

Clean Water Services

Below is an abbreviated listing of organizational change results and initiatives produced in response to a request of the CWS Board and budget committee:

- **Overall Results**
 - Effected a cultural migration from an organization obsessed with quality to one obsessed with delivering unparalleled value
 - Increased organizational field of vision from pumps, plants and pipes to watershed and public health
 - Even after being judged by EMA as one of the nation's more competitive water resource utilities, the District effected massive increases in productivity
 - Reduced positions from 366 to 278 in 3 years
 - Achieved nearly \$100,000,000 in operating cost savings while operating within one of the nation's most stringent, rapidly evolving and litigious regulatory environments
 - After a period of significant program expansion, the ratio of CWS employees to customers was 58% of what it was before reengineering.
 - No upfront investment requested of Board. All investments needed to effect or maintain savings drawn from savings achieved. Reinvestment of savings in technology and incentives was minute relative to net savings.
 - Reduced fleet by one third
 - Eliminated two levels of management
 - Redesigned procurement processes to be more "private sector like"
 - Restructured and added specialized expertise within a newly formed Regulatory Affairs Department to increase capability to influence our regulatory environment
 - Stood up a Watershed Management Department to better integrate our work with that of other water management agencies and to advance a very large stream restoration initiative in support of our water quality trading program
 - Maintained flat to very modest rate increases during a period of dramatic program expansion and capital investment driven by new regulations
 - Spun off the Clean Water Institute to commercialize IP and other watershed management innovation globally to fund research
 - Staffed and later spun off the Willamette Partnership to increase the pace, scope and effectiveness of conservation in the Willamette Watershed which includes the Tualatin

- **Human Resources**
 - Redesigned human resource management and compensation policies and systems and negotiated fundamental changes to labor agreements.
 - Eliminated tenure based step increases and ended cost of living increases.

- Instituted Pay for Performance (PFP) within a Teamster Shop. To our knowledge, this is the only such situation anywhere. PFP was designed to reward individual performance and included behavior elements in addition to deliverables.
 - Established a Goal Share Program to reward collective performance and intra-district collaboration in pursuit of important goals (includes clear metrics to gauge achievement of goals)
 - Rewrote personnel rules to provide greater flexibility and authority.
 - Secured authority for General Manager to redeploy staff outside of their classifications and to adjust compensation. Compensation program operates more like a highly flexible private entity than a public organization.
 - Broad banded classifications
 - Increased employee contribution to health care programs
 - Established various buy out, furlough and layoff programs and a variety of other systems to accommodate staffing changes.

- **Plants**
 - Reduced plant staff from 160 to 100 employees
 - Increased use of automated process control
 - Performed root cause analysis of historic operational upsets – Implemented preventive strategies (All plants have since received Platinum Awards for 5 years of perfect permit compliance and our large plants have since been recognized by EPA as America’s best operated and maintained large advanced facilities)
 - Contracted out grounds maintenance
 - Redesigned stores operations
 - In cooperation with a private engineering firm, developed “Project Select” which is a software program to aid in the selection of project alternatives. We have now put it into the public domain and it is available via APWA
 - Developed succinct and updated SOPs to enhance mobility and training of staff
 - Dramatically reduced chemical usage
 - Developed operational strategies to run far above the rated capacities of process units
 - Implemented extensive energy conservation projects resulting in multiple awards
 - Engaged a private contract ops firms not active in our area to examine costs to run our facilities – we were not particularly interested in benchmarking with public organizations although Hampton Roads did spend several days with us as they did with other public and private treatment organizations nationally. They concluded that Clean Water Services is the best run utility in the country. (Not sure we deserve such high praise but it is very gratifying coming from such an outstanding utility.)

- **Source Control** - Twice recognized by EPA as the nation's best program of its size (Maintained such status while significantly increasing the permit management load of individual staff)

- **Governmental and Public Affairs**
 - Outreached to thousands of 4th graders each year with our copyrighted "River Rangers" elementary education program now being used by nearly 80 cities across America.
 - Developed a "Stakeholder Engagement Process" now used by other jurisdictions to maximize the potential for successful delivery of complex and/or controversial projects
 - Changed District name from Unified Sewerage Agency to Clean Water Services which began a state and national trend to rename organizations and associations. (i.e. Oregon Association of Sewerage Agencies to Oregon Association of Clean Water Agencies, Association of Metropolitan Sewerage Agencies to National Association of Clean Water Agencies.)
 - Produced "Controlling Our Destiny" which is our strategic planning document that is rare among strategic plans in that it really does guide our efforts and doesn't just gather dust.
 - Developed issue sensing processes to address emerging interagency and other issues in a preventative or timely manner.

- **Laboratories and Administrative Offices**
 - Centralized and reorganized labs
 - Consolidated administrative offices and staff

- **Legal**
 - Secured Board approval to have legal department report to General Manager to consolidate responsibility and expeditiously, yet responsibly, implement programs and projects.
 - Reengineered purchasing processes to increase timeliness and reduce labor involved
 - Developed processes to secure critical equipment via sole source contracts as appropriate - negotiated pricing considering competitive bids solicited by other organizations

- **Information Technology**
 - Completely redesigned and redirected the use of IT to provide critical business intelligence and support.
 - Reduced use of home grown software that tends to be vulnerable to protracted debugging and overdependence upon individual employees for continued support

- **Business Operations**
 - Updated financial management systems
 - Renegotiated all interagency agreements with member cities to better reflect costs of service (extremely controversial)

- **Field Operations**
 - Moved field operations yard to a more central location
 - Implemented off hour, on-site fueling
 - Redesigned street sweeping program to increase efficiency of sweeper utilization allowing for a doubling of street sweeping frequency
 - Converted to one person crews for certain operations
 - Quadrupled the rate of sewer TVing through technological changes and improved work organization.
 - Terminated interagency agreement with County for fleet maintenance and contracted it out to a private company resulting in better results for less cost
 - Maximized wrench on bolt time by keeping crews in the field as much as possible.
 - Eliminated duty officer program by contracting with an answering service and increasing off hour responsibilities of supervisors
 - Dramatically reduced overtime
 - Negotiated more efficient maintenance and street sweeping boundaries with adjoining jurisdictions
 - Implemented low maintenance water quality facilities (reduced mowing and other intensive maintenance needs)
 - Doubled street sweeping frequency

- **Regulatory Affairs & Watershed Management**
 - Became The Experts on our watershed and its needs.
 - Secured the first watershed NPDES permit in the nation providing greater operational flexibility
 - Instituted the nation's first temperature trading program that has stimulated creation of ecosystem trading protocols being applied elsewhere in the State that was acknowledged in a presidential speech. (Our program saved approximately \$130,000,000 in capital and operating costs beyond that noted above.)
 - Various CWS personnel sit on local, state, national and international bodies engaged in water policy re-invention
 - Advised Idaho Power regarding potential temperature trading relative to relicensing their dams.
 - Negotiating permit changes to allow for implementation of a natural treatment system now being implemented at our Forest Grove plant which will reduce pressure for expansion of our Rock Creek Advanced Tertiary facility while enhancing a national birding destination.
 - Restored over 60 miles of stream in partnership with cooperating entities.

I hope the above provides some sense of the depth and breadth of the reengineering and policy work we have done. We were fortunate to have made gains far beyond anyone's expectations. That garnered statements such as the following from the head of a contract ops company when speaking with a national business magazine: "CWS became more competitive than many in the private sector and when you're that competitive it doesn't matter if you're public or private. It was an incredible job for anyone."