United States
Environmental Protection
Agency

Strategic Planning: A Handbook for Small Water Systems

One of the Simple Tools for Effective Performance (STEP) Guide Series

Office of Water (4606M)
EPA 816-B-21-001
March 2021

Contents

Is This Guide for Me? 3
What Will I Learn From this Guide? 4
What is Strategic Planning? 5
How Will Strategic Planning Benefit My Water System? 7
STEP 1: Form Your Team 8
STEP 2: Develop Your Guiding Principles 9
Worksheet: Define Your Ideals, Goals, and Values 11
STEP 3: Identify Your System's Assets 12
STEP 4: Define Current and Potential Future Services 14
Worksheet: Define Current and Potential Future Services 16
STEP 5: Assess Your System's Technical, Managerial, and Financial Capacity 17
Worksheet: Assess Your System's Capacity 20
STEP 6: Identify Your Options for Providing Services 21
Worksheet: Identify Options for Providing Services 23
STEP 7: Analyze and Assess Your Options 24
Worksheet: Assess Your Options 28
STEP 8: Implement Your Options 30
Actions 31

Start and End Date 31
Related Challenges 31
Plans to Address Challenges 31
Worksheet: Implement Action Plan and Challenges 34
STEP 9: Assess and Evaluate 35

Is This Guide for Me?

This guide is designed to help decision makers and operators of community water systems (CWSs) and non-transient non-community water systems (NTNCWSs) serving 3,300 people or fewer learn about the strategic planning process and begin to develop a strategic plan. According to federal regulations, CWSs include all water systems (both publicly and privately owned) with at least 25 year-round residential customers or at least 15 year-round service connections. NTNCWSs include all systems (both publicly and privately owned) that are not CWSs and that serve at least 25 of the same people for more than six months a year. Water systems that may find this guide useful include:

- Small municipalities.
- Manufactured housing communities.
- Rural water districts.
- Homeowner's associations.
- Tribal water systems.
- Factories, religious institutions, and schools with their own water supplies.

This guide presents basic concepts on strategic planning for small water systems and explains how strategic planning process can help improve your water system's technical, managerial, and financial (TMF) capabilities. This guide also provides a series of worksheets you can use to begin developing a written strategic plan. Your State or Regional Capacity Development Coordinator can provide additional information and help you tailor your strategic plan to your specific circumstances. A list of contacts can be found on EPA's website.

This document is one in a series of Simple Tools for Effective Performance (STEP) documents for small drinking water systems. Additional STEP documents are available on EPA's website.

What Will I Learn From this Guide?

Public water systems (PWSs) are facing new and re-emerging challenges such as replacing aging infrastructure, meeting regulatory requirements, and operating in an environment with increasing public expectations. At the same time, they need to be prepared to respond to emergencies and be ready to operate easily in variable climate conditions.

An important way for water systems to overcome current and future challenges is to make sure they have the TMF tools and resources. Water systems that maintain this TMF capacity are better equipped to address the technical demands of delivering safe drinking water to their customers, ensure their water systems are well-managed, and have a plan in place for future fiscal needs. Water systems that have developed their TMF capacity using a thoughtful, organized approach are more likely to achieve this kind of long-term sustainability. Strategic planning helps a water system reliably deliver safe drinking water to its customers, be prepared to meet TMF challenges, and maintain organizational and financial stability in an uncertain future.

This guide:

- Explains the concept of strategic planning.
- Explains the benefits of strategic planning for small water systems.
- Illustrates the steps you can take to start the planning process and begin developing a strategic plan.

What is Strategic Planning?

A strategic plan identifies a water system's long-term goals and specifies actions the water system will take to achieve those goals. An effective strategic plan anticipates challenges that may keep the water system from achieving its goals, identifies actions for troubleshooting, and adjusting to overcome those challenges. It can help your system succeed in an ever-changing environment. Strategic plans are flexible and provide opportunities for on-going monitoring, evaluating, and adjusting to ensure that your water system continues down the right path to meeting its milestones and accomplishing its goals.

> A strategic plan can help your water system address problems that you know will arise and problems that you cannot predict.

Water systems can develop strategic plans for goals such as:

- Ensuring appropriate workforce staffing.
- Reducing water system debt.
- Achieving compliance with all relevant regulations.

A written strategic plan is typically a short document that summarizes what your water system does, why it does it, what it is trying to accomplish, and how it will meet its goals and values. It should be as straightforward and user-friendly as possible. It should also be considered a living document, so it is important to review and update the plan on a routine basis.

There are 9 basic steps to strategic planning:

1. Form your team.
2. Develop your guiding principles.
3. Identify your system's assets.
4. Define current and potential future services.
5. Assess your system's TMF capabilities.
6. Identify your options for providing your services.
7. Analyze and assess your options.
8. Implement your options through an action plan.
9. Re-evaluate your plan.

How Will Strategic Planning Benefit My Water System?

Strategic planning, led by a team of important stakeholders (e.g. operators, town managers, decision makers) working together, will guide planning for infrastructure improvement, focus the use of limited resources on defined priorities, improve decision-making, and enhance the responsiveness and performance of your water system. Strategic planning will also prepare your system to effectively respond to unexpected events, while continuing to accomplish your system's overall goals and objectives.

Strategic planning can:

- Increase collaboration among your water system's operators, managers, and stakeholders.
- Identify opportunities for water system partnerships.
- Provide a place to record important water system information, which may help with knowledge retention ahead of operator turnover.
- Help you understand what services your water system currently provides and what services you would like to provide in the future to best serve your customers.
- Allow you to concentrate on making good decisions now, so that your water system will be successful in the future.
- Focus your energy and resources.
- Ensure that water system employees, decision makers, and managers are all working toward the same goals.
- Support emergency response planning and resilience assessments.

STEP 1: Form Your Team

The strategic planning process is only successful when every level of the organization buys into the process. Thinking about your system differently can be the first step toward improvement. With the limited resources of most systems, shifting away from reacting to events and towards proactive strategies can lead to real savings.

Strategic planning cannot be completed by one person. The process will require a team of individuals who can bring the perspectives of multiple facets of the water system to the table. Team building is an important part of creating a strategic plan that will be acted on and implemented successfully. The team will define the long-term vision of your water system and identify how to achieve that vision. To foster commitment by the team members, your team should include key decision-makers who represent the departments involved with long-range planning, and it should be supported by political leaders who have the authority and willingness to commit public resources and personnel.

The strategic planning team should include important stakeholders such as:

- Operators and engineers (including upper management).
- Local and elected officials (e.g. mayor, council, town manager).
- Accountants.
- IT specialists.
- Treasurers.
- Community members.

Team members will not only be responsible for developing the plan, but they will also be responsible for implementing the chosen options and gaining buy-in from those who will be affected by it. When considering the members of your team, consider including the stakeholders that have the authority and resources that lead to decision-making and fully understand how the system functions.

STEP 2: Develop Your Guiding Principles

Once your team has been assembled, the next step is to develop a roadmap that will guide development of your strategic plan and keep you focused as you proceed with creating the plan. The roadmap captures your water system's ideals, goals, and values. This step can incorporate your water system's existing mission statement, or your strategic planning team can develop a new mission statement as part of this planning step.

Have each member of the team brainstorm answers to the following questions. Ultimately, your answers will provide a foundation for the actions your water system will take to meet its ideals, goals, and values.

- ***Ideals:*** What are the priorities you want to set for your water system?

  You can use your system's mission statement or draft a new set of ideals. If your water system doesn't have a mission statement what would it be?

- ***Goals:*** What is your system trying to accomplish, and why?

  Answering this question will help you understand what the day-to-day purpose of your system is.

- ***Values:*** What beliefs should guide your system's employees?

  Explain what is most important to your system. How should the system conduct its business to best align itself to achieve its goals?

Be descriptive about ideals, goals, and values

As your team brainstorms, include specific details about your water system's ideals, goals, and values. This will help you with future steps of the strategic planning process.

Your answers should address both the practical operation of your water system (e.g., achieving delivery of high-quality water to customers through proper treatment and storage methods) and broader goals that water system personnel should be aware of (e.g., public health protection and customer service). Your answers can serve as a basis for your water system's mission and vision statements in the strategic plan.

A completed example and a blank worksheet are provided. Once you have defined your goals and values, you will need to assess whether the way your water system is currently being maintained, managed, and operated is helping accomplish these goals and promote these values.

Example Worksheet: Define Your Ideals, Goals, and Values

Example - Strategic Roadmap	
Ideals	**The XYZ Water System will provide safe, clean drinking water to its customers by ensuring the safety and security of its supply and system, meeting or exceeding drinking water regulations, and consistently evaluating and improving management and operations.**
Goals (according to priority)	**Meet or exceed all water quality standards and customer expectations.** **Have an adequate and safe supply of water.** **Provide water at a reasonable cost.**
Values	**We value diverse talents, perspectives, and rights of our colleagues and customers.** **We seek opportunities to enhance customer satisfaction, operational efficiency, and personal growth.**

Worksheet: Define Your Ideals, Goals, and Values

Example - Strategic Roadmap	
Ideals	
Goals (according to priority)	
Values	

STEP 3: Identify Your System's Assets

Sound strategic planning relies on good information, including a solid understanding of your water system's infrastructure and its capabilities. This can be achieved by developing an asset management plan. Asset management is a planning process that ensures you get the most value from each of your assets and have the financial resources to repair and replace them when necessary. Successful asset management depends on knowing about the condition and value of your system's assets, as well as regularly communicating with management and customers about future needs. Many utilities use asset management to pursue and achieve a sustainable water system infrastructure. A high-performing asset management program includes a detailed asset inventory, operation and maintenance tasks, and long-range financial planning.

Examples of outcomes that can be realized by utilities through asset management include the following:

- Prolonging asset life and improving decisions about asset rehabilitation, repair, and replacement.
- Meeting consumer demands with a focus on system sustainability.
- Setting rates based on sound operational and financial planning.
- Budgeting focused on critical activities for sustained performance.
- Meeting service expectations and regulatory requirements.
- Improving responses to emergencies.
- Improving the security and safety of assets.
- Reducing overall costs for both operations and capital expenditures.

This guide is not intended to walk you through creating an asset management plan, however, a proper asset management plan will benefit the strategic planning process significantly. Especially useful for this step of the strategic planning process is the asset inventory that is created as part of an asset management plan. An asset inventory is a precise inventory of

your water system's components that can guide how you prepare accurate budgets, identify concerns, and prepare for future needs. Knowing what components your water system has and what condition they are in will help you maintain the safety, security, and reliability of the drinking water your system provides.

This guide does not include a worksheet for conducting an asset inventory, but EPA's document Taking Stock of Your Water System: A Simple Asset Inventory for Very Small Drinking Water Systems includes step-by-step instructions on how to conduct an inventory and worksheets for creating an asset inventory.

EPA has developed many additional resources aimed at helping small water systems implement asset management programs. These can be found at EPA's asset management website for small systems.

STEP 4: Define Current and Potential Future Services

This step of the strategic planning process involves deciding which functions your system will or will not be responsible for. Not every water system provides the same services, and these services can change as circumstances change. For example, water systems with different sized distribution systems will have different services related to storage and distribution. Defining which services your water system provides will focus the strategic planning process and allow you to meet your goals and fulfill your values more effectively. Water systems can provide services in the areas of:

- Source water protection.
- Drinking water treatment.
- Finished water storage, transmission, and distribution maintenance.
- Retail customer services.
- Water system security.

The following worksheet will allow you to define your water system's roles, including current services and functions, and provides space for you to list the services and functions you would like to provide in the future.

When filling in the worksheet on page 16, consider whether you have been successful in performing all your roles or if there are services that you have had trouble providing effectively. Ultimately, you may decide to expand or limit your system's functions. For example, a system may choose to purchase treated water from a wholesale provider and concentrate its efforts on distribution and retail customer services. Both a completed example and a blank worksheet are provided. The example is not exhaustive but gives an indication of the things you might want to consider regarding expanding, reducing, or altering your system's roles.

Example Worksheet: Define Current and Potential Future Services

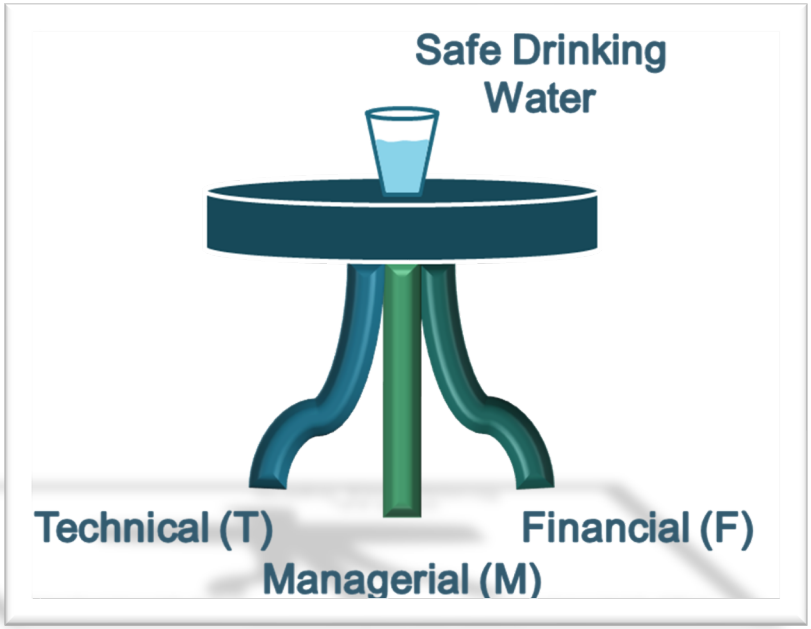
Examples of:		
Area of Service	**Current Role**	**Future Role**
Source water development & protection	**Conduct routine O&M, compliance monitoring, wellhead protection; implement source water protection plan**	**Continue current role, address and finance security-related measures, and consider the development of a new source to meet future demand**
Water treatment	**Conduct routine O&M, compliance monitoring, lab analysis, asset maintenance, operator training**	**Continue current role but consider optimizing treatment processes, purchasing treated water, or installing additional treatment to meet new regulations**
Treated water storage & distribution	**Conduct routine O&M; compliance monitoring; leak detection and repair; storage tank inspection, repair, rehabilitation; corrosion control**	**Continue current role but consider contracting out for O&M service or consolidating with nearby systems, and secure financing to replace pipes and mains on schedule**
Retail customer service	**Install new connections; conduct meter installation and rehabilitation; meter reading; billing and collections**	**Continue current role but consider partnerships with nearby systems to provide better retail customer services at a lower cost and begin to review rates on an annual basis**
Security issues	**Install and maintain fencing around critical system components**	**Maintain fencing; consider having staff patrol the system to discourage trespassing and tampering; work with local and state officials to develop an Emergency Response Plan (ERP)**

Worksheet: Define Current and Potential Future Services

Examples of:		
Area of Service	**Current Role**	**Future Role**
Source water development & protection		
Water treatment		
Treated water storage & distribution		
Retail customer service		
Security issues		

STEP 5: Assess Your System's Technical, Managerial, and Financial Capacity

An important part of strategic planning involves assessing your system's capabilities. You may already have some of this information in the form of self-assessments, sanitary surveys, and loan and permit application data. Assessing your capabilities includes an assessment of your TMF capacity. By knowing your strengths and weaknesses in these three areas, you will better understand areas that need improvement and how to capitalize on your strengths.



Technical Capacity is the physical and operational ability of a PWS to meet the Safe Drinking Water Act (SDWA) requirements, including the adequacy of physical infrastructure and the technical knowledge and capability of personnel. Maintaining high quality source water, replacing outdated infrastructure, and ensuring an operator is certified are all examples of technical capacity.

Assessing your system's technical capacity should include an in-depth inventory of your system's infrastructure. You should have already completed this during Step 3 of this strategic planning process.

Managerial Capacity is the ability of a PWS to conduct its affairs in a manner enabling the system to achieve and maintain compliance with SDWA requirements, including institutional and administrative capabilities. Identifying system ownership, staffing the appropriate personnel, and communicating regularly with customers are all examples of managerial capacity. Decide whether your water system's affairs are being conducted in a manner that enables you to maintain compliance, operate efficiently, and meet customer expectations.

Water systems face many managerial challenges, such as workforce issues and increased regulatory requirements. Managerial capacity can be strengthened through water system partnership opportunities like operator sharing and coordinating operator certification training. EPA's knowledge retention tool can help you ensure that important information is readily available when needed and will not be lost when staff retire.

Financial Capacity is the ability of a water system to acquire and manage sufficient financial resources to allow the system to achieve and maintain compliance with SDWA requirements. Ensuring revenues exceed costs, maintaining financial records, planning for future expenses, and establishing good credit are all examples of financial capacity. If financial capacity is a limitation for water systems, participating in partnerships is also an important option which could provide cost-sharing opportunities. Additionally, some systems could consider whether their revenue structure is sustainable.

EPA has developed guidance materials that can help you evaluate your water system's TMF capacities, including *Assessing Your Water System Managerial Capacity*. EPA has also developed online training modules on Financial Capacity located in the general section of the *Drinking Water Training System*. See the *TMF Capacity Resources for Small Drinking Water Systems website* for more resources and information.

Complete the worksheet on the next page to consider your system's strengths and weaknesses related to its TMF capacity. Every state has a Capacity Development Program to assist PWSs in building TMF capacity, so contact your State or Regional Capacity Development Coordinator for additional information and to learn what helpful resources may be available.

Example Worksheet: Assess Your System's Capacity

Capacity	Strengths	Weaknesses
Technical	**Reliable source of drinking water; little trouble meeting drinking water standards; system operator is properly certified.**	**Outdated asset inventory and no asset management plan; have not addressed needed security upgrades.**
Managerial	**Good relationship with customers and regulators; operator properly trained.**	**Operator is nearing retirement and no Operations and Maintenance SOP; board members not trained on upcoming regulatory requirements.**
Financial	**Books and records are maintained according to generally accepted accounting principles; budget reviewed annually.**	**Lacking detailed valuation of assets; reserve account not fully funded; rates have not been reviewed since rate-setting hearing.**

Worksheet: Assess Your System's Capacity

Capacity	Strengths	Weaknesses
Technical		
Managerial		
Financial		

STEP 6: Identify Your Options for Providing Services

At this point in the strategic planning process, you have defined your current services and roles, and decided what services you would like to provide in the future. You should also have a good understanding of the strengths and weaknesses in your TMF capabilities. This information will allow you to identify a range of options to best fulfill your goals and values.

One goal of strategic planning is to fully consider the widest possible range of alternatives over a long-term time frame, and not just the "quick fix". This involves thinking about options that can be implemented within your system's current structures, as well as options that may require reorganizing or even fundamentally changing your system's ownership, managerial, operational, and physical structures. This type of planning can be difficult, so consider the prompt in the text box to help your team develop a broad range of options.

What if we were designing a new system today?

Given all the information your team has gathered, think about how you would set up your system if you were starting fresh today. Include TMF capabilities. Take some time to reflect on the vision of that ideal system.

Now, consider what steps your system could take to achieve the vision your team has identified.

Remember, the point of this step is to identify as many options as possible. The feasibility of the options does not need to be taken into consideration at this time. An option that does not seem feasible in the near-term may be more feasible in the longer term and other options may be more feasible when implemented in combination. You will assess each option in Step 7.

The worksheet on page 23 provides space for you to list options for your system. Some examples of strategic options appear in the example worksheet on the following page. For additional ideas talk to your State or Regional Capacity Development Coordinator.

Example Worksheet: Identify Your Options for Providing Services

Area of Service	Options
Source water development and protection	Identify and secure the rights to new sources of water.
	Work with the community to implement new protection measures for surface water sources.
	Purchase land so all the surface water source's shoreline is protected with a vegetative buffer.
Water treatment	Build a new treatment plant with the latest membrane filtration technology.
	Install new dual media filtration system.
	Replace the media and underdrains in the existing filters.
Treated water storage and distribution	Increase finished water storage capacity by installing new tanks.
	Replace or line all distribution mains to enhance water quality and reduce water loss.
	Install dedicated, locked sampling stations at all coliform monitoring locations.
Retail customer services	Hire customer service staff for the water system.
	Distribute a monthly newsletter to customers.
	Enhance visibility and community engagement by increasing engagement on social media.
Security issues	Install a wireless security system to monitor important assets.
	Hire a security guard to monitor system facilities.
	Purchase a high-strength data security system for customer records.

Worksheet: Identify Options for Providing Services

Area of Service	Options
Source water development and protection	
Water treatment	
Treated water storage and distribution	
Retail customer services	
Security issues	

STEP 7: Analyze and Assess Your Options

In order to thoroughly assess your options and determine their feasibility, you must consider the long-term economic, regulatory, and implementation impacts the options will have on your system. Options can impact a technological aspect of your system (source water development and protection, treatment, storage and distribution) or an organizational aspect (retail customer services, operation and management, ownership).

The highest priority should be given to options that will help you achieve your goals at the lowest possible cost and allow you to succeed in an ever-changing environment. Depending on the option, or a combination of options selected, you may be able to make small strategic changes to the current structure and operation of your system. In some cases, however, you may need to reorganize substantially.

To fully assess each option, consider the following questions:

- How will this option affect the TMF capacity of your water system?
- Is the option consistent with your system's goals and values?
- Will implementing the option ensure continued compliance with current and future regulatory standards?

- Is the total cost of choosing and implementing this option within your system's current or potential financial means?
- Will the option be accepted by the governing board, town managers, the community, and regulators?
- Will the option increase the quality or reliability of service and be accepted by customers?
- Will the option positively or negatively impact system security?
- Can this option be practically implemented and maintained by water system managers and operators?

Once you have made your choices, you may go a step further and write up a formal strategic plan. Businesses typically develop formal strategic plans as a management tool to develop goals towards which all employees can work, ensure that the company is achieving the highest performance standards possible, and guarantee success and adaptability in a changing business environment.

The worksheet on pages 28 and 29 provides space for you to consider the pros and cons of each option you identified in Step 6 of this strategic planning process. Remember to consider future challenges your system may encounter, including upcoming regulatory requirements, customer expectations, replacement and major rehabilitation of physical assets, and maintaining and upgrading security measures. Both a completed example and a blank table are provided below to guide you through this step.

Example Worksheet: Assess Your Options

Area of Service	Options	Pros	Cons	Chosen Solution
Source water development and protection	Implement source water protection plan	Will lead to a better understanding of quality or safety concerns; ensures safe supply	Gathering community/system support could be difficult; costly and time-consuming; unknown contaminant sources	Develop inventory of known and potential sources of contamination in the watershed; build stakeholder involvement and community interest in source water protection program; look into funding sources for purchasing vegetative buffer along shoreline.
	Develop alternate source of supply	Will allow for source water options if there are quality or safety concerns; redundancy ensures safe supply	System has had no significant water quality issues to date; up-front capital expenditures; additional compliance monitoring and maintenance	
Water treatment	Continue with existing filtration and disinfection	Effective to date; operators successfully run the plant; meeting current requirements	May need to adjust to ensure simultaneous compliance with all regulations; plant upkeep and potential modifications will be costly	Continue with current treatment; develop asset management program; focus new source water protection measures to help existing treatment keep the system in compliance
	Purchase treated water	Option for complying with new regulations; will eliminate treatment costs and required plant modifications	Significant change to system's area of service; may increase costs; will not control treatment to ensure optimal water quality	

Area of Service	Options	Pros	Cons	Chosen Solution
Treated water storage and distribution	Increase storage capacity	Continued, uninterrupted delivery to customers even if supply is disrupted	Need asset management plan to assess need; would require up-front capital expenditures and annual maintenance	Complete asset management plan and capital improvement plan; research funding sources
Retail customer services	Partner with nearby system(s) for operation and management services	Potential cost savings for customers; no change in ownership	Loss of some autonomy for system managers, operators, and community	Form partnerships to increase efficiencies and reduce costs; develop oversight board to ensure autonomy and decision-making authority
Security issues	Develop and implement a vulnerability assessment (VA) and emergency response plan (ERP); begin more frequent water system patrols	Immediate, organized response in emergency situations; discourages trespassing on system property or tampering with system infrastructure; reduces threats to system security	Understaffed local authorities may not be able to patrol; completing VA/ERP may require consultant's assistance and up-front expenditure	Contact State Coordinator for more information on ERPs; meet with local authorities and system staff to discuss sharing patrolling responsibilities

Worksheet: Assess Your Options

Area of Service	Options	Pros	Cons	Chosen Solution
Source water development and protection				
Water treatment				
Treated water storage and distribution				

Area of Service	Options	Pros	Cons	Chosen Solution
Retail customer services				
Security issues				

STEP 8: Implement Your Options

Strategic planning takes time and effort. It is important to realize that implementing the options identified during the strategic planning process will also require an additional, ongoing commitment beyond the strategic planning effort. Implementing your options involves identifying challenges that could arise, developing an action plan to address those challenges, and re-evaluating how your plan is progressing towards reaching your goals.

To implement your chosen options, you need to develop an action plan. You may need to:

- Provide special training for technical staff or management.
- Obtain approvals, permits, and certifications from relevant authorities (e.g., from a public utility commission (PUC) for a rate change).
- Address new regulatory and legal requirements.
- Re-examine your system's revenue-raising mechanisms.
- Inform relevant parties of changes and garner support from regulators, system staff, managers, consumers, and the community.
- Find outside public or private sources to fund changes.

EPA's Water Infrastructure Finance and Resiliency Center has developed the Water Finance Clearinghouse. The Water Finance Clearinghouse is designed to help communities locate information and resources that will assist them in making informed decisions for their drinking water, wastewater, and stormwater infrastructure needs.

The Water Finance Clearinghouse includes two searchable databases: one contains available funding sources for water infrastructure and the second contains resources, such as reports, weblinks, and webinars on financing mechanisms and approaches that can help communities access capital to meet their water infrastructure needs.

When considering how to implement your options, you should consider your:

Actions

Describe the steps that are required to implement each option. These might include key meetings, financing approvals, or any construction projects, for example. If there are multiple stages to completing your chosen option, you may want to group these actions accordingly.

Start and End Date

Enter the dates on which you hope to start and finish the required action. If there is no specific start date set, enter in a month or day by which you would like to have this part of the plan set in motion.

Related Challenges

Summarize any potential problem(s) related to each required action. Think about these before the project begins and make any changes or updates as the project progresses.

Plans to Address Challenges

Enter any ideas for overcoming potential problems or any problems already encountered. As your options are implemented and new or different challenges arise, edit your plans accordingly.

The example worksheet and the following blank worksheet helps you develop an action plan for implementing the options you chose to proceed with in Step 7. The worksheet on pages 34 and 35 provides space for describing your challenges and plans for overcoming them. This worksheet will also help you establish a schedule for implementing your options.

Example Worksheet: Implement Action Plan and Identify Challenges

Chosen Option	Actions	Proposed Start/End Date	Related Challenges	Plans to Address Challenges
Develop source water protection plan	Conduct and assess results of source water inventory	11/1/20 to 1/1/21	Limited staff resources to complete inventory; limited personnel knowledgeable about security/ contamination threats	Use available state resources (technical or financial assistance); consider possibility of a countywide program or cooperating with nearby systems
	Identify potential contaminants and threats			
	Discuss follow-up actions	1/1/21 to ongoing	Gathering and engaging stakeholders interested in follow-up actions may be challenging; limited financial resources.	Publicize source water protection efforts to gain community support for involvement in the program; investigate available state resources
	Meet with regulators and affected landowners			
Develop asset management plan	Train staff	1/1/21 to 3/1/21	Considerable time commitment; new process for system staff	Use existing guides to fully understand the process before getting started
	Conduct inventory			
	Secure additional funding			

Chosen Option	Actions	Proposed Start/End Date	Related Challenges	Plans to Address Challenges
Review current rates	Meet with public utility agency	3/1/21 to 4/1/21	Any rate changes will require PUC approval; rate-review process is cumbersome and expensive; rate increases will be unpopular	Help improve communication by engaging with various stakeholders and interest groups to build relationships and gain support for the rate increases
	Hold public meetings			
	Meet with neighbor system			
Begin frequent system patrols	Contact local authorities	11/1/20 to Ongoing	Limited financial resources and available time of authorities and system staff; familiarizing local law enforcement with critical system components	Contact State Coordinator for available resources on system security to educate local authorities and system staff on the importance of security; look into alarm system installation if system patrols cannot be conducted as often as desired
	Set up meeting with local authorities and system staff			
	Develop patrol schedule			

Worksheet: Implement Action Plan and Challenges

Chosen Option	Required Actions	Proposed Start/End Date	Related Challenges	Plans to Address Challenges

STEP 9: Assess and Evaluate

Strategic planning helps you face an unpredictable future successfully. This does not mean that your current plan will address every circumstance or provide a solution for every challenge. There may be elements that don't work, or problems that arise that need additional analysis and action. Or, you may want to make changes if the results are not serving your system's or your customers' best interests.

> On-going monitoring and evaluation will help you assess whether or not your system is operating the way you want it to. The worksheets in this guide should be reviewed and updated **at least annually** to identify and address financial, managerial, technical, or strategic changes affecting your system.

Measurement is critical to managing growth and is the backbone of successful continual improvement. Remember this: "If you can't measure it, you can't improve it". Your strategic plan should assure that the results of each action are evaluated, communicated, and addressed in a timely manner.

There are many tools available online to do this, but you can use the Self-Assessment Tool featured in EPA's Effective Utility Management: A Primer for Water and Wastewater Utilities to measure how your current performance compares with your goals that were identified during this strategic planning process.

Remember, strategic planning is a continuous process that can result in continuous improvements. The planning process and the values and goals that define your system should allow you to respond more effectively and creatively in the future.