

Portland Water Bureau

PROJECT UPDATE

Strategic Business Plan Development



September 5, 2017

Nick Fish, Commissioner | Michael Stuhr, P.E., Director



Purpose Today

- Review project plans for the Water Bureau's **Five-Year Strategic Business Plan**
- Review plans to involve **stakeholders**
- Review **PUB's involvement**
- Invite a **PUB member to sit on the evaluation committee** for the Strategic Business Plan Consultant procurement

Background

- 2008 – 2011 Strategic Plan is **out of date**.
- In 2016, bureau leaders voted that **identifying and addressing organizational risks is a top bureau priority**.
- Our new Asset Management Coordinator, Doug Stewart, has **25+ years of experience leading improvement efforts at water and wastewater utilities**, including organizational risk assessment and mitigation planning.
- The risk assessment and mitigation plan will become the **core of the Five-Year Strategic Business Plan**.



Project Organization

- Scope divided between 2 consultants: **Strategic Business Planning Consultant** and the **Outreach Consultant**.
- A dedicated team from the bureau, the **Strategic Business Plan Team**, will actively support the project.



Contracting and Project Team

- **The Outreach Consultant** will be a DMWESB business, **Catalysis LLC**.
 - Direct appointment, starting this fall
 - \$60,000 contract
- The **Strategic Business Planning Consultant** will be a recruited through a limited RFP.
 - Starting next spring
 - \$160,000 contract



Project Phases



1. Update Organization Vision, Mission, Values

OUTREACH CONSULTANT — CATALYSIS

- **Review** key documents and **interview** internal and external stakeholders
- Analyze **strengths, weaknesses, and opportunities**
- Facilitate discussions with bureau stakeholders to **update vision, mission, values statements**
- Bring **expertise in integrating equity** into the **planning process**



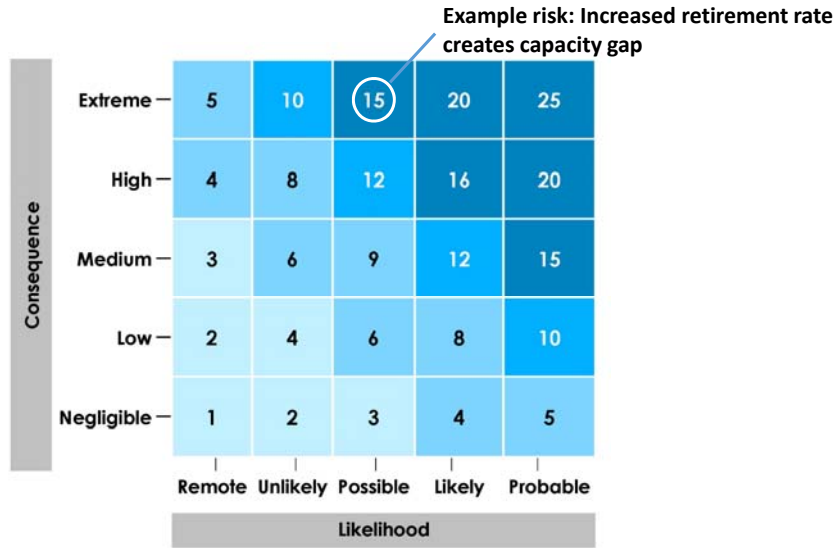
2. Organizational Risk Assessments

STRATEGIC BUSINESS PLANNING CONSULTANT — TBD

- “What keeps you up at night?”
- Bureau stakeholders identify and vote on organizational risks
- Risk Map with scores for likelihood and consequence
- Risk Register with mitigation measures
- Workshops for internal and external stakeholders, employee feedback



Sample Risk Map



Risk Register

RISK IDENTIFICATION AND ANALYSIS				INITIAL RISK			Proposed Mitigation Measures	PLAN			
#	Risk	Causes and Notes	Potential Impact/Consequence	Current Mitigation	Consequence	Likelihood		Risk	By Whom	By When	Complete
30	Public ceases support for GWRS after investment is in place	Public perception, rate resistance	Loss of \$200M, political tension	Active public relations outreach program Blue Ribbon Panel (academics, regulators, environmentalists) Enhanced source control (pollution concerns)	Major	Unlikely	High	Increase source control to nonindustrial base Design more flexibility into GWRS design process Produce second outfall design as backup (confirm max capacity)	Engineering, Source Control and Public Relations	18 months	2 years
31	Inability to meet new air emission standards for generating facility	Regulations	Unable to run cogeneration plant, power cost increase, what to do with gas		Moderate	Possible	Medium				
32	Inability to balance impacts on neighbors with desire by public to reduce cost	Competing interests, board turnover	Political tension Replacement of board		Minor	Possible	Medium				



3. Strategic Business Plan Development

- Term of the plan is five years but **may include discussion of future risks** outside of that period.
- Strategies come from the **risk register**.
- Strategies become the **basis of bureau programming and budgeting**.
- Plan sets up the **pathway for implementation of the strategies and actions**.
- Plan will be a **living document**, with periodic updates and review of the priorities.



Outreach and Engagement

- Includes multiple **stakeholders**
 - PUB/CUB members
 - Commissioner's staff
 - Partner agencies
 - Equity stakeholders
 - Selected wholesale and business customers
 - Employees
- **Robust**—providing opportunities for engagement, thorough briefing materials
- Includes **outside expertise in planning equity** component
- **Frequent**—inform and engage early and often
- **Multiple formats**—Will include work sessions, briefings, document-review periods, gathering and synthesizing comments



BES is Key Stakeholder

- Providing **Lessons Learned**
- Offering **advice**
- **Sharing their plan and materials** as they are developed
- Will **participate** in risk analysis
- **Excitement** about continued **collaboration** as we pursue parallel tracks



PUB's Role

- Request one PUB member to help us **evaluate Strategic Business Plan Consultant proposal**
 - Most likely October
 - Estimated time commitment: 15 – 20 hours
- All of PUB to participate in
 - **Work session** on bureau **strengths, weaknesses, opportunities**
 - **Organizational risk analysis**
- All of PUB to **review Strategic Business Plan** during development



Next Steps

What	When
Hire Catalysis for vision, mission, values development and outreach planning	October 2017
Hire Strategic Business Plan Consultant	Spring 2018
Complete the Strategic Business Plan	December 2018
Begin implementation	December 2018
Review and revise performance measures (Key Service Levels) to fit the strategies and actions	January 2019
Start periodic reporting on performance	Early 2019

