Commission

2020

SAN FRANCISCO PUBLIC UTILITIES COMMISSION

STRATEGIC PLAN





Mayor Edwin M. Lee

Commissioners

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Anson Moran, Vice President
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Executive Team

Harlan L. Kelly, Jr., General Manager
Michael Carlin, Deputy General Manager and Chief Operating Officer
Juliet Ellis, Assistant General Manager, External Affairs
Barbara Hale, Assistant General Manager, Power Enterprise
Kathy How, Assistant General Manager, Infrastructure
Tommy Moala, Assistant General Manager, Wastewater Enterprise
Steven Ritchie, Assistant General Manager, Water Enterprise
Eric Sandler, Chief Financial Officer / Assistant General Manager, Business Services

August 2016



Foreword from General Manager



I'm thrilled to share our 2020 SFPUC Strategic Plan. It has been a pleasure to work with our Executive Team and Strategic Planning Steering Committee to reaffirm and focus our overall strategic direction.

While this high-level plan does not capture all of our work, it identifies key priorities to get us where we want to be in 2020. This plan serves as a roadmap for the SFPUC, to ensure that we meet the challenges ahead and continue to deliver reliable water, power and sewer services.

This is an exciting time for the SFPUC. We are nearing completion of our Water System Improvement Program, providing crucial seismic reliability and redundancy for the Hetch Hetchy Regional Water System. We recently launched CleanPowerSF and will be expanding the program rapidly over the next few years. This will be pivotal for our City's clean energy future. In addition, our Sewer System Improvement Program is moving forward with essential upgrades at our Southeast Treatment Plant. We are making system-wide investments in both grey and green infrastructure that will ensure our operations remain reliable.

We also face many challenges. We have just come out of the driest four-year period in recorded history. Water consumption has dropped significantly in the last few years, due in part to our successful public campaigns to encourage conservation. We are proud that conservation has become a way of life for our customers. However, decreases in demand have serious

implications for our revenues. The drought has also affected our power generation, which is tied to our hydrologic conditions. While water demand is projected to increase slightly with population growth, we must work more efficiently to address our infrastructure and operating needs with less revenue.

Like many public utilities around the country, we are anticipating a large number of employee retirements in the next five years. We need to ensure that new and existing employees are adequately trained and supported and that knowledge transfer systems are in place to ensure continuity in our services.

Despite the challenges, we see great opportunities ahead. We are unique in that our systems are interconnected. The 2020 SFPUC Strategic Plan will help us to embody a "one water" concept – one water, one system, one organization.

We look forward to building on our strong reputation for providing high-quality, reliable service, continuing our commitment to authentic and transparent stakeholder engagement and investing in our current and future employees. This plan is a living document that will be reviewed and revised as we move into implementation in coordination with our employees, our stakeholders and our Executive Team. We have a lot of work ahead, but we have a strong course of action, with clear goals and objectives, that will guide SFPUC's work for years to come.

A handwritten signature in black ink that reads "Harlan L. Kelly, Jr." The signature is fluid and cursive, with a large loop at the end of the last name.

Harlan L. Kelly, Jr.
General Manager
San Francisco Public Utilities Commission

Our Mission, Vision, and Values

The SFPUC Strategic Planning Steering Committee revisited and reaffirmed SFPUC's mission, vision, and values.

Our Mission

To provide our customers with high quality, efficient, and reliable water, power, and wastewater services in a manner that values environmental and community interests and sustains the resources entrusted to our care.

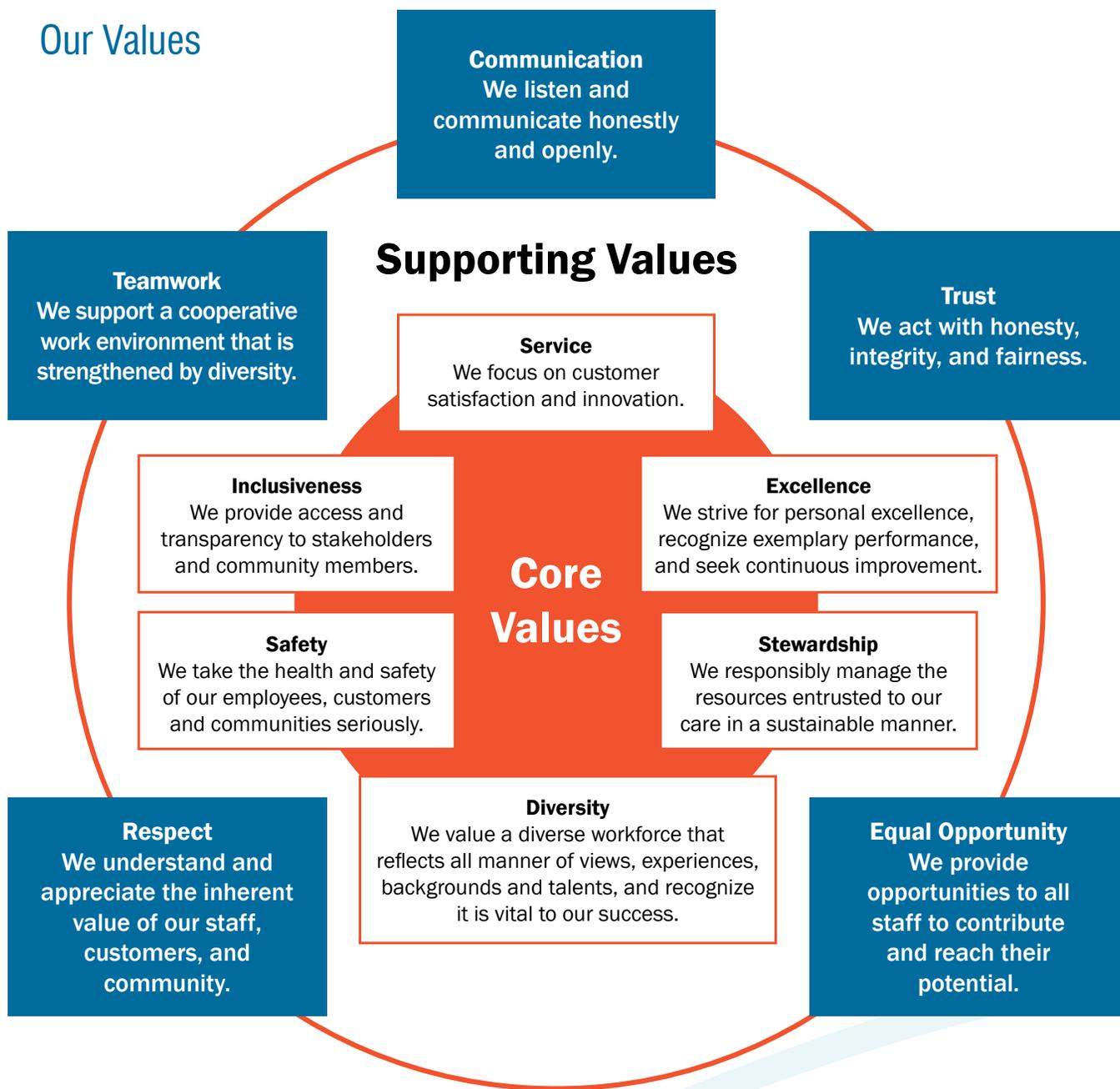
Our Vision

We are an innovative utility leader, recognized for excellent results in service, safety, stewardship, and inclusiveness.

“Our agency is built on a foundation of shared values. These values are the cornerstone of what drives us every day.”

– Tommy T. Moala, Assistant General Manager, Wastewater

Our Values





Hetch Hetchy Reservoir

Goals and Objectives

In order to achieve our vision and operationalize our mission, the SFPUC Strategic Planning Steering Committee identified six goals within the following areas:

Reliable Service and Assets

Organizational Excellence

Effective Workforce

Financial Sustainability

Stakeholder and Community Interest

Environmental Stewardship

Each goal is led by Goal Champions from our Executive Team. While these goals and objectives do not encompass all of the SFPUC's work, they represent our organizational priorities for the next 3-5 years. The objectives listed under each goal are strategies designed to support the achievement of the overall goal.

“By focusing our efforts across the agency on our six shared goals and integrating them into our day-to-day operations, we will achieve our vision and be recognized as an innovative utility.”

– Michael Carlin, Deputy General Manager and Chief Operating Officer

1. Reliable Service and Assets



Bay Division Pipeline 5 (WSIP project)



GOAL: We provide reliable service and value to our customers by optimizing the operations, maintenance, replacement, and improvement of all assets in the most cost-effective manner.

OBJECTIVES

1. Establish quantifiable operational and capital Level of Service (L.O.S) goals by enterprise.
2. Formalize our asset management approach across SFPUC.
3. Establish a uniform investment prioritization process linked to asset management priorities across SFPUC.
4. Ensure SFPUC can mitigate, respond to, and recover from threats and disasters.

“We are committed to delivering reliable, 24/7 services to our customers. It’s critical that we invest in our infrastructure to ensure we can deliver on that commitment.”

– Kathy How, Assistant General Manager of Infrastructure

2. Organizational Excellence



Fremont New Irvington Tunnel (WSIP Project)

GOAL: We are a high-performing organization focused on efficiency, effectiveness, and accountability across the organization.

OBJECTIVES

1. Foster continuous improvement across the agency.
2. Develop a consistent efficiency management framework across SFPUC.
3. Enhance the effectiveness and efficiency of standardized policies, procedures, and work processes across SFPUC.
4. Improve our operational efficiency through technology.
5. Improve the SFPUC's safety management system and culture.
6. Provide responsive and efficient service to internal and external stakeholders.

“Organizational excellence is essential to providing outstanding customer service.”

– Steve Ritchie, Assistant General Manager, Water

A top-down view of a group of people sitting on the grass, with their hands stacked in a circle in the center. The hands are of various skin tones, and the people are wearing colorful clothing like purple, green, and light blue. The background is a soft-focus green lawn. A semi-transparent white banner is overlaid on the top part of the image, containing the text '3. Effective Workforce'.

3. Effective Workforce



GOAL: We attract, retain, and develop an effective workforce, reflective and supportive of our communities, that consistently delivers high quality services to stakeholders.

OBJECTIVES

1. Develop, coordinate, and communicate a comprehensive, competency-based approach to workforce planning and management across the agency.
2. Ensure job description/classification clarity and alignment across the agency.
3. Position the SFPUC as an employer of choice by making career paths and opportunities visible to our employees, our applicants, and community.
4. Select and develop talent to support our vision for a high performance organization.
5. Develop a common performance management and recognition framework for assessing performance in our organization.
6. Establish data governance and knowledge management processes and technology solutions that are aligned with official policies and best practices to ensure effective workforce planning and utilization.

“Our workers are the backbone of our agency and we want to ensure that they are engaged, prepared and ready for the future.”

– Cindy Charan, Director of Human Resource Services

UNITED STATES OF AMERICA

STATE OF CALIFORNIA

4.

Financial Sustainability

CITY AND COUNTY OF
SAN FRANCISCO

NUMBER

40112

WATER BOND

NUMBER

40

For value received, the City and County of San Francisco a municipal corporation organized and existing under the laws of the State of California, hereby acknowledges itself indebted and owing to the bearer on the first day of July 1960 one thousand dollars with interest thereon at the rate of 4 1/2 percentum per annum payable semi-annually January 1 and July 1 on presentation of the coupons here attached as they respectively become due both principal and interest being payable at the office of the Treasurer of said City and County or at the office of the City and County of San Francisco in the City and State of New York. This bond is issued under and pursuant to the constitution and statutes of the State of California and an amendment thereto and under and pursuant to the laws of the City and County of San Francisco and a resolution of the Board of Supervisors of said City and County of San Francisco and under and pursuant to the laws of the State of California.



GOAL: We assure financial integrity and sustainability, meeting today's operating and capital investment needs while managing risk and long-term affordability for the future.

OBJECTIVES

1. Develop a long-range financial plan to identify current and future funding needs.
2. Ensure rates are fair, equitable, affordable, and meet policy goals.
3. Formalize enterprise risk management across SFPUC.
4. Ensure integrity, accountability, and transparency in financial management.

“We work to continuously cultivate ratepayer trust through impeccable stewardship of the financial resources entrusted to our care.”

– Eric Sandler, Chief Financial Officer

5. Stakeholder and Community Interest



3rd Graders from Paul Revere Elementary School visit the College Hill Learning Garden



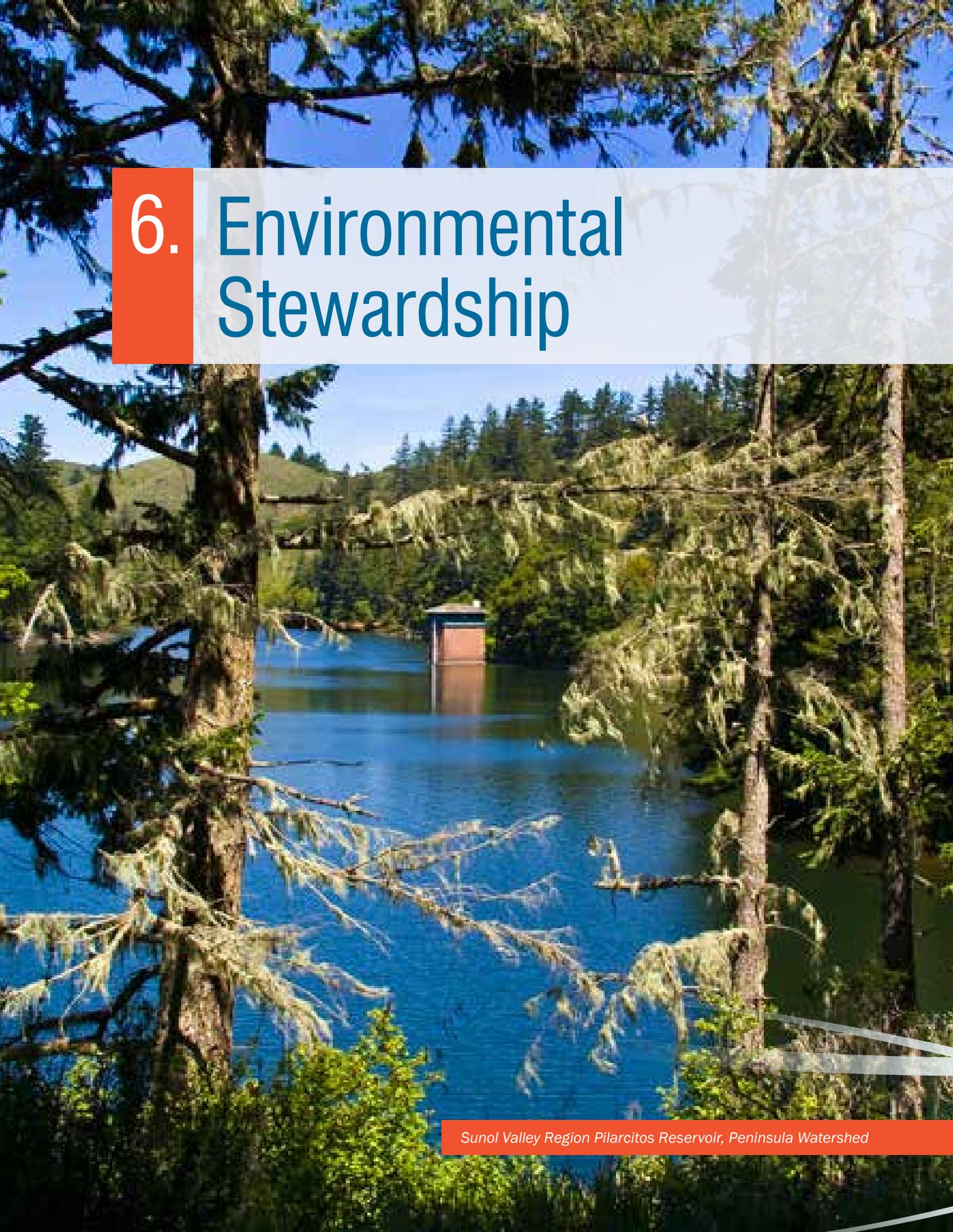
GOAL: We foster trust and engagement with our customers, employees, and the communities we serve through open and timely communication and education.

OBJECTIVES

1. Improve awareness and understanding by stakeholders of mission, vision, and values to support agency services, programs, and priorities.
2. Enhance customer and user satisfaction.
3. Build and leverage long-term community partnerships, inclusive of multiple interests.
4. Build national/ industry relationships to strengthen and share local and regional innovations.
5. Improve internal communications by encouraging collaboration and strengthening our common identity.

“Our community engagement is not just about sharing information; it’s about building long-term, two-way relationships with our customers, users and neighbors.”

– Juliet Ellis, Assistant General Manager, External Affairs



6. Environmental Stewardship

Sunol Valley Region Pilarcitos Reservoir, Peninsula Watershed



GOAL: We sustainably manage the resources entrusted to our care to ensure environmental and community health.

OBJECTIVES

1. Sustainably manage our natural resources and physical systems to protect the people, water, land, and ecosystems that we affect.
2. Develop, coordinate, and communicate a comprehensive and consistent approach to mitigate and adapt to climate change.
3. Be resource efficient in all business operations.
4. Investigate the feasibility of implementing an environmental management system.

“We take great pride in serving as today’s caretakers of our utility systems, ensuring that generations to come can benefit from the services we provide and enjoy our natural areas.”

– Barb Hale, Assistant General Manager, Power

Special Thanks To The Strategic Planning Steering Committee

Harlan L. Kelly, Jr

Michael Carlin

Steve Ritchie

Barbara Hale

Tommy Moala

Juliet Ellis

Kathy How

Eric Sandler

Cindy Charan

Surinderjeet Bajwa

David Briggs

Kay Fernandez Smith

Ivy Fine

Margaret Hannaford

Lewis Harrison

Brian Henderson

Nancy Hom

Pam Husing

Carlos Jacobo

Tyrone Jue

Karen Kubick

Frances Lee

Ellen Levin

Linda Marini

Lori Mitchell

Lori Regler

Rosanna Russell

Charles Perl

Dan Wade



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For more information, contact:

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