

Memorandum

To: HONORABLE BOARD OF DIRECTORS

From: Suzanne R. Coffey, P.E., ICEO

CC: William M. Wolfson, CACO

Date: March 4, 2022

RE: **EXPLANATION OF ICEO March 2022 KPIs “RED, YELLOW, GREEN” REPORT**

OVERVIEW Last month there were three “yellow” indicators. This month there are four “yellow” indicators.

Our first “yellow” measure relates to the reliability of wholesale water and sewer revenue projection. For the last three months this measure has been “yellow”. It is “yellow” again this month. For this measure to return to “green,” water system wholesale billed revenues will equal at least 100% of the budgeted amount. Last month we reported data from November 2021 and the measure was “yellow” with billed revenues at 96.7% of budgeted charge revenue. This month we reported data from December 2021 and the measure remained “yellow” with billed revenues improving to 97.2% of budgeted charge revenue. This result is consistent with our preliminary analysis reported that predicted continued improvements anticipated for this area. As we previously reported, this performance shortfall has been addressed through first quarter budget amendments.

Our second “yellow” indicator is the measure of the ratio of operable valves to valves assessed. Last month this measure was also “yellow”. The goal for this metric is 100% of GLWA valves are operational. Last month we reported that 81.3% of GLWA valves assessed were operational. This month the percentage of operational valves has declined to 78.0%. This decline appears to have been caused by the fact that many the valves assessed this month have been closed and sealed. As previously indicated, it is not unreasonable to expect this indicator to remain “yellow” for the foreseeable future underscoring the value of this project.

Our third “yellow” indicator relates to our network up-time percentage. For this metric to be “green” the network must be up at least 99.98% of the time Last month the indicator was “green” with an up time of 99.99%. This month our network up time declined to 99.96% of the time slightly below the goal but causing the indicator to turn “yellow.” During this period GLWA again experienced downtime due to an extended outage in an

effluent building. The IT Group is evaluating affected location to determine what, if anything is needed to improve performance.

Our fourth “yellow” indicator relates to customer satisfaction with contracted water pressure. For this measure to remain “green” GLWA must deliver water at greater than 90% of contracted pressures. Last month we reported data from December 2021 this measure was “yellow” as water pressure slightly above 96% of contracted levels. This month we are reporting data from January 2022 and the measure remains yellow at 95% of contracted levels. This slight decline in pressure was associated with the break and repairs to the 14-mile main. As the repair to this main was completed in January of this year, GLWA anticipates that this indicator will be “green” next month.

SPECIFIC RED AND YELLOW MEASURES ON FOLLOWING PAGE:

EUM Attribute	Measure	Significance	Criteria	Status	
Financial Viability	Water system wholesale billed revenues will meet or exceed budgeted amount	Methods for establishing revenue projections are reliable	Green Yellow Red	100% 85% - 99% <85%	Yellow

Explanation and Responsive Actions: This measure relates to the reliability of wholesale water and sewer revenue projection. For this measure to remain “green” water system wholesale billed revenues will equal at least 100% of the budgeted amount. Last month we reported data from November 2021 and the measure was “yellow” with billed revenues at 96.7% of budgeted charge revenue. This month we reported data from December 2021 and the measure remained “yellow” with billed revenues improving to 97.2% of budgeted charge revenue. This result is consistent with our preliminary analysis reported that predicted continued improvements anticipated for this area.

EUM Attribute	Measure	Significance	Criteria	Status	
Infrastructure Strategy and Performance	Water - 100% of GLWA valves assessed are operational	Reduced risk of unplanned downtime and service interruption	Green Yellow Red	>90% 80% - 90% <80%	Yellow

Explanation and Responsive Actions: Our valve assessment project measure remains “yellow” this month but has slightly declined from the previous month. As the Board is aware, under this project, valves are currently defined in one of three categories – minor repair, rehabilitation, or replacement. Where the valve ultimately ends up is determined at the end of the project which means that a valve can go from minor repair to rehabilitated during the contract and may be operational by the end of the contract period.

EUM Attribute	Measure	Significance	Criteria	Status
Enterprise Resiliency	All GLWA sites with Wide Area Network connections will have 100% availability	Network connectivity promotes employee productivity	Green >99.98% Yellow 99.50% - 99.98% Red <99.50%	Yellow

Explanation and Responsive Actions: This month our network was up 99.96% of the time, below the 99.98 % goal. During this period GLWA again experienced downtime due to an extended outage in an effluent building. The IT Group is evaluating affected locations to determine what, if anything is needed to improve performance.

EUM Attribute	Measure	Significance	Criteria	Status
Customer Satisfaction	GLWA will maintain pressure variance within 98% of required contract amounts	System reliability	Green =95 -100% Yellow =90 - 95% Red < 90%	Yellow

Explanation and Responsive Actions: This measure relates to customer satisfaction with contracted water pressure. For this measure to be “green” GLWA must deliver water at greater than 90% of contracted pressures. In December of 2021 this measure was “yellow” as water pressure dipped to slightly above 96% of contracted levels. This slight decline in pressure was associated with the break and repairs to the 14-mile main.