

MEMORANDUM

DATE: September 12, 2016
TO: William Stowe, CEO and General Manager
FROM: Ted Corrigan, Chief Operating Officer
Peggy Freese, Chief Financial Officer
SUBJECT: 2016 Utility Goals Update

Staff has committed to providing the Board of Water Works Trustees with quarterly updates on the utility's 2016 goals. Six goals have been developed to move the utility towards greater efficiency, better planning, and improved employee health. An update on our 2016 goals is provided below.

Goal	Update	Status
<u>CRM System</u> By June 30, 2016, evaluate future of CRM system. Decide if purchased software will continue to be pursued, or recommendation made to rewrite CRM in light of limited capital funding in next 5-10 years.	A request of proposals was issued to four CRM vendors and responses were received from all of them. Each respondent was invited to DMWW for a day-long presentation in June. Staff evaluated the proposals and the decision of the vendor of choice was unanimous among team members. Staff incorporated a recommendation for a system in the 2017 Budget request. Staff is not recommending a rewrite of the existing CRM system at this time.	On track

<p><u>Field Technology</u></p> <p>By June 30, 2016, deploy technology to make critical job information accessible to all customer service field employees</p> <ul style="list-style-type: none"> • Provide comprehensive training of the technologies deployed (hardware and all applications) to ensure a positive adoption experience for users. • By September 30, 2016, attain an 80% satisfaction rating from users that they have found the field technology helps them perform their daily jobs more effectively. 	<p>After piloting four different hardware options with customer service field staff, Microsoft Surface Pro tablets have been deployed to all customer service field team members. Training was held in late June on the hardware and several software applications used daily by the team. Preliminary feedback has been positive. We will formally measure user satisfaction by September 30, to determine if the technology helps field staff perform their daily work more effectively.</p>	<p>On Track</p>
<p><u>5 Year CIP Financing Plan</u></p> <p>By September 1, 2016, develop a plan for financing the five year Capital Improvement Plan (CIP) which will include utilizing a variety of resources such as rates, water revenue bonds and contributions from joint participants.</p>	<p>Staff met with our bond advisor, Speer Financial, who confirmed our bonding capacity and provided projected debt service schedules. Staff has prepared an analysis of the rate impacts of debt service repayment and cash flowing the remainder of the CIP.</p>	<p>On Track</p>
<p><u>2040 Long Range Plan</u></p> <p>Facilitate completion of consultant report by year end.</p> <ul style="list-style-type: none"> • Facilitate completion of consultant report by year end. • Complete DMWW report by year end with final LRP completed in first quarter 2017. • Ensure communication with the Regional Technical Advisory Committee. 	<p>The intent of this goal was that DMWW staff would facilitate completion of the Core Network Long Range Plan by the end of first quarter 2017, and communicate progress to the CIRDWC Technical Advisory Committee. Staff continues to work with HDR on the Long Range Plan. Three workshops have been held to facilitate HDR in developing an understanding of existing facilities and operation. A fourth workshop have been scheduled for September 19. After those meetings, we will being to receive</p>	<p>On Track</p>

	<p>recommendations from the consultant. Currently the project is a week or two behind schedule, but we expect to complete the project on time in the first quarter. The CIRDWC technical committee has been active throughout the planning process. The committee has met five times this year and has been updated on each step in the process. CIRDWC has also receive updates at scheduled meetings in 2016.</p>	
<p><u>Safety</u></p> <p>Reduce OSHA recordable injures to not more than the industry average of 12 in 2016.</p> <ul style="list-style-type: none"> • Train on safety aggressively. • Talk about safety regularly • Promote accountability for safety and safe behavior. 	<p>The intent of this goal was to cause a reduction in recordable injuries by continuing to train, talk, and promote accountability for safety throughout the utility. As we approach the end of the eighth month, we stand a seven recordable injuries. This is more injuries than we had hoped to see through the first 8 months, but it does put us on track to meet the goal of 12 or fewer.</p> <ul style="list-style-type: none"> • Training continues on a monthly basis in addition to weekly safety topics. We have decided to send only a few employees to 30 hour OSHA training this year as a way to evaluate the value for others in the utility. • Tailgate safety meeting have been a focus of both the CSC and weekly safety talks. Progress is being made. • We are making progress in the area of safety accountability. The preventable vehicle accident policy has heightened awareness. Injury review meetings by functional area have been conducted. We have not yet developed safety goals for each operational area as planned. 	<p>On Track</p>

<p><u>Saylorville Water Treatment Plant</u></p> <p>Maximize days for Saylorville Water Treatment Plant (SWTP) daily production above nine million gallons per day (mgd).</p> <ul style="list-style-type: none"> • Complete reverse osmosis replacements by February 21, 2016. • Produce 9.0 mgd or more from SWTP for 90 days between May 15 and September 15. 	<p>Staff completed reverse osmosis replacements in February; however, missed the original goal deadline by three days. Great efforts were made by staff in completing this task, with challenging circumstances. Staff has not been successful in the goal of producing 9 mgd or more from SWTP for 90 days between May 15 and September 15. Due to elevated raw water hardness, the opportunity to succeed was not available. From May 15 through the end of August, an average of 6.5 mgd was produced from SWTP.</p>	<p>Not Met</p>
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