

METRO WASTEWATER
RECLAMATION DISTRICT

STRATEGIC 2016 PLAN



CONTENTS

3 MESSAGE FROM THE CHAIRMAN OF THE BOARD AND DISTRICT MANAGER

4 INTRODUCTION

- Overview
- Process
- Goal Team Member List

6 ENVIRONMENTAL SCAN

- Community Profile
- Industry Trends and Local Context
- Strengths, Opportunities, Aspirations, and Results

16 STRATEGIC DIRECTION

- Overview
- Vision
- Mission
- Values
- Goals
- Objectives and Strategies
- Boundaries
- Strategic Framework

22 COMMUNICATION

24 IMPLEMENTATION

27 REALIZING THE VISION



MESSAGES FROM THE CHAIRMAN OF THE BOARD AND DISTRICT MANAGER



PETER ADLER
Chairman of the Board



CATHERINE R. GERALI
District Manager

Millions of drops of water come together over many miles to form the South Platte River, which flows through Denver on its way to the Missouri River. The power of single drops joining together and moving as a cohesive body is emulated in the very structure of the Metro Wastewater Reclamation District, which comprises 60 Member Municipalities and Special Connectors in the greater Denver Metro area.

United in purpose, we weathered some of the most trying economic times in modern memory while undertaking our greatest capital expenditures, in the form of a new greenfield plant in Brighton and treatment process conversion at our plant in Commerce City. This time of intense pressure and change taught us a lot about ourselves, the industry, and the communities we serve.

The strategic planning process provided a means to capture and process that knowledge and lessons recently learned. The direction outlined in the Strategic Plan builds on a half-century of strategies and approaches that have worked well, such as process optimization, innovation, and environmental stewardship. The Strategic Plan also envisions adapting aspects of the Metro District's culture to better

meet current social, environmental, and economic trends. One constant throughout the District's past, present, and future is that science guides our technologies and approaches – including monitoring real-world responses to the District's strategies.

Another constant is to keep clean water as the Metro District's rudder, which is reflected in our new mission statement: To protect the region's health and environment by cleaning water and recovering resources. The first part reflects the reason the District was formed, to protect the South Platte River and surrounding environment from being overwhelmed by a population boom in the 1960s. The last part points to the current state of the clean water industry, which is emphasizing sustainability, innovation, and a broadened approach to total water management.

Directors and employees alike are excited about the future of the Metro District as outlined in the Strategic Plan and are eager to get started. All hold a common, unshakeable belief in the value of the service we provide our connector communities and all are dedicated to continual improvement to benefit this greater good. Stewards of the environment, builders of infrastructure, we are the future of clean water.

INTRODUCTION

OVERVIEW

In March 2015, the Metro Wastewater Reclamation District (Metro District or District) initiated a strategic planning process to establish an updated vision and a framework for guiding the Metro District toward achievement of that vision. This included appointment of a special, five-member Strategic Planning Committee by the District's Chairman of the Board and establishment of a Core Strategic Planning Team (Core Team) – composed of Directors on the Strategic Planning Committee, the District Manager, the Senior Management Team, and other key District staff. The strategic framework presented in this document will help guide organizational decision making and resource allocation.

PROCESS

The Metro District's strategic planning process was designed to establish:

- A shared Vision of the District's Goals
- A common understanding of the resource needs, commitments, working environment, and principles upon which Strategies will be based
- Acceptance of the direction and importance of the Strategic Plan for achieving the District's ultimate Goals
- More formal integration of strategic planning and implementation into the District's day-to-day operating activities

To achieve these conditions for success, the Metro District's strategic planning process involved input from a broad group of internal and external stakeholders, in-depth involvement of more than 80 employees in the strategy development process, and shared plan development responsibilities among the Board of Directors and District staff. Major elements of the process included:

- **Kickoff Workshop:** In its initial kickoff meeting the Core Team established a Project Charter to document guiding principles for the strategic planning process including stakeholders to be involved, critical success factors, and boundaries. As discussed later in this document, the Core Team also conducted an environmental scan and used a Strengths, Opportunities, Aspirations, and Results (SOAR) analysis to help form a basis for the District's Strategic Plan.
- **Stakeholder Input:** Input was obtained from Board members, employees, and external stakeholders through a combination of interviews, an online employee survey which received 96 responses, and seven employee focus groups attended by approximately 115 employees.
- **Foundation Workshop:** The Core Team met to consider the stakeholder input and to draft the District's Vision, Mission, Values, and Goals.
- **Goal Teams:** Seven multidisciplinary Goal Teams of District employees were established to develop Goal statements, key Objectives, and potential Strategies for the respective Goals. Goal Team roles included:

- Executive Sponsor, who acted as a liaison between the Goal Team and Core Team, provided support, and ensured appropriate resource availability for the team
- Goal Champion, who organized and led the team and facilitated brainstorming and decision making
- Goal Team Members, consisting of six or seven employees from various departments and staff levels at the District
- **Strategy Workshop:** The Goal Teams presented their work to the Core Team, which made preliminary decisions concerning the Objectives and Strategies to be included in the final Strategic Plan.
- **Core Team Review:** After documentation of the Strategy Workshop results, the Core Team met and following several iterations of review and revisions, finalized the elements of the District's Strategic Plan.
- **Board of Directors Adoption:** The Board formally adopted the Strategic Plan in August 2016 and will support the Strategic Plan with appropriate resources necessary for effective implementation, management, sustainability, and financial prudence.

The Core Team recognizes input of the Goal Teams was critical to the success of the strategic planning effort. As discussed later in this document, the Goal Teams will be integral to successful implementation of the Strategic Plan. The members of the Goal Teams are listed on the right.

GOAL TEAMS

COLLABORATION

Executive Sponsor:
Steve Rogowski

Goal Champion:
Matt Simmons

Goal Team Members:
Kurt Carson
Kevin Feeley
Lisa Hollander
Jason Jay
Theresa Stone
Lance Wenholz
Jon Wicke

CULTURE OF INNOVATION

Executive Sponsor:
Jim McQuarrie

Goal Champion:
Barb Wilson

Goal Team Members:
Kim Cowan
Paul Ferguson
Shawn Fredrickson
Dave Lozano
Sherman Papke
Emilio Ramirez
Gene Taylor

FINANCIAL STABILITY

Executive Sponsor:
Mark Barela

Goal Champion:
Molly Kostelecky

Goal Team Members:
Wendy Anderson
Laura Cook
Jim Mallorey
Sonja Monroe
Jessica Sturgill
Sharon Weakland

CUSTOMER SERVICE

Executive Sponsor:
Alicia Gilley

Goal Champion:
Tanya Bayha

Goal Team Members:
Amy Atwater
Rusty Bruns
Stan Light
Mike O'Mara
Christina Reed
Ed Sturgeon

INFRASTRUCTURE AND OPERATIONAL EXCELLENCE

Executive Sponsor:
John Kuosman

Goal Champion:
Matt Duncan

Goal Team Members:
Martin Alvis
Ben Bailey
Janet Janssen
Jay Halliwell
Perry Holland
Ron Nicholson
Fay Wicks

EMPLOYER OF CHOICE

Executive Sponsors:
Catherine Gerali/
Dan Schaeffer

Goal Champion:
Scott Reed

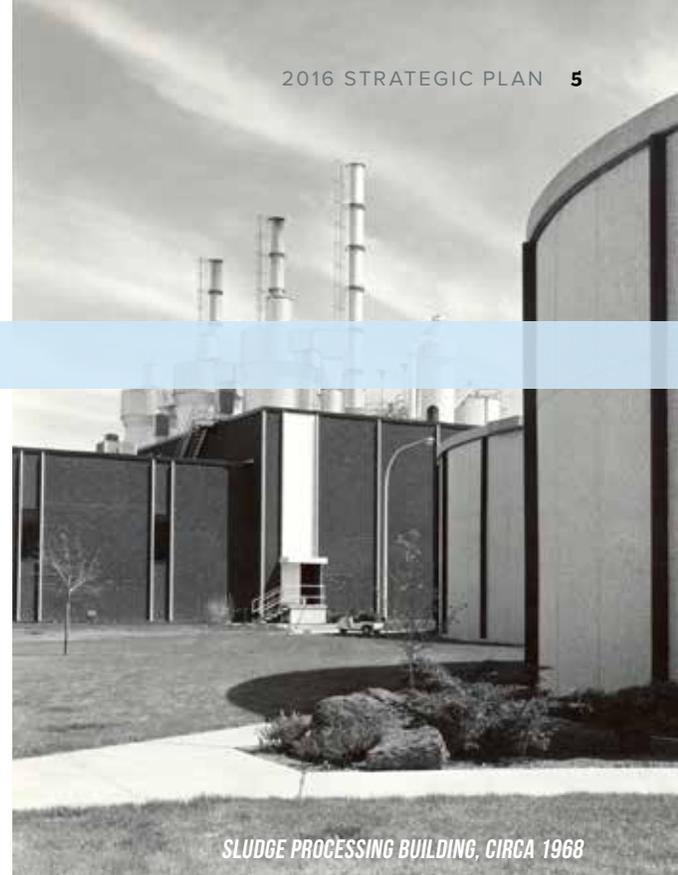
Goal Team Members:
Craig Barnes
Kelsey Gedge
Patrick Gehlhoff
Josh Mallorey
Kisha Ortiz
Suzanne Renter
Pat Stanley

REGULATORY ENGAGEMENT AND COMPLIANCE

Executive Sponsor:
Bob Thomas

Goal Champion:
Mike Holmes

Goal Team Members:
Liam Cavanaugh
Hope Dalton
Arlisa Michael
Brian O'Malley
Renee Paplow
Quintin Schermerhorn
Bill Wendt



SLUDGE PROCESSING BUILDING, CIRCA 1968



ENVIRONMENTAL SCAN

Early in the strategic planning process, the Metro District conducted an environmental scan to document the District's operating environment. The environmental scan was essentially an analysis of the regional demographics and other external influences in the community that impact how the District currently conducts business and what change might be needed to evolve with the needs of the region. The analysis identified ten key industry trends in terms of current situations, expectations for the future, and potential or strategic responses the District might undertake. The environmental scan also incorporated the Strengths, Opportunities, Aspirations, and Results (SOAR) analysis to help form a basis for the District's Strategic Plan.



DOWNTOWN DENVER

COMMUNITY PROFILE

Formed in 1961 as the Metropolitan Denver Sewage Disposal District No. 1 (name was changed to the Metro Wastewater Reclamation District in 1990), the Metro District now serves an estimated 1.8 million people by providing wholesale wastewater treatment for the City and County of Denver; the Cities of Arvada, Aurora, Brighton, Lakewood, Thornton, and Westminster; and more than 50 other cities,

towns, and special districts. The District's service area is located in the center of the Front Range Urban Corridor, where the Rocky Mountains meet the Eastern Plains.

In 2016, the Denver Metro area ranked first on the *U.S. News and World Report's* list of the Best Places to Live in the United States. The region has experienced a significant population increase over the past several years.

INDUSTRY TRENDS AND LOCAL CONTEXT

The services provided by the Metro District are critical to a sustained vitality of the service area and communities downstream. To assure continued success, several national and state-wide trends of particular significance must be understood as the District works to update and implement its Strategic Plan. Examples include changing regulatory requirements, changes in water use patterns, and growing concerns about the impact of global climate variability. These trends, and other challenges discussed below, are being considered to adequately plan for the District's future. For each trend or challenge, the current situation is described, as well as the District's expectations for the future, and strategic responses are outlined. The District's responses to these trends were considered during the development of this Strategic Plan.

SOUTH COMPLEX AERATION BASINS AT SUNRISE

TREND NO. 1

POPULATION

The Denver Metro area experienced a 1.5 percent annual population growth rate between 2004 and 2014. In 2015 the population in the Denver Metro area was approximately 2.75 million, of which the Metro District serves an estimated 1.8 million people. The Denver Metro area is consistently ranked as one of the fastest growing areas in the nation. In 2015, Colorado was ranked fourth behind North Dakota, Texas, and the District of Columbia. Growth is anticipated to continue, which could increase the State's population by 1 million to 3 million people by 2050. Growth on this scale is resulting in higher population density as even outlying suburbs are starting to do more high-density planning. Regional Transportation District (RTD) rail service in the Denver Metro area continues to grow and reshape land use patterns, with four new lines opening in 2016.

Strategic Responses

- Focus on treatment and capacity
- Monitor and respond to residential and industrial growth trends
- Update facility plans on a regular basis

TREND NO. 2

TOTAL WATER MANAGEMENT

Water supply challenges are changing on a global scale, as communities compete for clean water every day. Locally, although the Metro District manages wastewater, its connectors and other parties own all of the water rights.

The recent population growth in the Denver Metro area is a reminder the arid West is experiencing an increasing demand for water. Reuse of treated wastewater is anticipated to expand beyond irrigation and other non-potable uses. Reuse poses additional complexity to total water management in the region, and the Metro District will work closely with its members and regulators regarding environmental requirements and the District's role in this emerging practice.

Strategic Responses

- *Develop broader roles and responsibilities, working within the limitations of the District's governing statute*
- *Work with stakeholders, striving to be integral to total water management considerations*

TREND NO. 3

POLITICAL ENVIRONMENT

The Metro District provides service to 60 local governments and special districts of varying size throughout most of the greater Denver Metro area. The District's 36-member Board of Directors comprises utility professionals, government officials, educators, small business owners, retirees, and other individuals appointed by their municipality or district for a two-year term, which typically is renewed. Some Directors have expressed a preference for smooth and consistent rate increases from year to year versus large spikes or drops. The ability to smooth or level rate increases may be impacted by the rapid population increase and associated changing social values in the Denver Metro area (e.g., less pro-growth, more environmentally and socially conscious).

The Board of Directors' membership will have a significant influence on the success of the strategies identified in this Strategic Plan. The Metro District is becoming more integrated into broader environmental efforts within the region, in terms of planning for future capital programs, regional water resource planning, and conservation efforts. Adopted in November 2015, Colorado's Water Plan with its emphasis on meeting future water challenges in the State may have impacts on the District, although the District owns no water rights for the reclaimed wastewater it returns to the South Platte River on behalf of its connectors.

Strategic Responses

- *Develop/implement strategic planning initiatives*
- *Maintain effective communications with key stakeholders*
- *Assure the District communicates its role in the community as values and demographics change*



GRAIN STORAGE AT THE METROGRO FARM

TREND NO. 4

REGULATIONS

The Metro District has built strong and solution-based relations with regulators, by remaining in compliance with regulatory requirements and through continual dialogue about emerging and evolving environmental concerns. Regulations are becoming increasingly stringent, as the U.S. Environmental Protection Agency (EPA) and the Colorado Department of Public Health and Environment (CDPHE) seemingly focus on an ever increasing number of wastewater constituents and parameters. Historically this has resulted in ever increasing levels of removal and treatment requiring substantial resources (financial and technical) to remain in continuous compliance.

Changes to the Metro District's treatment and operations necessitated by regulation will require careful planning and implementation in terms of processes, equipment, funding, timelines, and other details. For more than a year, District employees have engaged the EPA and CDPHE in the development of an integrated plan, which prioritizes capital projects for environmental compliance to ease the cost to connectors. By tying such projects to physical monitoring of the South Platte River, Barr Lake, and Milton Reservoir, integrated planning considers the net environmental impact of the District and other stakeholders in the watershed. Measurable improvements in the health of these water bodies demonstrate the District's environmental commitment and will provide a sound basis for continued dialogue with regulators, connectors, and others.

Strategic Responses

- Promote local, state, and national leadership on emerging and evolving environmental concerns
- Work with regulators, emphasizing a western U.S. perspective regarding water issues
- Move in a direction that is mutually beneficial to the District, its connectors, and the environment

TREND NO. 5

WORKFORCE

The Denver Metro area provides an excellent workforce pool for the Metro District. Colorado ranks second in the nation for highly educated residents, with 37.5 percent having a bachelor's degree or higher. The Denver Metro area is even higher, with 43.7 percent of the people over the age of 25 having a bachelor's degree. The Denver Metro area is a hub for a younger generational workforce and population; and this labor force may bring a different set of values and expectations regarding pay, benefits, and work-life balance.

The Metro District has a fortunate history of long employee tenure; it is not unusual for employees to celebrate 30 or 40 years with the District before retiring. This average tenure is expected to become shorter as Baby Boomers retire in increasing numbers. As highly skilled trade positions become more sophisticated to meet more stringent environmental regulations, the trade workforce will continue being valued at the District. Through this strategic planning process, the District has renewed its commitment to remain an attractive and progressive employer.

Strategic Responses

- *Implement succession planning combined with training, leadership opportunities, and innovation initiatives*
- *Develop enhanced community college/ university and trade relationships*
- *Use the Strategic Plan as a recruiting tool*

TREND NO. 6

TECHNOLOGY

Technology is key to meeting environmental regulations, and the Metro District remains a leader in implementing cutting-edge treatment and operational approaches in the clean water industry. Regulation and growth will continue driving the need for enhanced technology.

The Metro District recently has formalized innovation as a priority in order to push the limits of current technology to meet future water quality standards for nutrients, in particular. Rapid developments in technology and innovation have helped other U.S. utilities start to embrace more global technology and automation opportunities that enhance quality and efficiency. The District's business units are moving toward additional analytics, data mining, and other tools and technologies to aid in both innovative and traditional treatment. This focus on innovation may also result in environmental and economic advantages over traditional treatment processes.

Strategic Responses

- *Identify opportunities to leverage beneficial technology and become a leader*
- *Develop partnerships with research groups, academia, and others*
- *Improve the quality of analysis using business cases*

TREND NO. 7

CUSTOMER EXPECTATIONS

Broadly defined, the Metro District's customers include any group for which the District provides a service, including connectors, ratepayers, regulators, and employees. The public expects excellent service, but political and economic considerations often place downward pressure on rates. The District maintains its focus on high-quality and low-cost service. In addition, less water is anticipated to be available in the South Platte River; this could mean increased conservation, which would impact flows to the District.

Strategic Responses

- *Communicate with customers proactively and clearly, including increased participation and leadership on key issues*
- *Address sustainability using triple bottom line concepts of environmental, social, and financial risks and costs*

TREND NO. 8

UTILITY FINANCIAL CONSTRAINTS

The Metro District is a governmental subdivision of the State of Colorado (Special District) and is funded through a variety of sources, most significantly through Annual Charges for Service, which the District's connectors pass on to their customers. The District's wholesale rates are below the national average for comparable organizations, according to the National Association of Clean Water Agencies, and the District strives to maintain smooth and consistent rate increases. The District does not have control of connectors' systems, rates, or other activities.

The Metro District engages in frequent and effective financial planning and analyzes financial results on a monthly basis. Two philosophies shape how the District's connectors pay for the system. Smooth and consistent rate increases are a priority in the development of every annual budget as is the concept that growth pays for growth, which means financing capital projects required to provide service for future customers through Sewer Connection Charges and potentially through bond financing. Within the past decade, the District has increased its focus on innovation in order to continue to operate cost-effectively.

Strategic Responses

- *Work with connectors to improve the efficiency and economy of wastewater treatment*
- *Formalize debt management policies and philosophies*

TREND NO. 9

ENERGY/REUSE

Regionally, energy costs are relatively low. These low costs have benefited the Metro District's connectors, because treating wastewater to achieve current and upcoming water quality standards can be very energy-intensive. The District has been proactive in implementing a combined heat and power program using public/private partnerships. This program includes reusing methane, a by-product of solids processing (digestion), to generate enough energy to provide approximately 30 to 40 percent of the electricity needed to run the District's Robert W. Hite Treatment Facility. The program also includes participation in Xcel's Process Efficiency Program, which provides corresponding rebates and reduced electricity consumption. The District historically has produced renewable, sustainable energy and will continue to do so.

Energy and water sustainability goals matter to the population and the region. The emerging concept of total water management means water reuse is becoming more important in the arid West. Some of the Metro District's connectors have initiated water reuse programs or have expressed an interest in water reuse. While the District is not able to direct these reuse activities, through its innovation program it is exploring reuse of components in the wastewater, such as recovering phosphorus as a fertilizer and recovery and use of thermal energy from heated water in its interceptors coming from hot showers, dishwashers, and other sources.

Strategic Responses

- Evaluate assets (energy/gas recovery/biosolids) to increase revenue and decrease expenses
- Explore and enhance opportunities for additional public/private partnerships
- Pursue resource recovery/biosolids/carbon sequestration opportunities
- Support connector water reuse efforts

TREND NO. 10

INCREASED RISK PROFILE

The Metro District is at risk for weather events that can compromise wastewater infrastructure. Flooding in 2013 that impacted the Front Range Urban Corridor and other parts of Colorado demonstrated this risk is very real. Future extreme events are reasonably expected, with the potential for a greater number and severity of droughts, floods, storms, and other weather events.

Industrial accidents, both internal and external to the Metro District's facilities and operations, pose another risk. An example of external risks is the petroleum groundwater contamination situation the District has been dealing with since 2011. The District's safety record is outstanding for an organization of its size and safety training is required of all employees. Another risk is emerging contaminants related to pharmaceuticals, consumer care products, and conservative constituents such as salts. As the risk profile increases, the District becomes more dependent on process and information technology.

Strategic Responses

- Focus on preparedness, contingency planning, and safety
- Maintain information technology redundancy
- Work with regulators to develop procedures for use in response to extreme events



MEMBERS OF THE METRO DISTRICT TEAM

STRENGTHS, OPPORTUNITIES, ASPIRATIONS, & RESULTS

The Metro District used a Strengths, Opportunities, Aspirations, and Results (SOAR) analysis to form the basis for its Strategic Plan. This technique was used as part of the environmental scan and provided valuable input to the Strategic Plan development process.

- **Strengths** provided input to the development of a Vision and Mission that builds upon what the District does extremely well.
- **Opportunities** helped Goal Teams and the Core Team develop Strategies to identify and explore innovative approaches to meeting future needs.
- **Aspirations** focused on the expectations or hopes of internal and external stakeholders.
- **Results** supported the determination of desired future outcomes.

A summary of the SOAR analysis is presented on the following page.



PRIMARY CLARIFIERS WITH COVERS UNDER CONSTRUCTION AT THE NTP



METROGRO TRUCK PREPARING TO LOAD AT THE RWTF

STRENGTHS

- Excellent infrastructure
- Committed and skilled employee team
- Growing community
- Financial resources
- Benefits from large size (economy of scale)

OPPORTUNITIES

- Enhance internal and external communications
- Update branding
- Support and encourage innovation
- Influence regulation
- Increase use of technology
- Expand regional leadership

ASPIRATIONS

- Employer of choice/talent magnet
- Responsibility (i.e., rates, organizational sustainability)
- Regional/community partnership
- Environmental stewardship

RESULTS

- Continued financial success
- Excellent customer service
- Improved employee satisfaction
- Regulatory excellence
- Recognition as clean water leader



BIO-SOLIDS LAND APPLICATION EQUIPMENT, CIRCA THE 1980s



CONSTRUCTION OF THE BLOWER BUILDING AT THE RWHTF, CIRCA 1965



NORTH COMPLEX AERATION BASINS

STRATEGIC DIRECTION

The Strategic Plan articulates the Metro District's Vision, Mission, Values, Goals, Objectives, and Strategies. It addresses the District's current challenges and helps ensure continued success in operations and the management of resources and assets. It serves as a guiding philosophy for future decision making. Periodic reviews are necessary to ensure Goals and Objectives retain their relevance over time. By laying out a course of action, the Strategic Plan represents a defined process for managing the fundamental decisions that will shape the Metro District's future. These elements, as captured in the Strategic Plan, reflect an organization that has set its priorities for the future.

VISION

Ultimately, implementation of the Strategic Plan will allow the Metro District to achieve its desired state as articulated in its Vision, which is:

To be a responsible leader, an innovative clean water partner, and a great place to work.

MISSION

The Mission describes the Metro District's purpose and role within its service area. After carefully considering these factors, the Core Team stated the District's Mission as:

To protect the region's health and environment by cleaning water and recovering resources.

VALUES

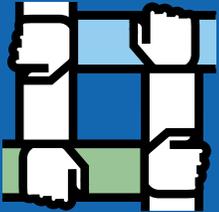
Values articulate the Metro District's deeply held beliefs, standards, and qualities and drive day-to-day employee activity. The District's Values are defined below.

- **Integrity:** Doing the right thing
- **Collaboration:** Partnering with internal and external stakeholders to serve the region and protect the environment
- **Professionalism:** Providing high-quality products and services and being considerate of colleagues, connectors, stakeholders, and customers
- **Stewardship:** Embracing the District's role and responsibility to protect water quality in the Denver Metro area
- **Empowerment:** Providing employees with the resources, open communication, and opportunities to enhance their careers and the quality of work
- **Commitment:** Dedicating the District to delivering dependable services
- **Innovation:** Committing to the development of a culture of innovation at all levels

GOALS

Goals represent the most important issues that must be addressed to achieve the desired future. The Metro District's Goals, presented here, were driven primarily by the factors most critical to the District's future success (critical success factors).

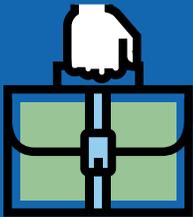
COLLABORATION



To promote internal and external collaboration to achieve shared goals.

Collaboration, internally and externally, is a key to success in the clean water industry. Internally, teamwork will be encouraged and supported; and externally, the Metro District will work closely with other organizations to benefit connectors, customers, and the environment.

EMPLOYER OF CHOICE



To attract and retain an effective, motivated, and high-quality workforce.

The Metro District's performance as a whole depends on a high-performing workforce. Accordingly, the District will attract, retain, motivate, manage, and reward exceptional employees who make significant contributions to its success.

CUSTOMER SERVICE



To provide exceptional customer service through outreach, communication, and cooperation.

The Metro District will communicate with customers to provide superior service and products that fulfill needs and provide lasting value.

INFRASTRUCTURE & OPERATIONAL EXCELLENCE



To deliver value through employee involvement, process optimization, and asset stewardship.

The Metro District is justifiably proud of its existing infrastructure and new infrastructure currently under construction. Critical to the District's success is a continued focus on developing and maintaining a sustainable infrastructure that will meet customer needs now and in the future.

FINANCIAL STABILITY



To maximize value to Metro District ratepayers through stewardship of financial resources.

The Metro District's ability to meet customer needs and implement the Strategic Plan requires excellent financial performance. The District is committed to maintaining a level of quality, performance, and value that will earn stakeholders' continued loyalty and respect and ensure effective financial management.

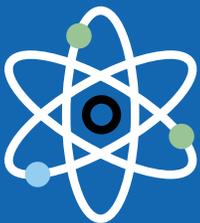
REGULATORY ENGAGEMENT & COMPLIANCE



To meet or surpass regulatory requirements through advocacy and collaborative relationships.

Clean water is a highly regulated operation. The Metro District is committed to meeting or surpassing all regulatory requirements while working with regulators and other stakeholders to ensure these requirements are environmentally and financially appropriate.

CULTURE OF INNOVATION



To inspire infinite ideas that extend the value of finite resources.

The Metro District will progress into the future by embracing innovation throughout its operations. Initial innovation efforts will be expanded and become part of the fabric of the District.

OBJECTIVES AND STRATEGIES

Objectives provide measures of accomplishment for each Goal, and Strategies address key resource allocations that should be made over the next several years. These critical elements of the Strategic Plan and the Vision, Mission, Values, and Goals are presented on the Strategic Framework.

BOUNDARIES

The Strategies included in the Metro District's Strategic Framework were designed to be innovative and creative, with careful consideration of budgetary, regulatory, legal, and policy boundaries, which helped determine the Strategies to be implemented and the programs and projects to be authorized and funded.

STRATEGIC FRAMEWORK

VISION

To be a responsible leader, an innovative clean water partner, and a great place to work.

VALUES

- Integrity
- Collaboration
- Professionalism
- Stewardship
- Empowerment
- Commitment
- Innovation

MISSION

To protect the region's health and environment by cleaning water and recovering resources.

GOALS

COLLABORATION

To promote internal and external collaboration to achieve shared goals.

EMPLOYER OF CHOICE

To attract and retain an effective, motivated, and high quality workforce.

CUSTOMER SERVICE

To provide exceptional customer service through outreach, communication, and cooperation.

INFRASTRUCTURE AND OPERATIONAL EXCELLENCE

To deliver value through employee involvement, process optimization, and asset stewardship.

FINANCIAL STABILITY

To maximize value to our ratepayers through stewardship of financial resources.

REGULATORY ENGAGEMENT AND COMPLIANCE

To meet or exceed regulatory requirements through advocacy and collaborative relationships.

CULTURE OF INNOVATION

To inspire infinite ideas that extend the value of finite resources.

OBJECTIVES

1. Document current external-facing activities and refine future involvement.
2. Document current use and expand future use of Sharepoint.
3. Develop measures to evaluate internal collaboration that is effective for the Metro District as an organization.

1. Increase employee satisfaction through increased supervisor use of both monetary and nonmonetary recognition tools.
2. Provide multiple expanded and diverse feedback mechanisms.
3. Define and implement succession planning strategies.
4. Define, implement, and expand career paths organization-wide.

1. Define a means to measure internal customer satisfaction.
2. Define and provide feedback mechanisms to measure external customer satisfaction.
3. Reduce the number of internal and external customer complaints.

1. Develop and maintain Metro District-wide value metrics.
2. Categorize and communicate Metro District business in terms of value metrics.
3. Identify and communicate progress on the highest priority opportunities for value improvement.

1. Maintain a year-to-year variation in annual charge rates to no more than 2 percent.
2. Maintain AAA bond rating.
3. Annually, achieve actual operating and capital expenditures within 2 percent and 5 percent of budget, respectively.
4. Meet State statute, bond covenants, and Board of Directors policy financial metrics.

1. Meet or exceed all regulatory requirements.
2. Advocate to impact regulations and laws through collaborative efforts.

1. Measure and increase brand awareness and the Metro District's reputation.
2. Make the effective capture and vetting of ideas a regular part of our work space.
3. Establish a means to measure and communicate the impact on the organization of ideas generated through the innovation framework.

STRATEGIES

1. Support and encourage employee involvement across the organization with industry groups, communities, and researchers.
2. Promote use of multi-disciplinary teams and information sharing.
3. Leverage goal team concepts for future activities of the Metro District.
4. Create a culture of communication by reviewing, documenting, and improving communication approaches and frequencies.

1. Optimize incentives, rewards, and employee recognition programs as part of total compensation.
2. Promote and reinforce employee career growth to include succession planning.
3. Enhance work/life balance.
4. Strengthen leadership effectiveness including communications.
5. Expand opportunities for team building and networking.

1. Create a culture of customer service and evaluate performance.
2. Identify and communicate services provided to internal and external customers.
3. Expand the platforms for outreach and sustained customer interaction with internal and external customers.
4. Commit resources to communicate the Metro District's purpose and value directly to Members/Connectors and the general public.

1. Improve the risk and value dialogue with a comprehensive system for business case evaluation techniques, including triple bottom line analysis.
2. Implement high-priority value-added process improvements and multi-disciplinary staff teams.
3. Define and improve the life-cycle asset management program.
4. Review and improve the Metro District's Purchasing Policies and Procedures.
5. Review and improve communication approaches and frequencies.

1. Improve communication of budget, cash flows, and annual charge processes.
2. Further automate select financial processes.
3. Consider opportunities for nontraditional revenues and evaluate business case for new expenditures to lower net costs.
4. Commit to providing resources to support the Metro District's strategic initiatives.

1. Advocate for creative and sustainable regulatory requirements to achieve appropriate water quality standards for the region.
2. Improve participation with governments, regulatory agencies, and other stakeholders.
3. Develop a plan to maintain compliance while balancing risks and benefits.
4. Investigate the possibility of re-establishing a Denver 208 Planning Agency.
5. Identify and implement feasible and sustainable practices across regulatory programs and operations.

1. Create an innovation framework and crowdsourcing platform, including a physical innovation "space," to help move innovative ideas through the Metro District.
2. Support staff involvement and collaboration with academia, industry groups, and sister agencies that share similar innovative cultures.
3. Update the Metro District's public image and brand to reflect changes in the industry.
4. Use business case and the value/risk framework, including triple bottom line analysis, and dialog to evaluate innovation initiatives.



COMMUNICATION

Through the Strategic Plan, the Metro District has committed to achieving a high level of internal and external communications. Effective communication is critical not only for the successful implementation of the Strategic Plan, but also for the District's overall success. The issue of communication, which surfaced early in the stakeholder input process, cuts across all strategic Goals. As indicated on the Strategic Framework, communications will be enhanced through the following efforts, which include:

- Improving the District's communication planning and implementation by dedicating experienced resources
- Enhancing use of multidisciplinary teams to manage issues and projects
- Leveraging the continued contribution of the Goal Teams convened for the strategic planning effort
- Creating and maintaining a culture of communication, where employees are committed to sharing information both internally and externally
- Expanding team building and networking
- Tying individual contributions to overall organizational success
- Enhancing external customer communications
- Sharing information internally and externally concerning projects, achievements, and issues
- Obtaining input, both internally and externally, to advance the District's innovation efforts
- Updating the District's brand and public image

Overall, enhanced communication will be a major initiative at all levels of the Metro District to increase employee commitment and ensure various teams and individuals are working toward the same ultimate Vision and Mission, regardless of which Goals or Strategies are their primary focus.



VIEW OF THE DENVER SKYLINE FROM THE SOUTH COMPLEX

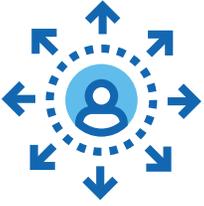


IMPLEMENTATION

VIEW OF THE OUTFALLS FROM THE BIKE PATH NEAR THE RWHTF

STRATEGIC PLANNING IS A WAY OF THINKING THAT BOTH GUIDES AN ANALYSIS OF THE PRESENT AND MAINTAINS A VISION OF THE FUTURE.

The Metro District's Strategic Plan will take time to implement completely and requires updating over time to keep it relevant. The Goals, Objectives, and Strategies set forth in the Strategic Plan are intended to result in a series of initiatives, activities, and projects that, when implemented and managed in alignment with the District's value system, will move the District toward achievement of its desired outcomes. For the desired results to be achieved, careful attention and focus on strategy implementation is essential. Elements of the District's implementation process are as follows.



INTEGRATE STRATEGY IMPLEMENTATION INTO THE ORGANIZATIONAL STRUCTURE

Implementation of the broad-based Strategies will require time, focused leveraging of District-wide resources, and facilitation across the entire organization to achieve desired outcomes. This is a workload beyond what is currently being done at the Metro District. It will require dedicated resources responsible for providing the leadership, communication, facilitation, management, and coordination of available District resources. Any organizational changes should consider:

- Required interfaces with the District Manager, Senior Management Team, and Board of Directors
- The number of dedicated resources needed to facilitate decision making and to monitor and report progress to achieve the desired outcomes within established timelines
- Prioritization of current business activities in light of strategic planning and innovation initiatives and the value of bringing in additional implementation resources
- Coordination with and efficient leveraging of communication resources
- Maximizing value to ratepayers through efficient and economic implementation of strategic initiatives



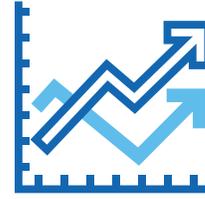
LEVERAGE GOAL TEAMS

The Goal Teams are knowledgeable, energized, and committed to implementation of the Strategies for their respective Goals and should be instrumental in the implementation planning, execution, and ultimate implementation process. They should:

- Develop implementation plans for review and approval by the District Manager and the Board of Directors (where required) for each strategy, which will include:
 - Tasks necessary for implementation
 - Assigned individuals or groups
 - Milestone dates for key tasks
 - Resources required (e.g., people, money, equipment, time)
- Monitor implementation progress

During the implementation process, the Goal Teams, through their respective Executive Sponsor, should communicate with the District Manager and Senior Management Team concerning:

- Implementation progress
- Strategies, which may require updates after initial implementation efforts
- Achievement of Objectives



INVOLVE DISTRICT MANAGER AND SENIOR MANAGEMENT TEAM

The District Manager is accountable to the Board of Directors for implementation of the approved Strategic Plan and achievement of the stated Goals and Objectives. The District Manager and Senior Management Team should periodically update the Board on progress, achievements, and issues related to the Strategic Plan.



COMMITMENT OF BOARD OF DIRECTORS

The Board of Directors supports this Strategic Plan and is committed to prudently providing the appropriate resources and guidance necessary for effective implementation.



SOUTH COMPLEX AERATION BASINS

Realizing the VISION

To be a responsible leader, an innovative clean water partner, and a great place to work is a vision that is attainable and sustainable for the Metro District. It is a vision formed in response to stakeholders who value the District's effectiveness as a utility and its grounding in fiscal responsibility, science, and technology and who expressed a desire for an appropriate presence by the District in regional matters pertaining to water, environment, and resources. This vision arose from dedication to the environment and the communities served expressed by both Directors and employees alike during the strategic planning process. The vision recognizes the continued importance of being an appealing and progressive employer who attracts and retains highly skilled employees.

The Vision, Mission, and other direction encapsulated in this Strategic Plan are key to a future of maximum effectiveness and continued value for the Denver Metro area. As a responsible leader, the Metro District will share innovative approaches to cleaning water and recovering resources with organizations and individuals in the region and with the broader industry across the globe. The District fully recognizes the complexities in the implementation activities outlined in this Strategic Plan, but knows the benefits from these activities will increase the effectiveness of its operations in the future and contribute to the larger body of knowledge related to clean water.

The Metro District is grateful to all the individuals who took time to provide input during this strategic planning process. The District listened and is ready to move forward with Realizing the Vision.



METRO WASTEWATER RECLAMATION DISTRICT

www.metrowastewater.com

