

# Agenda

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## Board of Directors Study Session

**HOLLAND BOARD OF PUBLIC WORKS  
625 HASTINGS AVENUE  
HOLLAND, MICHIGAN**

**August 23, 2010  
4:00 p.m.**

### **STUDY SESSION AGENDA**

- 1. CALL TO ORDER**
- 2. COMMUNICATIONS from the AUDIENCE**
- 3. STRATEGIC PLAN UPDATE**
- 4. OTHER BUSINESS, IF NEEDED**
- 5. ADJOURNMENT**

*Accommodations are available for persons with disabilities.  
If you need any aid, please contact the Holland Board of Public Works  
at 616/355-1575  
in advance of this meeting*

#### **AUDIENCE PARTICIPATION:**

*Members of the audience may address the Board of Directors during public hearings  
and under "Communications from the Audience".  
Audience participation includes stating name and address and limiting speaking time  
to five minutes.*

# Holland Board of Public Works Strategic Planning

Loren Howard  
General Manager



# Strategic Framework

- Vision
- Core Purpose
- Mission
- Core Values
- Key Result Areas/Strategic Directives

# Strategic Framework

## ➤ External Core Purpose

- HBPW, a local not-for-profit utility, exists to help advance the agility and self-determination of the Holland community
- We provide utility services that improve the quality of life by helping people meet their fundamental needs efficiently, safely and responsibly
- We strive to be exemplary stewards of the resources that are entrusted to us

# Strategic Framework

## ➤ Internal Core Purpose

- HBPW strives to improve the quality of life for our employees so that they are better able to contribute value to our customers and the Holland community through our work
- We work together with a sense of concern, respect, and support for each other's needs
- We are an exemplary organization where qualified and dedicated people can build a career based on community service

# Strategic Framework

## ➤ External Mission

- HBPW provides essential, economical, and innovative utility services for the Holland community, including energy, water, wastewater, and infrastructure for communications.
- We operate socially and environmentally responsible utility enterprises that are able to expand and sustain a highly functional, reliable, and efficient local infrastructure

# Strategic Framework

## ➤ Internal Mission

- HBPW is a local not-for-profit utility where we work together productively to give value to our customers and to each other
- Our leaders help everyone establish clear direction and performance expectations, both individually and collectively, that are consistent with the needs of the HBPW.
- We work with high levels of personal authority and accountability, motivated to perform well by the challenges, resources, rewards and recognitions that are available to us
- We help each other make our work fulfilling

# Strategic Framework

## Core Values

- Integrity
- Customer Focus
- Employee Fulfillment
- Empowerment
- Continuous Improvement
- Accountability
- Open Communications
- Leadership Development & Professional Growth

# Strategic Framework

## Key Result Areas

- Community/Customer Connection
- Resources
- Organizational Development
- Innovation
- Sustainability
- Governance

# KEY RESULT AREA 1: Community/Customer Connections

## STRATEGIC DIRECTIVES:

- **Directive 1A:** *HBPW will establish relationships in the community that promote trust and respect.*
- **Directive 1B:** *HBPW will become an informational and educational resource for the community.*
- **Directive 1C:** *HBPW will constantly improve its understanding of customer expectations and work to provide services and products that meet those expectations.*

# KEY RESULT AREA 1: Community/Customer Connections

## STRATEGIC OBJECTIVES:

- Support the Holland community with services and programs that promote the development and growth of business and industry in the community.
- Develop and implement programs and processes that address and benefit the changing demographics and diversity of the community.
- Enhance intergovernmental unit and agency cooperation and partnerships.
- Seek and identify customer and community opinion and expectations regarding HBPW service and strategic decisions.

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# KEY RESULT AREA 1: Community/Customer Connections




## STRATEGIC OBJECTIVES (Con't)

- Increase the HBPW's visibility within the community and develop higher levels of trust among customers and community stakeholders.
- Partner with educational institutions and community organizations to promote and advance greater understanding and interest in utilities.
- Improve the quality, quantity and accessibility of information that is offered to the community and customers about the HBPW and utility issues.

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# KEY RESULT AREA 1: Community/Customer Connections

## STRATEGIC OBJECTIVES (Con't)

- Improve the ability, ease and avenues with which customers interact with the HBPW and the responsiveness of HBPW staff.
  - Develop and implement competitive rate and fee structures that promote conservation, efficient use of utility services, and reflect true cost of service.
  - Investigate and implement ancillary services that leverage HBPW's assets and strengths to maximize customer value.
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# KEY RESULT AREA 2: Resources

## STRATEGIC DIRECTIVES:

- **Directive 2A:** *HBPW will improve existing communications and will initiate new means to inform and educate its customers.*
- **Directive 2B:** *HBPW will improve its understanding of customer expectations and will offer services, products, and pricing structures that respond to those expectations.*

# KEY RESULT AREA 2:

## Resources

### STRATEGIC DIRECTIVES:

- **Directive 2A:** *HBPW will develop and execute on-going long-term capital, operational, and financial plans.*
- **Directive 2B:** *HBPW will protect, enhance, and monitor its financial and physical assets.*
- **Directive 2C:** *HBPW will seek to affect development of regulations to the benefit of the community.*
- **Directive 2D:** *HBPW will comply with industry and environmental regulations.*

# KEY RESULT AREA 2:

## Resources

### STRATEGIC OBJECTIVES:

- Develop and maintain annual short and long term forecasts of customer demands and capital improvements needed to meet those needs
- Merge asset management systems and integrate with business support systems, to the extent practical.
- Repair, replaces and enhance infrastructure in a manner consistent with reliability and cost of service objectives.
- Develop and execute cash management strategies to ensure the financial health of the utility enterprises.
- Maintain favorable access to the financial markets.
- Strategically acquire properties for infrastructure improvement or expansion projects as they become available.

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# KEY RESULT AREA 2:

## Resources

### STRATEGIC OBJECTIVES: (Con't)

- Review and mitigate, to the extent practical, risk exposures in each of the enterprise areas.
- Review regulatory compliance areas and mitigate deficiencies as required.
- Seek to affect regulation and legislative development activities in a manner consistent with the Holland community goals.

# KEY RESULT AREA 3: Organizational Development

## STRATEGIC DIRECTIVES:

- **Directive 3A:** *HBPW will promote a work culture where excellence is defined, recognized, and rewarded.*
- **Directive 3B:** *HBPW will effectively build, capture, and manage organizational knowledge and capability.*
- **Directive 3C:** *HBPW will require and support timely, effective, and respectful communications throughout the organization.*
- **Directive 3D:** *HBPW will identify and provide the resources, processes, and policies that enable it to achieve its strategic objectives.*

# KEY RESULT AREA 3: Organizational Development

## STRATEGIC OBJECTIVES:

- Develop programs to retain important knowledge at HBPW.
- Develop and implement programs and practices to successfully recruit employees with required skills, education and experience.
- Provide and maintain a competitive benefits and compensation package.
- Develop and implement programs and campaigns that maintain and/or increase safety awareness and performance.

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# KEY RESULT AREA 3: Organizational Development




## STRATEGIC OBJECTIVES (Con't)

- Develop systems and culture that encourages both employee accountability and recognition for their work.
- Increase feedback between employees and their supervisors/managers.
- Establish a clear process to guide the development of policies and procedures.
- Develop and implement programs for leadership/management development.
- Establish programs to ensure regular, effective and consistent communication occurs at HBPW.

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# KEY RESULT AREA 3: Organizational Development

## STRATEGIC OBJECTIVES (Con't)

- Communicate HBPW's vision, values, and goals throughout the organization regularly.
  - Improve formal cross-departmental communication regarding projects, their relative priority, and their current status.
  - Align organization structure and staffing resources to support HBPW objective.
  - Develop and implement programs that promote environmental awareness and stewardship/
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# KEY RESULT AREA 4: Innovation

## STRATEGIC DIRECTIVES:

- Directive 4A: *HBPW will be a respected model for its innovation and agility.*
- Directive 4B: *HBPW will actively promote innovative technologies.*

# KEY RESULT AREA 4: Innovation

## STRATEGIC OBJECTIVES:

- Investigate and report on new electric generation resource options.
- Evaluate and implement beneficial emerging technologies and develop the knowledge and skills to support the innovations.
- Investigate and report on fiber optic advances.
- Identify and streamline inefficient and/or duplicative processes.
- Investigate and report on smart meter/smart grid technologies.

# KEY RESULT AREA 5: Sustainability

## STRATEGIC DIRECTIVES:

- **Directive 5A:** *HBPW will be an exemplary steward of the resources entrusted to it.*
- **Directive 5B:** *HBPW will promote policies that advance sustainability in the community.*
- **Directive 5C:** *HBPW will implement programs and processes that enhance the functionality of the services provided.*

# KEY RESULT AREA 5: Sustainability


## STRATEGIC OBJECTIVES:

- Maintain a proactive approach with State and Federal legislators and regulators.
- Communicate with our customers about our environmental stewardship strategies and achievements.
- Operate in full compliance with all environmental regulations and laws.
- Maximize the cost/benefit relationship of emission and discharge reduction methods.

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# KEY RESULT AREA 5: Sustainability

## STRATEGIC OBJECTIVES (Con't)

- Develop and implement energy optimization programs.
  - Develop and implement water management programs.
  - Develop and implement wastewater management programs.
  - Develop and implement corporate waste reduction programs.
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# KEY RESULT AREA 6: Governance

## STRATEGIC DIRECTIVES:

- **Directive 6A:** *HBPW will establish and maintain a standard of excellence for the functioning of its Board of Directors.*
- **Directive 6B:** *HBPW will maintain open and effective relationships between the HBPW Board of Directors, City Council, HBPW management, and community stakeholders.*

# KEY RESULT AREA 6: Governance

## STRATEGIC OBJECTIVES

- Develop and implement policies and practices to ensure public access to HBPW Board meetings.
  - Establish regular communications with community stakeholder such as township boards.
  - Conduct regular HBPW Board study sessions on current issues.
  - Develop and implement Board governance, delegation, and resource policies.
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<b>Tactical Action</b>					
	<b>Number</b>		<b>Due Date</b>	<b>Leader</b>	
1	Original Description	1.02.04	Offer paperless billing to customers	2011	Lehman
	<b>Accepted</b>		Implement and communicate paperless billing options for HBPW customers (available to customers for sign up) by 3/31/2011.		Technology
2	Original Description	1.05.14	Implement Voice Communications System that includes voice recording	2011	Taub
	<b>Accepted</b>		Improve telecommunication system capabilities, including implementation of interactive voice response (IVR) capabilities and call recording, by 6/30/2011.		Technology
3	Original Description	1.09.09	Implement MDMS (Meter Data Management System)	6/30/2011	Lehman
	<b>Accepted</b>		Purchase and install meter data management system (MDMS) and integrate with AMR system by 6/30/2011.		Technology
4	Original Description	2.02.12	Implement an EAM system	2011	Lehman
	<b>Accepted</b>		Upgrade following MP2 users (WTP, WWTP, WWW lift stations and pump stations) and the Power Plant to Infor Business Edition EAM, by 3/31/2011.		Technology
5	Original Description	2.03.01	Upgrade headworks at WWTP	6/30/2011	Davenport
	<b>Accepted</b>		Complete 70% of wastewater treatment plant (WWTP) headworks upgrade by 6/30/2011. [Percentage to be updated to project milestone once contract is finalized.]		Business Svcs.
6	Original Description	2.07.05	Develop and implement risk management strategy	2011	Van Dokkumburg
	<b>Accepted</b>		Internal workshops to map key operational risks are set up, completed, and reported to General Manager by 4/30/2011		Business Svcs.
7	Original Description	2.07.06	Define risk parameters acceptable to the organization	2011	Van Dokkumburg
	<b>Accepted</b>		Establish and launch a utility-wide risk management "dashboard," including the adoption and regular reporting of risk parameters and risk levels by 6/30/2011.		Business Svcs.
8	Original Description	2.08.05	Track industrial boiler Maximum Available Control Technology (MACT) and review compliance strategies	2011	Koster
	<b>Accepted</b>		Monitor proposed regulatory changes for industrial boilers; engage regulatory agencies regarding HBPW/community impact; and develop compliance strategies by 6/30/2011.		Operations
9	Original Description	3.03.01	Complete and Implement Rahmberg, Stover & Associates Wage & Benefits Study	2011	Hofman
	<b>Accepted</b>		Implement median wage and variable compensation (performance-based pay) pilot program by 6/30/2011.		Business Svcs.
10	Original Description	3.04.11	Establish a documented Safety & Health (S&H) policy.	2011	Hascher
	<b>Accepted</b>		Formalize and adopt a corporate safety and health policy that includes periodic auditing and reporting functions, by 6/30/2011.		Business Svcs.
11	Original Description	3.04.13	Establish that Dynamics SL is utilized by all departments for the tracking of personnel credentials such as training records, certifications, medical exams, etc.	2011	Hascher
	<b>Accepted</b>		Implement Dynamics SL as the central repository for all personnel credentials (including certifications, training records, assessments), including development and delivery of training to all impacted employees by 6/30/2011.		Business Svcs.
12	Original Description	3.07.01	Develop and implement process of strategic plan management	2011	Nally
	<b>Accepted</b>		Develop and implement processes for the management and communication of the HBPW's Strategic Plan by 3/16/2011		Business Svcs.
13	Original Description	3.08.03	Review policies and procedures with all departments and recommend changes: Eliminate conflicts, eliminate redundancy, Document the currently un-documented, eliminate outdated, eliminate multiple versions	2011	Badran
14	<b>Accepted</b>		Review and clean up management and departmental policies by 6/30/2011. Eliminate conflicts, expired, multiple versions, and redundancy; document currently un-documented (informal) policies.	2011	Administration

14	Original Description	3.08.06	Support Board members in development of governance policies	2011	Howard
	<b>Accepted</b>		Obtain approval of governance, delegation, & resources policies from Board of Directors by 12/31/2010.		Administration
15	Original Description	3.10.05	Implement system to regularly update City Council	2011	Howard
	<b>Accepted</b>		Implement communication system by 12/31/2010 to assure continuation of timely and accurate communication of HBPW actions and initiatives to City Council, and dialogue regarding any City Council member concerns.		Administration
16	Original Description	3.11.01	Conduct semi-annual strategic objective/tactical action report for HBPW Board and City Council	2011	
	<b>Deleted</b>		(NOTE: Should be rolled into 3.07.01 as a task.)		
17	Original Description	4.03.02	Complete fiber business plan	6/30/2011	Taub
	<b>Accepted</b>		Develop and recommend to General Manager a comprehensive business plan for the management and marketing of the HBPW's data communication (fiber optic) services by 6/30 2011.		Technology
18	Original Description	4.04.11	Lean process selection and execution	2011	Hofman
	<b>Accepted</b>		Select and improve three utility processes using lean process tools by 6/30/2011, including completion of Lean Culture workshops for all HBPW employees.		Business Svcs.
19	Original Description	4.05.04	Develop Dynamic Pricing rates/structures	2011	Van Dokkumburg
	<b>Accepted</b>		Develop dynamic rate models for retail electric customer classes and present to General Manager by 6/30/2011.		Business Svcs.
20	Original Description	4.05.05	Unbundle electric rates	6/30/2011	Phanthavong
	<b>Accepted</b>		Develop and implement unbundled electric costs (i.e. "on the bill") for all retail customer classes by 6/30/2011.		Finance
21	Original Description	4.05.11	Develop plan to implement SMART GRID technologies in the electric T&D system.	6/30/2011	Bush
	<b>Accepted</b>		Provide formal report and recommendation to General Manager by 11/30/2010, including proposed timeline, for implementation of smart grid technologies for electric customers.		Utility Svcs.
22	Original Description	5.02.06	Develop and have the Board of Directors adopt a resolution on Environmental stewardship	2011	Mihos
	<b>Accepted</b>		Develop and recommend to Board of Directors formal resolution on environmental stewardship by 3/30/2011.		Utility Svcs.
23	Original Description	5.02.10	Clean Corporate Citizen	2011	Visscher
	<b>Accepted</b>		Implement an Environmental Management System at one HBPW site by 6/30/2011, capable of supporting future application for State of Michigan Clean Corporate Citizen designation.		Operations

Administration	3
Business Svcs.	9
Finance	1
Operations	2
Technology	5
Utility Svcs.	2
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