



**TO:** Chairman and Board Members  
**FROM:** Mark Foree, General Manager  
**DATE:** October 8, 2011  
**SUBJECT:** Presentation of TMWA Goals and Objectives Results for Fiscal Year 2011

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### Discussion of Results

Please find attached an at-a-glance summary as well as the detailed measurement results for TMWA's corporate and departmental goals for the 2011 fiscal year.

Customer Satisfaction ended the year with an 89% score (totally or mostly satisfied) for residential customers which is in the "outstanding" range and an 88% score (totally or mostly satisfied) for commercial customers, which is in the "excellent" range. Expenses in both capital and O&M spending were significantly under budget - capital spending was approximately \$2.6 million (12%) under budget and O & M spending was approximately \$3.6 million (10%) under budget. The TMWA safety incident rate was low at 2.32 incidents per 200,000 hours worked which is in the "excellent" range, while the preventable vehicle accident result was in the "needs improvement" range. In the "efficiency" category which includes tracking the number of accounts per employee and MGD delivered per employee compared to national benchmarks, TMWA's scores were between the median and the top quartile for the customer accounts/employee benchmark and in the top quartile for the MGD delivered/employee benchmark.

Other summaries highlighting the results of the individual departmental benchmarks are also shown in the summary table. We easily met the target for treatment cost per million gallons (\$286/MG vs. a goal of \$359/MG) due in large part to outstanding energy management by operations and engineering teams. The treatment staff continued to challenge itself by meeting the effluent turbidity total of 0.10 NTU's 100% of the time, which is an "outstanding" rating.

For customer service, we met the speed of answer goal (80% within 35 seconds) with a result of 82.56% and also met the average call handle time goal of 5 minutes with a result of 4 minutes 46 seconds.

In the Finance area, we met the goal of updating the 5 year funding plan and also met the goal of maintaining our credit ratings (Fitch's review resulted in maintaining our AA- rating).. We also met the goal of completing the detailed financial analysis of merger of the DWR water utility into TMWA by March 31, 2011.

We had a new goal this year in the Finance area to “Identify and report on cost containment measures” and those accomplishments are detailed in the attachment. Some of the significant savings included energy savings of \$2.3 million compared to last year, implementation of a Field Service Automation system that is saving approximately \$230,000 annually and saving \$803,000 over the next five years from the recent redemption of approximately \$11.4 million of 2001-A Bonds with TMWA’s Tax Exempt Commercial Paper.

In the Natural Resources area all goals were met.

In the Distribution area, we exceeded the goal in Hydro plant availability (99% vs. a goal of 95%) and we tracked customer outage hours compared to national benchmarks (results were near or above the industry median).

Engineering and New Business markers continue to reflect capital projects completed on time and on budget, as well as meeting new business application goals.

**Truckee Meadows Water Authority**  
**Corporate Goals and Objectives Results**

**Fiscal Year 2011**

At a Glance

Customer Satisfaction

Efficiency

Safety

Financial

Departmental

**TMWA Goals and Objectives Results - FY2011**  
**At a Glance**

|                              |   | <u>Fiscal Year Results</u>  | <u>Met Goal</u>  | <u>AWWA Benchmark / Industry Standard / Comments</u>   |
|------------------------------|---|---|--|--|
| <b>Corporate:</b>            |   |   |  |  |
| <u>Customer Satisfaction</u> | 1 | Residential Customers Totally or Mostly Satisfied: 71%-81% is good; 82%-86% is Excellent; over 86% Outstanding.   | 89%  | YES<br>Outstanding   |
|                              | 2 | Commercial Customers Totally or Mostly Satisfied: 77%-87% is Good; 88%-90% is Excellent; over 90% Outstanding.  | 88%  | YES<br>Excellent   |
|                              | 3 | Meet the Vertex contract requirement of 80% of calls answered within 35 seconds   | 82.56%   | YES  |
| <u>Efficiency</u>            | 1 | Track customer accounts per employee and compare to national benchmark  | 559.3  | Between Median and Top Quartile<br>AWWA Benchmark<br>Top Quartile = 667; Median = 456; Bottom = 333          |
|                              | 2 | Track average MGD delivered per employee and compare to national benchmark  | 0.37   | Top Quartile<br>AWWA Benchmark<br>Top Quartile = 0.33; Median = 0.24; Bottom = 0.15                          |
|                              | 3 | Analyze costs, benefits and funding opportunities for energy efficiency projects and/or another TMWA site for renewable energy potential and if economical, incorporate in capital budget for FY2012  | Applied for incentive from NV Energy related to improvements on Highland Canal that save energy through less pumping. Application accepted and incentive in the amount of \$89,163 looks probable                                    | YES  |
| <u>Safety</u>                | 1 | TMWA will maintain a Safety Incident Rate (all medical accidents per 200,000 manhours worked) graded on the following scale: Over 5 is Needs Improvement; 4-5 is Good; Less than 4 is Excellent.      | Medical Incident Rate = 2.32   | YES<br>Industry Standard<br>Bureau of Labor Statistics = 4.6 Average Incident Rate for Water Utility Systems |
|                              | 2 | Track preventable vehicle accident rate and compare to industry standard  | Vehicle Accident Rate = 0.69   | NO<br>Industry Standard<br>Average rating is 0.5 per 100,000 miles driven                                    |
| <u>Financial</u>             | 1 | Meet all bond covenants   | TMWA has complied with all bond covenants  | YES  |
|                              | 2 | Meet or underspend the Capital and O&M Budget Commitments   | Met goal - Capital spending \$19.2 million vs. \$21.8 million budget ; O & M spending \$33.2 million vs. \$36.8 million budget   | YES  |
|                              | 3 | Update the 5 Year Funding Plan  | completed in March 2011 and submitted to Fitch and used in merger analysis   | YES  |
|                              | 4 | Maintain A or A+ credit ratings   | Fitch re-affirmed TMWA's AA- rating, retained negative watch; Moody's A1; S&P A+   | YES  |
|                              | 5 | Identify and report on cost containment measures  | See detail - O & M budget underspent by \$3.6 million  | YES  |
|                              | 6 | Complete the detailed financial analysis of merger of Washoe County Department of Water Resources water utility into TMWA and present the findings and recommendations to the Board by March 31, 2011 | TMWA analysis completed March 2011; DWR completed theirs in Aug. Combined financial analysis draft in May, completed Aug., sent to PFM Sep. PFM completed review on 9/20/11 - only minor changes recommended. Awaiting final report. | YES  |

**TMWA Goals and Objectives Results - FY2011**  
**At a Glance**

|                             |   | <u>Fiscal Year Results</u>   | <u>Met Goal</u>   | <u>AWWA Benchmark / Industry Standard / Comments</u> |  |
|-----------------------------|---|--|---|--|--|
| <b><u>Departmental:</u></b> |   |  |   |  |  |
| <u>Treatment</u>            | 1 | Meet the treatment costs set according to anticipated production   | \$286 per MG  | YES  | Goal for 22,190 MG production level was \$359/MG   |
|                             | 2 | Meet the benchmark of 0 MCL violations   | 0 MCL Violations  | YES  |  |
|                             | 3 | Maintain effluent turbidity 95% of the time at less than: 0.20 NTU is Good; 0.15 NTU is Excellent; 0.10 NTU is Outstanding.  | Maintained effluent turbidity 100% less than 0.10   | YES  |  |
| <u>Distribution</u>         | 1 | Track system reliability by calculating outage hours per 1000 customers and compare to national benchmarks   | Unplanned (<4 Hours) 1.64<br>Unplanned (4-12 Hours) 1.19<br>Unplanned (>12 hours) 0.0                 | med - top<br>near median<br>top quartile             | AWWA Benchmark<br>Top Quartile = 0.89; Median = 2.83; Bottom = 9.10<br>Top Quartile = 0.13; Median = 0.98; Bottom = 3.22 Top<br>Quartile = 0 Median = 0; Bottom = 0.20 |
|                             | 2 | Maintain 95% Hydro plant generation availability based on available River flows  | 99% available   | YES  |  |
| <u>Customer Service</u>     | 1 | Customer Call Center will average a call handle time of 5 minutes or less  | 4 minutes, 46 seconds   | YES  |  |
|                             | 2 | Achieve a monthly average of 80 non-weather estimates on all meter reads   | 14 estimated bill for the entire year (1.17 on average a month)                                       | YES  |  |
|                             | 3 | The fiscal year average for disconnect for nonpayment service orders to active accounts will be 0.4% or less.  | 0.250000%   | YES  |  |
|                             | 4 | The write off to revenue will be 0.30% or less at fiscal year end  | 0.350000%   | NO   |  |
|                             | 5 | Maintain or exceed the benchmark of resolving 99% of the conservation and high bill customer complaints without management intervention  | Met Goal  | YES  |  |
|                             | 6 | Achieve 100% backflow testing compliance for all new construction and TMWA-owned devices, as well as 100% continued notification for backflow testing compliance for all existing customers. | 100% of new commercial projects tracked & tested;<br>100% of TMWA owned assemblies tracked and tested | YES  |  |
|                             | 7 | Perform 50 backflow retrofits  | Completed 84 backflow retro-fits  | YES  |  |
|                             | 8 | Implement a Field Service Automation System and Mobile Dispatch Solution by fiscal year end  | Implemented January 2011  | YES  |  |

**TMWA Goals and Objectives Results - FY2011**  
**At a Glance**

Fiscal Year Results

Met Goal

AWWA Benchmark / Industry Standard / Comments

**Departmental Continued:**

|                                       |   |   |  |     |  |
|---------------------------------------|---|---|--|-----|--|
| <u>Natural Resources</u>              | 1 | Complete filing applications on all "old" non-permitted water rights                                | Filed applications on 246 acre feet to complete the last transfers of "old" non-permitted water rights   | YES |  |
|                                       | 2 | Continue active role in maintaining adequate water rights inventory, analyze purchase opportunities | Market conditions and a large Rule 7 inventory did not warrant purchases in FY2011                       | YES |  |
|                                       | 3 | Complete TROA California Transfer Applications and Hearings   | Hearings were completed July 2010; briefs filed Sep 2010; awaiting ruling from Cal State Water Resources | YES |  |
|                                       | 4 | Turn around new business application water rights work within 10 days                               | All new business projects completed in <2 days   | YES |  |
| <u>Engineering &amp; New Business</u> | 1 | Continue cooperative coordination with Agencies and complete projects on schedule                   | 4 surveys returned; average score of 4.43 out of 5.00  | YES |  |
|                                       | 2 | Deliver required in-service dates for major capital projects on/under budget                        | Major projects completed approx. \$2M under budget (\$13.5M expended vs. \$15.5M budgeted)               | YES |  |
|                                       | 3 | Continue to measure and report new business turnaround times  | All new business projects completed in <30 days  | YES |  |

## Corporate Goals Results for FY2011 - Customer Satisfaction

**Goal 1** Using the results of the Customer Satisfaction Survey TMWA will report the percentage of its residential customers that are totally or mostly satisfied with the overall performance of the Company on the following scale:

A rating of 71% - 81% equates to a Good Performance

A rating of 82% - 86% equates to an Excellent Performance

A rating over 86% equates to an Outstanding Performance

**Results:** *Outstanding Performance with a rating of 89%.*

**Goal 2** Using the results of the Customer Satisfaction Survey TMWA will report the percentage of its commercial customers that are totally or mostly satisfied with the overall performance of the Company on the following scale:

A rating of 77% - 87% equates to a Good Performance

A rating of 88% - 90% equates to an Excellent Performance

A rating over 90% equates to an Outstanding Performance

**Results:** *Good Performance with a rating of 88%.*

**Goal 3** Meet the Vertex revised contract requirement of 80% of calls answered within 35 seconds.

**Results:** *Met the requirements with 82.56% of calls answered within 35 seconds.*

## Corporate Goals Results for FY2011 - Efficiency

- Goal 1** Track customer accounts per employee and compare to national benchmark. Use most recent Amercian Waterworks Association Benchmark Survey. AWWA  
Benchmark Top Quartile = 667; Median = 455; Bottom = 333

**Results:** *The active customer accounts per employee was 559.3 (92,563/165.5) which is between the median and top quartile.*

- Goal 2** Track average MGD delivered per employee and compare to national benchmark. Use most recent Amercian Waterworks Association Benchmark Survey.  
AWWA Benchmark Top Quartile = 0.33; Median = 0.24; Bottom = 0.15

**Results:** *The average MGD per employee was 0.37 which is in the top quartile*

- Goal 3** Analyze costs, benefits and funding opportunities for energy efficiency projects and/or another TMWA site for renewable energy potential and if, economical, incorporate in capital budget for FY2012

**Results:** *Applied for incentive from NV Energy related to improvements on Highland Canal that save energy through less pumping. Application accepted, incentive of \$89,163 is probable.*

## Corporate Goals Results for FY2011 - Safety

**Goal 1** TMWA will maintain a Safety Incident Rate graded on the following scale:

*Definition: A safety incident is any incident listed on the OSHA300 log. This excludes incidents that only required first aid treatment.*

*Manhours by all employees is the sum of hours worked by full time, part time, temporary and seasonal employees during the reporting period.*

Needs Improvement: Incident rate over 5

Good Incident rate of 4 - 5

Excellent: Incident rate of less than 4

*Calculation:* 
$$\frac{\text{Number of incidents} \times 200,000 \text{ manhours}}{\text{Manhours by all employees}}$$

**Results:** *Met - 2.32 = Excellent (4 medical injuries, 344,827 manhours worked)*

**Goal 2** Track preventable vehicle accident rate and compare to industry standard

*Definition: number of preventable vehicle accidents per 100,000 miles driven*

**Results:** *0.69 = (5 accidents, 724,637 miles driven) = Higher than the industry standard of 0.50*

### Corporate Goals Results for FY2011 - Finance

**Goal 1** Meet all bond covenants

**Results:** *Met Goal - TMWA has complied with all bond covenants*

**Goal 2** Meet or Underspend the Capital and O&M Budget Commitments

**Results:** *Met Goal - Capital spending \$19.2 million vs. \$21.8 million budget; O & M \$33.2 million vs. \$36.8 million budget*

**Goal 3** Update the 5 Year Funding Plan

**Results:** *Met Goal - Completed in March 2011 and submitted to Fitch and used in merger analysis*

**Goal 4** Maintain or Improve Current Credit Ratings

**Results:** *Met Goal - TMWA reaffirmed AA- by Fitch, retained negative watch; Moody's A1, S&P A+*

**Goal 6** Complete the detailed financial analysis of merger of Washoe County Department of Water Resources water utility into TMWA and present the findings and recommendations to the Board by March 31, 2011

**Results:** *TMWA analysis completed March 2011; DWR completed theirs in Aug. Combined financial model draft in May 2011, completed in August 2011. Sent to PFM September, 2011. Review of combined financial model by PFM completed 9/20/2011 - only minor changes recommended. Final PFM report forthcoming.*

## Corporate Goals Results for FY2011 - Finance (continued)

**Goal 5** Identify and report on cost containment measures

### ***COST CONTAINMENT FOR CONSERVATION BY Kim Mazeris***

*Over \$100,000 saved in Conservation from FY10 to FY11 through a number of cost savings initiatives, including utilizing the website rather than hard copies, reducing advertising expenditures for Assigned Day Watering, and brining work in-house instead of using outside resources. Breakdown by project is as follows:*

- \* \$20,000 - Avoided costs resulting from 1/2 year implementation of auto-dispatch technology*
- \* \$15,000 - Avoided hard copy reprint of the Landscape Guide*
- \* \$48,000 - Avoided expenditures re-advertising 3-day-a-week watering*
- \* \$23,000 - Reduced summer advertising campaign expenses*
- \* \$15,000 - Brought Poster Art Contest in-house*
- \* \$6,000 - Reduced Landscape Retrofit expenses in FY11 since we are in program maintenance mode instead of building mode with Truckee Meadow Community Forestry Coalition.*
- \* \$1,000 - Brought Commonsense Gardening Workshops flyer in house.*
- \* \$38,000 - Brought well reading in house*
- \* \$31,000 - Avoided by terminating GBA software licenses*
- \* \$6,000 - Avoided by revised ESRI software licenses*

### ***COST CONTAINMENT FOR AUTOMATED DISPATCH BY Jeff Tissier and Kim Mazeris***

- \* Automated Dispatch was implemented in January 2011, at a cost of \$95,000.*
- \* The annual cost for Automated Dispatch is \$150,000.*
- \* The gross annual cost savings for Automated Dispatch is, conservatively, \$380,000.
  - \* This includes four (4) positions that have been vacated and will not be filled – two (2) Servicemen and two (2) Customer Service Representatives, monthly savings from not having Commercial Telephone Exchange answer our after-hours calls, elimination of the Network Service Fee from Vertex, and paper savings due to elimination of paper service orders.**
- \* Thus, the net cost annual savings is \$230,000 (\$380,000 less \$150,000).
  - \* We recovered our investment within six months.*
  - \* The annual cost savings is conservative, as not only are there additional productivity and overtime savings, but we will continue to increase savings as we streamline existing processes.**

**Corporate Goals Results for FY2011 - Finance (continued)**

***COST CONTAINMENT FOR ENGINEERING BY Scott Estes***

*You could tell more than one story with the information in the first block below. One story is the cost savings related to performing all Street & Highway main replacement designs with TMWA engineering personnel as opposed to using outside consultants. This effort actually began in FY 10, but we continued the effort in FY 11. I'm not sure this is a true cost saving measure because prior to FY 09-10 there was so much capital work, we did not have the manpower to devote to main replacement design. However, we did realize the opportunity when things slowed down and we took the appropriate action. As shown in the Capital Spending column, we also actively managed Capital Expenditures in response to the need to maintain cash reserves.*

| <i>FY</i> | <i>Main Repl. Design</i> | <i>All Engr. Consult.</i> | <i>Capital Spending</i> | <i>Reduction in Consult.</i> | <i>Reduction In Capital Exp</i> |
|-----------|--------------------------|---------------------------|-------------------------|------------------------------|---------------------------------|
| 08-09     | \$443,280                | \$3,233,481               | \$44M                   |                              |                                 |
| 09-10     | \$ 56,900                | \$1,826,578               | \$25M                   | \$1.4M/43%                   | \$19M/43%                       |
| 10-11     | \$ 14,245                | \$1,298,754               | \$20M                   | \$0.5M/29%                   | \$5M/20%                        |

*If you want to just compare current FY main replacement design costs to last FY, the savings would be about \$42,700 (or a 75% reduction). That might be the appropriate comparison since total capital spending in FY 10 and FY 11 was much more comparable (and closer to the "norm"). If you want to go big, then you could say expenditures on engineering consultants for main replacement design work has been reduced \$429,000 (or a 97% reduction) over FY 09 levels.*

*The other cost containment measure relates to energy management and electricity cost reductions. I copied Paul on this since he is probably working on something similar. Our planning engineers have been working closely with the system operators to develop cost effective operating plans to optimize seasonal operation of our pumping systems. Paul might have slightly different actual \$\$ figures, but I thought I would throw out the info contained in the summaries provided by NVE, plus some consumption numbers to put it all into perspective:*

| <i>FY</i> | <i>Total \$\$ Electric</i> | <i>Total kWh Electric</i> | <i>Max Mo. \$\$ Elect.</i> | <i>Max Mo. kWh Elect.</i> | <i>Max Mo. kW Demand</i> | <i>Annual Use 1000 MG</i> | <i>Max Day MGD</i> |
|-----------|----------------------------|---------------------------|----------------------------|---------------------------|--------------------------|---------------------------|--------------------|
| 09-10     | \$ 6,576,565               | 56,821,320                | \$944,246                  | 7,935,261                 | 4,196                    | 23.879                    | 128.8              |
| 10-11     | \$ 4,281,155               | 43,512,597                | \$672,045                  | 6,603,372                 | 2,809                    | 22.190                    | 123.0              |

*Water consumption decreased by about 7%, but total electric use decreased by 13,308,723 kWh or 23%; total electric costs decreased by \$2.295M or 35%; our monthly peak electric bill decreased by \$272,201 or 29%; and our max month kW Demand decreased by 1,387 kW or 33%. NVE notes that the "effective rate" has decreased 13.4%, but most of the decrease can be attributed to the diligent monitoring and timely control of our folks.*

**Corporate Goals Results for FY2011 - Finance (continued)**

***COST CONTAINMENT FOR FACILITY MAINTENANCE BY Geoff DaForno***

*For the HVAC (Heating, Ventilation, Air Conditioning) maintenance, TMWA has been contracting it out as we are not equipped or trained to perform most of these functions. In past years TMWA had received quotes for fixed hourly pricing for this type of maintenance and repairs. The maintenance and repairs were performed on a time and material basis. Last year TMWA decided to put the routine maintenance items out to formal bid to get fixed costs for each unit in need of maintenance. Some of the functions were taken over by TMWA Mechanics. The following are the results provided by TMWA's finance department;  
 From 7/1/2009 to 6/30/2010 total expenses paid to a contractor for HVAC maintenance and repairs were \$240,558.35  
 From 7/1/2010 to 6/30/2011 total expenses paid to a contractor for HVAC maintenance and repairs were \$94,327.05*

*This equates to a reduced expense of \$146,231.30 for the year.*

***COST CONTAINMENT FOR OPERATIONS BY Paul Miller***

*Energy*

- *We kept the Highland Canal in service all winter long this past winter, and thus we did not have to pump raw water from the Orr Ditch Pump Station. We spent a little more in overtime labor to fight ice, but the energy savings equaled about \$75K per month in the winter at Chalk Bluff. Typically, we shut the Canal down for two to four months a year.*
- *The Highland Canal capacity was increased from 50-mgd to 90-mgd and therefore, we didn't have to use the Orr Ditch Pump Station in the summer. Savings realized were in the range of \$90K per month in the summer months.*
- *Having the Highland Canal in service reduced the pumping required from the Orr Ditch Pump Station and allowed Operations to institute a new KW demand usage policy at Chalk Bluff which set maximum monthly KW targets. This kept the monthly facility and demand charges low and incentivized plant pumping when most cost effective. Operations did a terrific job of juggling equipment usage to stay within demand targets. Electric savings due to this program are estimated in the range of 10% to 25% (\$5,000 to \$20,000 per month). As an example, energy usage at Chalk Bluff for the July bills of 2010 and July of 2011 were within 2% of each other; however, the electric charges for July of 2011 were approximately 12 % or \$12,500 less than July of 2010.*
- *Operations and Engineering staff members have been meeting on a weekly basis over the past couple of years identifying areas where pumping throughout the distribution system could be made more efficient. We have 105 different pump stations, and we believe we have saved significant energy \$ at each site (by using smaller or more efficient pumps) – with only one third of the system gone through at this time. We are continuing to work on improvements in this area.*

**Corporate Goals Results for FY2011 - Finance (continued)**

***COST CONTAINMENT FOR OPERATIONS BY Paul Miller (continued)***

*Chemicals*

- We typically spend in the range of \$1.5-million per year on treatment chemicals. We (Purchasing) have been working diligently on contracts with suppliers to keep the unit cost of chemicals down over the past several years.*
- We changed the application point of prechlorination at Chalk Bluff and believe this has saved 30% of the typical hypochlorite usage at Chalk Bluff which translates to \$30K annual savings.*
- We have been working with the Nevada Division of Environmental Protection and the District Health Department to change our finished water pH target from 8.3 to 8.0. We have been testing this for the past several months and believe we can save up to \$100K per year with this change.*
- The primary chemical we use is Poly Aluminum Chloride at an annual cost of \$800K per year. We continue to use this as efficiently as possible to keep quality high and costs low.*

*Miscellaneous cost saving measures over the past year*

- We delayed the startup of the Glendale WTP this past summer to maximize usage of Chalk Bluff and minimize labor to operate Glendale. This was estimated to save approximately \$30,000 per month (May and June).*
- We reduced our recharge program over the past winter, because the aquifer was in good condition, and we could reduce costs by doing so.*
- Spending has been reduced wherever possible.*
- We have worked diligently to provide local and in-house training to minimize training costs of personnel which is required to keep up Treatment and Distribution certifications.*

***COST CONTAINMENT FOR FINANCE BY Jeff Tissier***

*Based upon the most recent \$11.4 million refinancing TMWA will save \$803,000 over the next five years of which \$568,000 will be in FY2012*

## Departmental Goals Results for FY2011 - Treatment

**Goal 1** Meet the treatment costs set according to anticipated production:

If Production is at or near 22,000 MG, TMWA will meet a cost of \$362/MG

If Production is at or near 23,000 MG, TMWA will meet a cost of \$346/MG

If Production is at or near 24,000 MG, TMWA will meet a cost of \$332/MG

If Production is at or near 25,000 MG, TMWA will meet a cost of \$319/MG

**Results:** *Exceeded Goal - Production was 22,190 MG. Cost was \$286/MG*

**Goal 2** Meet the benchmark of 0 MCL violations

**Results:** *Met Goal - Zero (0) violations*

**Goal 3** Maintain effluent turbidity 95% of the time at less than: 0.20 NTU is Good; 0.15 NTU is Excellent; 0.10 NTU is Outstanding.

**Results:** *Met Goal - 100% of the time effluent turbidity was less than 0.10 NTU*

## Departmental Goals Results for FY2011 - Distribution

**Goal 1** Track system reliability by calculating outage hours per 1000 customers and compare to national benchmarks

*Results: Unplanned (less than 4 hours) = 1.64 Between Median 2.83 and Top .89  
Unplanned (between 4 and 12 hours) = 1.19 near Median of .98  
Unplanned (greater than 12 hours) = 0.0 in Top Quartile*

**Goal 2** Maintain 95% Hydro Plant Generation availability when river flow is available for generation (excluding planned maintenance and rehab, weather limitations and catastrophic failures).

*Results: Met Goal - 99% available*

## Departmental Goals Results for FY2011 - Customer Service

**Goal 1** Customer Call Center will have an average call handle time of 5 minutes or less per call.

*Results: Met - Average call handle time was 4 minutes, 46 seconds per call.*

**Goal 2** Achieve a monthly average of 80 non-weather estimates on all meter reads.

*Results: Met - Average was 1.17 per month (14 estimated bills for the entire year)*

**Goal 3** The fiscal year average for disconnect for non-payment service orders to active accounts will be .40% or less.

*Results: Met - The fiscal year average for disconnect for non-payment service was 0.250000%*

**Goal 4** The write off to revenue will be 0.30% or less at fiscal year end

*Results: Did not meet - The write-off to revenue was 0.350000% at fiscal year end.*

**Goal 5** Maintain or exceed the benchmark of resolving 99% of the conservation and high bill customer complaints without management intervention.

*Results: Met*

## Departmental Goal Results for FY2011 - Customer Service (continued)

- Goal 6** Achieve 100% backflow testing compliance for all new construction and TMWA-owned devices, as well as 100% continued notification for backflow testing compliance for all existing customers.

*Results: Met - 100% of new commercial projects tracked and tested; and 100% of TMWA-owned assemblies tracked and tested*

- Goal 7** Perform 50 backflow retrofits

*Results: Met - Completed 84 backflow retrofits*

- Goal 8** Implement a Field Service Automation System and Mobile Dispatch Solution by fiscal year end

*Results: Met - The Field Service Automation System and Mobile Dispatch Solution was implemented in January 2011.*

## Departmental Goals Results for FY2011 - Natural Resources

**Goal 1** Complete filing applications on all "old" non-permitted water rights

*Results: Met Goal - Filed applications on 246 acre feet to complete the last transfers of "old" non-permitted water rights*

**Goal 2** Continue active role in maintaining adequate water rights inventory, analyze purchase opportunities

*Results: Met Goal - Market conditions and a Rule 7 availability in excess of 6,000 af did not warrant warrant purchases in FY2011*

**Goal 3** Complete TROA California Transfer Applications and Hearings

*Results: Met Goal - Hearings were completed July 2010; briefs filed Sep 2010; awaiting ruling from Cal State Water Resources*

**Goal 4** Turn around new business application water rights work within 10 days

*Results: Met Goal - average turnaround time of 1.78 days*

## Departmental Goals Results for FY2011 - Engineering and New Business

**Goal 1** Continue cooperative coordination with Agencies and complete projects on schedule

*Survey the satisfaction of the appropriate coordinators at the City of Reno, City of Sparks, Regional Transportation Commission, NVEnergy and Washoe County with TMWA's Street & Highway Program.*

**Results:** *Four surveys returned - average score of 4.43 out of 5.00*

**Goal 2** Deliver required in-service dates for major capital projects on/under budget

| <u>Schedule</u>        |                                  |                                    |                              |   |
|------------------------|----------------------------------|------------------------------------|------------------------------|---|
| <u>Project</u>         | <u>Orig. Goal<br/>In-Service</u> | <u>Revised<br/>Goal</u>            | <u>Actual<br/>In-Service</u> | <u>Comments/Status</u>  |
| Glendale Diversion     | 3/31/10                          | 3/1/11                             | 5/27/11                      | out of river by 12-31-10  |
| Pump Station Rehabs    | 4/30/10                          | 5/1/11                             | 6/30/11                      | change orders + weather delays  |
| Sparks Fdr Main Ph. 4B | 4/30/10                          | 6/1/11                             | 8/26/11                      | jack & bore delays, but Glendale off-line through June  |
| St & Hwy Main Repl.    | 12/18/09                         | 6/30/11                            | 6/30/11                      |   |
| <u>Budget</u>          |                                  |                                    |                              |   |
| <u>Project</u>         | <u>FY<br/>Budget</u>             | <u>EOY<br/>Actual<br/>Expended</u> | <u>(Over)/<br/>Under %</u>   | <u>Comments</u>   |
| Glendale Diversion     | \$ 4,500,000                     | \$ 4,777,533                       | -6.2%                        | flood recovery, intake pipe/channel rebuild, Eastman Ditch extras                                     |
| Pump Sta. & PRS Rehabs | \$ 1,100,000                     | \$ 1,396,548                       | -27.0%                       | Caughlin disch. & suction piping redo required  |
| Sparks Fdr Main Ph. 4B | \$ 3,900,000                     | \$ 2,585,230                       | 33.7%                        | \$500K in change order claims have <i>not</i> been resolved   |
| St & Hwy Main Repl.    | \$ 6,000,000                     | \$ 4,211,836                       | 29.8%                        |   |
|                        | <b>\$ 15,500,000</b>             | <b>\$ 12,971,147</b>               | <b>16.3%</b>                 | reported \$13.5M in expenditures includes anticipated change orders on the Sparks Feeder Main Project |

**Departmental Goals Results for FY2011 - Engineering and New Business )continued)**

**Goal 3** Continue to measure and report new business turnaround times and maintain communication with builders and developer associations.

| <u>Project Category</u> | <u># Projects</u> | <i>Goals - Calendar Days</i> |                     |                     |
|-------------------------|-------------------|------------------------------|---------------------|---------------------|
|                         |                   | <u>&lt;=30 days</u>          | <u>&lt;=60 days</u> | <u>&lt;=90 days</u> |
| Comm w/Main             |                   | 75                           | 100                 |                     |
| Main Only               |                   | 100                          |                     |                     |
| Subdivision             |                   | 75                           | 100                 |                     |

➔ **Note:** # of calendar days from application complete to first red-line review complete.

| <u>FY 10-11 Actual Performance (6/1/10 through 5/31/11):</u> |                   |                                    |                     |                     |
|--|-------------------|------------------------------------|---------------------|---------------------|
| <u>Project Category</u>                                      | <u># Projects</u> | <i>Performance - Calendar Days</i> |                     |                     |
|  |                   | <u>&lt;=30 days</u>                | <u>&lt;=60 days</u> | <u>&lt;=90 days</u> |
| Comm w/Main  | 4                 | 100%                               |                     |                     |
| Main Only  | 0                 | 100%                               |                     |                     |
| Subdivision  | <u>1</u>          | 100%                               |                     |                     |
|  | 5                 |                                    |                     |                     |
| <u>Other New Bus. Category</u>                               |                   |                                    |                     |                     |
| Subdivision w/Capital  | 0                 |                                    |                     |                     |
| Tenant Improvements  | 9                 | 100%                               |                     |                     |
| Comm. Services   | 47                | 100%                               |                     |                     |
| Res. Services  | 4                 | 100%                               |                     |                     |
| Construction Water   | <u>2</u>          | 100%                               |                     |                     |
|  | 62                |                                    |                     |                     |