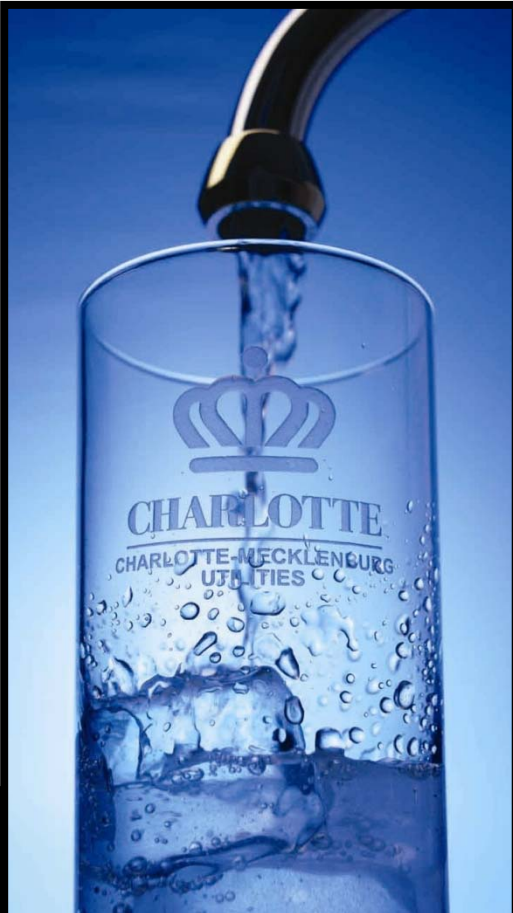


STRATEGIC OPERATING PLAN FY2010



CHARLOTTE-MECKLENBURG UTILITIES

Clean Water for a Healthy Community



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Executive Summary

INTRODUCTION

Charlotte-Mecklenburg Utilities (Utilities) was established in 1972 when the City of Charlotte and Mecklenburg County combined its water and sewer systems. Today Utilities is the largest public utility in the Carolinas, serving over 242,000 customer accounts and maintaining over 8,000 miles of pipe.

Utilities' core business is to provide safe drinking water and safely transport and treat wastewater for the Charlotte-Mecklenburg community. In addition to seven internal divisions that contribute to carrying out the organization's objectives, Utilities has a citizen Advisory Committee which is comprised of seven members representing neighborhoods, civil engineers, water-sewer contractors, financial experts, real estate developers, and Mecklenburg towns. The Advisory Committee is charged with reviewing: Capital Improvement Programs, proposed changes in the water and sewer rate methodology, and proposed changes in the policy for extending water and sewer service.



Utilities plans for FY2010 contain new actions designed to further align our priorities with our vision and mission and the goals and objectives of the City.

VISION AND MISSION

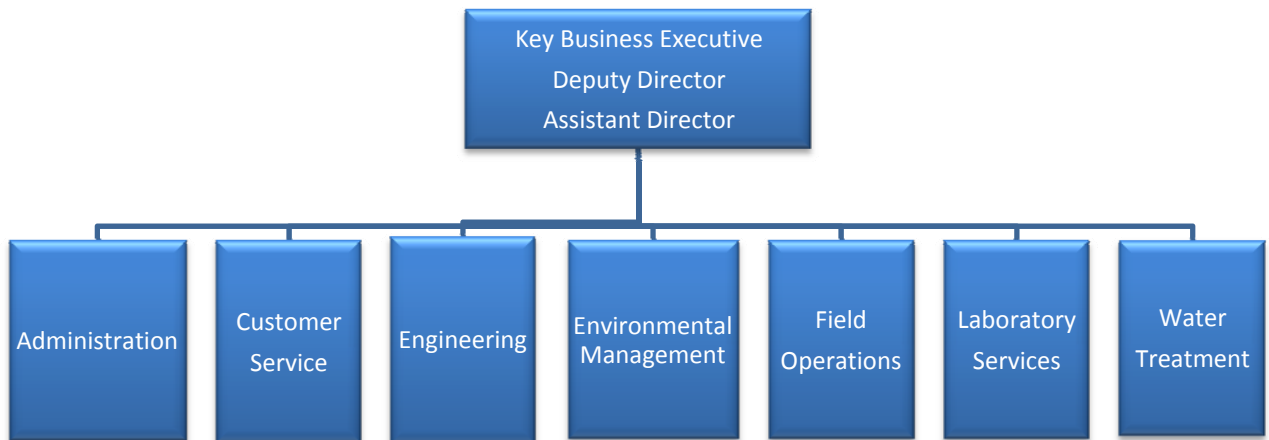
Vision

We will be the recognized leader in the region, state, and nation by contributing to the health, safety, and economic well-being of our customers; in protecting and conserving our natural resource and environment; and in providing for the growth and development of our employees.

Mission

We are committed to customer satisfaction and confidence by providing responsive services, reasonable rates, system capacity, and effective communication. We provide safe and sufficient drinking water by protecting, treating, and distributing drinking water. We protect the environment by collecting and treating wastewater, reusing residuals beneficially, and regulating system discharges. We accomplish our mission through well-trained employees dedicated to customer service.

ORGANIZATION CHART



KEY ISSUES AND CHALLENGES

- **Regional Water Supply Management** – The management of our regional water supply will continue to be a key issue in FY2010 through involvement in the South Carolina vs. North Carolina Water Rights law suit; participation in the Catawba-Wateree Water Management Group; participation in Yadkin River Stakeholders Group; and responding to the state’s Water Allocation Study recommendations.
- **Economic Impacts** - The two-year drought and economic downturn have resulted in reduced Utilities revenues. Operating and capital expenses were reduced to minimize water/sewer rates. These reductions will impact our ability to serve customers. Water quality and safety will not be compromised, but we will continue to face delays in system repair and maintenance, system protection, and customer requests for service. Additionally, we will be reviewing and revising the rate model, capital planning and debt financing strategies on an ongoing basis to respond to an uncertain economy and changing growth patterns in our service area.
- **Sanitary Sewer Overflows (SSOs)** - SSOs remain a challenge for Utilities. Currently, we are under an EPA Administrative Order to reduce sewer spills. This formal regulatory action requires Utilities to complete a list of actions within a specified time frame. Despite our actions, SSOs have not sufficiently decreased. We will be challenged to perform the labor intensive work to clean sewer lines from grease build-up that significantly impacts sewer overflows.

Strategy and Planning

ACCOMPLISHMENTS

Over the past several years, Utilities has experienced numerous accomplishments. Highlights of those accomplishments include:

- Providing safe drinking water to our community year after year. Utilities consistently meets Environmental Protection Agency's *Safe Drinking Water Act* requirements.
- Maintaining exemplary financial management. Utilities AAA and Aa1 bond ratings have saved ratepayers millions of dollars as a result of securing low interest rates.
- Having competitive rates as a result of effective management, use of technology, and managed competition efforts. Over the years, Utilities has maintained some of the lowest rates in the region.

LINKS TO CORPORATE STRATEGY

Utilities has reviewed and updated its Balanced Scorecard initiatives to maintain alignment with the goals of City Council and the mission and vision of our organization.

Serve the
Customer

The Customer Perspective

Utilities is committed to customer satisfaction and confidence by safeguarding the environment and providing responsive services, reasonable rates, system capacity, and effective communication.

Run the
Business

The Internal Process Perspective

Utilities continues to leverage technology and collaborate with other business units in efforts to optimize business processes with the ultimate goal of enhancing customer service.

Manage
Resources

The Financial Perspective

Sound financial management is a responsibility Utilities takes seriously, as we owe it to our ratepayers who support our operation. Effective management and a comprehensive Capital Investment Program contribute to our excellent bond ratings.

Develop
Employees

The Learning and Growth Perspective

Hiring and retaining competent staff is vital to our success. Employee training and development continues to be a high priority for Utilities.

STRATEGIC INITIATIVES

The table below identifies a few of the initiatives Utilities will undertake and how they align with the City's corporate objectives and/or focus areas. A full listing of Utilities FY2010 initiatives can be found in Appendix A of this report.

	<i>KBU Initiative</i>	<i>Linkage to Corporate Strategy</i>
Serve the Customer	Environmental Stewardship: <ul style="list-style-type: none"> • Reduce sanitary sewer overflows • Meet or exceed Safe Drinking Water Act Requirements • Full compliance with wastewater discharge permit requirements 	Corporate Objective: Safeguard the Environment Focus Area: Environment
Run the Business	Prepare for the Future: <ul style="list-style-type: none"> • Initiate Work and Asset Management implementation for Field Operations and E&PM 	Corporate Objective: Develop Collaborative Solutions
Manage Resources	Maintain Financial Stability: <ul style="list-style-type: none"> • Implement findings from the operational efficiency assessment • Reduce risk management exposure 	Corporate Objective: Maintain AAA Rating
Develop Employees	Plan for the Future: <ul style="list-style-type: none"> • Offer computer training classes, job aides and other resources • Provide quarterly health presentations 	Corporate Objective: Promote Learning and Growth

Service Delivery

SERVICES

Utilities is organized around seven service areas. These areas and the services they provide are described briefly below.

Administration: Provides departmental level functions such as key business decisions, human resources, budget, technology, communications, training, revenue recovery and security.

Customer Service: Oversees new connections, service availability and customer account management including bill inquiries, meter reading, and leak investigation.

Engineering: Provides design and construction of Utilities facilities, water and sewer main rehabilitation and extensions, donated projects, and surveying.

Environmental Management: Manages the treatment of wastewater before it is discharged back into the environment and protects our system by regulating industrial/commercial wastewater discharges, and oil and grease reduction.

Field Operations: Maintains more than 7,800 miles of water and sewer pipe and more than 242,000 service connections.

Laboratory Services: Provides testing of water, wastewater, and industrial users for compliance and manages water quality issues relating to taste, color, and odor.

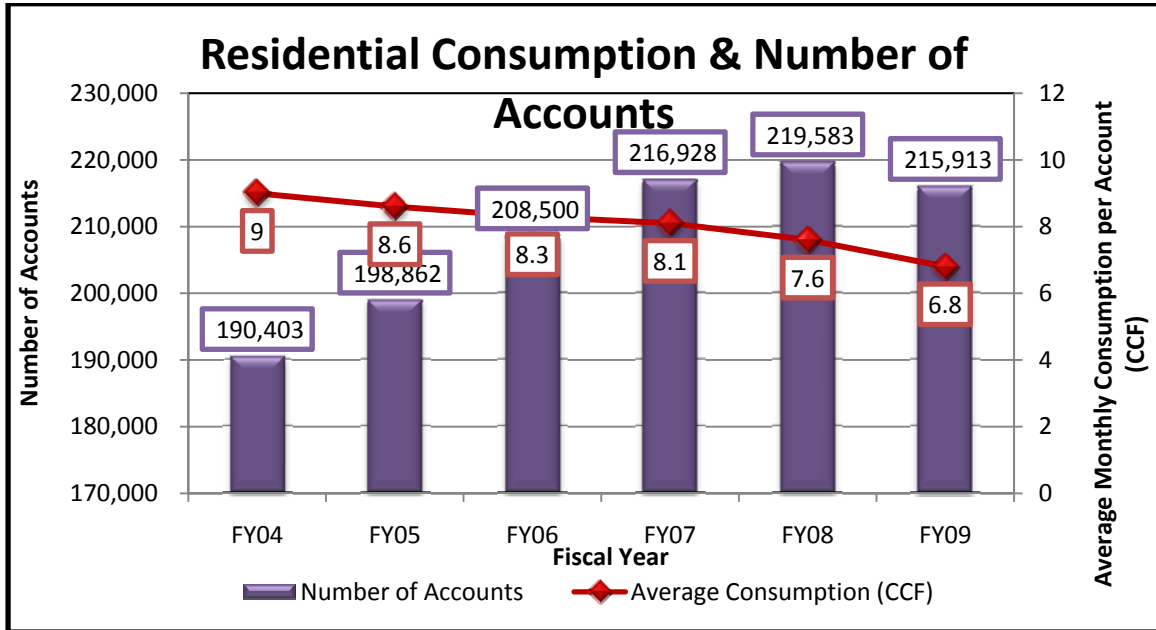
Water Treatment: Provides treatment of water before it is distributed to customers and oversees the backflow prevention program.

HISTORY and TRENDS

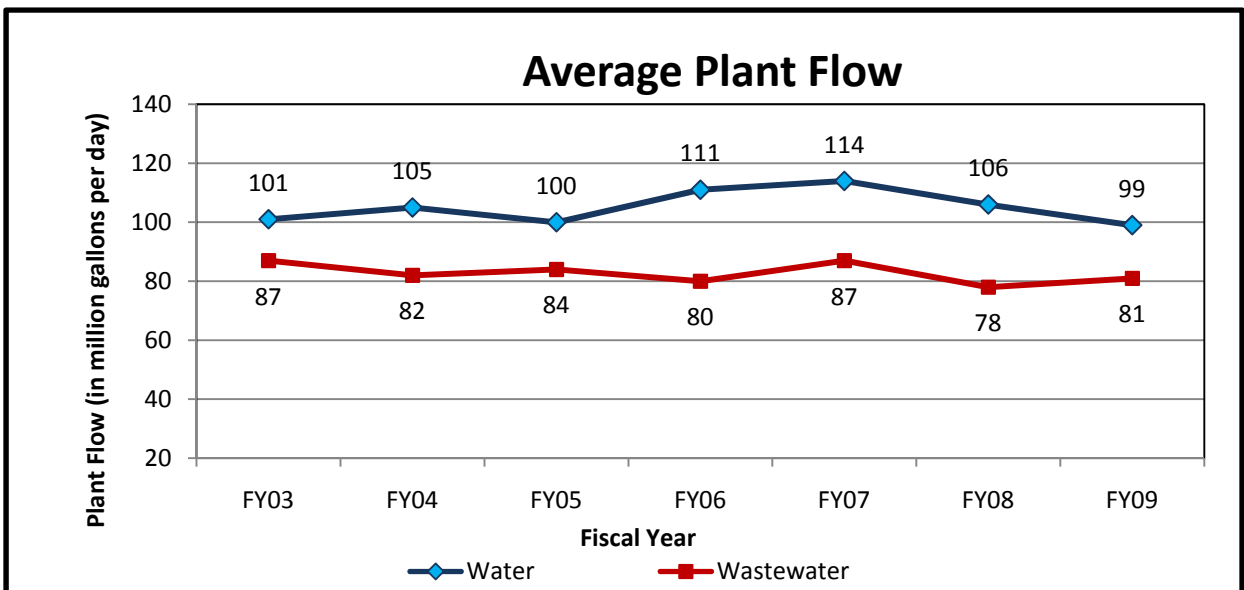
Our customer base and water and wastewater system continue to grow.

	<i>As of June</i>			
	2006	2007	2008	2009
Water Accounts	232,545	237,930	241,637	242,631
Wastewater Accounts	205,569	219,154	222,887	223,855
Water Mains (miles)	3,528	3,850	3,929	4,025
Wastewater Mains (miles)	3,433	3,865	3,942	4,028

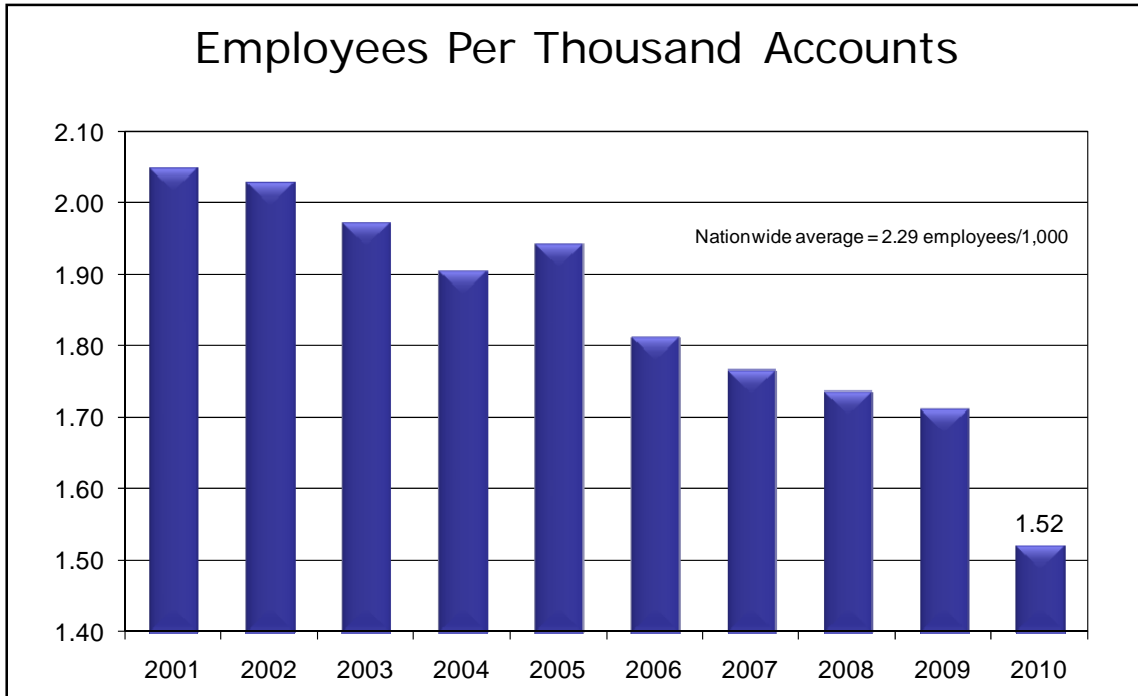
Utilities has seen a continual decrease in the average consumption per residential account for the past six years. The reduction in consumption is a result of an integrated approach of education, incentives, awareness, and community outreach programs to encourage water conservation. The mandatory conservation restrictions further contributed to the trend in declining water usage.



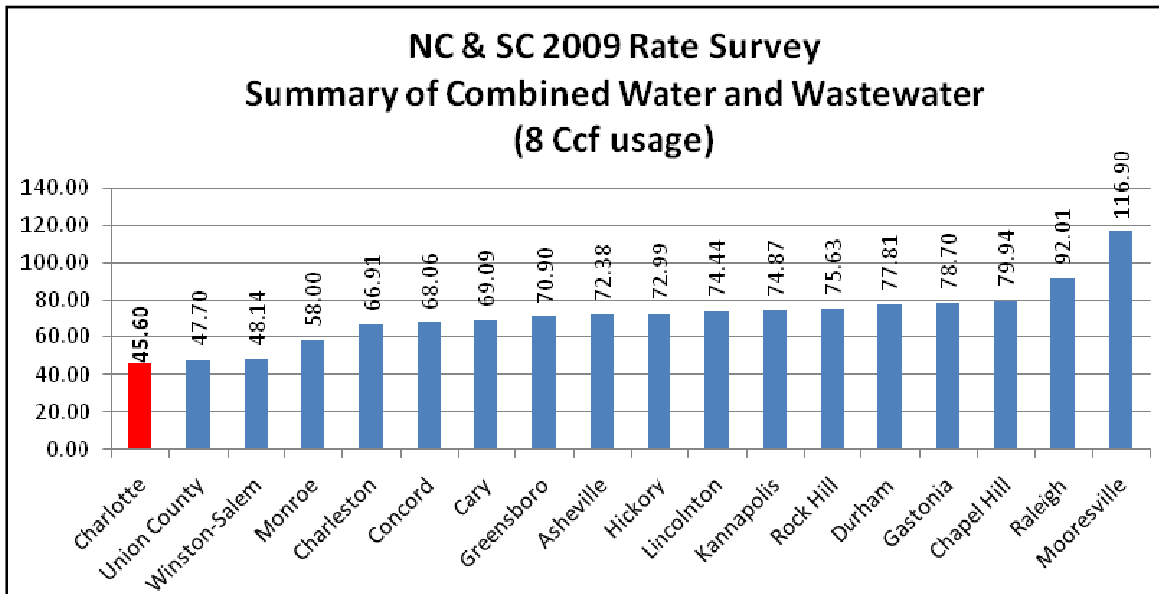
The water and wastewater treatment plants' flow, treatment, and pumping were affected by the decrease in consumption and increased rainfall. The water treatment plants saw a 7% decrease in average daily pump rates while the wastewater treatment plants saw a 4% increase in average daily treatment rates.



Despite an increasing customer base, Utilities has successfully managed resources to minimize operating costs. Optimization, competition, and benchmarking help Utilities provide efficient, quality services while minimizing rate increases.



Charlotte-Mecklenburg Utilities consistently ranks among the lowest rates for average residential customers in regional and national surveys. This is a result of efficient service delivery and capital financing strategies.



Resource Allocation Summary

	FY2008 Budget	FY2009 Budget	FY2010 Budget
Budget	\$252,737,905	\$246,702,894	\$ 251,427,753
Authorized Positions	819.5	813.5	816.5*
Water CIP	\$104,675,000	\$63,076,050	\$111,066,000
Wastewater CIP	\$139,810,000	\$169,720,000	\$275,470,000

*To reduce expenses, 97 positions are authorized but not funded in FY2010

Conclusion

Utilities remains committed to the City's corporate strategy and to providing high-quality, low-cost services to our customers. This strategic operating plan promotes the achievement of organizational goals and objectives as well as continuing Utilities commitment to providing vital basic services to our customers.

Appendix A: Balanced Scorecard

Corporate Objective	KBU Initiative (* indicates Focus Area Initiative)	Measure (\$ indicates incentive pay measure)	Target	Comments/Explanation	
Serve the Customer	(*) Environmental Stewardship	Comply with National Pollutant Discharge Elimination System permit requirements for all five wastewater plants.	100% compliance		
		Meet or exceed Safe Drinking Water Act Requirements	100% compliance		
		Reduce sanitary sewer overflows (SSOs)	Below 8 per 100 miles of pipe <u>and</u> fewer than 300 SSOs		
		Leak repair time	Maintain an average repair time of 10 days		
		Continue a leadership role in regional water resources planning	Assist Catawba-Wataree Management Group implement Annual Plan and Yadkin-Pee Dee Basin Modeling Effort		
		Incorporate green infrastructure approaches & performance into business practices & infrastructure investments	Complete Biodiesel Feasibility Study Implement internal environmental certification program at two Utilities locations Secure partner for reuse project at McDowell Creek WWTP		
		Identify energy saving projects in collaboration with other City Departments	Develop options and plan for use of methane gas from the Irwin WWTP by June 2010		
Run the Business	Customer Service	Complete billing cycle optimization	Complete by June 30, 2010		
		(\$)Maintain a rating of good or higher on responses of customer service survey cards	At least 92% with at least 1,400 cards returned		
	Develop Collaborative Solutions	Prepare for the Future	Initiate Work and Asset Management implementation for Field Operations and E&PM	Second Quarter of FY10	
			Transition identified Billing Center functions to 311	Complete transition by January 1, 2010	
	Optimize Business Processes		Add additional field computing devices	12 by June 30, 2010	
Incorporate core asset management principles into Utilities' business practices			Define/develop the four components by June 30, 2010.		

Manage Resources	Maintain AAA Rating	Maintain Financial Strength	Implement revenue stabilization goals: <ul style="list-style-type: none"> - Fund balance - Capital funding mix - Debt coverage ratio 	Establish model to work toward goals: <ul style="list-style-type: none"> - Increase fund balance to 50% - Establish Capital funding mix of PayGO 40%/Debt 60% - Maintain Revenue Bond Debt Coverage Ratio of 1.75 	
			Develop drought surcharge	Present draft proposal to City Council by October 1, 2009	
			Increase revenue recovered on inactive accounts with usage	Reduce number of inactive accounts with usage by 25%	
	Invest in Infrastructure		Maintain the schedule established for critical action items in Wastewater Treatment Capacity Study.	Complete design of the Irwin Creek Wastewater Plant Upgrade by March 31, 2010. Complete design of the Sugar Creek Wastewater Expansion by June 30, 2010.	
			Maintain the schedule established for critical action items in Water Master Plan.	Complete Preliminary Design for the Franklin Plant to Huntersville water system improvements by June 30, 2010. Complete the site study and site acquisition for a new elevated tank by June 30, 2010.	
	Deliver Competitive Services		Implement findings from the operational efficiency assessment (industry benchmarks, rate comparisons)	By June 2010	
(\$) Reduce risk management exposure			Reduce total number of motor vehicle accidents per million miles driven by 10% from three year average. Reduce OSHA recordables by 10% from three year average.		
Develop Employees	Promote Learning & Growth	Plan for the Future	Offer computer training classes, job aides, and other resources	10% employee participation	
	Achieve Positive Employee Climate		(\$) Conduct annual Performance Review and Development (PRD) reviews in a timely manner	90% within 30 days 95% within 60 days	
	Wellness Initiative	Wellness	(\$) Offer Employee Assistance Program presentation Provide quarterly health presentations on various topics	35% employee participation 35% employee participation	



Charlotte-Mecklenburg Utilities Strategy FY 2010

*City
Vision*

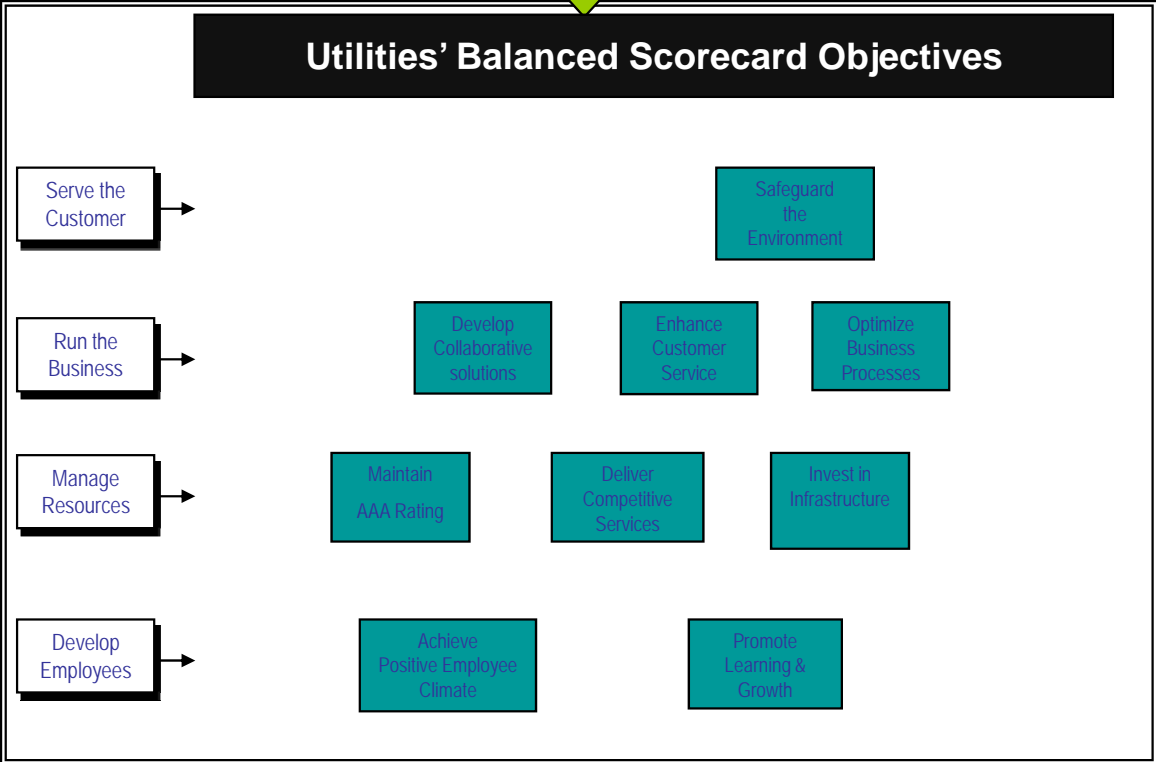
**Community of Choice for Living,
Working and Leisure**

*Strategic
Themes*



*Strategic
Principles*

Comprehensive Citizen Service



Appendix C: Measure Validation Forms

<u>Utilities</u> Wastewater Treatment Measure Validation		
Corporate Objective: Safeguard the Environment KBU Initiative: Environmental Stewardship		
Measure: Comply with National Pollution Discharge Elimination System permit requirements for all five wastewater plants – 100% compliance		
Units of Measure: No notice of violation	Frequency of Update: Monthly	
Measurement Intent: Ensure utility is meeting or exceeding regulatory requirements for treating and discharging treated wastewater		
Measurement Formula: No formula required		
Data Elements and Sources: Monthly reporting to state and compliance monitoring		
Source For and Approach to Setting Targets: Annual target repeated from previous Scorecards		
Data Contact: Jackie Jarrell		
Target Setting Responsibility: Utilities Management Team	Accountability for Meeting Target: Utilities	Tracking/Reporting Responsibility: Environmental Management

<u>Utilities</u> Water Treatment Measure Validation		
Corporate Objective: Safeguard the Environment KBU Initiative: Environmental Stewardship		
Measure: Meet or exceed Safe Drinking Water Act Requirements		
Units of Measure: No notice of violation	Frequency of Update: Monthly	
Measurement Intent: Ensure utility is meeting or exceeding regulatory requirements for treating and distributing drinking water		
Measurement Formula: No formula required		
Data Elements and Sources: Monthly reporting to state and compliance monitoring		
Source For and Approach to Setting Targets: Annual target repeated from previous Scorecards		
Data Contact: John Huber		
Target Setting Responsibility: Utilities Management Team	Accountability for Meeting Target: Utilities	Tracking/Reporting Responsibility: Water Treatment

<u>Utilities</u> Sanitary Sewer Overflows Measure Validation		
Corporate Objective: Safeguard the Environment KBU Initiative: Environmental Stewardship		
Measure: Reduce Sanitary Sewer Overflows – below 8 per 100 miles of pipe and fewer than 300 SSOs		
Units of Measure: Number of spills	Frequency of Update: Monthly	
Measurement Intent: Measures the number of SSOs as an indication of performance of the collection system.		
Measurement Formula: Number of spills per 100 miles maintained		
Data Elements and Sources: Hiper Web Workorder Management System		
Source For and Approach to Setting Targets: Reduction goal consistent with EPA Administrative Order		
Data Contact: Angela Lee		
Target Setting Responsibility: Utilities Management Team	Accountability for Meeting Target: Utilities	Tracking/Reporting Responsibility: Field Operations

<u>Utilities</u> Leak Repairs Measure Validation		
Corporate Objective: Safeguard the Environment KBU Initiative: Environmental Stewardship		
Measure: Leak repair time – maintain an average repair time of 10 days		
Units of Measure: Number of average days to repair leaks	Frequency of Update: Monthly	
Measurement Intent: Measure the average leak repair time to adequately maintain distribution system		
Measurement Formula: Difference between the “create date” and the “completion date” for emergency, priority, and minor water leak categories. The three categories are then averaged to determine the average repair time.		
Data Elements and Sources: Hiper PM Workorder Management System		
Source For and Approach to Setting Targets: Target established based on system maintenance standards and resources available		
Data Contact: Angela Lee		
Target Setting Responsibility: Utilities Management Team	Accountability for Meeting Target: Utilities	Tracking/Reporting Responsibility: Field Operations

<u>Utilities</u> Regional Water Resource Planning Measure Validation		
Corporate Objective: Safeguard the Environment KBU Initiative: Environmental Stewardship		
Measure: Continue a leadership role in regional water resources planning – Assist Catawba-Wateree Management Group implement Annual Plan and Yadkin-Pee Dee Basin Modeling Effort		
Units of Measure: Accomplishment of identified goals	Frequency of Update: Quarterly	
Measurement Intent: Measure the involvement of Utilities in regional planning of water sources		
Measurement Formula: No formula		
Data Elements and Sources: Periodic updates from Utilities representatives to each organization		
Source For and Approach to Setting Targets: Targets established based on work plan for each organization		
Data Contact: Barry Gullet and Jackie Jarrell		
Target Setting Responsibility: Utilities Management Team	Accountability for Meeting Target: Utilities	Tracking/Reporting Responsibility: Barry Gullet and Jackie Jarrell

<u>Utilities</u> Green Infrastructure Measure Validation		
Corporate Objective: Safeguard the Environment KBU Initiative: Environmental Stewardship		
Measure: Incorporate green infrastructure approaches and performance into business practices and infrastructure investments 1. Complete biodiesel feasibility study 2. Implement internal environmental certification program at two Utilities locations 3. Secure partner for reuse project at McDowell Creek WWTP		
Units of Measure: 1. Completion of study 2. Number of locations 3. Name of partner	Frequency of Update: Quarterly	
Measurement Intent: Measure the identified actions to integrate green practices in infrastructure investments		
Measurement Formula: No formula		
Data Elements and Sources: 1. Periodic updates from study group; 2. Updates from Green Team; 3. Update from Environmental Management		
Source For and Approach to Setting Targets: Targets established based on 1. work plan for biodiesel project; 2. Green Team plan; and 3. Work plan for Reuse project		
Data Contact: Erin Culbert and Jackie Jarrell		
Target Setting Responsibility: Utilities Management Team	Accountability for Meeting Target: Utilities	Tracking/Reporting Responsibility: Green Team and Environmental Management

<u>Utilities</u> Energy Project Measure Validation		
Corporate Objective: Safeguard the Environment KBU Initiative: Environmental Stewardship		
Measure: Identify energy saving projects in collaboration with other City departments – Develop options for use of methane gas from the Irwin WWTP by June 2010		
Units of Measure: Number of Projects	Frequency of Update: Quarterly	
Measurement Intent: Measure efforts to reduce energy consumption		
Measurement Formula: No formula		
Data Elements and Sources: Updates from work group		
Source For and Approach to Setting Targets: Targets established based on Environmental Focus Area Plan		
Data Contact: Jackie Jarrell		
Target Setting Responsibility: Utilities Management Team	Accountability for Meeting Target: Utilities	Tracking/Reporting Responsibility: Environmental Management

<u>Utilities</u> Billing Cycle Optimization Measure Validation		
Corporate Objective: Run the Business KBU Initiative: Enhance Customer Service		
Measure: Complete billing cycle optimization – Complete by June 30, 2010		
Units of Measure: Percent	Frequency of Update: Quarterly	
Measurement Intent: Measure efforts to improve customer service through efficiencies gained through billing cycle optimization		
Measurement Formula: No formula		
Data Elements and Sources: Updates from Utilities Billing Management Group		
Source For and Approach to Setting Targets: Targets established based on Utilities Billing Management Group annual workplan		
Data Contact: Steve Miller		
Target Setting Responsibility: Utilities Management Team	Accountability for Meeting Target: Utilities/Finance	Tracking/Reporting Responsibility: Customer Service

<u>Utilities</u> Customer Service Cards Measure Validation Incentive Target		
Corporate Objective: Enhance Customer Service KBU Initiative: Prepare for the future		
Measure: Maintain a rating of good or higher on responses of customer service survey cards – At least 92% with at 1,400 cards returned		
Units of Measure: Number of cards returned and percent “good” or higher	Frequency of Update: Monthly	
Measurement Intent: To increase customer feedback		
Measurement Formula: Number of cards returned with “very good” rating/ total number of cards returned		
Data Elements and Sources: Customer Service cards returned and customer service card spreadsheet		
Source For and Approach to Setting Targets: Esther Wilkinson – excel spreadsheet		
Data Contact: Esther Wilkinson		
Target Setting Responsibility: Utilities Management Team	Accountability for Meeting Target: Utilities	Tracking/Reporting Responsibility: Administration

<u>Utilities</u> Work and Asset Management Implementation Measure Validation		
Corporate Objective: Develop Collaborative Solutions KBU Initiative: Prepare for the Future		
Measure: Initiate Work and Asset Management implementation for Field Operations and E&PM – Second Quarter of FY10		
Units of Measure: Date	Frequency of Update: Monthly	
Measurement Intent: Formally began phase one of the WAM implementation to improve field service delivery		
Measurement Formula: No formula		
Data Elements and Sources: Project workplan		
Source For and Approach to Setting Targets: Project workplan managed by Shawn Coffman		
Data Contact: Shawn Coffman		
Target Setting Responsibility: Utilities Management Team	Accountability for Meeting Target: Utilities	Tracking/Reporting Responsibility: Administration

<u>Utilities</u> Billing Center Transition Measure Validation		
Corporate Objective: Develop Collaborative Solutions KBU Initiative: Prepare for the Future		
Measure: Transition identified Billing Center functions to 311 – complete transition by January 1, 2010		
Units of Measure: Date	Frequency of Update: Monthly	
Measurement Intent: To reduce customers transferred for billing related calls – improve customer service		
Measurement Formula: No formula		
Data Elements and Sources: Project workplan		
Source For and Approach to Setting Targets: Project workplan managed by Transition Team		
Data Contact: Denise Foreman		
Target Setting Responsibility: Utilities Management Team	Accountability for Meeting Target: Utilities	Tracking/Reporting Responsibility: Customer Service

<u>Utilities</u> Field Computing Measure Validation		
Corporate Objective: Optimize Business Processes KBU Initiative: Prepare for the Future		
Measure: Add additional field computing devices – 12 by June 30, 2010		
Units of Measure: Number of devices - Date	Frequency of Update: Quarterly	
Measurement Intent: Utilize field computing devices to improve service delivery and provide important system data to field.		
Measurement Formula: No formula		
Data Elements and Sources: Variety of project implementation teams		
Source For and Approach to Setting Targets: Estimate based on implementation of technology related projects		
Data Contact: Doug Groce		
Target Setting Responsibility: Utilities Management Team	Accountability for Meeting Target: Utilities	Tracking/Reporting Responsibility: Administration - Technology

<u>Utilities</u> Asset Management Principles Measure Validation		
Corporate Objective: Optimize Business Processes KBU Initiative: Prepare for the Future		
Measure: Incorporate core asset management principles into Utilities' business practices – define/develop the four components by June 30, 2010		
Units of Measure:	Frequency of Update: Quarterly	
Measurement Intent: Incorporating formalized advanced asset management principles into Utilities' business practices provides an opportunity to better utilize consistent data for maintenance planning/response, refurbishment/replacement cycles, and capital investment decision support. The four components to be addressed through the current measure include: <ol style="list-style-type: none"> 1. Definition of asset registry data standards (What assets do we have?); 2. Development of condition assessment protocols (How do we document condition?); 3. Development of asset management planning templates (What information do we keep?); and 4. Improvement of CIP validation templates (How do we plan for current and future needs?). 		
Measurement Formula: No formula		
Data Elements and Sources: Variety of project implementation deliverables as developed by project team		
Source For and Approach to Setting Targets: Based on project plan		
Data Contact: Doug Groce		
Target Setting Responsibility: Utilities Management Team	Accountability for Meeting Target: Utilities	Tracking/Reporting Responsibility: Administration - Technology

<u>Utilities</u> Revenue Stabilization Goals Measure Validation		
Corporate Objective: Maintain AAA Rating KBU Initiative: Maintain Financial Strength		
Measure: Implement revenue stabilization goals: Fund balance; capital funding mix; debt coverage ratio – Establish model to work toward goals:		
Units of Measure: Updated model	Frequency of Update: Quarterly	
Measurement Intent: Make financial decisions consistent with Council support revenue stabilization goals		
Measurement Formula: No formula		
Data Elements and Sources: Financial model		
Source For and Approach to Setting Targets: Goals consistent with those presented to and supported by City Council		
Data Contact: Mickey Hicks		
Target Setting Responsibility: Utilities Management Team	Accountability for Meeting Target: Utilities	Tracking/Reporting Responsibility: Administration

<u>Utilities</u> Drought Surcharge Measure Validation		
Corporate Objective: Maintain AAA Rating KBU Initiative: Maintain Financial Strength		
Measure: Develop drought surcharge – Present draft proposal to City Council by October 1, 2009		
Units of Measure: Date	Frequency of Update: Quarterly	
Measurement Intent: Development and consideration of drought surcharge as tool to assist with revenue stabilization goals		
Measurement Formula: No formula		
Data Elements and Sources: Development of draft surcharge		
Source For and Approach to Setting Targets: Goal consistent with commitment to City Council		
Data Contact: Denise Foreman		
Target Setting Responsibility: Utilities Management Team	Accountability for Meeting Target: Utilities	Tracking/Reporting Responsibility: Administration

<u>Utilities</u> Revenue Recovery Measure Validation		
Corporate Objective: Maintain AAA Rating KBU Initiative: Maintain Financial Strength		
Measure: Increase revenue recovered on inactive accounts with usage – Reduce number of inactive accounts with usage by 25%		
Units of Measure: Percent	Frequency of Update: Quarterly	
Measurement Intent: Reduce instances of customers using Utilities services without being charged and increase Utilities revenue		
Measurement Formula: Reduce number of WSIU accounts as of July 2009 by 25% by year end. Target number =		
Data Elements and Sources: Data will be from WSIU report from Advantage Billing System		
Source For and Approach to Setting Targets: Revenue recovery is new effort launched internally this fiscal year. This goal was established to establish a baseline for the revenue recovery team and water service technicians to demonstrate the results of their effort.		
Data Contact: Richard Dixon/Steve Miller		
Target Setting Responsibility: Utilities Management Team	Accountability for Meeting Target: Utilities	Tracking/Reporting Responsibility: Administration / Customer Service

<u>Utilities</u> Wastewater Capital Program Measure Validation		
Corporate Objective: Invest in Infrastructure KBU Initiative:		
Measure: Maintain the schedule established for critical action items in Wastewater Treatment Capacity Study – Complete design of the Irwin Creek Wastewater Plan Upgrade by March 31, 2010; Complete design of the Sugar Creek wastewater expansion June by June 30, 2010		
Units of Measure: Date	Frequency of Update: Quarterly	
Measurement Intent: Monitor progress of implementation of two significant wastewater capital improvement projects		
Measurement Formula: Achievement of completion date identified in goal		
Data Elements and Sources: Study progress		
Source For and Approach to Setting Targets: Based on capital improvement plan		
Data Contact: Barry Shearin		
Target Setting Responsibility: Utilities Management Team	Accountability for Meeting Target: Utilities	Tracking/Reporting Responsibility: Engineering

<u>Utilities</u> Water Capital Program Measure Validation		
Corporate Objective: Invest in Infrastructure KBU Initiative:		
Measure: Maintain the schedule established for critical action items in Water Master Plan – Complete preliminary design for the Frank Plant to Huntersville water system improvements by June 30, 2010; Complete the site study and site acquisition for a new elevated tank by June 30, 2010		
Units of Measure: Date	Frequency of Update: Quarterly	
Measurement Intent: Monitor progress of implementation of two significant water capital improvement projects needed to meet fire flow needs and growth in community		
Measurement Formula: Achievement of completion date identified in goal		
Data Elements and Sources: Progress of design and acquisition efforts		
Source For and Approach to Setting Targets: Based on capital improvement plan		
Data Contact: Barry Shearin		
Target Setting Responsibility: Utilities Management Team	Accountability for Meeting Target: Utilities	Tracking/Reporting Responsibility: Engineering

<u>Utilities</u> Operational Efficiency Assessment Measure Validation		
Corporate Objective: Deliver Competitive Services KBU Initiative:		
Measure: Implement findings from the operational efficiency assessment (industry benchmarks, rate comparisons) – By June 2010		
Units of Measure: Date	Frequency of Update: Quarterly	
Measurement Intent: Monitor progress of implementation of next steps identified in efficiency improvements as identified in study		
Measurement Formula: Achievement of completion date identified in goal		
Data Elements and Sources:		
Source For and Approach to Setting Targets: Based on study conducted at request of City Manager's Office		
Data Contact:		
Target Setting Responsibility: Utilities Management Team	Accountability for Meeting Target: Utilities	Tracking/Reporting Responsibility: Administration

<u>Utilities</u> Risk Management Measure Validation Incentive Target		
Corporate Objective: Deliver Competitive Services KBU Initiative:		
Measure: Reduce risk management exposure – 1. Reduce total number of motor vehicle accidents per million miles driven by 10% from three year average; 2. Reduce OSHA recordables by 10% from three year average		
Units of Measure: Number of accidents; number of days	Frequency of Update: Quarterly	
Measurement Intent: 1. A reduction in vehicle accidents will improve worker safety, and reduce costs associated with claims and vehicle repairs. 2. OSHA recordable illnesses and injuries are a measure of the effectiveness of the employee safety program and workers' compensation cases. Our goal is to improve workplace safety and reduce claims.		
Measurement Formula: 1. Add claims per million miles for FY07, 08 and 09 as provided by Risk Management and get average; reduce by 10% (Target number = 2. Add OSHA recordables for FY07, 08 and 09 as provided by Risk Management, get average then reduce by 10% (Target number =		
Data Elements and Sources: Data provided by Risk Management on 45 day intervals		
Source For and Approach to Setting Targets: Risk Management claims have increased in recent years – target established to identify successes of employee safety programs		
Data Contact: Patti Lamb		
Target Setting Responsibility: Utilities Management Team	Accountability for Meeting Target: Utilities	Tracking/Reporting Responsibility: Administration

<u>Utilities</u> Employee Development Measure Validation		
Corporate Objective: Promote Learning and Growth KBU Initiative: Plan for the Future		
Measure: Offer computer training classes, job aides and other resources – 10% employee participation		
Units of Measure: Number of employees	Frequency of Update: Quarterly	
Measurement Intent: Enhance employee development efforts		
Measurement Formula: Utilities has 716.5 funded positions – for purposes of this measure, estimating 700 employees multiply by 10% - Target number = 70 employees		
Data Elements and Sources: Data provided by Utilities training team – based on employee sign in at training sessions		
Source For and Approach to Setting Targets: Target established due to reduced funding for off-site training and continued need for employee development opportunities		
Data Contact: Karen Carney		
Target Setting Responsibility: Utilities Management Team	Accountability for Meeting Target: Utilities	Tracking/Reporting Responsibility: Administration

<u>Utilities</u> Annual Reviews Measure Validation Incentive Target		
Corporate Objective: Achieve a Positive Employee Climate KBU Initiative: Prepare for the future		
Measure: Conduct annual reviews in a timely manner (90% within 30 days and 95% within 60 days)		
Units of Measure: Percent	Frequency of Update: Monthly	
Measurement Intent: To monitor the timeliness of annual reviews as well as encourage punctuality of annual reviews		
Measurement Formula: Total number of reviews due in the 30 or 60 day period/ total number conducted – 100%		
Data Elements and Sources: Spreadsheets		
Source For and Approach to Setting Targets: Administrative Officers		
Data Contact: Richard Dixon		
Target Setting Responsibility: Management Team	Accountability for Meeting Target: Utilities	Tracking/Reporting Responsibility: Administration

<u>Utilities</u> Wellness Initiatives Measure Validation Incentive Target		
Corporate Objective: Achieve Positive Employee Climate KBU Initiative: Wellness Initiative		
Measure: Offer Employee Assistance Program Presentation; Provide quarterly health presentations on various topics - 35% employee participation		
Units of Measure: Percent	Frequency of Update: Quarterly	
Measurement Intent: Promote healthier employees by way of personal education on resources available to employees and lifestyle choices		
Measurement Formula: Assume base of 700 employees multiply by 35%. Target number = 245		
Data Elements and Sources: Track number of employees attending educational sessions by sign in sheet.		
Source For and Approach to Setting Targets: Wellness Ambassadors		
Data Contact: Renea Steele		
Target Setting Responsibility: Utilities Management Team	Accountability for Meeting Target: Utilities Department	Tracking/Reporting Responsibility: Wellness Ambassadors