



Memorandum

To: HONORABLE BOARD OF DIRECTORS

From: Sue McCormick, CEO

CC: William M. Wolfson, CACO

Date: October 9, 2020

**RE: EXPLANATION OF CEO November 2020 KPIs – “RED, YELLOW, GREEN”
REPORT**

OVERVIEW Last month there was one “red” and two “white” indicators. This month there are no “red,” two “yellow,” and two “white” indicators.

Last month we advised you Our Capital Improvement Program (CIP) spending rate started the new fiscal year (FY 21) as “red” averaging over 69% but just shy of 70% which would cause the measure to turn “yellow.” We are pleased to report that this month the measure has turned “green.” Our spending rate remains higher for water CIP projects at 100%, while the spending rate for wastewater projects alone was 81%; both would be considered “green.”

Our first “yellow” measure is the ratio of preventative maintenance projects completed as a percentage of total projects. This month the measure ratio is 86%, 1 percent higher than the maximum 85% for the metric to be “green.” GLWA will continue to monitor this metric to determine if the high ratio of preventative maintenance projects is temporary, structural, or arithmetic. If this trend continues, GLWA will review to determine if our defined preventative measures appropriately capture activities that support asset life and operations.

The second “Yellow” measure was our stakeholder understanding and support metric for traditional media. This measure fell below the 75% target for message pull through this month. The primary reason for this is that the majority of articles published during the month were generated by outside parties and therefore quotes from GLWA were not warranted or sought.

The two “white” indicators relate to our valve exercising and rehabilitation program remain: These metrics remain “white” as we restart the program.

SPECIFIC RED AND YELLOW MEASURES ON FOLLOWING PAGE

EUM Attribute	Measure	Significance	Criteria	Status
Infrastructure Strategy and Performance	Water - 25 or more valves exercised per month	Reduced risk of unplanned downtime or emergency repairs	Green = 25 or more per month Yellow= 21 - 24 per month Red = 20 or less per month	White

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%	White

Explanation and Responsive Actions: The initial “pilot” phase of our valve assessment project has been completed. These metrics are white as we begin Phase 2 of the program.

EUM Attribute	Measure	Significance	Criteria	Status
Infrastructure Strategy and Performance	Wastewater - Preventative maintenance projects completed as a percentage of total projects	Reduced risk of unplanned downtime or inefficiencies	Green = 75-85% Yellow = >85% Red = <75%	Yellow

Explanation and Responsive Actions: The ratio of preventative maintenance projects completed as a percentage of total projects. This month the measure ratio is 86%, 1 percent higher than the maximum 85% for the metric to be “green.” If the percentage is significantly higher than the target (yellow) it is a warning that PMs can be reduced, and resources can be better directed to other system needs.

GLWA does not believe that this 1% variance warrants operational modifications. However, GLWA will continue to monitor this metric to determine if the high ratio of preventative maintenance projects is temporary, structural, or arithmetic. If this trend continues, GLWA will review to determine if our defined preventative maintenance measures appropriately capture activities that support asset life and operations or requires revision.

EUM Attribute	Measure	Significance	Criteria	Status
Stakeholder Understanding and Support	GLWA Materials will be used or GLWA Sources quoted in at least 75% of online and print articles mentioning the GLWA.	Effective media interaction	Green = Pull through >75% Yellow = Pull through > 50% band < 75% Red = Pull through <50%	Yellow

Explanation and Responsive Actions: This month our stakeholder understanding KPI for traditional media fell below the 75% target for message pull through. The primary reason for this lack of pull through is that the majority of articles published during the month were generated by outside parties and therefore quotes from GLWA were not warranted or sought. We believe that this measure will return to “green” next month and that corrective action is not necessary at this time.