



Memorandum

To: HONORABLE BOARD OF DIRECTORS

From: Sue McCormick, CEO

CC: William M. Wolfson, CACO

Date: October 4, 2019

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

OVERVIEW Last month there was one “yellow” indicator. This month there are one “red” and two “yellow” indicators. The “red” indicator relates to our goal of having the number of our investigative reports decline each month. One “yellow” indicator relates to our valve exercising and rehabilitation program. We have now completed our pilot evaluations and the metric remains “yellow” which indicates a need to focus on continued rehabilitation and repair of the systems valves. The other “yellow” metric is our wide area connectivity which while turning from “green” last month to “yellow” this month. Despite this change our system connectivity uptime remained at 99.97%

I do want to highlight our Water and Field Service’s Area’s achievement on our cyber-security measure. This measure remains “green” with 97% of GLWA Team Members having completed required monthly training. However, this month our Water and Field Service’s Area achieved a statistical 100% completion rate with 317 of the 318 team members having completed the training within 30 days. We believe that this training correlates with other cyber security efforts and will schedule a brief discussion with the Board on this topic in the months to come.

SPECIFIC MEASURES ON FOLLOWING PAGE

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 = 90-100% Yellow = 80 - ,90% Red = <80%	YELLOW

Explanation and Responsive Actions: We have completed the initial “pilot” phase of our valve assessment project and this metric remains “yellow.” 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. The fact that the metric remains “yellow” suggests a continued need for focused valve assessment, rehabilitation and repair throughout the system.

EUM Attribute	Measure	Significance	Criteria	Status
Enterprise Resiliency	The number of investigative security reports will decrease each month	Risk prevention	Green = Decrease Yellow = Same as previous month Red = increase	Red

Explanation and Responsive Actions: During the past month GLWA experienced an increase in incident reports from 41 to 60 causing this measure to turn “red.” Although an increase, the number of investigative reports remains generally in line with prior months’ average and fluctuations are anticipated. GLWA will continue to monitor this metric but does not feel further measures are necessary at this time.

\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	Green = 100% Yellow >=99.50% and <100% Red <99.50%	YELLOW

Explanation and Responsive Actions: During the past month our network connectivity was 99.97% slightly below our minimum network connectivity standard for “green of 99.98% connectivity causing the metric to be “yellow.” The change in color was caused by a single incident. GLWA will continue to monitor but does not believe further action is necessary at this time.