



## Memorandum

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**To:** HONORABLE BOARD OF DIRECTORS

**From:** Sue McCormick, CEO

**CC:** William M. Wolfson, CACO

**Date:** June 10, 2019

**RE: EXPLANATION OF CEO June 2019 KPIs – “RED, YELLOW, GREEN REPORT”**

OVERVIEW This month there are one “red” and two “yellow” indicators. Last month there were two “red” and one “yellow” indicator.

One of the “yellow” indicators was our Enterprise Resiliency -Security and Integrity measure of number of reports per patrol. As the Board is aware, patrols serve two purposes: First, patrols are designed to provide a quick and effective response to incidents and second, patrols ensure that there are not conditions at our facilities that might endanger operations or safety. We have recently seen a reduction in the number of facility reports generated. This trend has been developing for the past several months with a drop in the number of reports per month from approximately 60 to approximately 50 per month. While the reduction in facility reports appears to be positive news regarding the condition of GLWA’s facilities, it does not immediately lead to a conclusion that we can restructure our schedule of patrols. Before we adjust our operations or the metric, we want to ensure that safety is protected. This means that the metric may remain “yellow” for the foreseeable future as we will wait until at least September before making such a change.

The “red” and “yellow” metrics are discussed on the following page:

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

Explanation and Responsive Actions: Although this measure remains “red”, it remains “yellow” at 79.5% operability. 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 contract 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.

<b>EUM Attribute</b>	<b>Measure</b>	<b>Significance</b>	<b>Criteria</b>	<b>Status</b>
<b>Enterprise Resiliency</b>	GLWA security patrols will produce an average of 2 security reports (incident and facility inspection) per patrol.	Risk prevention	<b>Green = 1.9 - 2.7 average reports per patrol</b> <b>Yellow = 1.5 - &lt;1.9 or ,&gt;2.7 - 2.9 average reports per patrol</b> <b>Red = &lt;1.5 or &gt;2.9 average reports per patrol</b>	<b>YELLOW</b>

Explanation and Responsive Actions: During the past month GLWA experienced an approximate 50% decline in our facility inspection reports. As indicated in the introduction to this report, the Security and Integrity group will continue to monitor this metric and, should it remain “yellow” will make appropriate adjustments.

<b>EUM Attribute</b>	<b>Measure</b>	<b>Significance</b>	<b>Criteria</b>	<b>Status</b>
<b>Enterprise Resiliency</b>	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	<b>Green = 100%</b> <b>Yellow</b> <b>&gt;=99.50%</b> <b>and &lt;100%</b> <b>Red &lt;99.50%</b>	<b>YELLOW</b>

Explanation and Responsive Actions: During the past month our network connectivity was 99.57% For the current fiscal year our network connectivity has remained above 99.5% and yet the metric has remained “yellow” for 10 of the past 12 months. We are considering revising the “green” metric from 100% to a range of 99.75 – 100%. While this will set a high bar for success it may provide greater motivation for improvement as a “green” metric will be more achievable.