



2022 Strategic Plan



*Adopted on March 16, 2022
Amended on May 4, 2022
Amended on Feb. 15, 2023
Amended on March 13, 2024*

Maximizing Resources for the Benefit of the Community

www.pphcsd.org

Introduction

“A goal without a plan is just a wish.”

- Antoine de Saint-Exupery

A strategic plan is a top-level planning document for an organization to set clear direction over all operational aspects of its mission. It serves as framework for decision making over a five-year-period. It is a disciplined effort to produce fundamental decisions that shape what an agency plans to accomplish by selecting a rational course of action.

In 2016, the Board of Directors of the Phelan Piñon Hills Community Services District (District) retained BHI Management Consulting (BHI) to facilitate and coordinate the initial strategic plan development. Since then, several aspects of District operations have changed. In April 2021, the District began the process of updating the Strategic Plan to address new operational conditions and projects. This plan incorporates an assessment of the present state of District operations by gathering and analyzing information, setting goals, and making decisions for the future. Input has been gathered from various sources to add to the vision and implementation plan presented in this document. The plan seeks to strengthen and build upon opportunities while addressing areas of concern.

The updated plan identifies actions, activities, and planning efforts that are currently active and needed for continued success in operations and management of the District, and provides for periodic reviews and updates.

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Engineering Manager

Kim Sevy

Human Resources Manager

Sean Wright

Water Operations Manager

Steve Lowrance

Parks Supervisor

The strategic planning effort focuses on several of the following vision areas:

- Future Water Portfolio in the 5-25 year time frame
- Community Relations and Culture, Inclusive Rebranding
- Deliberate collaboration with partner agencies
- The need to address the challenges of providing a balance of community programs and facilities with existing and future limitations
- Valuing District employees now and thoughtful planning for succession

Consultant
Brent H. Ives
Managing Consultant

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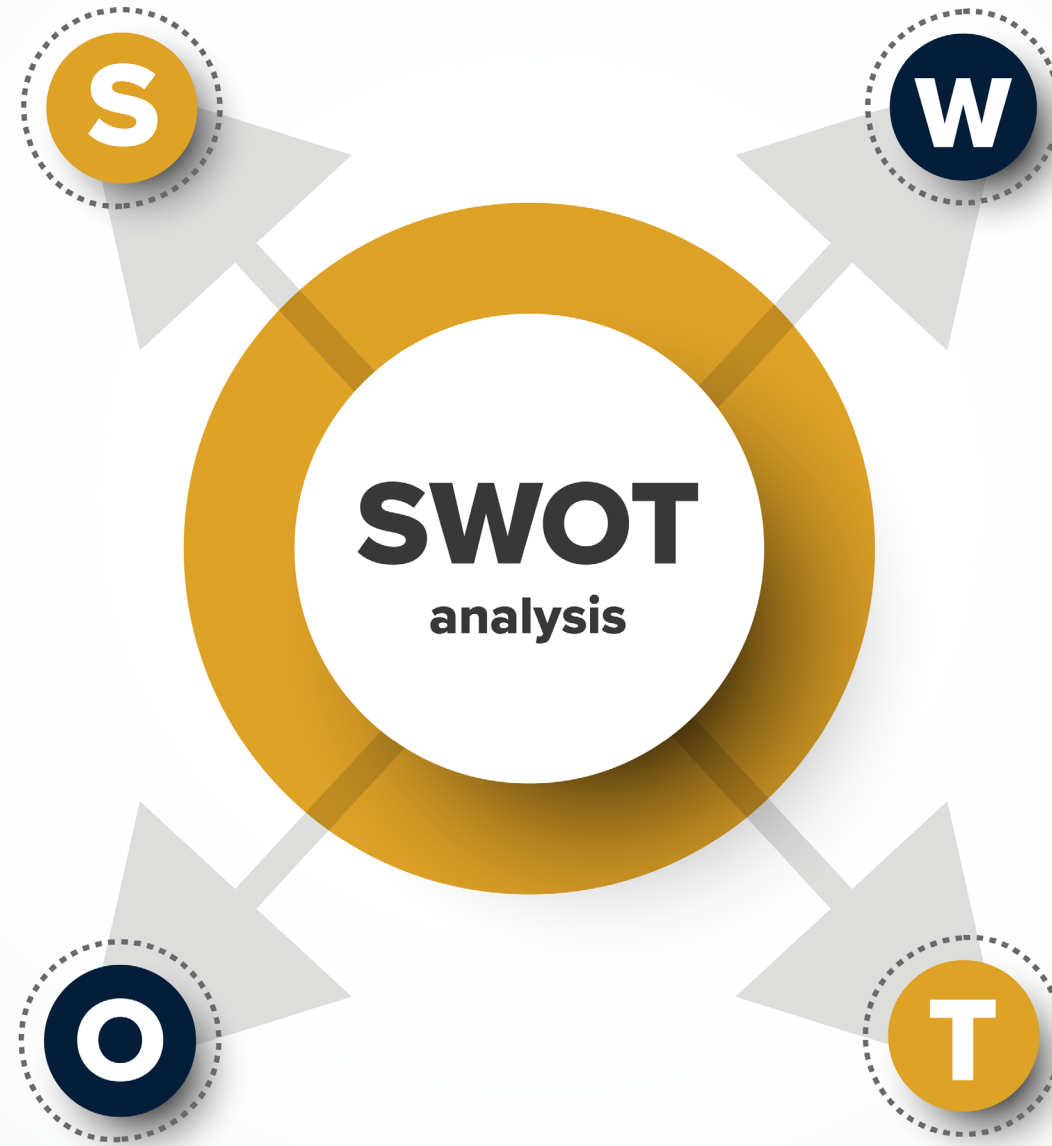
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STRENGTHS

- WATER INFRASTRUCTURE
- GREAT MANAGEMENT & EMPLOYEES
- OUR BALANCE SHEET
- OUR CHROMIUM-6 SOLUTION

PPHCSD



WEAKNESSES

- LACK OF EXISTING PARK SPACE
- AREAS WITH SUB-PAR FIRE FLOW
- COMMUNITY COMMUNICATIONS

OPPORTUNITIES

- NEW SERVICE AREAS
- OPPORTUNITIES TO COMMUNICATE WITH PARTNERS

THREATS

- STATE AND CHROMIUM 6 LIMITS
- UPCOMING WATER CONSERVATION REGULATIONS

Plan Development

Our Services: Water, Parks & Recreation, Solid Waste & Recycling, Street Lighting

BHI first gathered input from the employees of the District, then interviewed individual Board members to get their one-on-one perspectives. The senior management team also provided input to the preparatory steps of the process. The following items were discussed:

- Mission Statement
- District Strengths, Weaknesses, Opportunities, and Threats (SWOT)
- Important Future Projects

The Board supported this process as a way to allow all to participate in the foundation of the strategic plan. A public Board and key staff workshop was conducted to develop plan elements, and capture key areas to focus the plan. Each focus area was extensively discussed at this workshop to provide guidance to staff as they add more detail to the strategic plan.

Key staff worked with BHI to complete the list of strategic goals in support of the vision and focus areas. The plan was refined prior to the initial presentation to the Board so there was a clear understanding of what was being proposed, what components require Board support, and what options exist for the proposed actions. Upon final adjustments and refinements of the plan, it was brought back to the Board in a public meeting for review and approval.

Mission

“Our mission is to efficiently provide authorized services and maximize resources for the benefit of the community.”

Definitions

Mission Statement: A declaration of an organization's purpose; why the organization exists. Ideally, all activities of the District should be in support of the mission statement.

Vision Statement: A statement that articulates where the organization would like to be over the term of the strategic plan. It should outline important aspects of the organization as described within the planning term. The visions should create strategies and tactics in order to be met.

Strategic Focus Areas: Areas seen as current and future challenges and opportunities for the District that when completed, will fulfill the Mission statement for the community.

Strategic Goals: Strategic actions that are specific and measurable activities or targets that address the strategic elements. Day-to-day action and projects which are not covered in detail in the strategic plan, will be designed so the strategic goals are accomplished.



Plan Management

A key part of the strategic planning process is to conduct an annual review and adjustment of the plan. These reviews allow for maintenance of the plan so it will continually reflect the actual needs and progress of the District strategy. The reviews will be documented and followed up by a plan supplement or an updated plan. A five-year planning horizon will be maintained.

Vision

In five years, the District would like to say:

- We have completed the Civic Center and Phelan Park expansion
- We continue to meet industry standards and maintain a healthy financial position through sound fiscal policies
- We have increased our proactive relations with both our private and public partnerships
- We remain on-track with the maintenance and replacement of our water infrastructure as necessary
- We have high employee retention and are successfully addressing employee succession
- We have optimized our means and methods of communicating with our community

1.0 Water Operations

Objective: Our objective is to operate and maintain a safe, reliable, secure, compliant, and superior quality production system that meets water demand requirements of the community.

Strategy: We will do this by keeping on-track with the repair and replacement of water delivery infrastructure, safeguarding current source reliability through strategic basin management, and seeking additional water sources as outlined in the District's Urban Water Management Plan, 10-Year Capital Improvement Plan, and Water Master Plan.

Measurement: We will know we have achieved the objective of this element by having a fully-operational water system that meets water demand and is compliant with all state and federal requirements.



1.1 Chromium-6 Mitigation

Hexavalent Chromium (Chromium-6) mitigation is necessary to meet state requirements and ensure the District can provide clean and safe drinking water to its customers. District staff and the Board are working to mitigate Chromium-6 in a cost-effective manner ahead of the anticipated new state requirements. The District will know we have achieved this objective if our mitigation programs, while meeting regulations, do not significantly impair our production or significantly burden our customers. By utilizing a well profiling method of mitigation, the District will be under the anticipated state requirements. If the state requirements are more burdensome than expected, additional methods for mitigation may need to be implemented.

1.2 Water Conservation

Water conservation plays a key role in ensuring source reliability. To comply with state requirements regarding unbilled water production (water loss), as well as user restrictions, the District will need to designate capital needed to reduce water loss and meet state restrictions. Water loss will need to be addressed by replacing aging infrastructure. Future District Metered Areas (DMA's) can help to identify the priority areas of the District that need to be replaced and where loss is occurring. Upcoming restrictions on customer indoor and outdoor water usage will become important as state conservation requirements begin to be implemented. Conservation may have significant costs associated with it as customer education and enforcement will be required.

1.3

Water Resources

The District owns water production rights in two Mojave River basins. As part of the adjudication, the District is only allowed to produce a certain percentage of the water rights it owns; this is known as the District's free production allowance. With the knowledge that the District will face a significant ramp-down of the free production allowance within the next five to seven years it is critical to secure additional water rights, access to imported water (when necessary), and to budget and prepare for paying for a replacement water obligation.

1.4

Water Production & Storage

The District is in the process of adding a new production well to the District's system and is working on a plan to add another new well in order to meet the needs of the District and provide increased production to meet future demand.

The District's ability to store water is also important. Storing water allows the District to provide water to customers during periods of high demand. Further, water storage allows the District to pump water during low demand and/or during times when it is less costly to use electricity. This water can then be utilized during high demand periods to ensure adequate supply and fire protection capability.

The District will add storage by constructing a new reservoir and enlarging current reservoirs, if possible, as outlined in the District's Water Master Plan.

1.5

Meter Replacement Program

The District's meter replacement program is seen as one of the primary tools for managing the District's water resources efficiently and effectively. In 2020, the District began to replace meters with Sensus Advance Metering Infrastructure (AMI) meters focusing on over-lifespan, inaccurate, and failing meters, in addition to strategic area replacements. The program was completed in February 2024. The benefits of the meter replacement program are reduction of District-side water loss, customer-side water usage monitoring, and efficient customer service. Specific goals include:

- Increase customer utilization of the customer facing usage portal.
- Leverage Sensus Analytics at staff level to further reduce customer side loss.



1.6

Emergency Preparedness

The District has an Emergency Response Plan and conducts annual training on the Plan. In order to better prepare for various emergencies, the District has developed the following goals:

- Develop Operations Plan
- Develop a Continuity of Operations Plan
- Create a community emergency operations center in new civic building
- Comprehensive IT Assessment & Disaster Plan
- Identify all critical infrastructure vulnerability points and develop action plans for critical infrastructure
- Anticipate and prepare for supply chain disruptions by ensuring adequate inventory
- Update Emergency Response Plan to include a list of equipment and their locations, and identify local residents who could assist in emergencies, such as personnel for SCE or other water districts

1.7

Complete Civic Center

The District is in the process of developing and constructing a civic center which will house the District's administrative offices, a Board room, a community emergency operations center, and a multi-purpose room. More than 95% of District operations support the water enterprise and therefore enterprise funds will be utilized to construct the majority of the civic center. In order to pay for construction, the District will utilize loans and will seek grant funding for portions of the building paid for by the enterprise fund.

1.8

Expand Sphere of Influence & District Boundary in El Mirage

On February 17, 2016, the District completed the annexation of District-owned parcels located in El Mirage and expanded the District's sphere of influence around those properties.

The District has a vested interest in the community of El Mirage by virtue of existing land ownership, infrastructure, water rights, and strategic partnerships. To ensure the District's interests are protected, and to prepare for potential future opportunities, the District is exploring the option to annex approximately 26,000 acres in El Mirage. This would have benefits to multiple District departments.

The annexation process can be lengthy and costly. A study will need to be prepared to ensure that this annexation is what is best for the District's existing residents and potential future residents. Additionally, the annexation process requires payment of fees to the Local Area Formation Commission.



2.0 Parks, Recreation, & Street Lighting

Objective: Our objective is to expand Phelan Community Park and provide additional activities to accommodate the needs and desires of the community as funding sources permit.

Strategy: We will do this by completing the expansion of Phelan Park per the plan developed by the District consultant, KTUA, depending upon funding sources available to the District.

Measurement: We will know we have achieved the objective of this element if, within five years, the Phelan Park expansion is under construction and existing programs are enhanced.



2.1

Phelan Community Park Expansion

Phelan Community Park is the primary park utilized by District residents for a variety of activities, including music in the park, school field trips, and recreational activities such as basketball and walking. Development of the property to expand Phelan Park is in process and will continue until the park expansions are complete and open for public use. This will require project-finance plans to be completed.

The District continues to submit grant applications for parks funding. In addition to potential grant funding, the District will need to seek other funding resources in order to accomplish any park expansion. Depending on the project-finance opportunities, the project may be built in phases or the entire project could be built at one time.





2.2

Parks Master Plan Update

A Parks Master Plan has been prepared that describes existing operations, identifies long-term operations, replacements, repairs, potential expansions of parks and community centers within the District and includes an action plan to be implemented. As Phelan Park and other park facilities are developed, the Parks Master Plan will need to be updated to incorporate new facilities and programs. This will allow the District to make intelligent decisions about these elements.

2.3

Complete Parks Portion of the Civic Center Building

Part of the Civic Center vision includes a multi-purpose building to be utilized for indoor recreation and event purposes. For example, the building could be used for many types of community events and gatherings, both public and private, such as weddings, receptions, seminars, the farmers market, community classes and workshops, fitness activities, etc. Project-finance plans will be required to complete this goal.

2.4

Public & Private Partnerships for Parks and Recreation Programs

The District will continue working with local civic groups and businesses to promote District events and participate in community events. These groups include, but are not limited to, the Phelan and Piñon Hills Chambers of Commerce, Phelan and Piñon Hills Senior Groups, Snowline Joint Unified School District, Kiwanis Club, Mojave Archers, and CR&R.

The District will promote volunteer hosting and co-sponsorship of District classes and programs and consider programs such as "Adopt a Park" or "Park Pals" to encourage businesses and residents to become stewards of public areas.

2.5

Street Lighting

The District provides street lighting within its boundaries and is entirely funded by property tax revenue. The District pays the electric bills of the street lights and annually places holiday decorations on them in the main business area. The District will continue to address street lighting requests in a timely manner and in compliance with San Bernardino County's Dark Skies ordinance. Additionally, the District will research potential cost savings upgrades.

3.0 Solid Waste, Recycling, & Organics Disposal Compliance



Objective: The District is responsible for administering solid waste, recycling, and organics programs in compliance with state and federal laws. Senate Bill 1383 (SB 1383) was signed into law in 2016 and requires the state to reduce organic waste disposal by 75% by 2025. The regulations went into effect on January 1, 2022. The District must also comply with previously existing regulations regarding recycling, including AB 939 which requires 50% diversion of material from landfills, commonly known as recycling. The District is failing to meet this requirement and now reports directly to CalRecycle, rather than falling under the umbrella of the county for state reporting. Our objective is to implement programs to comply with SB 1383, AB939, ad all other state and federal requirements regarding solid waste, recycling, and organics.

Strategy: We will do this by enhancing current programs and implementing new services.

Measurement: We will know we have achieved the objective of this element by meeting state disposal requirements.

3.1

Franchise Amendment

The District's Franchise Agreement was amended on January 19, 2022, as required by the District's compliance order from CalRecycle, and to account for the implementation of SB 1383 by the state among other state requirements such as AB 939, AB 341, and AB 1826. After operating under this amendment, District staff desires to clarify certain elements in the Agreement and therefore a second amendment is warranted.

3.2

School Outreach Program

The District already has a school outreach program that utilizes Mr. Eco to educate students on recycling. This program will be modified to educate students on proper disposal of organics. Further, District staff and CR&R will develop and distribute materials to schools, including labels for containers, to help ensure waste is properly sorted and disposed of.

3.3

SB 1383 Outreach & Education

SB 1383 regulations require that jurisdictions conduct education and outreach on organics recycling to all residents, businesses (including those that generate edible food that can be donated), haulers, solid waste facilities, and local food banks and other food recovery organizations. District staff will work with CR&R on outreach regarding SB 1383 requirements, including how to source separate waste.

3.4

Additional Diversion Programs

The District must comply with numerous diversion requirements and also desires to provide opportunities for residents to dispose of solid waste in a convenient and environmentally conscious manner. District staff continually looks for ways to meet diversion goals and opportunities to fund various programs. This includes such programs as mattress recycling, waste tire amnesty, household hazardous waste disposal, community cleanups, and other programs as they become necessary or available.



“The most patriotic thing you can do is to take care of the environment and try to live sustainably.”

- Robert F. Kennedy, Jr.

Six Main Elements of SB 1383

- + Organics and Recycling Collection
- + Contamination Monitoring
- + Education and Outreach
- + Capacity Planning
- + Procurement
- + Edible Food Recovery

4.0 Fiscal Efficiency

Objective: Our objective is to manage public funds to provide financial stability, rate equity, prudent fiscal management, and to demonstrate responsible stewardship.

Strategy: We will do this by controlling costs, establishing rates that support policy objectives, implementing viable alternative revenue options, and managing risks, investments, and debts in a way that ensures funds are available when needed.

Measurement: We will know we have achieved the objective of this element by providing accurate financial information, and developing financial, budget, cost recovery, and rate strategies in support of the District’s mission and goals. We will continue to receive awards from GFOA and/or CSMFO for the budget document and the Annual Comprehensive Financial Report (ACFR). We will have sufficient funding mechanisms to support strategic initiatives while maintaining adequate reserves to protect the District.

4.1

Annual Budget Process

The District will continue to promote prudent fiscal management through proper communication of the budget to employees, board members, and the public. The annual budget process will strive for clarity and strategic integration while maintaining compliance with Budget Policy, GFOA and CSMFO standards, Generally Accepted Accounting Principles, Governmental Accounting Auditing and Financial Reporting, and Government Accounting Standards Board.

4.2

Periodic Financial Studies

The District will continue to conduct studies every five years, or as often as necessary, to address strategic needs, mandates, and/or other unforeseen circumstances that may arise. Needs analyses, rate studies, and potential subsequent rate changes will be in compliance with Proposition 218 at a minimum and will incorporate additional public outreach in the spirit of transparency and encouragement of public participation. Specific studies that will be periodically assessed will be:

- Rate Study
- Connection Fee Study



GOVERNMENT FINANCE OFFICERS ASSOCIATION

Distinguished Budget Presentation Award

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**Phelan Pinon Hills Community Services District
California**

For the Fiscal Year Beginning

July 01, 2022

Christopher P. Morill

Executive Director

4.3

Annual Audit

The District will continue to contract with a qualified auditing firm to conduct an annual audit of the District's financial records. The annual audit provides reassurance and transparency of the District's financial management. A CPA firm, selected by the Board of Directors, will conduct the audit and produce the Annual Comprehensive Financial Report (ACFR) in compliance with Generally Accepted Accounting Principles, state and federal standards, including Governmental Accounting Standards Boards and Government Auditing Standards issued by the Comptroller General of the United States. The CPA firm will be reviewed by the Board of Directors to ensure the District is receiving the most cost effective, highest quality, and thorough audit services.

4.4

Fiscal Policies

The District will develop new policies and continue to update existing policies as needed, including: Budget Policy, Purchasing Policy, Investment Policy, Reserves Policy, Revenue Policy, and Cash Handling Policy.

4.5

Financing

The District will continue to seek low interest loans and grants to fund projects. We will continue to develop Budget and Audit documents that meet GFOA and/or CSMFO standards to receive awards which assist with eligibility for loans and grants. The District will continue to be involved and educated by California Debt and Investment Advisory Commission (CDIAC) and other funding and grant agencies.



5.0 Strategic Partners and Public Affairs



Objective: Our objective is to foster beneficial strategic relationships to accomplish the goals of the District and to ensure a well-informed public regarding District business and planning.

Strategy: We will do this by embracing strategic ties with other organizations, working closely with regulators, developing a deliberate legislative and regulatory agenda, and participating in professional associations. We will also proactively communicate the District's business plans to both our staff and the public while being open and transparent in all we do.

Measurement: We will know we have achieved the objective of this element by having increased staff and public involvement in District events, increased involvement in, and results from, professional associations, and stronger ties with outside organizations and legislators.

5.1

Increased Communication to the Public

This goal will be accomplished by utilizing the District's new branding in continuing and increasing District efforts to maintain and enhance a variety of staff and community outreach communications systems. These systems include, but are not limited to: press releases, public bulletin boards, District website, District newsletter, billing inserts, and social media.

5.2

Community Business & Organization Outreach

District representatives will attend chamber of commerce meetings and other community-related meetings on a regular basis. We will also attend other agency meetings, such as Mojave Water Agency (MWA) meetings, on a regular basis. The District will continue its partnership with Snowline School District to promote District events and activities. We will be prepared to share information about District activities at these meetings and encourage participation by applicable organizations.

5.3

Involvement in Professional Organizations

Professional organizations, such as CSDA, ASBCSD, AWWA, and ACWA, are valuable sources of information and offer many resources. Staff and the Board will be encouraged to be involved in professional organizations and to seek recognition from these organizations through completion of training programs or through work excellence.

5.4

Outreach to Legislators and Local Agencies

We will continue outreach and obtain monthly updates from local legislators through the District's Legislative Committee meetings to reflect our legislative agenda. We will provide meeting spaces free of charge for activities that provide a community benefit, such as trainings, meetings, and town halls. We will work with our legislators on legislation that will benefit the District. We will be a partner with public safety to support them where we can such as providing spaces to utilize during emergencies and for training.

6.0 Personnel Management

Objective: Our objective is to utilize our employees in the most optimal manner, create an equitable and safe work environment, foster employee retention and development, recognize excellence, and plan for the future personnel needs of the District.

Strategy: We will do this by continuing our education and training programs, continuing annual performance evaluations, periodically evaluating the organizational structure of the District, developing succession plans for key positions, utilizing sound policies and personnel practices, and working on programs and methods to create a positive environment where employees desire to work.

Measurement: We will know we have achieved the objective of this element by having positive employee performance evaluations, more employee involvement in District events, improved employee retention, increased employee participation in the District's education and training programs, and succession plans completed for all key positions.

6.1

Retention & Development

The District desires to have the best possible staff and to retain them. Retaining staff ensures continuity of operations, reduces hiring and training costs, and maintains valuable institutional knowledge. In order to retain and develop staff, the District will continue to conduct annual performance evaluations and use them in a meaningful way to develop and improve staff skills.

The District offers a variety of educational and training opportunities to its employees. Employees are encouraged to enhance their knowledge, skills, and abilities which help the District to succeed. All staff are offered training relevant to their position or career goals. During annual performance reviews, or as needed, training goals are determined and assigned. Employees are also encouraged to request training on their own utilizing the District's training request procedure.



6.2

Internal Communication

This goal will be accomplished by continuing and increasing District efforts to maintain and enhance a variety of staff communication methods. This will include monthly training/updates with all staff, e-mail updates regarding items affecting the District or changes to procedures and policies.

6.4

Succession Planning

A succession plan allows an organization to look into the future to mitigate issues that present potential staffing gaps, analyze pending issues with staffing, as well as identify single point information failures. District staff will analyze the known planned attrition and the organization as it relates to potential upcoming staffing issues. Staff will identify key employees likely to retire in the coming years and identify possible internal replacements, if any.

To prepare for unplanned attrition, staff will identify functional areas to determine if critical information is held by a singular employee and explore methods to share this information, such as cross training, written procedures, delegation of duties, and identifying outside resources for contingencies. Staff will also evaluate means for allowing and promoting the growth of internal staff, when possible, for career progression, development in a planned way as it is currently done through annual performance evaluations. An outside firm may be engaged to assist with this effort.

6.3

Team Building

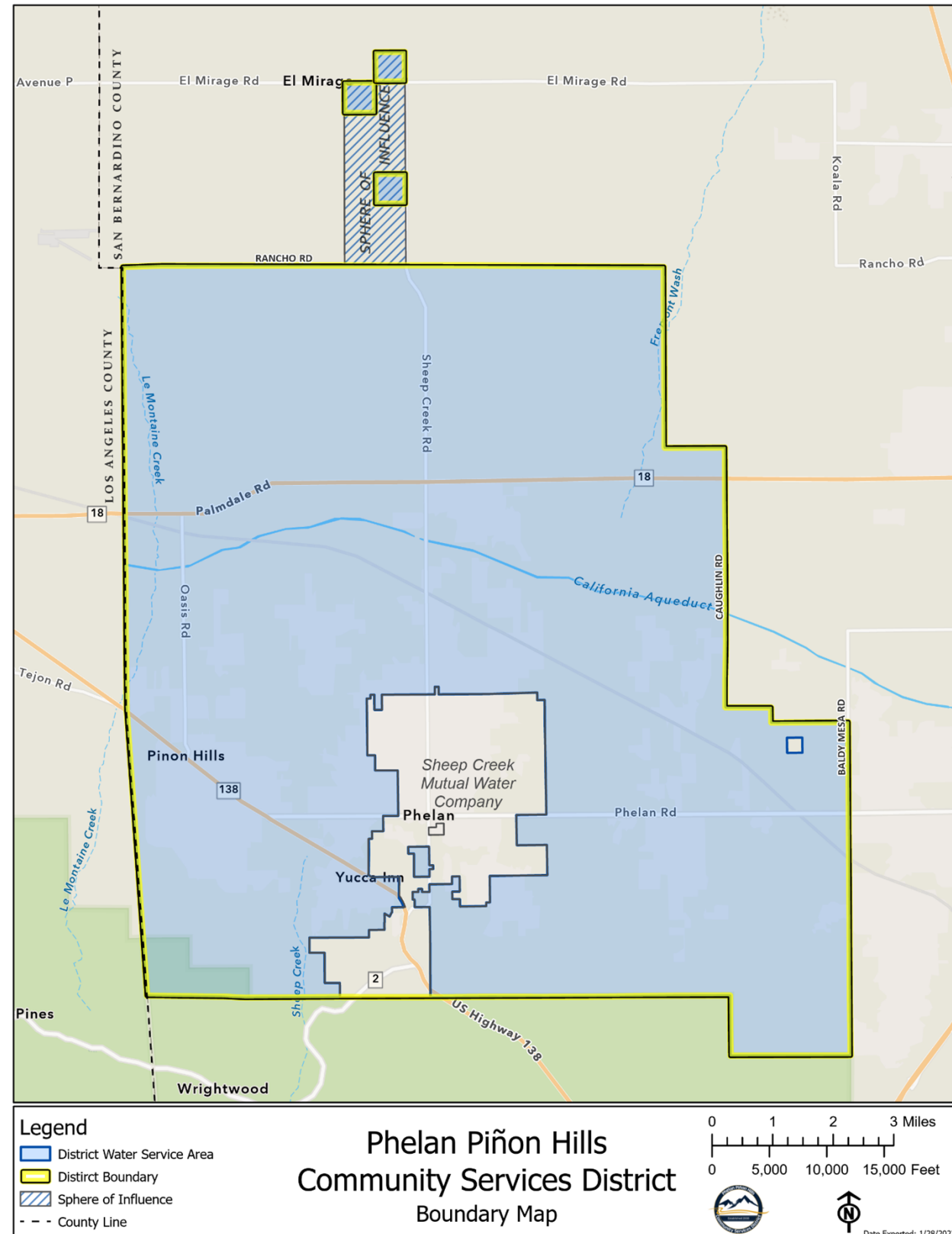
This will be accomplished by having quarterly, or as needed, meetings with the entire staff where team building activities are conducted and office and field staff have an opportunity to interact. During these meetings, the General Manager will address current issues and activities of the District and receive input from employees. This will also provide an opportunity to review policies and procedures with staff and explain their purpose while accepting comments and suggestions for updates, if applicable.

6.5

Personnel Policies

The Personnel Manual is updated as necessary to ensure the Personnel Manual contains policies and procedures that are aligned with current laws and the District's needs. An entirely new manual is being developed. The new manual will promote employee equity and allow management to effectively direct the District's personnel.

Boundary Map



Vision to Action Table

Strategic Element	Strategic Goals	Completion Time Frame
1.0 Water Operations	1.1 Chromium-6 Mitigation 1.2 Water Conservation 1.3 Water Resources 1.4 Water Production & Storage 1.5 Meter Replacement Program 1.6 Emergency Preparedness 1.7 Complete Civic Center 1.8 Expand Sphere of Influence & District Boundary in El Mirage	2027/2028 Ongoing 2025/2026 2026/2027 2023/2024 2023/2024 2025/2026 2024/2025
2.0 Parks, Recreation, & Street Lighting	2.1 Phelan Community Park Expansion 2.2 Parks Master Plan Update 2.3 Complete Parks Portion of the Civic Center Building 2.4 Public and Private Partnerships for Parks and Recreation Programs 2.5 Street Lighting	2027 2024/2025 2025/2026 Ongoing Ongoing
3.0 Solid Waste, Recycling, & Organics Disposal Compliance	3.1 Franchise Amendment 3.2 School Outreach Program 3.3 SB 1383 Outreach & Education 3.4 Additional Diversion Programs	2023/2024 Ongoing Ongoing Ongoing
4.0 Fiscal Efficiency	4.1 Annual Budget Process 4.2 Periodic Financial Studies 4.3 Annual Audit 4.4 Fiscal Policies 4.5 Financing	Ongoing Ongoing Annual Ongoing Ongoing
5.0 Strategic Partners and Public Affairs	5.1 Increased Communication to the Public 5.2 Community Business & Organization Outreach 5.3 Involvement in Professional Organizations 5.4 Outreach to Legislators and Local Agencies	Ongoing Ongoing Ongoing Ongoing
6.0 Personnel Management	6.1 Retention & Development 6.2 Internal Communication 6.3 Team Building 6.4 Succession Planning 6.5 Personnel Policies	Ongoing Ongoing Ongoing 2024/2025 2023/2024