

WATER TOPICS IN OUR COMMUNITY: OUT-OF-STATE VENDORS

WHY DOES TMWA USE OUT-OF-STATE VENDORS?

Using out-of-state vendors for call center services and bill payment processing saves TMWA more than half a million dollars every year and provides efficient customer service.

TMWA consistently strives to provide the best possible service to our customers at the lowest reasonable cost. Outsourcing our call center and billing functions saves our customers more than \$500,000 annually while providing quality customer service. However, the decision to outsource wasn't just about saving money.

CALL CENTER OUTSOURCING PROVIDES THREE SPECIFIC BENEFITS:

The contract with our call center partner in Nebraska has continually allowed TMWA to:

- Minimize costs to customers
- Maximize all aspects of customer service
- Concentrate on consistently improving water service operational efficiencies

When TMWA was formed in 2001, our staff compared the benefits of establishing call-center services within TMWA vs. using an outside vendor. We wanted to ensure the lowest cost consistent with our high-quality, customer service standards.

KEY FACTORS INCLUDED:

- TMWA's core competence is operating water treatment and distribution systems delivering clean, pure water.
- The total cost of hiring staff, establishing an office and providing equipment is neither economically nor operationally justified in comparison to using an outside vendor.

TMWA selected a company with a proven track record of working with more than 175 utility companies; one that offers the full spectrum of customer service operations. Operational costs are significantly lower than if we provided the services in-house.

BILL PAYMENT OUTSOURCING ALSO SAVES MONEY AND PROVIDES QUALITY SERVICE:

These same factors directed the decision to consolidate all TMWA's remittance processing in San Antonio, Texas in 2005 and then Prescott, Arizona in 2013 (with the same vendor). This is the most cost-effective solution and allows TMWA to provide a greater level of customer service through the following:

- **Reduced mailing time** - This centralized mailing location allows for faster delivery with no change in the number of days customers are allowed to mail in their payments. That means customers get speedier credit to their accounts with the same mailing time - a double benefit for customers who use our mail-in payment option.

QUICK FACTS

Where is TMWA's corporate office located?

1355 Capital Blvd.

Reno, NV 89502

What are the benefits of using vendors in specialty areas?

- Reduced costs
- Reduced mailing time
- Accuracy
- Flexible staffing

About TMWA:

Truckee Meadows Water Authority (TMWA) is a not-for-profit water utility, overseen by elected officials from Reno, Sparks and Washoe County. TMWA employs a highly skilled team who ensure the treatment, delivery and availability of high-quality drinking water around the clock for more than 400,000 residents of the Truckee Meadows.

About this series:

Water Topics in Our Community is a series of papers designed to provide the citizens of the Truckee Meadows information about key water topics in this region.

To access all of the papers, go to www.tmwa.com/topics.



- **Accuracy** - Our customers also benefit from a new state-of-the-art processing center that already handles more than 6.5 million utility payments per month with a very high accuracy rate. Technology like this would be cost prohibitive to bring in-house. Additionally, TMWA's customer service representatives are able to view copies of customer checks or money order payments on line. This gives TMWA instant access to resolve any payment questions - all with no additional cost to TMWA or our customers.

WHAT OTHER WAYS DO TMWA CUSTOMERS BENEFIT FROM VENDORS:

- **Flexible staffing** - Our vendors have much bigger staffs than TMWA could afford. For example, the call center has floating staff for particularly high-volume call days. This cost is shared with multiple utilities rather than carried by TMWA as it would be with an in-house operation.
- **Off-site staff in the event of an emergency** - In the event of a community-wide emergency in which TMWA is involved, the off-site staff can be dedicated to assisting our customers. That means TMWA's on-site staff can concentrate on restoring water service back to our customers.

HOW DID TMWA SELECT THE OUT-OF-STATE VENDORS?

TMWA strictly adhered to the public process, which demands creating a Request for Qualifications, soliciting respondents in appropriate newspapers and journals, and contacting recognized corporations specializing in utility customer service and billing operations.

THE FINDINGS:

- There were no local or Nevada companies that had the background or experience to comply with stringent billing and customer service requirements.
- After in-depth research and investigations, TMWA selected companies that had proven track records of processing high volumes cost effectively, while adhering to high-quality customer service standards.
- The current contract with the outsourced provider will expire in 2019, at which time TMWA will again go through a public process before signing a new contract. This process will include review by TMWA's Board and opportunities for the public to provide input.

FOCUSING ON PROVIDING EXCEPTIONAL WATER SERVICE:

We've contracted with outsourcing partners who are specialists in providing these call center and bill-processing services. They are among the best in those customer service specialty areas. So, our customers get top-quality service for much less than the cost of doing this work within TMWA.

At the same time, we at TMWA are able to focus our attention on doing what we do best, delivering high-quality water reliably and cost effectively to all our customers.

About TMWA's Board of Directors:

The TMWA Board welcomes you to attend and comment at any board meeting. Meeting schedules are posted at

www.tmwa.com/meetings.

To send a question to the Board, visit us online at

www.tmwa.com/comment.

Questions or feedback?

We'd like to hear from you. Please call our Community Communications line with any remaining questions you have on this topic or other water topics. The number is

(775) 834-8290.



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