



TO: Chairman and Board Members
FROM: Mark Foree, General Manager
DATE: October 8, 2012
SUBJECT: **Presentation of proposed TMWA Goals and Objectives for Fiscal Year 2013, discussion and possible direction to staff**

RECOMMENDATION

Staff recommends that the Board adopt the Goals and Objectives for Fiscal Year 2013 as recommended and presented in this report.

DISCUSSION OF PROPOSED GOALS

Attached is the at-a-glance summary, as well as the measurement detail, for TMWA's proposed corporate and departmental goals for this fiscal year. Following is a discussion of some of staff's proposed changes to this year's goals as compared to last year's goals.

Corporate: Financial

- Add the financial goal of "Successful implementation of new accounting, human resources, and financial reporting systems to significantly reduce manual tasks."
- Add the financial goal "If refinancing opportunities present themselves, take advantage of them."

Departmental: Customer Service

- Lower the customer service "average call handle" goal from 4 minutes, 45 seconds to 4 minutes, 30 seconds.
- Lower the customer service "non-weather related monthly average estimates on all meter reads" goal from 25 to 12.

Departmental: Natural Resources

- Add a new natural resources department goal to “Complete Orr Ditch hearings on motion to amend the Orr Ditch Decree and appeal of Nevada State Engineer Order 6035.”
- Add a new natural resources department goal to “Respond to California Water Resource Board draft order changing California reservoir permits / licenses.”
- Add a new natural resource department goal to “Deploy Computerized records management system integrating other TMWA information systems.”

Truckee Meadows Water Authority
Corporate Goals and Objectives for FY2013

At a Glance
Customer Satisfaction
Efficiency
Safety
Financial
Departmental

TMWA Goals and Objectives - FY2013
At a Glance

Fiscal Year Results Met Goal AWWA Benchmark / Industry Standard / Comments

Corporate:

<u>Customer Satisfaction</u>	1	Residential Customers Totally or Mostly Satisfied: 71%-81% is good; 82%-86% is Excellent; over 86% Outstanding.				
	2	Commercial Customers Totally or Mostly Satisfied: 77%-87% is Good; 88%-90% is Excellent; over 90% Outstanding.				
	3	Meet the Vertex contract requirement of 80% of calls answered within 35 seconds				
<u>Efficiency</u>	1	Track customer accounts per employee and compare to national benchmark				AWWA Benchmark Top Quartile = 667; Median = 456; Bottom = 333
	2	Track average MGD delivered per employee and compare to national benchmark				AWWA Benchmark 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				
<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.				Industry Standard Bureau of Labor Statistics = 4.6 Average Incident Rate for Water Utility Systems
	2	Track preventable vehicle accident rate and compare to industry standard				Industry Standard Average rating is 0.5 per 100,000 miles driven
<u>Financial</u>	1	Meet all bond covenants				
	2	Meet or underspend the Capital and O&M Budget Commitments				
	3	Update the 5 Year Funding Plan				
	4	Maintain or improve TMWA's credit ratings				
	5	Successful implementation of new accounting, human resources, and financial reporting system to significantly reduce manual tasks.				
	6	Continue to work toward merger with Washoe County DWR's water utility as directed by Board. Measure actual financial performance against forecast prepared for purposes of the merger				
	7	Identify and report on cost containment measures				
	8	If refinancing opportunities present themselves, take advantage of them				

TMWA Goals and Objectives - FY2013
At a Glance

Fiscal Year Results Met Goal AWWA Benchmark / Industry Standard / Comments

Departmental:

<u>Treatment</u>	1	Meet the treatment costs set according to anticipated production				
	2	Meet the benchmark of 0 MCL violations				
	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.				
<u>Distribution</u>	1	Track system reliability by calculating outage hours per 1000 customers and compare to national benchmarks				AWWA Benchmark Top Quartile = 0.89; Median = 2.83; Bottom = 9.10 Top Quartile = 0.13; Median = 0.98; Bottom = 3.22 Top Quartile = 0 Median = 0; Bottom = 0.20
	2	Maintain 95% Hydro plant generation availability based on available River flows				
<u>Customer Service</u>	1	Customer Call Center will average a call handle time of 4 minutes, 30 seconds or less				
	2	Achieve a monthly average of 12 non-weather estimates on all meter reads				
	3	The fiscal year average for disconnect for nonpayment service orders to active accounts will be 0.4% or less.				
	4	The write off to revenue will be 0.30% or less at fiscal year end				
	5	Hold a minimum of 12 public workshops and/or tours with a primary focus on responsible water use and education				
	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.				
	7	Perform 65 backflow retrofits				

TMWA Goals and Objectives - FY2013
At a Glance

Fiscal Year Results Met Goal AWWA Benchmark / Industry Standard / Comments

Departmental Continued:

<u>Natural Resources</u>	1	TROA: Complete Orr Ditch hearings on motion to amend the Orr Ditch Decree and appeal of Nevada State Engineer Order 6035				
	2	TROA: Respond to California Water Resource Board draft order changing CA reservoir permits/licenses				
	3	Continue active role in maintaining adequate water rights inventory, analyze purchase opportunities				
	4	Turn around new business application water rights work within 10 days				
	5	Deploy computerized records management system integrating with other TMWA information systems				
<u>Engineering & New Business</u>	1	Continue cooperative coordination with Agencies and complete projects on schedule				
	2	Deliver required in-service dates for major capital projects on/under budget				
	3	Continue to measure and report new business turnaround times				