

Memorandum

To: HONORABLE BOARD OF DIRECTORS

From: Sue McCormick, CEO

CC: William M. Wolfson, CACO

Date: May 5, 2018

RE: EXPLANATION OF CEO May 2018 KPIs – “RED, YELLOW, GREEN REPORT”

OVERVIEW: Last month there were five “yellow” indicators. This month there are no “red” and three “yellow” indicators. As previously discussed, this month we have added seven new Key Performance Indicators (KPIs). Three of the four “yellow” indicators are new KPIs.

EUM Attribute	Measure	Significance	Criteria	Status
Product Quality	Effluent phosphorus concentration will be at least 20% below Permit levels	Wastewater regulatory compliance	Green= <80% of Permit Levels Yellow = 80 to 100% of Permit levels Red = exceeds Permit levels	YELLOW

Explanation and Responsive Actions: GLWA has established a goal of maintaining a phosphorus effluent concentration at no more than 80% of permitted levels. This past month, the Fiscal year-to-date discharge was just slightly ahead of GLWA’s 80% goal (81%)but well within permitted limits. While we continue to monitor the situation, operational changes are not contemplated at this time.

EUM Attribute	Measure	Significance	Criteria	Status
Infrastructure Strategy and Performance	Wastewater Preventative maintenance projects completed as planned	Reduced risk of unplanned downtime or inefficiencies	<i>Green = 80-100%</i> <i>Yellow = 60- <80%</i> <i>Red = >60%</i>	YELLOW

Explanation and Responsive Actions: This is the Second month in which the performance has failed to meet the goal of 80% of work orders completed on time. GLWA is still investigating the cause for the performance decline in this area. This month we have added contractor PM completion data to the measure, however, we do not believe the decline is solely due to improved data resulting from this change. We will continue to monitor performance in this area. In the meantime, we will begin a series of internal meetings to identify barriers to success and appropriate corrective actions.

EUM Attribute	Measure	Significance	Criteria	Status
Enterprise Resiliency	All GLWA sites (59) with Wide Area Network (WAN) connections will have 100% availability excluding schedule down time for maintenance.	Network Connectivity promotes Employee Productivity.	<i>Green = 100%</i> <i>Yellow >=99.50% and <100%</i> <i>Red <99.50%</i>	YELLOW

Explanation and Responsive Actions: The above Information Technology metrics support communication ability necessary in supporting employee productivity, workflow optimization, and enterprise integration.

While network uptime declined slightly from 99.62 in March 2018 to 99.55% in April. Seven of the outages were equipment related and one was power related. To improve the relevancy of this metric, GLWA is exploring ways to tract duration of this outages as a further measure to explore their impact. Although data is currently available, reports would have to be manually created. It is estimated that the creation of such reports would annually consume more than 140 hours of staff time. GLWA does not believes its current ability to determine outage impacts does not currently justify this additional resource commitment, however, we are attempting to determine if we can use BI to produce this information in an organizationally efficient manner.