



THE CITY OF SAN DIEGO

DATE: April 19, 2011
TO: Honorable Members of the Audit Committee
FROM: Eduardo Luna, City Auditor
SUBJECT: **Evaluation of Bid-to-Goal Gainsharing Goals**

Summary

At the request of the Audit Committee, the Office of the City Auditor (OCA) conducted a review of gainsharing goals for the Public Utility Department's Bid-to-Goal Program (B2G). The purpose of the review was to assess the extent to which gainsharing goals 1) have clearly-identified outcomes which benefit ratepayers, 2) have specific and measurable performance measures that relate to goal outcomes, and 3) each goal has a clear target which indicates exceptional performance will be achieved.

Overall, we believe that Public Utilities has invested significant effort and made good progress in the development of a robust performance management system. We encourage Public Utilities to continue to refine and improve its performance measurement efforts.

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Brown and Caldwell, the engineering consulting firm hired to review gainsharing goals, placed Public Utilities in the top tier of government utilities promoting a performance culture. Our audit found that gainsharing goals have outcomes that benefit ratepayers. Although Public Utilities often stated goal outcomes broadly, we were able to identify a specific outcome for most goals. Almost all goals we reviewed benefit ratepayers. The benefit to ratepayers is direct for 38 percent of the goals, but even goals that indirectly benefit ratepayers may be important and encompass worthy activities. We also found that performance measures for goals are specific, but that they measure goal outputs and not outcomes. Goal outputs relate to goal outcomes, and the relationship between the output being measured and the goal outcome is close for 40 percent of the goals. Gainsharing goals appear challenging and have clear targets, and Public Utilities considers their accomplishment to be indicative of exceptional performance.

The Audit Committee also asked us to identify which gainsharing goals meet all the criteria it established. Overall, 95 percent of goals appear to meet the Audit Committee's basic criteria. However, this conclusion does not account for distinctions in the nature of the benefit to ratepayers, the specificity of outcomes and the relationship between performance measures and outcomes, and exceptional performance, which is difficult to quantify. Using these distinctions and another interpretation of the Audit Committee's criteria, the results could be calculated differently, and the percentage of goals meeting all the criteria could be as low as 29 percent. What is clear is that the Public Utilities Department has expended significant effort in developing and improving the quality of gainsharing goals, and we encourage them to continue to refine and improve upon their performance measurement system.

Background

The B2G Program began in 1998 in a division of the Wastewater Department, and was later expanded to other divisions and to the Water Department. The Wastewater and Water departments were merged into the Public Utilities Department in 2008. The B2G Program includes a financial benchmarking element that seeks to reduce operational costs below those of a comparable private-sector utility, as well as a gainsharing element that provides most employees with financial incentives if the financial benchmark and additional performance goals are met.

The financial benchmarking process begins with the preparation of a Statement of Work (SOW) that describes all tasks to be performed in an area covered by the B2G Program. Afterwards, a consulting firm (HDR, Inc.) develops a Private Market Proposal—an estimate of the price that a private firm would bid to perform the work detailed in the SOW. Public Utilities also prepares a bid for the work on behalf of its employees. If the cost of the Public Utilities bid is lower than that of the Private Market Proposal, then Public Utilities employees are awarded an operating contract through a memorandum of understanding between the City and two unions that represent Public Utilities employees.

Historically, initial Public Utilities bids have been lower than the Private Market Proposal estimates, as the B2G Program permitted Public Utilities employees to know the Private Market Proposal bid figure before preparing its own bid. In a true competitive bidding process, bidders

do not know the bid amounts of their competitors. However, the B2G Program was not designed to provide actual competition with private firms. Rather, it was intended to provide Public Utilities with a financial target that would drive efficiency and cost savings. According to B2G Program rules, if actual financial results at the end of a fiscal year are below the bid amount, then the difference between the bid and actual figures is considered savings, half of which are kept in the operating fund for Public Utilities and the other half made available for employee incentives and for innovation. In order to receive incentive payments, employees also have to achieve annual performance goals that are specific to their work areas and that are above and beyond their normal work duties. Both the calculated savings amount and performance goals are audited by an external public accounting firm (AKT) before any payments are made to employees. The B2G Program has undergone several changes and revisions since its inception, and the information presented herein represents a summary of its most significant features. See Appendix A for a listing of recent audit activity involving the B2G Program.

Public Utilities Process for Developing Gainsharing Goals

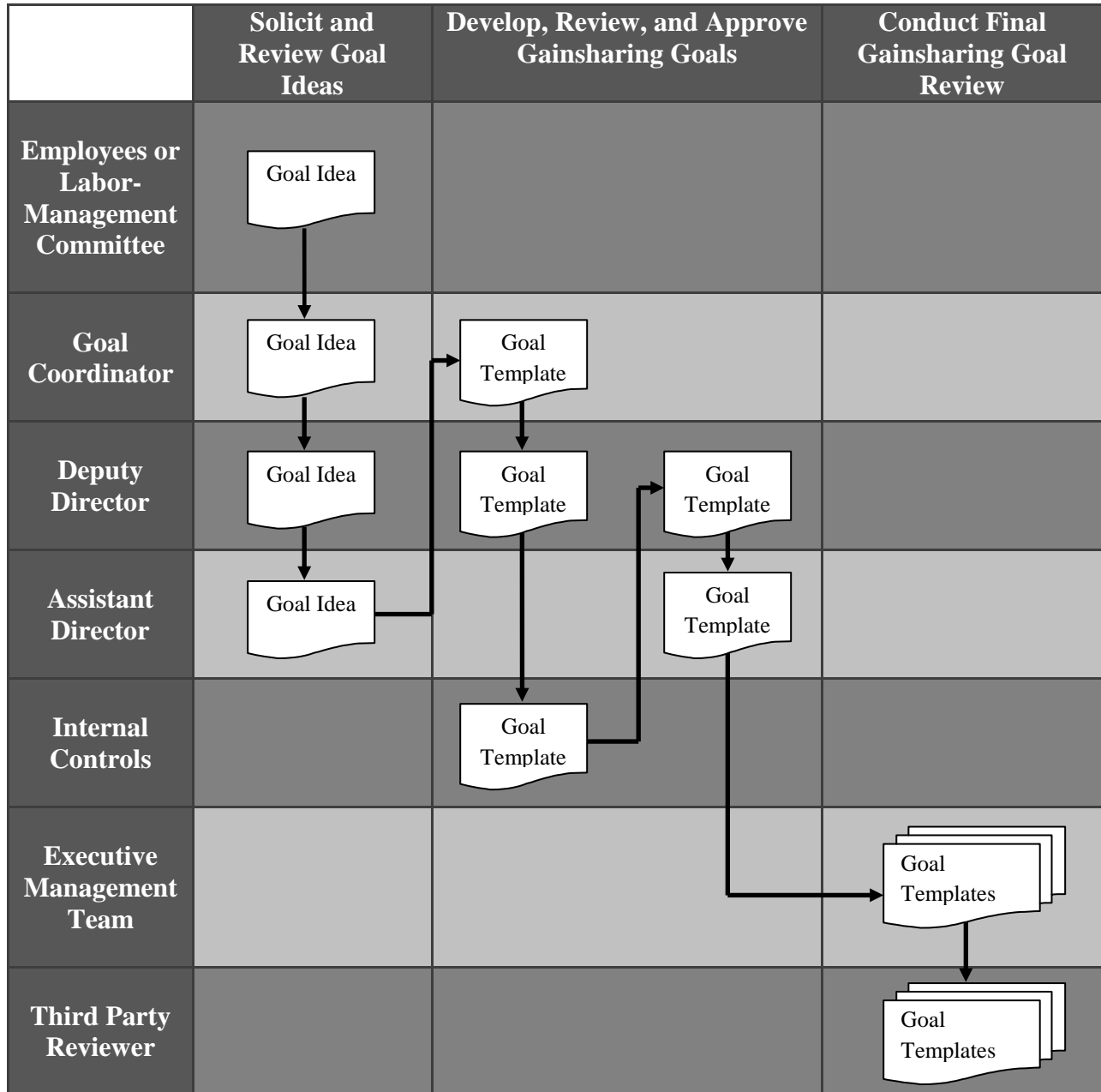
Public Utilities has developed detailed guidance for developing gainsharing goals, which can be found in Chapter 6 of the B2G Policy and Procedures Manual. Goal development begins with the solicitation of goal ideas from employees and from the Labor-Management Committee. A goal coordinator is appointed for each division in Public Utilities. Goal ideas that are submitted are forwarded to the division Deputy Director for review, and then to the branch Assistant Director for approval. A goal template is completed for each approved goal, and the template is then approved by the Deputy Director and submitted to the Internal Controls Section for a quality assurance review. Changes recommended by the Internal Controls Section are made, and the template is returned to the Deputy Director and submitted to the Assistant Director for approval. Finally, the Public Utilities Executive Management Team meets and reviews all goal templates. All goals are then submitted to a third party for review. Exhibit 2 on the following page diagrams this process. Exhibit 1 below shows the various goal elements that are present in the gainsharing goal template.

Exhibit 1 – Gainsharing Goal Template Fields

Goal Element
1. Title
2. Business Goal (Strategic Goal)
3. Business Objective
4. Description
5. Coordinator for Validation/Reporting/Feedback Phone #
6. Source Document/File(s) & Location
7. Specified Measurement Method/Formula/Criteria for Achievement
8. Relevance
9. Justification of Challenge Level
10. Expected Impact or Efficiency
11. Additional Notes and/or Exceptions/Exclusions
12. Reasonableness of goal based on industry benchmarks and/or best in class standards, also based on business improvement needs

Source: Gainsharing Goal Templates.

Exhibit 2 – Gainsharing Goal Development Process



Source: Auditor-generated from the B2G Policy & Procedures Manual.

For fiscal year 2011, Public Utilities has established 60 gainsharing goals. Exhibit 3 below shows the distribution of those goals across its branches and divisions.

Exhibit 3 – Gainsharing Goals by Branch or Division.

Branch / Division	Number of Gain Sharing Goals
Wastewater Branch	
Engineering and Program Management Division	8
Environmental Monitoring and Technical Services Division	8
Wastewater Collection Division	8
Wastewater Treatment and Disposal Division	6
Water Operations Branch	8
Business Support Branch	
Employee Services and Internal Control Division	6
Customer Support Division	5
Finance and Information Technology Division	6
Long Range Planning and Water Resources Division	5
Total number of goals	60*

* Includes two goals that are shared between two divisions.

Source: Public Utilities gainsharing worksheets.

It is important to note that Public Utilities has developed other metrics, strategic initiatives, and key performance indicators that are part of its performance management system, but that are outside the B2G Program. These consist of 10 measures for the Water branch and 25 measures for the Wastewater Branch that have quantified target levels. Public Utilities distinguishes between these measures and the ones for gainsharing goals, which it does not use to measure its performance.

Objectives, Scope, and Methodology

Our audit objectives were to answer questions posed by the City’s Audit Committee, which were passed in a motion on September 13, 2010. For the fiscal year 2011 gainsharing goals, the Audit Committee wanted to learn the following:

1. Which of the goals contained in the Bid to Goal Program have:
 - a. Clearly identified outcomes that benefit rate payers;
 - b. Specific and measurable performance measures that relate to the outcome of the goal; and
 - c. Clear targets that will indicate that exceptional performance will be achieved?
2. Of all the goals, which can be determined to have met criteria a, b, and c?

To answer the Audit Committee, we performed the following:

- Researched performance goal terminology;
- Reviewed the consultant assessment of the gainsharing goals;
- Discussed the fiscal year 2011 gainsharing goals with Public Utilities management;
- Reviewed and evaluated all fiscal year 2011 gainsharing goals;

We conducted our review in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives. We limited our work to those areas specified in the “Objective, Scope, and Methodology” section of this report.

Audit Results

Our audit found that gainsharing goals have outcomes that benefit ratepayers. Although Public Utilities often stated goal outcomes broadly, we were able to identify a specific outcome for most goals. Thirty eight percent of gainsharing goals provide a direct benefit to ratepayers, and the remaining 62 percent provide an indirect benefit. We also found that performance measures for goals are specific, and that they measure goal outputs. These goal outputs relate to goal outcomes, and the relationship between the output being measured and the goal outcome is close for 40 percent of the goals. Gainsharing goals appear challenging and have clear targets, and Public Utilities considers their accomplishment to be indicative of exceptional performance. Our assessment of individual gainsharing goals can be found in Appendix B of this report; all Public Utilities gainsharing goals for fiscal year 2011 are included in Appendix C.

The Audit Committee also asked us to identify which gainsharing goals meet all the criteria it established. Overall, 95 percent of goals appear to meet the Audit Committee’s basic criteria. However, this conclusion does not account for distinctions in the nature of the benefit to ratepayers, the specificity of outcomes and the relationship between performance measures and outcomes, and exceptional performance, which is difficult to quantify. Using these distinctions and another interpretation of the Audit Committee’s criteria, the results could be calculated differently, and the percentage of goals meeting all the criteria could be as low as 29 percent.

In order to understand the terminology used by the Audit Committee and to answer its questions, we researched various publications on performance measurement. We found numerous models, terms, and definitions for measuring performance. We rely on the definitions contained in the Office of Management and Budget *Circular No. A-11* in our report. It is important to note that these terms are not included in the B2G Policy and Procedures Manual or utilized elsewhere in the B2G Program. We took care to provide proper context for evaluating gainsharing goals, as we were judging these goals against criteria that differed from the guidance with which they were developed. Exhibit 4 below lists and defines the relevant terms.

Exhibit 4 – Performance Measurement Terminology

Term	Definition
Performance Goal	A target level of performance over time expressed as a tangible, measurable objective, against which actual achievement can be compared. A performance goal is comprised of a performance measure with targets and timeframes.
Performance Measures	Indicators, statistics, or metrics used to gauge program performance.
Target	Quantifiable or otherwise measurable characteristic that tells how well or at what level a program aspires to perform.
Outcome Measures	Outcomes describe the intended result of carrying out a program or activity.
Output Measures	Outputs describe the level of activity that will be provided over a period of time, including a description of the characteristics (e.g., timeliness) established as standards for the activity.

Source: The Office of Management and Budget *Circular No. A-11*

Gainsharing Goal Outcomes Appear to Benefit Ratepayers

As outcomes for gainsharing goals are not explicitly identified on the goal development worksheets, we asked the department to identify them for us. For each gainsharing goal, Public Utilities was able to point to an outcome. Public Utilities asserts that all gainsharing goals are ultimately intended to drive system improvements, and that system improvement is therefore an overall outcome. Public Utilities also provided us with a list of strategic goals and business objectives, which it also considers to represent broad outcomes. Furthermore, each gainsharing goal is aligned with one strategic goal and one business objective, as shown on goal development worksheets. Exhibit 5 below lists the strategic goals and business objectives for Public Utilities.

Exhibit 5 – Public Utilities Strategic Goals and Business Objectives for Fiscal Year 2011

Strategic Goal	Business Objective
Goal 1: Safe, reliable, and efficient water, wastewater, and recycled water services.	1. Manage assets optimally through repair, rehabilitation, and replacement.
	2. Meet or exceed regulatory and public health standards.
Goal 2: Fiscally sound and effective public utility.	3. Provide the public with competitive, customer-focused services.
	4. Minimize rate impacts through expenditure control, the pursuit of alternative funding, and full cost recovery.
Goal 3: Sustainable growth and economic viability.	5. Engage in regional initiatives which provide viable, environmentally responsible and cost-

	effective alternative sources of water supply.
	6. Reduce the reliance on non-renewable energy.
	7. Develop long range plans to support a growing community.
Goal 4: Responsive, safe, committed and innovative workforce.	8. Meet or exceed safety standards.
	9. Ensure adequate staffing to meet operational needs.
	10. Develop and support employees, and recognize exceptional performance.

Although we agreed with Public Utilities’ assertion that all gainsharing goals were associated with outcomes that benefited ratepayers, we found considerable variability in the specificity of outcomes and in how directly outcomes could be shown to benefit ratepayers:

- The outcomes for some goals were broadly stated. The strategic goals listed in Exhibit 4, for example, represent expressions of general intent that could be pursued through a variety of activities. For most goals, we were able to identify a specific outcome.
- The outcome for many goals could be shown to directly benefit ratepayers, while the benefit to ratepayers was less apparent in others.

We determined the benefit to ratepayers to be direct whenever its accomplishment was likely to yield significant monetary savings or operational improvements within a reasonable period of time. We reviewed any savings claims that were made in goal development worksheets, and generally relied on the assessments in Brown and Caldwell’s report when evaluating potential efficiency gains. For example, a gainsharing goal for the Wastewater Collection Division involves reductions in combined salaries, including various categories of overtime pay. The outcome of this goal is of direct benefit to ratepayers, as any cost savings can be used to defray operating costs for Public Utilities. Another gainsharing goal, established for the Environmental Monitoring and Technical Services Division, involves conducting a survey of 100 area dentists to assess the extent to which the dentists have adopted the American Dental Association’s voluntary mercury amalgam best management practices. Although reducing mercury discharges is a desirable outcome that is aligned with Public Utilities’ first business goal (Exhibit 4), it is less certain that conducting a survey of dentists will accomplish that outcome or benefit ratepayers. Other goals that indirectly benefit ratepayers may still be important and encompass worthy activities. Whether the benefit to ratepayers is direct or indirect is influenced by the type of goal and the function of the branch, division, or section performing it, as explained in the next section.

Public Utilities Measures Outputs for Gainsharing Goals; However, Performance Measures Relate to Goal Outcomes

We found that all gainsharing goals have specific and measurable performance measures. Although these performance measures do not measure goal outcomes, they measure outputs that are related to goal outcomes. Public Utilities generally does not measure the outcomes for

gainsharing goals. According to Public Utilities management, gainsharing goals are designed with a one-year completion timeframe. The outcomes associated with gainsharing goals, however, usually do not coincide with a measurement period of one year. For example, the outcome of a goal involving establishing an employee mentorship program is to improve employee development, but this outcome may not be realized until the program has been in place for years. Furthermore, an improvement in the measurement for a particular outcome may be attributable to more than one factor. Measuring outcomes, therefore, may not provide good evidence for the efficacy of any particular goal. Therefore, Public Utilities considers the measurement of output to be more appropriate for determining the accomplishment of gainsharing goals.

For example, a joint gainsharing goal for the Wastewater Collection and Wastewater Treatment and Disposal Divisions involves reducing the incident rate for reportable injuries. In this case, the performance measure (the number of recordable injuries) is closely aligned with the desired outcome (maintaining a safe workplace) of the goal. In contrast, a gainsharing goal for the Engineering and Program Management Division involves completing an Energy and Climate Protection audit report. An outcome of this goal includes a reduction in greenhouse gas emissions, if the recommendations of this report are implemented. However, greenhouse gas emissions are not a specified measure for the accomplishment of this goal, since the implementation of any report recommendations and any subsequent reduction in emissions would take substantial time to realize.

In its assessment of the B2G Program, Brown and Caldwell separated gainsharing goals into eight categories. Exhibit 6 below lists all gainsharing goals following this classification scheme, and identifies a typical measure for each goal category.

Exhibit 6 – Gainsharing Goal Categories and Output Measures

Goal Category	Number of Goals	Typical Output Measure
Technological, Process, and System Improvements	17	Installation of a new software or a database; development and implementation of a new process.
Resource Availability and Staff Capability Improvements	3	Development of employee training curricula; certification.
Studies, Surveys, or Projects	13	Completion of various milestones and of a report.
Personnel Safety	7	Reduction in the number of injuries or accidents in a period of time.
Public/Stakeholder Outreach and Customer Service	3	Improvement in customer service metrics.
Asset Management	12	Increase in preventive maintenance activity levels.
Labor Optimization	2	Reduction of overtime pay.
Funding and Financing	1	Increase grant and loan revenue.

Source: Auditor-generated; goal categories based on Brown and Caldwell’s report.

Various divisions in Public Utilities showed differences in the types of gainsharing goals they developed. For example, most gainsharing goals for the Water Operations Branch were classified as Asset Management goals and involved improving maintenance, repair, or service activities. In contrast, the majority of gainsharing goals for the Engineering and Program Management Division in the Wastewater Branch involved completing studies or projects. In general, performance measures for gainsharing goals in operating divisions tracked goal outcomes more closely than performance measures for gainsharing goals in planning or administrative divisions did. For example, goals that were classified as Asset Management were more amenable to quantitative measurement than goals that required the completion of a new system or project. Goal attainment for the latter was typically measured based on completion or implementation, with project milestones and deadlines designed to keep the project on track.

Gainsharing Goals Have Clear Targets, And Justification Is Provided For Their Challenge Level

Public Utilities considers that accomplishment of a gainsharing goal is indicative of exceptional performance, as gainsharing goals encompass work that is above and beyond what employees are required to perform as part of their normal job duties. Based on our review of gainsharing goal development sheets and the gainsharing goal development process (see Exhibit 2), we found that Public Utilities has invested significant efforts to insure that goals are rigorous and challenging.

In many cases, a review of the gainsharing goal worksheet provided sufficient assurance that the achievement of the goal is indicative of exceptional performance. For example, a gainsharing goal for the Food Establishment Wastewater Discharge Section in the Wastewater Collection Division involves reducing the number of expired permits to no more than 10 per month. This represents a significant improvement over the previous two fiscal years, when the average monthly number of expired permits was 124 and 150, respectively. In others, however, more information about workload levels and the technical difficulty of the goal was needed to reach this conclusion. For example, one gainsharing goal for the Environmental Monitoring and Technical Services Division involves developing a disaster response capability for the protection of drinking water. Fifty percent of the measurement for goal attainment is contingent on the maintenance of state certification for the Water Quality Laboratory. The gainsharing goal development sheet provides justification for the challenge level of the goal, and Brown and Caldwell found that this goal would yield long-term benefits for Public Utilities. However, without additional clarification, it is not readily apparent that maintaining a certification represents a sufficiently challenging target.

The justification for the challenge level for a gainsharing goal does not usually contain information about workload levels. Workload information from a Statement of Work, for example, would help a reviewer assess the level of effort required to achieve a particular gainsharing goal in the context of the total workload of a branch, division, or section. Additionally, technical expertise and judgment is required to determine whether exceptional performance is achieved. Therefore, we relied on the assessment of the gainsharing goals performed by Brown and Caldwell to determine whether goals were sufficiently challenging. We note that for fifteen gainsharing goals, Brown and Caldwell suggested improvements to the goal or increases in its challenge level, and that most of these changes were made by Public Utilities.

Conclusion

As previously stated, our audit found that gainsharing goals have outcomes that benefit ratepayers. Although Public Utilities often stated goal outcomes broadly, we were able to identify a specific outcome for most goals. Thirty eight percent of goals benefit ratepayers directly, whereas the remainder benefit ratepayers indirectly. We also found that performance measures for goals are specific, and that they measure goal outputs. These goal outputs relate to goal outcomes, and the relationship between the output being measured and the goal outcome is close for 40 percent of the goals.

We found that most gainsharing goals appear challenging and have clear targets. The challenge level for many gainsharing goals was improved as a result of the input provided by Brown and Caldwell. Public Utilities considers that the accomplishment of gainsharing goals is indicative of exceptional performance, since these goals are above and beyond normal employee workloads. Since we do not possess technical expertise in utilities management or contextual information about workload levels, we relied on Public Utilities and Brown and Caldwell's judgment to some extent. It is clear that the Public Utilities Department has expended significant effort in developing and improving the quality of gainsharing goals, and we encourage them to continue to refine and improve upon their performance measurement system.

Administration Response

Public Utilities management provided the following response to this report:

The Department has reviewed the Audit Report and believes that all goals have a clear outcome that relates to its mission "to ensure the quality, reliability, and sustainability of water, wastewater, and recycled water services to the benefit of the ratepayers and the citizens served". All goals also have specific and measurable performance measures that relate ultimately to goal outcomes, and each goal has a clear target which indicates exceptional performance will be achieved.

Brown and Caldwell, a nationally known engineering consulting firm, and considered experts in Water and Wastewater management, were hired to assess all FY 2011 proposed gainsharing goals. They placed our department in the top tier of government utilities promoting a performance culture. The final edition of the FY 2011 goals is consistent with their findings.

The department considers these goals in compliance with the recommendations of the OCA performance audit and plans to complete this final B2G program year with the goals as written.

Respectfully Submitted,



Eduardo Luna
City Auditor

Appendix A – City Auditor Involvement with the Bid to Goal Program

Bid to Goal Performance Audit Report—February 2, 2010

In accordance with the City Auditor’s Annual Risk Assessment and Audit Work Plan for Fiscal Year 2010 and in response to a request from Audit Committee Chairman Kevin Faulconer and City Council Member Carl DeMaio, we conducted a performance audit of the Bid to Goal Program. We issued our report on February 2, 2010 and presented it before the Audit Committee on March 22, 2010.

We found that the Water and Wastewater departments have achieved total cost savings of about \$116.2 million for fiscal years 2005 through 2008, and that performance had generally improved since the program was established. However, B2G has been closely linked with other systems and efforts, such as Business Process Reengineering and Environmental Management Systems, which encouraged employees to find new and better ways to perform. We concluded that efficiencies would have occurred to some extent through other efforts. Some of the significant findings from this audit were:

- Public Utilities has not maintained complete data and documentation on the B2G Program
- The B2G Program lacked adequate internal controls, and Public Utilities has relied on the external auditor to provide quality control
- External auditor findings were not being tracked to insure they do not recur and that recommendations are fully implemented
- Roles and responsibilities in the bid process were not clearly defined and distinct
- The administrative time and costs for the B2G Program were not being tracked
- The expenditures for Employee Efficiency Incentive Reserve were not being tracked
- The B2G Program payouts to employees were not externally audited, and
- Records of the total gross payouts and the number of employees receiving payouts have not been maintained

In its response to our audit report, Public Utilities concurred with our findings and agreed to implement our recommendations.

The Audit Committee passed a motion to accept our report and its 14 recommendations, and requested that AKT—the external auditor for the B2G programs—expand its scope of work to test Public Utilities’ compliance with the new guidance adopted in response to the Performance Audit regarding employee eligibility for payouts; test the B2G Program’s Employee Efficiency Incentive Reserve (EEIR) to ascertain the accuracy and the proper authorization of reported expenditures; and review the Program’s goals, testing both the achievement of goals as well as evaluating and commenting on the reasonableness of goals based on industry benchmarks and standards.

Subsequent to our audit report, Public Utilities created a policies and procedures manual for administering the B2G Program and implemented all 14 audit recommendations.

Memo to the Audit Committee—April 7, 2010

We met with Public Utilities officials and AKT representatives, and identified a potential solution for the auditing of gainsharing goals that we believed would provide the most benefit to the City. We recommended that Public Utilities expand the relevant sections of the gainsharing goal summary sheet to include detailed information explaining why a goal is challenging, including providing industry benchmark data, if appropriate, and providing supporting documentation for the level of difficulty.

We also recommended that Public Utilities increase the scope of work of its contract with AKT to include evaluating gainsharing goals before they are approved; reviewing goals for measurability and challenge; determining whether supporting documentation is sufficient; and providing input when appropriate for improving the measurability and challenge level of goals.

Because many of the Program's goals are technical and specific to the water and wastewater industries, we determined that a more detailed audit of goal setting would necessitate hiring an engineering consultant. However, after our discussions with Department officials and AKT representatives, we did not believe that such a review was necessary or worth the additional cost to the City. We reasoned that Public Utilities managers and other employees would benefit from providing additional justification and supporting documentation on goal challenge levels and acquire knowledge and expertise in developing measurable and auditable goals.

We presented our memorandum before the Audit Committee on April 12, 2010. However, the Audit Committee disagreed with our recommendation that Public Utilities conduct internal reviews of performance goals, concluding that contracting with a consulting firm to review performance goals was necessary. The Audit Committee passed a motion requesting that the Office of the City Auditor and Public Utilities Management return with a scope of work and a cost estimate for a benchmark audit for the May 10, 2010, Audit Committee meeting.

Memo to the Audit Committee—May 6, 2010

We met with Public Utilities Department officials and five water and wastewater engineering consultants as well as other consultants to discuss the feasibility of benchmarking B2G gainsharing goals. Based on these discussions and informal proposals provided by the consultants, we provided information on the level of effort, scope of work, time, and estimated cost range for benchmarking a sample of 50 percent, or about 40, gainsharing goals.

We also provided an option suggested by HDR Inc. to convene a volunteer panel of regional experts to review and comment on the reasonableness and challenge level of gainsharing goals, and a cost estimate submitted by AKT to increase the existing scope of work in its contract with the Public Utilities Department to include evaluating gainsharing goals before they are approved.

Five firms provided cost estimates to us. Two firms we contacted chose not to participate because they had concerns about (1) potential conflicts of interest in reviewing goals of employees with whom they have worked previously and (2) meeting the deadlines for completing the work.

The engineering consultants we met with have extensive experience in the water and wastewater industry and benchmarking; with the creation of performance management systems; and with

programs, industry-wide benchmarking, and organizational assessments. Other firms we contacted have experience in benchmarking and performance measurement and can retain technical specialists. The scope of work included measuring a cross section of fiscal year 2011 gainsharing goals for the Water and Wastewater Fund B2G Programs to assess the reasonableness and challenge level of the goals based on industry standards and benchmarks.

We presented our memo before the Audit Committee on May 10, 2010. The Audit Committee passed a motion to endorse the proposed methodology of one of the companies (Brown and Caldwell), and requested additional benchmarking goal suggestions for the next year's B2G Program after the work for the current year is completed.

Brown and Caldwell Report—September 1, 2010

The consultant reviewed the FY 2011 goals and recommended 48 of the 70 goals (69 percent) for inclusion with minor or no revisions in the Gainsharing Program, and 15 goals (21 percent) for inclusion with significant revisions. The consultant judged 7 goals (10 percent) to lack justification for inclusion in the B2G Program.

The consultant wrote that “the very process of Goal setting, coupled with the “bottom up” approach of soliciting front-line staff input and team-based Goal filtering process, puts the Department among the very top tier of public utilities promoting a performance culture. While a number of high performing utilities in water and wastewater sector have performance metrics, the Goal monitoring, measuring and renewal process—an essential feature of the B2G Program—it is neither as common nor as rigorous among other agencies.”

The consultant also found that the goals were diverse and covered important categories essential for organizational improvement. Many of the report's recommended improvements related to the scope, structure, and measurement criteria of goals.

The consultant presented his findings before the Audit Committee on September 13, 2010. After discussing the report, the Audit Committee passed a motion requesting that the Office of the City Auditor determine which of the goals contained in the Bid to Goal program have clearly identified outcomes that benefit rate payers; specific and measureable performance measures that relate to the outcome of the goal; and clear targets that will indicate that exceptional performance will be achieved.

Appendix B – Evaluation of Gainsharing Goals

Evaluation Methodology

For each gainsharing goal, we asked Public Utilities to identify the goal outcome and indicate how it benefits ratepayers; to identify the performance measure and explain how it relates to the goal outcome; and to identify the goal target and whether it indicates that exceptional performance will be achieved. We also asked Public Utilities to provide us with sources to support their responses.

Public Utilities provided us with a response for each gainsharing goal. We reviewed and summarized these responses and included them in this appendix, and we referenced the source. To support its responses, Public Utilities pointed to the relevant sections of the goal development worksheet for each goal, which can be found in Appendix C of this report.

We then assessed each gainsharing goal using the goal development worksheet, the response from Public Utilities, and the evaluation in Brown and Caldwell’s report. In conducting our assessment, we decomposed the questions asked by the Audit Committee as follows:

Audit Committee Questions	Auditor Evaluation
(1a.) Does the goal have a clearly-identified outcome that benefits ratepayers?	Is the outcome broad or specific?
	Does the outcome benefit ratepayers? If so, is the benefit to ratepayers direct or indirect?
(1b.) Does the goal have a specific and measurable performance measure that relates to the outcome of the goal?	Does the goal have a specific and measurable performance measure?
	Does the performance measure relate to the outcome of the goal? If so, how closely does the performance measure relate to the outcome?
(1c.) Does the goal have a clear target that will indicate that exceptional performance will be achieved?	Does the goal have a clear target?
	Does the target indicate that exceptional performance will be achieved?

After assessing all the gainsharing goals, we computed percentage totals, which we provide in the body of this report. The Audit Committee also asked us to identify which goals can be determined to have met all its criteria. The answer to that question depends on how these criteria are applied, and we provided two interpretations of the criteria to show the variation resulting from the different approaches to evaluating the goals. We considered whether a goal had a clearly-identified outcome that benefits ratepayers, whether a goal had a specific and measurable performance measure that relate to the outcome of the goal, and whether it had a clear target. In the first approach, we determined that the gainsharing goal met the criteria even when it had a broadly-stated outcome, when the benefit to ratepayers was indirect, and when its performance measure related somewhat to its outcome.

In the second approach, we determined that a gainsharing goal met the criteria if it had all of the following: a specific outcome, a direct benefit to ratepayers, a specific and measurable performance measure, a close relationship between the performance measure and the outcome, and a clear target. We determined the benefit to ratepayers to be direct whenever its

accomplishment was likely to yield significant monetary savings or operational improvements within a reasonable period of time. We reviewed any savings claims that were made in goal development worksheets, and generally relied on the assessments in Brown and Caldwell's report when evaluating potential efficiency gains.

Gainsharing Goal Evaluation

Wastewater Branch, Engineering and Program Management Division, Goal #1:

Condition Assessment of Water Pump Stations

Audit Committee Criteria	Summary of Department Response	Goal Development Worksheet Section(s)	City Auditor's Assessment
(1.a.) Does the goal have a clearly-identified outcome that benefits ratepayers?	Yes. Improved reliability of pump stations and reduced risk of failure. Potential cost savings.	Description. Relevance.	We identified a specific outcome. Benefit to ratepayers is indirect.
(1.b.) Does the goal have a specific and measurable performance measure that relates to the outcome of the goal?	Yes. The measures will ensure detailed testing and assessment of pump water stations.	Specified Measurement Method/Formula/Criteria for Achievement. Relevance.	Performance measure is specific and measurable. Performance measure does not closely relate to outcome.
(1.c.) Does the goal have a clear target that will indicate that exceptional performance will be achieved?	Yes. The goal is to have procedures developed and assess ten percent of 49 water pump stations. The assessment will require 1,350 hours and 180 hours per pump station that are "above and beyond" basic service requirements.	Description. Justification of Challenge Level.	Brown and Caldwell found the goal consistent with industry best practices.

Gainsharing Goal Evaluation

Wastewater Branch, Engineering and Program Management Division, Goal #2:

Produce Energy and Climate Protection (ECP) Audit Report for the Miramar Water Treatment Plant

Audit Committee Criteria	Summary of Department Response	Goal Development Worksheet Section(s)	City Auditor's Assessment
(1.a.) Does the goal have a clearly-identified outcome that benefits ratepayers?	Yes. Identify energy cost saving opportunities and direct/indirect green house gas reduction opportunities.	Relevance. Expected Impact.	We could not identify a specific outcome. Benefit to ratepayers is indirect.
(1.b.) Does the goal have a specific and measureable performance measure that relates to the outcome of the goal?	Yes. Goal achievement will be based on meeting milestone deadlines.	Specified Measurement Method/Formula/Criteria for Achievement. Relevance.	Performance measure is specific and measurable. Performance measure does not closely relate to outcome.
(1.c.) Does the goal have a clear target that will indicate that exceptional performance will be achieved?	Yes. The target is to produce an ECP audit report. The audit of this large water treatment plant for greenhouse gas emissions control opportunities will require the new Energy and Climate Protection Audit Team to go beyond the energy work they have performed for wastewater facilities.	Justification of Challenge Level.	Brown and Caldwell found this a very challenging goal.

Gainsharing Goal Evaluation

Wastewater Branch, Engineering and Program Management Division, Goal #3:

Mitigation and Revegetation Projects Geographic Information System (GIS) Inventory

Audit Committee Criteria	Summary of Department Response	Goal Development Worksheet Section(s)	City Auditor's Assessment
(1.a.) Does the goal have a clearly-identified outcome that benefits ratepayers?	<p>Yes.</p> <p>The consolidated mitigation and revegetation data and shapefiles will make coordination with other City departments and other groups and agencies less time consuming and ultimately allow all parties involved to be more efficient and cost-effective when planning projects.</p>	<p>Description.</p> <p>Relevance.</p> <p>Expected Impact or Efficiency.</p>	<p>We could not identify a specific outcome.</p> <p>Benefit to ratepayers is indirect.</p>
(1.b.) Does the goal have a specific and measureable performance measure that relates to the outcome of the goal?	<p>Yes.</p> <p>Achievement will be determined based on the percentage of completion of data files.</p>	<p>Specified Measurement Method/Formula/Criteria for Achievement.</p> <p>Relevance.</p> <p>Expected Impact or Efficiency.</p>	<p>Performance measure is specific and measurable.</p> <p>Performance measure does not closely relate to outcome.</p>
(1.c.) Does the goal have a clear target that will indicate that exceptional performance will be achieved?	<p>Yes.</p> <p>Researching our file drives and environmental libraries to locate and consolidate spatial and attribute data will be time consuming, and will require additional effort from a number of staff. Additional field work may also be required if data has not been previously documented.</p>	<p>Description.</p> <p>Justification of Challenge Level.</p>	<p>Brown and Caldwell found this goal to be in line with best practices.</p>

Gainsharing Goal Evaluation

Wastewater Branch, Engineering and Program Management Division, Goal #4:

Water Ten Percent Design Studies

Audit Committee Criteria	Summary of Department Response	Goal Development Worksheet Section(s)	City Auditor's Assessment
(1.a.) Does the goal have a clearly-identified outcome that benefits ratepayers?	<p>Yes.</p> <p>The water Ten Percent Design Group will increase the Ten Percent Design Planning Studies from 10 in the prior fiscal year to 13.</p> <p>The acceleration of Capital Improvement Projects at this time should result in considerable savings over the projects lifecycle, as construction costs are 30 percent to 40 percent below their peak of several years ago and costs are expected to increase when the economy improves in the future.</p>	<p>Description.</p> <p>Expected Impact or Efficiency.</p>	<p>We identified a specific outcome.</p> <p>Benefit to ratepayers is direct.</p>
(1.b.) Does the goal have a specific and measureable performance measure that relates to the outcome of the goal?	<p>Yes.</p>	<p>Specified Measurement Method/Formula/Criteria for Achievement.</p> <p>Justification of Challenge Level.</p>	<p>Performance measure is specific and measurable.</p> <p>Performance measure does not closely relate to outcome.</p>
(1.c.) Does the goal have a clear target that will indicate that exceptional performance will be achieved?	<p>Yes.</p> <p>By increasing the Planning Studies total from 10 to 13, the workload is increasing by nine months of Associate or Assistant Engineer full-time equivalent.</p>	<p>Description.</p> <p>Justification of Challenge Level.</p>	<p>Brown and Caldwell found this to be a beneficial goal but recommended raising the challenge level, which was done.</p>

Gainsharing Goal Evaluation

Wastewater Branch, Engineering and Program Management Division, Goal #5:

Facility Information Management

Audit Committee Criteria	Summary of Department Response	Goal Development Worksheet Section(s)	City Auditor's Assessment
(1.a.) Does the goal have a clearly-identified outcome that benefits ratepayers?	<p>Yes.</p> <p>Provide timely and accurate facility information data for use by Public Utilities asset management and capital improvement programs.</p> <p>The real drive of this goal is to reduce the time to provide information to all of the Section's stakeholders and thereby reduce the risk associated with making uninformed decisions.</p>	<p>Description.</p> <p>Reasonableness of goal based on industry benchmarks and/or best in class standards, also based on business improvement needs.</p>	<p>We identified a specific outcome.</p> <p>Benefit to ratepayers is indirect.</p>
(1.b.) Does the goal have a specific and measureable performance measure that relates to the outcome of the goal?	<p>Yes.</p> <p>Achievement of goal will be determined according to an index.</p>	<p>Specified Measurement Method/Formula/Criteria for Achievement.</p> <p>Relevance.</p>	<p>Performance measure is specific and measurable.</p> <p>Performance measure relates to outcome.</p>
(1.c.) Does the goal have a clear target that will indicate that exceptional performance will be achieved?	<p>Yes.</p> <p>This goal reduces the number of days to map changes by 20 percent and increases the minimum achievement level required for credit over the previous four years.</p>	<p>Description.</p> <p>Justification of Challenge Level.</p>	<p>Brown and Caldwell found this to be a challenging goal that will enhance the efficiency and effectiveness of staff.</p>

Gainsharing Goal Evaluation

Wastewater Branch, Engineering and Program Management Division, Sewer Modeling Section(s), Goal #6:

Establish Muni Pump Station Flow Database

Audit Committee Criteria	Summary of Department Response	Goal Development Worksheet Section(s)	City Auditor's Assessment
(1.a.) Does the goal have a clearly-identified outcome that benefits ratepayers?	<p>Yes.</p> <p>Establishing a database will decrease the amount of time spent researching, obtaining data, and increase the accuracy of calibrating the small main model as we will have data that is readily accessible and result in reducing the length of small main modeling task by an estimated 25 percent.</p>	<p>Description.</p> <p>Expected Impact or Efficiency.</p> <p>Reasonableness of goal based on industry benchmarks and/or best in class standards, also based on business improvement needs.</p>	<p>We identified a specific outcome.</p> <p>Benefit to ratepayers is indirect.</p>
(1.b.) Does the goal have a specific and measurable performance measure that relates to the outcome of the goal?	<p>Yes.</p> <p>Goal achievement will be determined by the percentage of databases completed.</p>	<p>Specified Measurement Method/Formula/Criteria for Achievement.</p> <p>Relevance.</p>	<p>Performance measure is specific and measurable.</p> <p>Performance measure does not closely relate to outcome.</p>
(1.c.) Does the goal have a clear target that will indicate that exceptional performance will be achieved?	<p>Yes.</p> <p>Obtaining flow data for all 75 pump stations will require a considerable amount of effort to perform the field work of installing and calibrating the meters to obtain one month of data for each pump station. This effort and additional works, such as data analysis and preparation of the final database, is equivalent to the workload of an additional full-time position.</p>	<p>Description.</p> <p>Justification of Challenge Level.</p>	<p>Brown and Caldwell found this goal to be challenging and justifiable based on expected efficiency gains.</p>

Gainsharing Goal Evaluation

Wastewater Branch, Engineering and Program Management Division, Goal #7:

Reduce Established Average Number of Review Cycles for Approval of Development Plans

Audit Committee Criteria	Summary of Department Response	Goal Development Worksheet Section(s)	City Auditor's Assessment
(1.a.) Does the goal have a clearly-identified outcome that benefits ratepayers?	<p>Yes.</p> <p>This goal would improve on the criteria established by the Development Services Department by reducing the average number of review cycles required for approvals of submitted ministerial review plans to less than three.</p> <p>The business improvement achieved here will result in better service to customers through fewer average review cycles for project approval, which results in less overall cost to the customers.</p>	<p>Description.</p> <p>Relevance.</p> <p>Expected Impact or Efficiency.</p> <p>Reasonableness of goal based on industry benchmarks and/or best in class standards, also based on business improvement needs.</p>	<p>We identified a specific outcome.</p> <p>Benefit to ratepayers is indirect.</p>
(1.b.) Does the goal have a specific and measureable performance measure that relates to the outcome of the goal?	<p>Yes.</p> <p>A sliding scale reflects various levels of performance, based on how often the statistical performance measures are exceeded.</p> <p>Review of development plans is a vital service to monitor compliance with existing standards in order to assure safe and reliable water and wastewater infrastructure systems. Private developers and members of the general public rely on a timely review and approval process to assure their projects are not delayed.</p>	<p>Specified Measurement Method/Formula/Criteria for Achievement.</p> <p>Relevance.</p>	<p>Performance measure is specific and measurable.</p> <p>Performance measure relates to outcome.</p>
(1.c.) Does the goal have a clear target that will indicate	Yes.	Description.	

<p>that exceptional performance will be achieved?</p>	<p>In order to achieve this goal, reviewers will need to provide a very complete initial review, coordinate conflicts early in the process with other disciplines, proactively meet with the project engineer to resolve complicated issues, and coordinate with supervisors, managers and field personnel to identify when site conditions preclude the project from meeting design requirements.</p>	<p>Justification of Challenge Level.</p>	<p>Brown and Caldwell found this to be a well-conceived goal.</p>
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Gainsharing Goal Evaluation

Wastewater Branch, Engineering and Program Management Division, Program Management Section(s), Goal #8:

Prepare Six 10 Percent Design Reports on Redirection of Flow

Audit Committee Criteria	Summary of Department Response	Goal Development Worksheet Section(s)	City Auditor's Assessment
(1.a.) Does the goal have a clearly-identified outcome that benefits ratepayers?	<p>Yes.</p> <p>To Complete the 10 Percent Designs for six Canyon Redirection of Flow Projects within the established schedule.</p> <p>Redirecting sewer mains out of canyons will eliminate impact to the natural habitat by operation staff during maintenance, reduce the number of undetected sewer overflows, and enable the City to maintain the sewer mains more efficiently and frequently.</p>	<p>Description.</p> <p>Reasonableness of goal based on industry benchmarks and/or best in class standards, also based on business improvement needs.</p> <p>Expected Impact or Efficiency.</p>	<p>We identified a specific outcome.</p> <p>Benefit to ratepayers is indirect.</p>
(1.b.) Does the goal have a specific and measurable performance measure that relates to the outcome of the goal?	<p>Yes.</p> <p>Achievement will be determined according to an index.</p>	<p>Specified Measurement Method/Formula/Criteria for Achievement.</p> <p>Relevance.</p>	<p>Performance measure is specific and measurable.</p> <p>Performance measure does not closely relate to outcome.</p>
(1.c.) Does the goal have a clear target that will indicate that exceptional performance will be achieved?	<p>Yes.</p> <p>This goal presents a significant challenge to complete a total of six 10 Percent (Pre-design) Reports, one report every two-month period.</p>	<p>Description.</p> <p>Justification of Challenge Level.</p>	<p>Brown and Caldwell suggested strengthening the challenge level for the goal award, and this was implemented.</p>

Gainsharing Goal Evaluation

Wastewater Branch, Environmental Monitoring and Technical Services Division, Goal #1:

Improve Storeroom Business Practices

Audit Committee Criteria	Summary of Department Response	Goal Development Worksheet Section(s)	City Auditor's Assessment
(1.a.) Does the goal have a clearly-identified outcome that benefits ratepayers?	<p>Yes.</p> <p>The goal is to increase the efficiencies of the storerooms within the Division, which will reduce overstocking and potential waste that results from expired items, and reduce staff time used to research and order inventory, allowing staff to focus on core services.</p>	<p>Description.</p> <p>Expected Impact or Efficiency.</p>	<p>We identified a specific outcome.</p> <p>Benefit to ratepayers is indirect.</p>
(1.b.) Does the goal have a specific and measurable performance measure that relates to the outcome of the goal?	<p>Yes.</p> <p>Goal accomplishment is measured based on completion of a storeroom inventory, standard operating procedures for equipment disposal, and documenting business practices by specified deadlines.</p>	<p>Relevance.</p> <p>Specified Measurement Method/Formula/Criteria for Achievement.</p> <p>Expected Impact or Efficiency.</p>	<p>Performance measure is specific and measurable.</p> <p>Performance measure does not closely relate to outcome.</p>
(1.c.) Does the goal have a clear target that will indicate that exceptional performance will be achieved?	<p>Yes.</p> <p>Completing a storeroom inventory is labor intensive. Storeroom staff will be challenged to redefine their roles in providing value-added services to the Division.</p> <p>The development of standard operating procedures for equipment disposal will require staff to work with Purchasing & Contracting and the Comptroller's Office.</p>	<p>Specified Measurement Method/Formula/Criteria for Achievement.</p> <p>Justification of Challenge Level.</p> <p>Reasonableness of goal based on industry benchmarks and/or best in class standards, also based on business improvement needs.</p>	<p>Brown and Caldwell rated this a challenging goal based on the effort required to accomplish it.</p>

Gainsharing Goal Evaluation

Wastewater Branch, Environmental Monitoring and Technical Services Division, Goal #2:

Develop a Disaster Response Capability for the Protection of Drinking Water

Audit Committee Criteria	Summary of Department Response	Goal Development Worksheet Section(s)	City Auditor's Assessment
(1.a.) Does the goal have a clearly-identified outcome that benefits ratepayers?	<p>Yes.</p> <p>To develop the capability to provide essential public health protections in the event of catastrophic loss or compromise of a single facility's functions.</p>	<p>Relevance.</p> <p>Expected Impact or Efficiency.</p>	<p>We identified a specific outcome.</p> <p>Benefit to ratepayers is indirect.</p>
(1.b.) Does the goal have a specific and measurable performance measure that relates to the outcome of the goal?	<p>Yes.</p> <p>The goal involves obtaining/maintaining California State Environmental Laboratory Accreditation Program (ELAP) certification within the year.</p>	<p>Specified Measurement Method/Formula/Criteria for Achievement.</p> <p>Relevance.</p>	<p>Performance measure is specific and measurable.</p> <p>Performance measure does not closely relate to outcome.</p>
(1.c.) Does the goal have a clear target that will indicate that exceptional performance will be achieved?	<p>Yes.</p> <p>Reaching this target will require staff to develop new technical and administrative skills, learn new techniques and applications, and meet new regulatory requirements. Staff will complete the ELAP application, successfully perform Proficiency Testing, and obtain the California State ELAP certification within the year. Both laboratories will also be required to revise their Standard Operation Procedures and Quality Assurance plans to reflect the new changes.</p>	<p>Specified Measurement Method/Formula/Criteria for Achievement.</p> <p>Reasonableness of goal based on industry benchmarks and/or best in class standards, also based on business improvement needs.</p>	<p>For the Water Quality Lab, maintaining ELAP certification does not appear to be a challenging goal.</p>

Gainsharing Goal Evaluation

Wastewater Branch, Environmental Monitoring and Technical Services Division Goal #3 and Wastewater Treatment and Disposal Division, Goal #3:

Point Loma Wastewater Treatment Plant Pilot Study – Flow Paced Chemical Dosing Based on Influent Solids Load

Audit Committee Criteria	Summary of Department Response	Goal Development Worksheet Section(s)	City Auditor's Assessment
(1.a.) Does the goal have a clearly-identified outcome that benefits ratepayers?	Yes. To improve the efficiency of chemical consumption at the Point Loma Water Treatment Plant (PLWTP). Goal achievement will result in reduced truck traffic and will advance ISO compliance. Additionally, it could save up to 10 percent of the department's annual ferric chloride budget of \$3.6 million.	Description. Justification of Challenge Level.	We identified a specific outcome. Benefit to ratepayers is direct.
(1.b.) Does the goal have a specific and measurable performance measure that relates to the outcome of the goal?	Yes. The goal has several milestones, and achievement is predicated on optimizing dosing strategies and completing the final report by fiscal year end.	Specified Measurement Method/Formula/Criteria for Achievement. Relevance.	Performance measure is specific and measurable. Performance measure relates to outcome.
(1.c.) Does the goal have a clear target that will indicate that exceptional performance will be achieved?	Yes. The impact on operations staff of completing this pilot study would require time and effort to plan the necessary process changes, implement the changes without upsetting the plants ongoing process, and analyze the results to determine the future course. Compressing this effort into a single 12-month period further adds to the difficulty of achievement.	Specified Measurement Method/Formula/Criteria for Achievement. Reasonableness of goal based on industry benchmarks and/or best in class standards, also based on business improvement needs.	Brown and Caldwell found that this goal would yield worthwhile benefits.

Gainsharing Goal Evaluation

Wastewater Branch, Environmental Monitoring and Technical Services Division, Goal #4:

Evaluate the Efficiency of Analyzing Carbon Samples for Total Percentage Sulfur

Audit Committee Criteria	Summary of Department Response	Goal Development Worksheet Section(s)	City Auditor's Assessment
(1.a.) Does the goal have a clearly-identified outcome that benefits ratepayers?	<p>Yes.</p> <p>To reduce costs associated with Air Pollution Control District (APCD) permit requirements to analyze carbon from odor control systems for sulfur content.</p> <p>It ensures that the City is getting the best value on testing required by a regulatory agency.</p>	<p>Description.</p> <p>Expected Impact or Efficiency.</p>	<p>We identified a specific outcome.</p> <p>Benefit to ratepayers is direct.</p>
(1.b.) Does the goal have a specific and measureable performance measure that relates to the outcome of the goal?	<p>Yes.</p> <p>Achievement rests on completing a business analysis report on the efficiency and costs for performing the APCD-required analyses, and a technical study report to evaluate performing these analyses using existing staff levels by June 15, 2011.</p> <p>Meeting the goal will ensure that business analysis and technical study reports documenting the costs and alternative methods for performing sulfur analyses are prepared. The implementation of which could help reduce the associated costs in the future.</p>	<p>Specified Measurement Method/Formula/Criteria for Achievement.</p> <p>Relevance.</p>	<p>Performance measure is specific and measurable.</p> <p>Performance measure does not closely relate to outcome.</p>
(1.c.) Does the goal have a clear target that will indicate that exceptional performance will be achieved?	<p>Yes.</p> <p>The study will require significant research and development of a number of analytical methods, as well as determination of</p>	<p>Specified Measurement Method/Formula/Criteria for Achievement.</p> <p>Justification of Challenge Level.</p>	<p>Brown and Caldwell found this a challenging goal that is likely to lead to many benefits.</p>

	instrumentation requirements, availability, and costs.	Reasonableness of goal based on industry benchmarks and/or best in class standards, also based on business improvement needs.	
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Gainsharing Goal Evaluation

Wastewater Branch, Environmental Monitoring and Technical Services Division, Goal #5:

Perform a Pilot Study to Evaluate the Value of Replacing the SAS Statistical Tools With “R” as Part of the Ocean Monitoring Program

Audit Committee Criteria	Summary of Department Response	Goal Development Worksheet Section(s)	City Auditor’s Assessment
(1.a.) Does the goal have a clearly-identified outcome that benefits ratepayers?	<p>Yes.</p> <p>To reduce costs associated with analyzing and presenting the department’s Ocean Monitoring Program data.</p> <p>Immediate savings may be as much as \$40,000 per year from licensing, training and consulting services, with the potential of additional cost savings in future years.</p>	<p>Description.</p> <p>Relevance.</p> <p>Expected Impact or Efficiency.</p>	<p>We identified a specific outcome.</p> <p>Benefit to ratepayers is direct.</p>
(1.b.) Does the goal have a specific and measureable performance measure that relates to the outcome of the goal?	<p>Yes.</p> <p>The goal has three milestones and deliverables.</p>	<p>Specified Measurement Method/Formula/Criteria for Achievement.</p>	<p>Performance measure is specific and measurable.</p> <p>Performance measure does not closely relate to outcome.</p>
(1.c.) Does the goal have a clear target that will indicate that exceptional performance will be achieved?	<p>Yes.</p> <p>The target is to complete a Pilot Study and a Business Case Evaluation by April 15, 2011.</p> <p>Meeting the target will require imposing additional duties and responsibilities on scientific staff while maintaining efficient resource levels, and continuing to develop and manage collaborative efforts with external scientific researchers and consultants.</p>	<p>Specified Measurement Method/Formula/Criteria for Achievement.</p>	<p>Brown and Caldwell found the analyses required to meet this goal beneficial.</p>

Gainsharing Goal Evaluation

Wastewater Branch, Environmental Monitoring and Technical Services Division, Goal #6:

Automate Billing for Imported Flows and Trucked Sludge

Audit Committee Criteria	Summary of Department Response	Goal Development Worksheet Section(s)	City Auditor's Assessment
(1.a.) Does the goal have a clearly-identified outcome that benefits ratepayers?	<p>Yes.</p> <p>Improve customer service and billing accuracy; enhance internal controls.</p> <p>Improved accuracy and timing of invoices will improve customer service, and automated billing will eliminate two full workdays per month of staff time spent inputting invoices manually.</p>	<p>Description.</p> <p>Expected Impact or Efficiency.</p> <p>Relevance.</p>	<p>We identified a specific outcome.</p> <p>Benefit to ratepayers is indirect.</p>
(1.b.) Does the goal have a specific and measurable performance measure that relates to the outcome of the goal?	<p>Yes.</p> <p>Invoices in SAP for March 2011 must correspond to PIMS records, and all imported flow and trucked sludge billing for March 2011 must be accurately reported by April 15, 2011.</p> <p>Meeting the performance measures will implement processes that will result in a reduced number of calls related to incorrect and late invoices, thereby improving customer service.</p>	<p>Specified Measurement Method/Formula/Criteria for Achievement.</p> <p>Relevance.</p>	<p>Performance measure is specific and measurable.</p> <p>Performance measure does not closely relate to outcome.</p>
(1.c.) Does the goal have a clear target that will indicate that exceptional performance will be achieved?	<p>Yes.</p> <p>Implementation of this project will require staff to develop additional technical knowledge and skills, and develop improved business processes, while maintaining all normal deliverables.</p>	<p>Specified Measurement Method/Formula/Criteria for Achievement.</p> <p>Justification of Challenge Level.</p> <p>Reasonableness of goal based on industry benchmarks and/or best in class standards, also based on business improvement needs.</p>	<p>Brown and Caldwell found that this goal is consistent with industry best practices and has quantifiable benefits.</p>

Gainssharing Goal Evaluation

Wastewater Branch, Environmental Monitoring and Technical Services Division, Goal #7:

Perform Survey to Characterize Dentist's Implementation of American Dental Association's Voluntary Mercury Best Management Practices

Audit Committee Criteria	Summary of Department Response	Goal Development Worksheet Section(s)	City Auditor's Assessment
(1.a.) Does the goal have a clearly-identified outcome that benefits ratepayers?	<p>Yes.</p> <p>To maximize recycled water reuse opportunities by controlling toxic pollutants.</p> <p>Mercury is a toxic pollutant that bio-accumulates in fish and other aquatic organisms. Consumption of affected fish can lead to mercury poisoning, which can damage the brain, kidney, and lungs.</p>	<p>Expected Impact or Efficiency.</p> <p>Relevance.</p>	<p>We identified a specific outcome.</p> <p>Benefit to ratepayers is indirect.</p>
(1.b.) Does the goal have a specific and measureable performance measure that relates to the outcome of the goal?	<p>Yes.</p> <p>Survey 100 dentists in the metro tributary area, and report on the observations and conclusions of the survey. Staff will be able to identify sources of controllable mercury discharges to facilitate the development, implementation, and enforcement of effective mercury source control measures.</p>	<p>Specified Measurement Method/Formula/Criteria for Achievement.</p> <p>Description.</p> <p>Relevance.</p>	<p>Performance measure is specific and measurable.</p> <p>Performance measure does not closely relate to outcome.</p>
(1.c.) Does the goal have a clear target that will indicate that exceptional performance will be achieved?	<p>Yes</p> <p>The target is to obtain approval of a survey observation and conclusion report by June 15, 2011. Staff must become familiar with the American Dental Association's Best Management Practices and associated technologies to develop an appropriate investigative survey and</p>	<p>Specified Measurement Method/Formula/Criteria for Achievement.</p> <p>Justification of Challenge Level.</p> <p>Reasonableness of goal based on industry benchmarks and/or best in class standards, also based on business improvement needs.</p>	<p>Brown and Caldwell found this goal challenging.</p>

	confirm compliance during inspections.		
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Gainsharing Goal Evaluation

Wastewater Branch, Environmental Monitoring and Technical Services Division, Goal #8:

Maintain Recordable Injuries at or Below the Division Average

Audit Committee Criteria	Summary of Department Response	Goal Development Worksheet Section(s)	City Auditor's Assessment
(1.a.) Does the goal have a clearly-identified outcome that benefits ratepayers?	<p>Yes.</p> <p>To reduce costs and to provide a safe working environment for our employees by lowering our recordable injuries in order to meet industry standards. Maintaining a safe workplace and a low rate of on-the-job injuries will help control costs related to medical care, disability benefits and lost productivity.</p>	<p>Description.</p> <p>Expected Impact or Efficiency.</p>	<p>We identified a specific outcome.</p> <p>Benefit to ratepayers is direct.</p>
(1.b.) Does the goal have a specific and measureable performance measure that relates to the outcome of the goal?	<p>Yes.</p> <p>The goal is to have less than one recordable injury per quarter and less than four in the year. This total injury count is below the national average, and will reduce the soft and hard costs of lost labor hours and medical treatment.</p>	<p>Specified Measurement Method/Formula/Criteria for Achievement.</p>	<p>Performance measure is specific and measurable.</p> <p>Performance measure relates to outcome.</p>
(1.c.) Does the goal have a clear target that will indicate that exceptional performance will be achieved?	<p>Yes</p> <p>The Division has not always met this target in the past and it will be applied to approximately 25 percent more people, increasing the challenge level and requiring exceptional focus on and support of safety practices.</p>	<p>Justification of Challenge Level.</p> <p>Reasonableness of goal based on industry benchmarks and/or best in class standards, also based on business improvement needs.</p>	<p>Brown and Caldwell found this to be an important goal.</p>

Gainsharing Goal Evaluation

Wastewater Branch, Wastewater Collection Division, Goal #1:

Increase Efficiency of Main Cleaning Section in Order to Increase Miles of Mains Cleaned

Audit Committee Criteria	Summary of Department Response	Goal Development Worksheet Section(s)	City Auditor's Assessment
(1.a.) Does the goal have a clearly-identified outcome that benefits ratepayers?	<p>Yes.</p> <p>Clean 1,800 miles of Gravity Sewer Pipe annually, while incurring less labor hours for this activity than were incurred in Fiscal Year 2010.</p> <p>Increased system maintenance leads to fewer Sanitary Sewer Spills (SSOs), improved overall system reliability, less potential to incur fines, and reduced environment impacts. The average cost per SSO response is \$2,695, and decreasing the frequency of SSOs is a cost avoidance measure.</p>	<p>Description.</p> <p>Relevance.</p> <p>Expected Impact or Efficiency.</p> <p>Additional Notes and/or Exceptions/Exclusions.</p>	<p>We identified a specific outcome.</p> <p>Benefit to ratepayers is direct.</p>
(1.b.) Does the goal have a specific and measureable performance measure that relates to the outcome of the goal?	<p>Yes.</p> <p>The specified performance measure directly relates to the goal's desired outcome by incentivizing the crews to clean 1,800 miles of Gravity Sewer Pipe annually, while incurring less labor hours for this activity than were incurred in the previous fiscal year.</p>	<p>Specified Measurement Method/Formula/Criteria for Achievement.</p>	<p>Performance measure is specific and measurable.</p> <p>Performance measure does not closely relate to outcome.</p>
(1.c.) Does the goal have a clear target that will indicate that exceptional performance will be achieved?	<p>Yes.</p> <p>Accomplishing this goal will require additional per-crew output as well as timely filling of existing vacancies, while incurring less labor hours than were incurred in the prior fiscal year.</p>	<p>Specified Measurement Method/Formula/Criteria for Achievement.</p> <p>Justification of Challenge Level.</p> <p>Additional Notes and/or Exceptions/Exclusions</p>	<p>Brown and Caldwell recommended minor changes in the award targets, some of which have been made.</p>

Gainsharing Goal Evaluation

Wastewater Branch, Wastewater Collection Division, Goal #2:

Improve Efficiency of Food Establishment Wastewater Discharge (FEWD) Section to Minimize Number of Expired Permits

Audit Committee Criteria	Summary of Department Response	Goal Development Worksheet Section(s)	City Auditor's Assessment
(1.a.) Does the goal have a clearly-identified outcome that benefits ratepayers?	<p>Yes.</p> <p>Reduce number of Sanitary Sewer Overflows (SSOs). Reducing the expired permit backlog to no more than 10 expired permits at the end of each month of the fiscal year is intended to minimize the level of fats, greases and oils that can clog sewer mains and lead to spills.</p> <p>Renewing permits on time leads to less fats, oils and grease in the collection system and a direct reduction in grease-related SSOs.</p>	<p>Description.</p> <p>Relevance.</p>	<p>We identified a specific outcome.</p> <p>Benefit to ratepayers is indirect.</p>
(1.b.) Does the goal have a specific and measureable performance measure that relates to the outcome of the goal?	<p>Yes.</p> <p>The performance measure is to reduce the number of expired permits therefore in the long run decreasing the number of SSOs.</p>	<p>Specified Measurement Method/Formula/Criteria for Achievement.</p>	<p>Performance measure is specific and measurable.</p> <p>Performance measure relates to outcome.</p>
(1.c.) Does the goal have a clear target that will indicate that exceptional performance will be achieved?	<p>Yes.</p> <p>Reduce the expired permit backlog to ensure that no more than 10 expired permits at the end of each month of the fiscal year.</p> <p>In fiscal years 2009 and 2010, the average number of expired permits at the end of each month was 124 and 150, respectively. Aggressive scheduling and completion of facility inspections will be required to meet this goal.</p>	<p>Description.</p> <p>Justification of Challenge Level.</p> <p>Reasonableness of goal based on industry benchmarks and/or best in class standards, also based on business improvement needs.</p>	<p>Brown and Caldwell considered this to be a very aggressive goal based on the required improvement.</p>

Gainsharing Goal Evaluation

Wastewater Branch, Wastewater Collection Division, Goal #3:

Reduce Overtime Costs Without Adverse Impacts to Current Performance Levels

Audit Committee Criteria	Summary of Department Response	Goal Development Worksheet Section(s)	City Auditor's Assessment
(1.a.) Does the goal have a clearly-identified outcome that benefits ratepayers?	<p>Yes.</p> <p>Reduce combined Salaries, Straight Overtime, Premium Overtime and Comp Time Taken, and General Ledger account expenditures by 15 percent from the prior fiscal year. Full achievement of this goal may save an estimated \$340,000 in overtime costs.</p>	<p>Description.</p> <p>Expected Impact or Efficiency.</p>	<p>We identified a specific outcome.</p> <p>Benefit to ratepayers is direct.</p>
(1.b.) Does the goal have a specific and measureable performance measure that relates to the outcome of the goal?	<p>Yes.</p> <p>Achievement is graded on a scale measuring the percentage of overtime reduction. Success will require significant reductions in labor expenses for the specified operations sections, without adverse impacts on division operations.</p>	<p>Description.</p> <p>Specified Measurement Method/Formula/Criteria for Achievement.</p> <p>Relevance.</p>	<p>Performance measure is specific and measurable.</p> <p>Performance measure relates to outcome.</p>
(1.c.) Does the goal have a clear target that will indicate that exceptional performance will be achieved?	<p>Yes.</p> <p>Reduction in overtime has been a goal for in several previous years, and has yet to be successfully achieved. The wastewater industry is by nature prone to the need for overtime; however, increased efficiency and improved judgment when determining the necessity for overtime does allow capacity for reductions in this area.</p>	<p>Specified Measurement Method/Formula/Criteria for Achievement.</p> <p>Justification of Challenge Level.</p> <p>Additional Notes and/or Exceptions/Exclusions.</p>	<p>Brown and Caldwell found this to be a worthwhile goal but recommended some changes to it, which have been made.</p>

Gainsharing Goal Evaluation

Wastewater Branch, Wastewater Collection Division, Goal #4:

Decrease Number of Valid Claims Over Previous Fiscal Year

Audit Committee Criteria	Summary of Department Response	Goal Development Worksheet Section(s)	City Auditor's Assessment
(1.a.) Does the goal have a clearly-identified outcome that benefits ratepayers?	<p>Yes.</p> <p>Decrease the number of valid claim reimbursements by 20 percent over the average prior three years, thereby reducing costs to the system and customers.</p>	<p>Description.</p> <p>Relevance.</p> <p>Expected Impact or Efficiency.</p>	<p>We identified a specific outcome.</p> <p>Benefit to ratepayers is direct.</p>
(1.b.) Does the goal have a specific and measurable performance measure that relates to the outcome of the goal?	<p>Yes.</p> <p>Goal achievement will be measured based on the percentage decrease in claims.</p>	<p>Specified Measurement Method/Formula/Criteria for Achievement.</p>	<p>Performance measure is specific and measurable.</p> <p>Performance measure relates to outcome.</p>
(1.c.) Does the goal have a clear target that will indicate that exceptional performance will be achieved?	<p>Yes.</p> <p>The achievement of this goal will require ongoing improvement to cleaning and construction methods (prudent use of high-pressure flushing, improved trench compaction and manhole installations), as well as improved vehicle safety practices.</p>	<p>Description.</p> <p>Justification of Challenge Level.</p> <p>Reasonableness of goal based on industry benchmarks and/or best in class standards, also based on business improvement needs.</p>	<p>Brown and Caldwell found that this goal "encourages greater diligence in maintenance and construction activities without increases in any associated costs."</p>

Gainsharing Goal Evaluation

Wastewater Branch, Wastewater Collection Division, Goal #5:

Complete Wastewater Collection Division Engineering Operational Critical Referrals Within Nine Working Days of Receipt

Audit Committee Criteria	Summary of Department Response	Goal Development Worksheet Section(s)	City Auditor's Assessment
(1.a.) Does the goal have a clearly-identified outcome that benefits ratepayers?	<p>Yes.</p> <p>To provide timely information to enhance informed decision-making for operational issues that arise in maintaining the system. Increased efficiency of Engineering and planning/scheduling staff will lead to a better maintained and more efficient system for the ratepayer.</p>	<p>Description.</p> <p>Expected Impact or Efficiency.</p>	<p>We identified a specific outcome.</p> <p>Benefit to ratepayers is indirect.</p>
(1.b.) Does the goal have a specific and measureable performance measure that relates to the outcome of the goal?	<p>Yes.</p> <p>The decrease in processing time of critical operations referrals will more quickly identify system flaws/negative characteristics, enabling management to both proactively address its current condition through maintenance, and effectively plan for capital improvements as needed.</p>	<p>Specified Measurement Method/Formula/Criteria for Achievement.</p>	<p>Performance measure is specific and measurable.</p> <p>Performance measure relates to outcome.</p>
(1.c.) Does the goal have a clear target that will indicate that exceptional performance will be achieved?	<p>Yes.</p> <p>The target of reducing processing time to nine days versus the previous target of 10 days indicates an effort towards continuous improvement (increased efficiency). This target is being pursued in the face of significant reductions in staff responding to these referrals.</p>	<p>Specified Measurement Method/Formula/Criteria for Achievement.</p> <p>Justification of Challenge Level.</p>	<p>Brown and Caldwell found this to be a worthy goal for creating teamwork between front-line operation staff and planning staff. It recommended one change to this goal, and Public Utilities is addressing it.</p>

Gainsharing Goal Evaluation

Wastewater Branch, Wastewater Collection Division, Goal #6:

Collection System Sewer Spill Reduction

Audit Committee Criteria	Summary of Department Response	Goal Development Worksheet Section(s)	City Auditor's Assessment
(1.a.) Does the goal have a clearly-identified outcome that benefits ratepayers?	<p>Yes.</p> <p>Clean Gravity Sewer Pipe to reduce Sanitary Sewer Overflows (SSOs) over the prior fiscal year. This will reduce the environmental impact and expenses, as the average SSO response costs \$2,695.</p>	<p>Description.</p> <p>Relevance.</p>	<p>We identified a specific outcome.</p> <p>Benefit to ratepayers is direct.</p>
(1.b.) Does the goal have a specific and measurable performance measure that relates to the outcome of the goal?	<p>Yes.</p> <p>The performance measure has a direct correlation with WWCD's on-going sewer pipe maintenance program. The better the level of the maintenance cleaning service provided, the greater the level of SSO reduction that can be anticipated.</p>	<p>Specified Measurement Method/Formula/Criteria for Achievement.</p> <p>Relevance.</p>	<p>Performance measure is specific and measurable.</p> <p>Performance measure relates to outcome.</p>
(1.c.) Does the goal have a clear target that will indicate that exceptional performance will be achieved?	<p>Yes.</p> <p>Large sewer agencies that achieve low SSO occurrence typically experience annual SSO counts in the range of two to four SSOs per 100 miles of sewer system pipe. Attainment of this goal will further exceed performance standards for large sewer agencies.</p>	<p>Description.</p> <p>Justification of Challenge Level.</p>	<p>Brown and Caldwell found this to be a challenging goal, but also recommended a modification refining it to distinguish between high and low-consequence overflows.</p>

Gainsharing Goal Evaluation

Wastewater Branch, Wastewater Collection Division Goal #7 and Wastewater Treatment and Disposal Division, Goal #6:

To Lower The Wastewater Collection and Wastewater Treatment and Disposal Incident Rate in Order to Meet Industry Standards

Audit Committee Criteria	Summary of Department Response	Goal Development Worksheet Section(s)	City Auditor's Assessment
(1.a.) Does the goal have a clearly-identified outcome that benefits ratepayers?	Yes. Achieving this goal will reduce the Wastewater Collection and Wastewater Treatment & Disposal Incident Rate to at or below the utility industry standard. It will also result in reduced injuries to employees and cost savings associated with the reduction in recordable injuries.	Description. Relevance. Justification of Challenge Level.	We identified a specific outcome. Benefit to ratepayers is direct.
(1.b.) Does the goal have a specific and measureable performance measure that relates to the outcome of the goal?	Yes. The performance measure is to have not more than nine incidents for the Wastewater Collection and Wastewater Treatment & Disposal divisions. This relates to the goal's outcome of decreasing the number of on-the-job injuries.	Specified Measurement Method/Formula/Criteria for Achievement.	Performance measure is specific and measurable. Performance measure relates to outcome.
(1.c.) Does the goal have a clear target that will indicate that exceptional performance will be achieved?	Yes. The target ensures that the Incident Rate is at or below the utility industry standard. This target was recommended by the Brown and Caldwell study as a means to strengthen this goal, and is based on United States Department of Labor Bureau of Labor Statistics (BLS) industry-specific data.	Justification of Challenge Level. Additional Notes and/or Exceptions/Exclusions. Brown and Caldwell Report.	Brown and Caldwell found this to be an important goal.

Gainsharing Goal Evaluation

Wastewater Branch, Wastewater Collection Division, Goal #8:

To Reduce Wastewater Collection Branch Fiscal Year 2011 Preventable Vehicle Accidents Per Miles Driven Total by 15 Percent

Audit Committee Criteria	Summary of Department Response	Goal Development Worksheet Section(s)	City Auditor's Assessment
(1.a.) Does the goal have a clearly-identified outcome that benefits ratepayers?	<p>Yes.</p> <p>Reduction of Wastewater Collection preventable vehicle accidents per miles driven total by 15 percent. The benefit to the ratepayers is reduced liability costs incurred by the City, and increased productivity.</p>	<p>Description.</p> <p>Expected Impact or Efficiency.</p>	<p>We identified a specific outcome.</p> <p>Benefit to ratepayers is direct.</p>
(1.b.) Does the goal have a specific and measureable performance measure that relates to the outcome of the goal?	<p>Yes.</p> <p>If the measure is met then there will be a reduction in the number of vehicle accidents by 15 percent over the previous fiscal year.</p>	<p>Specified Measurement Method/Formula/Criteria for Achievement.</p>	<p>Performance measure is specific and measurable.</p> <p>Performance measure relates to outcome.</p>
(1.c.) Does the goal have a clear target that will indicate that exceptional performance will be achieved?	<p>Yes.</p> <p>The number of preventable vehicle accident miles driven would have to be 297,813 miles per accident (estimate equal to or less than 16 accidents).</p> <p>Improved driving performance will be achieved and a 15 percent reduction in vehicle accidents which is an element of reaching exceptional performance.</p>	<p>Specified Measurement Method/Formula/Criteria for Achievement.</p>	<p>Brown and Caldwell suggested a change in the measurement for this goal, which was implemented.</p>

Gainsharing Goal Evaluation

Wastewater Branch, Wastewater Treatment and Disposal Division, Goal #1:

Electronic Monitoring and Data Storage for Treatment Plant Operator Rounds and Chemical Delivery Data

Audit Committee Criteria	Summary of Department Response	Goal Development Worksheet Section(s)	City Auditor's Assessment
(1.a.) Does the goal have a clearly-identified outcome that benefits ratepayers?	<p>Yes.</p> <p>Implementation of this goal will increase operator and plant efficiency and effectiveness, result in reduced labor time for rounds. These labor savings can be directed to other areas of operations, leading to more efficient and reliable facilities.</p>	<p>Description.</p> <p>Relevance.</p> <p>Expected Impact or Efficiency.</p>	<p>We identified a specific outcome.</p> <p>Benefit to ratepayers is indirect.</p>
(1.b.) Does the goal have a specific and measurable performance measure that relates to the outcome of the goal?	<p>Yes.</p> <p>The goal has three specified milestones. Meeting the performance measures will increase efficiency and effectiveness, which is the desired outcome.</p>	<p>Specified Measurement Method/Formula/Criteria for Achievement.</p>	<p>Performance measure is specific and measurable.</p> <p>Performance measure does not closely relate to outcome.</p>
(1.c.) Does the goal have a clear target that will indicate that exceptional performance will be achieved?	<p>Yes.</p> <p>Goal achievement will eliminate the manual entry of rounds data and chemical deliveries by using a computer interface device.</p> <p>The one-year implementation timeframe is aggressive for start-up of such a system at four plants, given the number of staff requiring training and the complexity of the hardware/software implementation.</p>	<p>Specified Measurement Method/Formula/Criteria for Achievement.</p> <p>Justification of Challenge Level.</p>	<p>Brown & Caldwell found that this goal will significantly challenge staff.</p>

Gainsharing Goal Evaluation

Wastewater Branch, Wastewater Treatment and Disposal Division, Goal #2:

Complete Pump Station Dry Weather Projects

Audit Committee Criteria	Summary of Department Response	Goal Development Worksheet Section(s)	City Auditor's Assessment
(1.a.) Does the goal have a clearly-identified outcome that benefits ratepayers?	<p>Yes</p> <p>This goal will result in increased system reliability and operational cost savings by avoiding breakdowns and emergency repairs during the wet season.</p>	<p>Relevance.</p> <p>Expected Impact or Efficiency.</p>	<p>We identified a specific outcome.</p> <p>Benefit to ratepayers is indirect.</p>
(1.b.) Does the goal have a specific and measurable performance measure that relates to the outcome of the goal?	<p>Yes.</p> <p>The goal has several milestones and criteria for achievement. By completing the target projects, we will realize increased system reliability and operational cost savings.</p>	<p>Description.</p> <p>Specified Measurement Method/Formula/Criteria for Achievement.</p>	<p>Performance measure is specific and measurable.</p> <p>Performance measure does not closely relate to outcome.</p>
(1.c.) Does the goal have a clear target that will indicate that exceptional performance will be achieved?	<p>Yes.</p> <p>WWTD's Pump Stations Section will complete 11 Dry Weather Projects. An average of seven dry-weather projects has been completed each year over the past five years. This goal will increase that number by more than 40 percent.</p>	<p>Description.</p> <p>Justification of Challenge Level.</p> <p>Reasonableness of goal based on industry benchmarks and/or best in class standards, also based on business improvement needs.</p>	<p>Brown and Caldwell found this to be a worthwhile goal but recommended some changes to it, which have been made.</p>

Gainsharing Goal Evaluation

Wastewater Branch, Wastewater Treatment and Disposal Division, Goal #3:

Point Loma Wastewater Treatment Plant Pilot Study – Flow Paced Chemical Dosing Based on Influent Solids Load

See Environmental Monitoring and Technical Services Goal #3

Gainsharing Goal Evaluation

Wastewater Branch, Wastewater Treatment and Disposal Division, Goal #4:

Reduce Reclaimed Water Discharge to the Ocean Outfall or Sewer at Water Reclamation Plants to 1.5 Million Gallons Discharged (MGD) Per Plant

Audit Committee Criteria	Summary of Department Response	Goal Development Worksheet Section(s)	City Auditor's Assessment
(1.a.) Does the goal have a clearly-identified outcome that benefits ratepayers?	<p>Yes.</p> <p>Implementation of this Goal will reduce energy consumption and treatment cost. This will result in savings of \$400 per million gallon reduction of tertiary treated water returned to the sewer or released through the ocean outfall. If goal is achieved in every month of the last six months of the fiscal year, total estimated savings will be at least \$100,000.</p>	<p>Description.</p> <p>Relevance.</p> <p>Justification of Challenge Level.</p>	<p>We identified a specific outcome.</p> <p>Benefit to ratepayers is direct.</p>
(1.b.) Does the goal have a specific and measureable performance measure that relates to the outcome of the goal?	<p>Yes.</p> <p>The goal contains several deliverable dates for key milestones.</p>	<p>Specified Measurement Method/Formula/Criteria for Achievement.</p>	<p>Performance measure is specific and measurable.</p> <p>Performance measure relates to outcome.</p>
(1.c.) Does the goal have a clear target that will indicate that exceptional performance will be achieved?	<p>Yes.</p> <p>The target is to complete a pilot study and report to identify strategies that will yield cost savings and reduced discharge.</p> <p>Compressing this effort into a single 12-month period adds to the difficulty of achievement.</p>	<p>Description.</p> <p>Justification of Challenge Level.</p> <p>Specified Measurement Method/Formula/Criteria for Achievement.</p> <p>Reasonableness of goal based on industry benchmarks and/or best in class standards, also based on business improvement needs.</p>	<p>Brown and Caldwell found this goal to have many benefits, including reduced energy consumption and costs.</p>

Gainsharing Goal Evaluation

Wastewater Branch, Wastewater Treatment and Disposal Division, Goal #5:

Update Bills of Material, Stocking Policies, and Warehouse Policies for Critical Plant Equipment

Audit Committee Criteria	Summary of Department Response	Goal Development Worksheet Section(s)	City Auditor's Assessment
(1.a.) Does the goal have a clearly-identified outcome that benefits ratepayers?	<p>Yes.</p> <p>Achieving this goal will update Bills-of-Material (BOMs), stocking policies, and warehouse policies.</p> <p>Achieving this goal will improve reliability and increase redundancy of critical plant equipment, leading to better reliability of plants as a whole.</p>	<p>Description.</p> <p>Expected Impact or Efficiency.</p>	<p>We identified a specific outcome.</p> <p>Benefit to ratepayers is indirect.</p>
(1.b.) Does the goal have a specific and measurable performance measure that relates to the outcome of the goal?	<p>Yes.</p> <p>The goal has several milestones and deadlines.</p>	<p>Specified Measurement Method/Formula/Criteria for Achievement.</p>	<p>Performance measure is specific and measurable.</p> <p>Performance measure does not closely relate to outcome.</p>
(1.c.) Does the goal have a clear target that will indicate that exceptional performance will be achieved?	<p>Yes.</p> <p>The targets are very clear and specific, and are described in the measurement section.</p> <p>The challenge of the goal comes from its aggressive schedule and the challenge of completing the task without affecting other aspects of the Division's performance.</p>	<p>Specified Measurement Method/Formula/Criteria for Achievement.</p> <p>Justification of Challenge Level.</p>	<p>Brown and Caldwell found many benefits associated with this goal.</p>

Gainsharing Goal Evaluation

Wastewater Branch, Wastewater Treatment and Disposal Division, Goal #6:

**To Lower Wastewater Collection and Wastewater Treatment and Disposal Incident Rate
in Order to Meet Industry Standards**

See Wastewater Collection Division Goal #7

Gainsharing Goal Evaluation

Water Operations Branch, Goal #1:

Perform Preventive Maintenance on 453 Control/Regulator Valves

Audit Committee Criteria	Summary of Department Response	Goal Development Worksheet Section(s)	City Auditor's Assessment
(1.a.) Does the goal have a clearly-identified outcome that benefits ratepayers?	<p>Yes.</p> <p>To improve the water system distribution system so that it operates safely, reliably, and efficiently.</p> <p>Goal achievement will ensure proper pressures are maintained throughout the distribution system thereby decreasing the possibilities of both main breaks and customer complaints related to low or high water pressure issues.</p>	<p>Relevance.</p> <p>Expected Impact or Efficiency.</p>	<p>We identified a specific outcome.</p> <p>Benefit to ratepayers is indirect.</p>
(1.b.) Does the goal have a specific and measureable performance measure that relates to the outcome of the goal?	<p>Yes.</p> <p>Goal achievement is based on percentage of completion.</p> <p>Meeting the performance measures will improve system reliability and aid in preventing system failures and subsequent impacts to the environment, community stakeholders, and customers.</p>	<p>Specified Measurement Method/Formula/Criteria for Achievement.</p> <p>Relevance.</p>	<p>Performance measure is specific and measurable.</p> <p>Performance measure does not closely relate to outcome.</p>
(1.c.) Does the goal have a clear target that will indicate that exceptional performance will be achieved?	<p>Yes.</p> <p>In order to achieve the goal, System Operations will need to continue to balance work activities and increase its efficiency in performing planned maintenance without decreased levels of service to its other duties and activities related to day to day operations of the City's complex distribution system.</p>	<p>Specified Measurement Method/Formula/Criteria for Achievement.</p> <p>Justification of Challenge Level.</p> <p>Reasonableness of goal based on industry benchmarks and/or best in class standards, also based on business improvement needs.</p>	<p>Brown and Caldwell suggested a change in the measurement for this goal, which has not been fully implemented.</p>

Gainsharing Goal Evaluation

Water Operations Branch, Goal #2:

Reduce the Number of Main Breaks to Less Than 105 During the Fiscal Year

Audit Committee Criteria	Summary of Department Response	Goal Development Worksheet Section(s)	City Auditor's Assessment
(1.a.) Does the goal have a clearly-identified outcome that benefits ratepayers?	<p>Yes.</p> <p>To reduce the cost to the City by reducing the number of main breaks.</p> <p>Fewer main breaks will reduce impacts to customers, lower repairs costs, reduce water losses and environmental impacts and reduce costs associated with claims. The current average cost of water main break repairs is approximately \$16,000 per break, including trench work. The average liability claim cost of main breaks is approximately \$14,000 per break.</p>	<p>Description.</p> <p>Expected Impact or Efficiency.</p>	<p>We identified a specific outcome.</p> <p>Benefit to ratepayers is direct.</p>
(1.b.) Does the goal have a specific and measureable performance measure that relates to the outcome of the goal?	<p>Yes.</p> <p>Goal achievement is measured based on the number of water main breaks. Reducing main breaks will allow construction crews to focus on maintenance and leak repair activities to improve system reliability and reduce water loss.</p>	<p>Specified Measurement Method/Formula/Criteria for Achievement.</p>	<p>Performance measure is specific and measurable.</p> <p>Performance measure relates to outcome.</p>
(1.c.) Does the goal have a clear target that will indicate that exceptional performance will be achieved?	<p>Yes.</p> <p>The target is to have a 10 percent reduction in the number of main breaks during the fiscal year. The annual average number of main breaks over the past three fiscal years is 116.</p>	<p>Specified Measurement Method/Formula/Criteria for Achievement.</p> <p>Reasonableness of goal based on industry benchmarks and/or best in class standards, also based on business improvement needs.</p>	<p>Brown and Caldwell suggested a change in the measurement for this goal, which has not been fully implemented.</p>

Gainsharing Goal Evaluation

Water Operations Branch, Goal #3:

Perform Preventative Maintenance on 17,514 Potable Water Distribution System Appurtenances

Audit Committee Criteria	Summary of Department Response	Goal Development Worksheet Section(s)	City Auditor's Assessment
(1.a.) Does the goal have a clearly-identified outcome that benefits ratepayers?	<p>Yes.</p> <p>Goal achievement will ensure effective planned maintenance programs that will improve system reliability and aid in preventing and minimizing system failures and subsequent impacts to the water quality, environment, community stakeholders and customers.</p>	<p>Relevance.</p> <p>Expected Impact or Efficiency.</p>	<p>We identified a specific outcome.</p> <p>Benefit to ratepayers is indirect.</p>
(1.b.) Does the goal have a specific and measurable performance measure that relates to the outcome of the goal?	<p>Yes.</p> <p>Meeting the performance measures will result in 17,514 appurtenances receiving preventive maintenance, thus resulting in a more reliable and efficient water distribution system.</p>	<p>Specified Measurement Method/Formula/Criteria for Achievement.</p> <p>Relevance.</p>	<p>Performance measure is specific and measurable.</p> <p>Performance measure does not closely relate to outcome.</p>
(1.c.) Does the goal have a clear target that will indicate that exceptional performance will be achieved?	<p>Yes.</p> <p>This goal is benchmarked against prior year performance of scheduled maintenance. The criterion for achievement of this goal has been increased from prior fiscal years.</p>	<p>Description.</p> <p>Specified Measurement Method/Formula/Criteria for Achievement.</p> <p>Justification of Challenge Level.</p> <p>Reasonableness of goal based on industry benchmarks and/or best in class standards, also based on business improvement needs.</p>	<p>Brown and Caldwell judged this to be a worthy goal, and suggested improvements which were implemented.</p>

Gainsharing Goal Evaluation

Water Operations Branch, Goal #4:

Repair Reported Distribution Service Leaks Within Three Working Days

Audit Committee Criteria	Summary of Department Response	Goal Development Worksheet Section(s)	City Auditor's Assessment
(1.a.) Does the goal have a clearly-identified outcome that benefits ratepayers?	<p>Yes</p> <p>To decrease water losses and ensure the water system infrastructure is operating properly and efficiently. This outcome will benefit the ratepayers by reducing water loss and expenditures in street repairs due to extended leaks, and also help prevent system failures and subsequent impacts to water quality, the environment, stakeholders and customers.</p>	<p>Relevance.</p>	<p>We identified a specific outcome.</p> <p>Benefit to ratepayers is indirect.</p>
(1.b.) Does the goal have a specific and measureable performance measure that relates to the outcome of the goal?	<p>Yes.</p> <p>Goal achievement will be measured based on a percentage of accomplishment. Meeting the performance measures will directly reduce water losses and will ensure the water system infrastructure is operating properly and efficiently.</p>	<p>Specified Measurement Method/Formula/Criteria for Achievement.</p> <p>Relevance.</p>	<p>Performance measure is specific and measurable.</p> <p>Performance measure relates to outcome.</p>
(1.c.) Does the goal have a clear target that will indicate that exceptional performance will be achieved?	<p>Yes.</p> <p>The target is to have all reported distribution service leaks repaired within three working days during this fiscal year. This response time standard represents a significant improvement over the previous nine-day investigate and repair response time for service leaks in prior fiscal years.</p>	<p>Description.</p> <p>Specified Measurement Method/Formula/Criteria for Achievement.</p> <p>Justification of Challenge Level.</p> <p>Reasonableness of goal based on industry benchmarks and/or best in class standards, also based on business improvement needs.</p>	<p>Brown and Caldwell found this to be a meaningful goal that will challenge staff and that is a major improvement over previous performance.</p>

Gainsharing Goal Evaluation

Water Operations Branch, Goal #5:

To Reduce Water Operations Branch Fiscal Year 2011 Preventable Vehicle Accidents Per Miles Driven Total by 15 Percent

Audit Committee Criteria	Summary of Department Response	Goal Development Worksheet Section(s)	City Auditor's Assessment
(1.a.) Does the goal have a clearly-identified outcome that benefits ratepayers?	<p>Yes.</p> <p>To improve the safety standards and responsiveness of the workforce by managing vehicle accidents. Reduced vehicle accidents translate directly to increased productivity and cost savings.</p>	<p>Relevance.</p> <p>Justification of Challenge Level.</p>	<p>We identified a specific outcome.</p> <p>Benefit to ratepayers is direct.</p>
(1.b.) Does the goal have a specific and measureable performance measure that relates to the outcome of the goal?	<p>Yes</p> <p>Reduce preventable vehicle accidents per miles driven to 290,153 miles per accident.</p>	<p>Specified Measurement Method/Formula/Criteria for Achievement.</p> <p>Justification of Challenge Level.</p> <p>Expected Impact or Efficiency.</p>	<p>Performance measure is specific and measurable.</p> <p>Performance measure relates to outcome.</p>
(1.c.) Does the goal have a clear target that will indicate that exceptional performance will be achieved?	<p>Yes.</p> <p>The target is to reduce the number of accidents by 15 percent per miles driven over the previous fiscal year.</p>	<p>Description.</p> <p>Specified Measurement Method/Formula/Criteria for Achievement.</p> <p>Justification of Challenge Level.</p> <p>Reasonableness of goal based on industry benchmarks and/or best in class standards, also based on business improvement needs.</p>	<p>Brown and Caldwell suggested a change in the measurement for this goal, which was implemented.</p>

Gainsharing Goal Evaluation

Water Operations Branch, Goal #6:

To Reduce Water Operations Branch Incident Rate in Order to Meet Industry Standards

Audit Committee Criteria	Summary of Department Response	Goal Development Worksheet Section(s)	City Auditor's Assessment
(1.a.) Does the goal have a clearly-identified outcome that benefits ratepayers?	<p>Yes.</p> <p>To improve the overall safety standard of the Branch and to meet industry standard.</p> <p>This goal is intended to ensure compliance with state-mandated safe work practices and principles for rewarding employees for working according to safe and healthful work practices.</p>	<p>Relevance.</p> <p>Justification of Challenge Level.</p>	<p>We identified a specific outcome.</p> <p>Benefit to ratepayers is direct.</p>
(1.b.) Does the goal have a specific and measurable performance measure that relates to the outcome of the goal?	<p>Yes.</p> <p>Incident Rate of not more than nine incidents for the Water Operations Branch.</p>	<p>Specified Measurement Method/Formula/Criteria for Achievement.</p> <p>Justification of Challenge Level.</p>	<p>Performance measure is specific and measurable.</p> <p>Performance measure relates to outcome.</p>
(1.c.) Does the goal have a clear target that will indicate that exceptional performance will be achieved?	<p>Yes.</p> <p>The target level of having an Incident Rate of nine is based on the United States Department of Labor Bureau of Labor Statistics and is the industry standard for a Water/Sewage Utility.</p>	<p>Description</p> <p>Specified Measurement Method/Formula/Criteria for Achievement.</p> <p>Additional Notes and/or Exceptions/Exclusions.</p> <p>Reasonableness of goal based on industry benchmarks and/or best in class standards, also based on business improvement needs.</p>	<p>Brown and Caldwell recommended a minor change to the goal target, which was made.</p>

Gainsharing Goal Evaluation

Water Operations Branch, Goal #7:

Complete 98 percent of all Priority 1 (2,034) and Priority 2 (1,837) Tasks for the Reservoir and Recreation Program. Tasks Include Preventive Maintenance, Property and Watershed Inspections, Readings and Measurements on the Raw Water Infrastructure

Audit Committee Criteria	Summary of Department Response	Goal Development Worksheet Section(s)	City Auditor's Assessment
(1.a.) Does the goal have a clearly-identified outcome that benefits ratepayers?	<p>Yes.</p> <p>To maintain its raw water reservoirs and infrastructure, manage and protect its property, natural resources and environment, and monitor and manage its facilities to provide safe, reliable, and cost-effective water and recreational activities.</p> <p>Maintaining the raw water infrastructure provides a less expensive alternative to using imported water. Using City owned raw water at the treatment plants saves \$599 per acre foot of imported raw water.</p>	<p>Relevance.</p> <p>Reasonableness of goal based on industry benchmarks and/or best in class standards, also based on business improvement needs.</p> <p>Expected Impact or Efficiency.</p>	<p>We could not identify a specific outcome.</p> <p>Benefit to ratepayers is indirect.</p>
(1.b.) Does the goal have a specific and measurable performance measure that relates to the outcome of the goal?	<p>Yes.</p> <p>Achievement is measured based on a percentage of accomplishment of tasks.</p> <p>Meeting the performance measures will directly result in the maintaining of raw water infrastructures, and providing of safe, reliable, and cost-effective water and recreational activities.</p>	<p>Specified Measurement Method/Formula/Criteria for Achievement.</p> <p>Justification of Challenge Level.</p>	<p>Performance measure is specific and measurable.</p> <p>Performance measure does not closely relate to outcome.</p>
(1.c.) Does the goal have a clear target that will indicate that exceptional performance will be achieved?	<p>Yes.</p> <p>The target is to complete 98 percent of Priority 1 and 2 tasks for the reservoir and recreation program during</p>	<p>Description.</p> <p>Specified Measurement Method/Formula/Criteria for Achievement.</p>	<p>Brown and Caldwell found this to be a worthy goal.</p>

	<p>this fiscal year.</p> <p>This is a challenging goal for staff for several reasons, including high staff turnover and expanded assignments for full-time staff due to unfilled positions.</p>	<p>Additional Notes and/or Exceptions/Exclusions.</p> <p>Reasonableness of goal based on industry benchmarks and/or best in class standards, also based on business improvement needs.</p>	
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Gainsharing Goal Evaluation

Water Operations Branch, Goal #8:

Replace 17,515 City-Owned Meters 1 Inch and Smaller; Test 1,183 Commercial Meters and 2,203 Backflow Assemblies

Audit Committee Criteria	Summary of Department Response	Goal Development Worksheet Section(s)	City Auditor's Assessment
(1.a.) Does the goal have a clearly-identified outcome that benefits ratepayers?	<p>Yes.</p> <p>To ensure accurate and reliable meter reads and ensure compliance with State-mandated programs.</p> <p>The City will be able to accurately bill its water customers and possibly capture lost revenue. Backflow assemblies maintained annually and kept in compliance with State-mandated programs will help the City avoid financial penalties levied for non-compliance and potential lawsuits.</p>	<p>Relevance.</p> <p>Expected Impact or Efficiency.</p>	<p>We identified a specific outcome.</p> <p>Benefit to ratepayers is direct.</p>
(1.b.) Does the goal have a specific and measureable performance measure that relates to the outcome of the goal?	<p>Yes.</p> <p>Achievement is measured based on percentage of completion/replacement of meters.</p> <p>Meeting the performance measures will improve billing accuracy on meters and result in fewer investigation trips.</p>	<p>Expected Impact or Efficiency.</p> <p>Justification of Challenge Level.</p> <p>Specified Measurement Method/Formula/Criteria for Achievement.</p>	<p>Performance measure is specific and measurable.</p> <p>Performance measure does not closely relate to outcome.</p>
(1.c.) Does the goal have a clear target that will indicate that exceptional performance will be achieved?	<p>Yes.</p> <p>The target is to replace 17,515 City-owned meters 1" and smaller, test 2,203 City-owned backflow assemblies and 1,183 commercial meters during the fiscal year.</p> <p>Replacing 17,515 meters 1" and smaller represents a 213 percent increase from the</p>	<p>Justification of Challenge Level.</p> <p>Reasonableness of goal based on industry benchmarks and/or best in class standards, also based on business improvement needs.</p>	<p>Brown and Caldwell found this a challenging and potentially high-return goal.</p>

	prior fiscal year, and this effort aligns our goals with industry standards.		
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Gainsharing Goal Evaluation

Business Support Branch, Employee Services and Internal Control Division and Finance and Information Technology Division Goal #1:

Development of Four E-Learning Courses

Audit Committee Criteria	Summary of Department Response	Goal Development Worksheet Section(s)	City Auditor's Assessment
(1.a.) Does the goal have a clearly-identified outcome that benefits ratepayers?	<p>Yes.</p> <p>The outcome of this goal is to enhance training and provide it in a more efficient manner.</p> <p>Operational efficiencies due to employees being able to complete mandatory training without travelling to one central location. These efficiencies can be translated into cost savings.</p>	<p>Specified Measurement Method/Formula/Criteria for Achievement.</p> <p>Expected Impact or Efficiency.</p>	<p>We identified a specific outcome.</p> <p>Benefit to ratepayers is indirect.</p>
(1.b.) Does the goal have a specific and measureable performance measure that relates to the outcome of the goal?	<p>Yes.</p> <p>Goal achievement rests on providing specified deliverables by established deadlines.</p>	<p>Specified Measurement Method/Formula/Criteria for Achievement.</p> <p>Relevance.</p>	<p>Performance measure is specific and measurable.</p> <p>Performance measure relates to outcome.</p>
(1.c.) Does the goal have a clear target that will indicate that exceptional performance will be achieved?	<p>Yes.</p> <p>The target is to Identify four e-learning course(s) for Public Utilities Department employees. Developing and managing effective e-Learning is a complex task requiring input from training, operations and administrative staff.</p>	<p>Description.</p> <p>Justification of Challenge Level.</p>	<p>Brown and Caldwell found this goal to be in line with practices at best-in-class utilities.</p>

Gainsharing Goal Evaluation

Business Support Branch, Goal #2:

Cell Phone Usage Monitoring

Audit Committee Criteria	Summary of Department Response	Goal Development Worksheet Section(s)	City Auditor's Assessment
(1.a.) Does the goal have a clearly-identified outcome that benefits ratepayers?	<p>Yes.</p> <p>The outcome of this goal is reduced departmental cell phone costs.</p> <p>This type of review can result in a savings of \$50,000 or 10 percent of cell phone usage expense annually.</p>	<p>Specified Measurement Method/Formula/Criteria for Achievement.</p> <p>Expected Impact or Efficiency.</p>	<p>We identified a specific outcome.</p> <p>Benefit to ratepayers is direct.</p>
(1.b.) Does the goal have a specific and measurable performance measure that relates to the outcome of the goal?	<p>Yes.</p> <p>The goal will be achieved if cell phone usage costs for the last quarter of the fiscal year are reduced by 10 percent or more department-wide over the prior fiscal year.</p>	<p>Additional Notes and/or Exceptions/Exclusions.</p> <p>Relevance.</p>	<p>Performance measure is specific and measurable.</p> <p>Performance measure relates to outcome.</p>
(1.c.) Does the goal have a clear target that will indicate that exceptional performance will be achieved?	<p>Yes.</p> <p>The goal will be achieved if a 10 percent reduction of department-wide cell phone usage costs is accomplished in the last quarter of fiscal year 2011 when compared to the last quarter of fiscal year 2010.</p>	<p>Justification of Challenge Level.</p>	<p>Brown and Caldwell found this to be a worthy goal and recommended a change in the achievement criteria, which was made.</p>

Gainsharing Goal Evaluation

Business Support Branch, Employee Services and Internal Control Division, Strategic Support Section and Human Resources Section Goal #3:

Establish and Implement a Mentorship Program

Audit Committee Criteria	Summary of Department Response	Goal Development Worksheet Section(s)	City Auditor's Assessment
(1.a.) Does the goal have a clearly-identified outcome that benefits ratepayers?	<p>Yes.</p> <p>The outcome of this goal is to have better-developed employees that will enhance the management of the Public Utilities Department.</p> <p>Ratepayers will benefit from this program, which will raise the caliber of leadership and competencies of personnel, develop employees, aid in addressing succession planning needs, and improve workforce morale and engagement.</p>	<p>Specified Measurement Method/Formula/Criteria for Achievement.</p> <p>Relevance.</p>	<p>We could not identify a specific outcome.</p> <p>Benefit to ratepayers is indirect.</p>
(1.b.) Does the goal have a specific and measurable performance measure that relates to the outcome of the goal?	<p>Yes.</p> <p>The goal will be achieved if specified deliverables and deadlines are met.</p>	<p>Specified Measurement Method/Formula/Criteria for Achievement.</p> <p>Relevance.</p>	<p>Performance measure is specific and measurable.</p> <p>Performance measure does not closely relate to outcome.</p>
(1.c.) Does the goal have a clear target that will indicate that exceptional performance will be achieved?	<p>Yes.</p> <p>The mentorship program's design, forms, and processes, have yet to be developed, and it will require a significant staff effort to design and train all involved to achieve the deliverables on schedule.</p>	<p>Justification of Challenge Level.</p>	<p>Brown and Caldwell suggested changes in the implementation of this goal, which were made.</p>

Gainsharing Goal Evaluation

Business Support Branch, Employee Services and Internal Control Division, Goal #4:

Records Management System for Safety Program

Audit Committee Criteria	Summary of Department Response	Goal Development Worksheet Section(s)	City Auditor's Assessment
(1.a.) Does the goal have a clearly-identified outcome that benefits ratepayers?	<p>Yes.</p> <p>To provide enhanced recordkeeping for the Public Utilities Department which will provide more efficient and reliable research and filing by staff.</p> <p>The goal is to transition selected Safety Program records into the upgraded electronic Records Management System as a pilot project.</p>	<p>Description.</p> <p>Relevance.</p>	<p>We identified a specific outcome.</p> <p>Benefit to ratepayers is indirect.</p>
(1.b.) Does the goal have a specific and measureable performance measure that relates to the outcome of the goal?	<p>Yes.</p> <p>Achievement will be calculated based on project milestones.</p>	<p>Specified Measurement Method/Formula/Criteria for Achievement.</p> <p>Expected Impact or Efficiency.</p>	<p>Performance measure is specific and measurable.</p> <p>Performance measure does not closely relate to outcome.</p>
(1.c.) Does the goal have a clear target that will indicate that exceptional performance will be achieved?	<p>Yes.</p> <p>The targets are incorporated into the performance measures.</p> <p>As a best practice, an enterprise-wide records management program is an essential part of sound financial and internal controls.</p>	<p>Specified Measurement Method/Formula/Criteria for Achievement.</p>	<p>Brown and Caldwell endorsed this goal.</p>

Gainsharing Goal Evaluation

Business Support Branch, Employee Services and Internal Controls Division, Goal #5:

Improve the Hiring Process

Audit Committee Criteria	Summary of Department Response	Goal Development Worksheet Section(s)	City Auditor's Assessment
(1.a.) Does the goal have a clearly-identified outcome that benefits ratepayers?	<p>Yes.</p> <p>The outcome of this goal is that Human Resources will strive to improve the hiring process for the department by analyzing the current process, recommending improvements, and implementing those changes.</p> <p>Improving the efficiency of the hiring process will maintain higher staffing rates and reduce overtime and out-of-class assignment pay.</p>	<p>Description.</p> <p>Specified Measurement Method/Formula/Criteria for Achievement.</p> <p>Relevance.</p>	<p>We identified a specific outcome.</p> <p>Benefit to ratepayers is indirect.</p>
(1.a.) Does the goal have a specific and measurable performance measure that relates to the outcome of the goal?	<p>Yes.</p> <p>Achievement is conditioned on preparing process maps and implementing them by specified deadlines.</p>	<p>Specified Measurement Method/Formula/Criteria for Achievement.</p> <p>Reasonableness of goal based on industry benchmarks and/or best in class standards, also based on business improvement needs.</p>	<p>Performance measure is specific and measurable.</p> <p>Performance measure does not closely relate to outcome.</p>
(1.c.) Does the goal have a clear target that will indicate that exceptional performance will be achieved?	<p>Yes.</p> <p>Targets are identified in the goal measures.</p> <p>The hiring process for the City of San Diego is in need of improvement in efficiency in order to replace employees as soon as they exit the organization.</p>	<p>Specified Measurement Method/Formula/Criteria for Achievement.</p> <p>Justification of Challenge Level.</p>	<p>Creating process maps and implementing a new process do not appear to be challenging targets.</p>

Gainsharing Goal Evaluation

Business Support Branch, Employee Services and Internal Controls Division/Safety Section(s), Goal #6:

Reduction of the Three-Year Average Incident Rate by Ten Percent

Audit Committee Criteria	Summary of Department Response	Goal Development Worksheet Section(s)	City Auditor's Assessment
(1.a.) Does the goal have a clearly-identified outcome that benefits ratepayers?	<p>Yes</p> <p>The outcome of this goal is Goal is designed to reduce the Public Utilities Department Incident Rate by 10 percent from the prior three-year average through job safety analyses.</p> <p>The expected impact is a reduction in loss-time and recordable injuries, resulting in lower worker compensation cost and increased productive work time.</p>	<p>Description.</p> <p>Expected Impact or Efficiency.</p>	<p>We identified a specific outcome.</p> <p>Benefit to ratepayers is direct.</p>
(1.b.) Does the goal have a specific and measurable performance measure that relates to the outcome of the goal?	<p>Yes.</p> <p>The goal will be achieved if 42 job safety analyses are performed and result in a 10 percent reduction of the 3-year average Departmental Incidence Rate.</p> <p>One major outcome of these efforts should be a decrease in the number of on-the-job injuries and an increase in employee work time and productivity.</p>	<p>Specified Measurement Method/Formula/Criteria for Achievement.</p> <p>Relevance.</p>	<p>Performance measure is specific and measurable.</p> <p>Performance measure relates to outcome.</p>
(1.c.) Does the goal have a clear target that will indicate that exceptional performance will be achieved?	<p>Yes.</p> <p>Targets are specified in the goal measure. The number of recordable injuries allocated for goal credit was designed to maintain PUD's Incident Rate below the California industry average.</p>	<p>Specified Measurement Method/Formula/Criteria for Achievement.</p> <p>Justification of Challenge Level.</p>	<p>Brown and Caldwell judged this to be a worthy goal.</p>

Gainsharing Goal Evaluation

Business Support Branch, Customer Support Division, Goal #1:

Enhance Customer Service by Improving Completion Time of Customer-Requested Investigations

Audit Committee Criteria	Summary of Department Response	Goal Development Worksheet Section(s)	City Auditor's Assessment
(1.a.) Does the goal have a clearly-identified outcome that benefits ratepayers?	<p>Yes.</p> <p>Improving completion time of customer-requested investigations and the prioritization of highest priority/impact issues.</p> <p>The goal enhances customer service by improving resolution response time to customer complaints.</p>	<p>Description.</p> <p>Relevance.</p>	<p>We identified a specific outcome.</p> <p>Benefit to ratepayers is direct.</p>
(1.b.) Does the goal have a specific and measurable performance measure that relates to the outcome of the goal?	<p>Yes.</p> <p>Goal achievement is reached if customer-related investigations are completed within an average of 6.5 to 7 business days.</p> <p>Additionally, investigation prioritization criteria and procedures must be developed, implemented and approved by a set date.</p> <p>Meeting the performance measures will enhance customer service, which is the desired outcome.</p>	<p>Specified Measurement Method/Formula/Criteria for Achievement.</p>	<p>Performance measure is specific and measurable.</p> <p>Performance measure relates to outcome.</p>
(1.c.) Does the goal have a clear target that will indicate that exceptional performance will be achieved?	<p>Yes.</p> <p>The Division will accomplish this goal in approximately one business day less than the prior year. Achieving this goal while at the same time diverting resources to high-priority projects makes this goal especially challenging.</p>	<p>Description.</p> <p>Specified Measurement Method/Formula/Criteria for Achievement.</p> <p>Justification of Challenge Level.</p>	<p>Brown and Caldwell recommended an improvement to this goal, which has been incorporated into the goal.</p>

Gainsharing Goal Evaluation

Business Support Branch, Customer Support Division, Goal #2:

Increase The Number of Privately-Maintained Backflows Tested Annually

Audit Committee Criteria	Summary of Department Response	Goal Development Worksheet Section(s)	City Auditor's Assessment
(1.a.) Does the goal have a clearly-identified outcome that benefits ratepayers?	<p>Yes.</p> <p>Reduce the risk of non-compliance by increasing the number of backflow devices tested annually by 1,000.</p> <p>This will ensure the integrity of the water supply, reduce the risk of receiving Notices of Violation and penalties from the State of California's Department of Health Services.</p>	<p>Description</p> <p>Relevance</p>	<p>We identified a specific outcome.</p> <p>Benefit to ratepayers is indirect.</p>
(1.b.) Does the goal have a specific and measureable performance measure that relates to the outcome of the goal?	<p>Yes.</p> <p>Goal achievement will be measured based on the increase in testing from the prior fiscal year.</p> <p>Meeting the performance measures specified will reduce the risk of non-compliance, which is the desired outcome.</p>	<p>Specified Measurement Method/Formula/Criteria for Achievement.</p>	<p>Performance measure is specific and measurable.</p> <p>Performance measure does not closely relate to outcome.</p>
(1.c.) Does the goal have a clear target that will indicate that exceptional performance will be achieved?	<p>Yes.</p> <p>Increase the number of backflow devices tested annually by 1,000.</p> <p>The Division will accomplish this goal by an increase in workload of four percent over fiscal year 2009, without an increase of staffing levels.</p>	<p>Description.</p> <p>Specified Measurement Method.</p> <p>Justification of Challenge Level.</p> <p>Reasonableness of goal based on industry benchmarks and/or best in class standards, also based on business improvement needs.</p>	<p>Brown and Caldwell found that this goal seeks to significantly increase the testing of additional backflow devices.</p>

Gainsharing Goal Evaluation

Business Support Branch, Customer Support Division, Goal #3:

Maximize the Accuracy of Utility Billing by Reducing Billing Errors Due to Incorrect Reads

Audit Committee Criteria	Summary of Department Response	Goal Development Worksheet Section(s)	City Auditor's Assessment
(1.a.) Does the goal have a clearly-identified outcome that benefits ratepayers?	<p>Yes.</p> <p>Improve customer confidence by reducing billing errors due to water consumption misreads.</p> <p>Increased customer satisfaction and reduction in billing errors.</p>	<p>Description.</p> <p>Expected Impact or Efficiency.</p>	<p>We identified a specific outcome.</p> <p>Benefit to ratepayers is direct.</p>
(1.b.) Does the goal have a specific and measurable performance measure that relates to the outcome of the goal?	<p>Yes.</p> <p>Goal achievement will be measured by the percentage reduction in misread-related billing adjustments.</p> <p>By reducing the number of misread-related billing adjustments, the Department will improve customer confidence by providing more accurate and efficient service.</p>	<p>Specified Measurement Method/Formula/Criteria for Achievement.</p> <p>Additional Notes and/or Exceptions/Exclusions.</p>	<p>Performance measure is specific and measurable.</p> <p>Performance measure relates to outcome.</p>
(1.c.) Does the goal have a clear target that will indicate that exceptional performance will be achieved?	<p>Yes.</p> <p>Reduction in misread-related billing adjustments with a skip rate equal to or lower than the industry standard for best performers.</p> <p>Meter reading staff will have to ensure read accuracy, increase the number of reads re-keyed in response to alerts and the number of investigations of read exceptions. This will be done within the current staffing levels.</p>	<p>Description.</p> <p>Specified Measurement Method/Formula/Criteria for Achievement.</p> <p>Justification of Challenge Level.</p> <p>Reasonableness of goal based on industry benchmarks and/or best in class standards, also based on business improvement needs.</p>	<p>Brown and Caldwell found that goal targets exceed industry standards.</p>

Gainsharing Goal Evaluation

Business Support Branch, Customer Support Division, Goal #4:

Create an Information Repository for the Division

Audit Committee Criteria	Summary of Department Response	Goal Development Worksheet Section(s)	City Auditor's Assessment
(1.a.) Does the goal have a clearly-identified outcome that benefits ratepayers?	<p>Yes.</p> <p>Enhance customer service by creating an information repository on the Customer Support Division's (CSD) intranet site where division-specific operating procedures and reference information is available to provide customer service staff with accurate and consistent information to assist customers.</p> <p>Quick access to consistent information will result in faster more consistent and higher quality response to customer and employee questions for increased productivity and customer service.</p>	<p>Description.</p> <p>Relevance.</p> <p>Expected Impact or Efficiency</p>	<p>We identified a specific outcome.</p> <p>Benefit to ratepayers is indirect.</p>
(1.b.) Does the goal have a specific and measureable performance measure that relates to the outcome of the goal?	<p>Yes.</p> <p>Create the data repository on the Public Utilities intranet site by the end of the fiscal year. Develop a list of documents and information frequently accessed by Division staff and a procedure for maintaining and updating this information and the contents of the data repository.</p> <p>Meeting the performance measures will enhance customer service by creating CSD's data repository on the intranet, which is the desired outcome.</p>	<p>Specified Measurement Method/Formula/Criteria for Achievement.</p>	<p>Performance measure is specific and measurable.</p> <p>Performance measure does not closely relate to outcome.</p>
(1.c.) Does the goal have a	Yes.	Specified Measurement	Brown and Caldwell

<p>clear target that will indicate that exceptional performance will be achieved?</p>	<p>The ability for customer service staff to quickly and efficiently access consistent up-to-date information to assist customers builds customer confidence in the information provided, promotes a positive perception of the organization and reduces the risk of error and misinformation.</p>	<p>Method/Formula/Criteria for Achievement.</p> <p>Reasonableness of goal based on industry benchmarks and/or best in class standards, also based on business improvement needs.</p>	<p>found this goal in line with the practices of best-in-class utilities.</p>
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Gainsharing Goal Evaluation

Business Support Branch, Customer Support Division, Goal #5:

Reduce the Number of Customer Telephone Calls to the Customer Service Office Call Center by Eight Percent From Fiscal Year 2010

Audit Committee Criteria	Summary of Department Response	Goal Development Worksheet Section(s)	City Auditor's Assessment
(1.a.) Does the goal have a clearly-identified outcome that benefits ratepayers?	<p>Yes.</p> <p>Improve the quality and effectiveness of services delivered and availability of online customer information to reduce customer telephone calls by eight percent from the prior fiscal year.</p> <p>The benefit to the ratepayers is increased customer satisfaction and reduced frustration, customer-generated investigations, and billing adjustments.</p>	<p>Description.</p> <p>Expected Impact or Efficiency.</p>	<p>We identified a specific outcome.</p> <p>Benefit to ratepayers is direct.</p>
(1.b.) Does the goal have a specific and measureable performance measure that relates to the outcome of the goal?	<p>Yes.</p> <p>Reduction of the number incoming calls by a minimum of six percent and have at least 85 percent of Customer Service Representative (CSR) available. The outcome will be increased productivity, reduction in customer-generated investigation, billing adjustments, return phone calls and enhanced customer satisfaction.</p>	<p>Specified Measurement Method/Formula/Criteria for Achievement.</p>	<p>Performance measure is specific and measurable.</p> <p>Performance measure relates to outcome.</p>
(1.c.) Does the goal have a clear target that will indicate that exceptional performance will be achieved?	<p>Yes.</p> <p>Using fiscal years 2008-2010 as a baseline for incoming calls, the number of incoming calls is targeted to be reduced by a minimum of six percent, with CSR availability of 85 percent or greater.</p>	<p>Specified Measurement Method/Formula/Criteria for Achievement.</p>	<p>Brown and Caldwell judged this to be a worthy goal. It recommended changes to the goal measurement, but it is not clear that these have been made.</p>

Gainsharing Goal Evaluation

Business Support Branch, Finance and Information Technology Division, Goal #1:

Creation of Budget Calendar

Audit Committee Criteria	Summary of Department Response	Goal Development Worksheet Section(s)	City Auditor's Assessment
(1.a.) Does the goal have a clearly-identified outcome that benefits ratepayers?	<p>Yes.</p> <p>Improved efficiency because the three sections will proactively plan for the various budget deadlines. Additionally divisions that provide information to the Budget section can also plan their activities based on upcoming requests.</p> <p>This goal seeks to create this calendar thereby significantly reducing duplication of effort in gathering, verifying and reporting of information. Using the calendar, divisions can review and assist in providing data so that information is more accurate.</p>	<p>Description.</p> <p>Expected Impact or Efficiency.</p>	<p>We identified a specific outcome.</p> <p>Benefit to ratepayers is indirect.</p>
(1.b.) Does the goal have a specific and measureable performance measure that relates to the outcome of the goal?	<p>Yes.</p> <p>Prepare a budgetary calendar by the end of the first quarter. Provide the IT section with any changes to the budgetary calendar, to be posted within two weeks of the end of each quarter.</p> <p>Provide training on the Budget Monitoring Application by August 31, 2010 and on the Current Year Monitoring by January 31, 2011.</p> <p>Achievement of the performance measure is directly related to the outcome. If the performance</p>	<p>Specified Measurement Method/Formula/Criteria for Achievement.</p>	<p>Performance measure is specific and measurable.</p> <p>Performance measure does not closely relate to outcome.</p>

	measure is achieved the outcome is expected to occur.		
(1.c.) Does the goal have a clear target that will indicate that exceptional performance will be achieved?	<p>Yes.</p> <p>Best in class Utility as per the Government Finance Officers Association recommends publishing a comprehensive budget calendar that specifies when budget tasks are to be completed and that identifies timelines for those tasks.</p>	<p>Description.</p> <p>Specified Measurement Method/Formula/Criteria for Achievement.</p> <p>Reasonableness of goal based on industry benchmarks and/or best in class standards, also based on business improvement needs.</p>	<p>Brown and Caldwell judged this goal important and sufficiently challenging.</p>

Gainsharing Goal Evaluation

Business Support Branch, Finance and Information Technology Division, Goal #2:

Retrieve and Maintain Current Year Monitoring Information Through the Use of Business Objects Reports

Audit Committee Criteria	Summary of Department Response	Goal Development Worksheet Section(s)	City Auditor's Assessment
(1.a.) Does the goal have a clearly-identified outcome that benefits ratepayers?	<p>Yes.</p> <p>Proactive budget analysis and efficiencies in budget management. This goal will create a Current Year Monitoring (CYM) report by division using Business Objects (BO) that would run automatically at the end of each month and create process and desk manuals.</p>	<p>Description.</p> <p>Relevance.</p> <p>Expected Impact or Efficiency.</p>	<p>We identified a specific outcome.</p> <p>Benefit to ratepayers is indirect.</p>
(1.b.) Does the goal have a specific and measurable performance measure that relates to the outcome of the goal?	<p>Yes.</p> <p>Identify a method for retrieving CYM data from Business Objects Reports that will run automatically at the end of each month.</p> <p>Create desk manuals detailing the steps required to run Business Objects report for the Budget Analyst, Revenue Analyst and Senior Analyst positions.</p> <p>If the performance measure is achieved the outcome of being able to proactively manage the budget and allow for other analysis is expected to occur.</p>	<p>Specified Measurement Method/Formula/Criteria for Achievement.</p> <p>Relevance.</p>	<p>Performance measure is specific and measurable.</p> <p>Performance measure does not closely relate to outcome.</p>
(1.c.) Does the goal have a clear target that will indicate that exceptional performance will be achieved?	<p>Yes.</p> <p>Business Objects is a new reporting mechanism in addition to our restructure. Automating the report will provide staff additional time for analyzing the information. There is</p>	<p>Description.</p> <p>Reasonableness of goal based on industry benchmarks and/or best in class standards, also based on business improvement needs.</p>	<p>Brown and Caldwell found this goal challenging, having potential efficiencies and cost savings.</p>

	currently no automated process in place to retrieve this information on a consistent and accurate basis.		
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Gainsharing Goal Evaluation

Business Support Branch, Finance and Information Technology Division, Goal #3:

Increase Grant and Loan Revenue

Audit Committee Criteria	Summary of Department Response	Goal Development Worksheet Section(s)	City Auditor's Assessment
(1.a.) Does the goal have a clearly-identified outcome that benefits ratepayers?	<p>Yes.</p> <p>Increase the amount of grant and State Revolving Fund (SRF) loan revenue received by the Public Utility by 20 percent and provide the Executive Team with a quarterly report on outreach efforts and potential funding opportunities.</p> <p>An increase in grant and/or SRF loan revenues will offset the need for revenue needed from the ratepayer by funding operational and/or capital improvement project needs.</p>	<p>Description.</p> <p>Expected Impact or Efficiency.</p>	<p>We identified a specific outcome.</p> <p>Benefit to ratepayers is direct.</p>
(1.b.) Does the goal have a specific and measureable performance measure that relates to the outcome of the goal?	<p>Yes.</p> <p>This is a two-tiered goal with each tier accounting for 50 percent.</p> <p>If the performance measure is achieved the outcome of reducing the revenue needs from ratepayers will be achieved.</p>	<p>Specified Measurement Method/Formula/Criteria for Achievement.</p> <p>Relevance.</p>	<p>Performance measure is specific and measurable.</p> <p>Performance measure relates to outcome.</p>
(1.c.) Does the goal have a clear target that will indicate that exceptional performance will be achieved?	<p>Yes.</p> <p>In this economic climate, funding opportunities have decreased and competition for them has increased. Exceptional performance will be necessary in order to achieve an increase in grant revenue and SRF loans.</p>	<p>Description.</p> <p>Justification of Challenge Level.</p>	<p>Brown and Caldwell judged this goal worthwhile and suggested a change which has been implemented.</p>

Gainsharing Goal Evaluation

Business Support Branch, Finance and Information Technology Division, Goal #4:

Develop and Enhance Interagency Agreements Reporting

Audit Committee Criteria	Summary of Department Response	Goal Development Worksheet Section(s)	City Auditor's Assessment
(1.a.) Does the goal have a clearly-identified outcome that benefits ratepayers?	<p>Yes.</p> <p>Provide enhanced reporting on interagency agreements to ensure contracts are managed proactively.</p> <p>Relevant and timely information on contracts will assist with management decision making to ensure operational efficiencies.</p>	<p>Description.</p> <p>Expected Impact or Efficiency.</p> <p>Reasonableness of goal based on industry benchmarks and/or best in class standards, also based on business improvement needs.</p>	<p>We identified a specific outcome.</p> <p>Benefit to ratepayers is indirect.</p>
(1.b.) Does the goal have a specific and measurable performance measure that relates to the outcome of the goal?	<p>Yes</p> <p>Develop a master schedule (inventory) that addresses reporting requirements by agency, by agreement, and by fund. Distribute two quarterly reports by assigned deadlines.</p> <p>If the performance measure is achieved the outcome of providing timely information to management for decision making will be achieved.</p>	<p>Specified Measurement Method/Formula/Criteria for Achievement.</p> <p>Relevance.</p>	<p>Performance measure is specific and measurable.</p> <p>Performance measure does not closely relate to outcome.</p>
(1.c.) Does the goal have a clear target that will indicate that exceptional performance will be achieved?	<p>Yes.</p> <p>This goal furthers the Utility's efforts to achieve excellence in operational optimization, financial viability, and operational resiliency. In addition, this is an enhancement for additional analysis, record keeping, reporting with the same level of staff.</p>	<p>Description.</p> <p>Specified Measurement Method/Formula/Criteria for Achievement.</p> <p>Justification of Challenge Level.</p> <p>Reasonableness of goal based on industry benchmarks and/or best in class standards, also based on business improvement needs.</p>	<p>Brown and Caldwell recommended a change in the measurement of this goal, which was implemented.</p>

Gainsharing Goal Evaluation

Business Support Branch, Finance and Information Technology Division, Goal #5:

Development of Cross-Divisional, Five-Year Internal Budgetary Outlook

Audit Committee Criteria	Summary of Department Response	Goal Development Worksheet Section(s)	City Auditor's Assessment
(1.a.) Does the goal have a clearly-identified outcome that benefits ratepayers?	<p>Yes.</p> <p>Development of a 5-year budget document for management planning purposes.</p> <p>Improved forecasting of revenue and expenditures which will ensure appropriate rates for the rate payers and enhance business decisions which impact the rates.</p>	<p>Description.</p> <p>Expected Impact or Efficiency.</p>	<p>We identified a specific outcome.</p> <p>Benefit to ratepayers is indirect.</p>
(1.b.) Does the goal have a specific and measurable performance measure that relates to the outcome of the goal?	<p>Yes</p> <p>The goal requires the submission of a 5-year Budgetary Outlook to the IT group and its posting on the Intranet by specified deadlines.</p> <p>Achievement of this performance measure will provide the 5-year Budgetary Outlook for management decision making and rate setting.</p>	<p>Specified Measurement Method/Formula/Criteria for Achievement.</p> <p>Expected Impact or Efficiency.</p>	<p>Performance measure is specific and measurable.</p> <p>Performance measure does not closely relate to outcome.</p>
(1.c.) Does the goal have a clear target that will indicate that exceptional performance will be achieved?	<p>Yes.</p> <p>Also this is a best management practice of both the National Advisory Council on State and Local Budgeting and the Government and Finance Officers Association. This goal will be achieved with not additional resources.</p>	<p>Description.</p> <p>Specified Measurement Method/Formula/Criteria for Achievement.</p> <p>Reasonableness of goal based on industry benchmarks and/or best in class standards, also based on business improvement needs.</p>	<p>Brown and Caldwell found the deliverables of this goal extremely valuable.</p>

Gainsharing Goal Evaluation

Business Support Branch, Finance and Information Technology Division, Goal #6:

Conduct Information Technology (IT) Customer Service Survey/Publish Service Catalog/Create “Brown Bag” Trainings on IT Services

Audit Committee Criteria	Summary of Department Response	Goal Development Worksheet Section(s)	City Auditor’s Assessment
(1.a.) Does the goal have a clearly-identified outcome that benefits ratepayers?	<p>Yes.</p> <p>Enhance user IT skills and knowledge of available IT applications, services provided, and processes that need to be followed.</p> <p>Improved IT skills benefit the ratepayers by improving efficiency of operations.</p>	<p>Description.</p> <p>Expected Impact or Efficiency.</p>	<p>We identified a specific outcome.</p> <p>Benefit to ratepayers is indirect.</p>
(1.b.) Does the goal have a specific and measurable performance measure that relates to the outcome of the goal?	<p>Yes.</p> <p>Develop and issue an IT customer service survey, publish a service catalog, and provide four training sessions on IT services by specified deadlines.</p> <p>Achievement of the performance measure will train staff in IT, thereby enhancing their knowledge in this area including the services provided by IT and the IT processes that need to be followed.</p>	<p>Specified Measurement Method/Formula/Criteria for Achievement.</p> <p>Expected Impact or Efficiency.</p>	<p>Performance measure is specific and measurable.</p> <p>Performance measure does not closely relate to outcome.</p>
(1.c.) Does the goal have a clear target that will indicate that exceptional performance will be achieved?	<p>Yes.</p> <p>This goal furthers the Utility’s efforts to achieve excellence in operational optimization and customer service, and this will be accomplished with existing staff without any reduction in their normal workload.</p>	<p>Description.</p> <p>Specified Measurement Method/Formula/Criteria for Achievement.</p> <p>Reasonableness of goal based on industry benchmarks and/or best in class standards, also based on business improvement needs.</p>	<p>Brown and Caldwell found the goal consistent with Best-in-Class utilities practices.</p>

Gainsharing Goal Evaluation

Business Support Branch, Long Range Planning and Water Resources Division, Goal #1:

Brine Disposal Evaluation

Audit Committee Criteria	Summary of Department Response	Goal Development Worksheet Section(s)	City Auditor's Assessment
(1.a.) Does the goal have a clearly-identified outcome that benefits ratepayers?	<p>Yes.</p> <p>The outcome is to gain thorough understanding of brine treatment and disposal options in order to implement cost-saving measures at the Point Loma Wastewater Treatment Plant.</p> <p>A significant reduction in brine flow could lead to a smaller secondary treatment footprint. Potential savings in capital costs attributed to building a reduced secondary treatment capacity at Point Loma Wastewater Treatment Plant may be as much as \$350 million.</p>	<p>Relevance.</p> <p>Expected Impact or Efficiency.</p>	<p>We identified a specific outcome.</p> <p>Benefit to ratepayers is indirect.</p>
(1.b.) Does the goal have a specific and measureable performance measure that relates to the outcome of the goal?	<p>Yes</p> <p>Specific deliverables and deadlines are provided in the goal summary.</p>	<p>Specified Measurement Method/Formula/Criteria for Achievement.</p>	<p>Performance measure is specific and measurable.</p> <p>Performance measure does not closely relate to outcome.</p>
(1.c.) Does the goal have a clear target that will indicate that exceptional performance will be achieved?	<p>Yes</p> <p>The target is submission of a final report by the end of the fiscal year. The addition of this project is a significant increase in staff workload and this type of research and analysis is typically performed by consultants.</p>	<p>Specified Measurement Method/Formula/Criteria for Achievement.</p> <p>Justification of Challenge Level.</p> <p>Reasonableness of goal based on industry benchmarks and/or best in class standards, also based on business improvement needs.</p>	<p>Brown and Caldwell found this goal justified based on its savings potential.</p>

Gainsharing Goal Evaluation

Business Support Branch, Long Range Planning and Water Resources Division, Goal #2:

Locate, Assess, and Plan for Rural Property Boundaries

Audit Committee Criteria	Summary of Department Response	Goal Development Worksheet Section(s)	City Auditor's Assessment
(1.a.) Does the goal have a clearly-identified outcome that benefits ratepayers?	<p>Yes.</p> <p>The outcome is to protect the Department's Water Resources by ensuring that its land holdings are properly managed.</p> <p>The outcome benefits ratepayers by identifying and controlling unauthorized and potentially polluting activities that could degrade water quality in the reservoirs.</p>	<p>Relevance.</p> <p>Description.</p>	<p>We identified a specific outcome.</p> <p>Benefit to ratepayers is indirect.</p>
(1.b.) Does the goal have a specific and measureable performance measure that relates to the outcome of the goal?	<p>Yes.</p> <p>The goal has specific deliverables and deadlines. The performance measurements are part of a broad plan with criteria to signify completion of milestones in the systematic approach to locate, mark and assess rural property boundaries in order to control unauthorized and potentially polluting activities that could degrade water quality.</p>	<p>Specified Measurement Method/Formula/Criteria for Achievement.</p> <p>Description.</p>	<p>Performance measure is specific and measurable.</p> <p>Performance measure does not closely relate to outcome.</p>
(1.c.) Does the goal have a clear target that will indicate that exceptional performance will be achieved?	<p>Yes.</p> <p>The areas to be examined are rural and very difficult to access. The work is physically challenging because of the need to traverse rugged terrain, and technically challenging because of the use of sophisticated methodologies, including GIS, GPS and</p>	<p>Specified Measurement Method/Formula/Criteria for Achievement.</p> <p>Reasonableness of goal based on industry benchmarks and/or best in class standards, also based on business improvement needs.</p>	<p>Brown and Caldwell judged this to be a very meaningful goal.</p>

	digital aerial photographs to locate and assess the boundaries.		
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Gainsharing Goal Evaluation

Business Support Branch, Long Range Planning and Water Resources Division, Goal #3:

Public Outreach for Groundwater Program

Audit Committee Criteria	Summary of Department Response	Goal Development Worksheet Section(s)	City Auditor's Assessment
(1.a.) Does the goal have a clearly-identified outcome that benefits ratepayers?	<p>Yes.</p> <p>The goal's outcome is to help various stakeholder groups understand the Public Utilities Department's proactive approach to planning for a sustainable water future.</p> <p>Public outreach will allow for community feedback and interaction regarding the project direction before dollars are spent.</p>	<p>Description.</p> <p>Relevance.</p> <p>Expected Impact or Efficiency.</p>	<p>We identified a specific outcome.</p> <p>Benefit to ratepayers is indirect.</p>
(1.b.) Does the goal have a specific and measureable performance measure that relates to the outcome of the goal?	<p>Yes.</p> <p>The goal has specific deliverables and deadlines. The performance measurements are part of a systematic approach for introducing groundwater works to various stakeholders. This effort proactively builds upon the industry standard of stakeholder involvement in long-range water supply planning.</p>	<p>Specified Measurement Method/Formula/Criteria for Achievement.</p> <p>Reasonableness of goal based on industry benchmarks and/or best in class standards, also based on business improvement needs.</p>	<p>Performance measure is specific and measurable.</p> <p>Performance measure does not closely relate to outcome.</p>
(1.c.) Does the goal have a clear target that will indicate that exceptional performance will be achieved?	<p>Yes.</p> <p>Attainment of this goal will require significant effort above and beyond normal scope of work and will be challenging to achieve.</p>	<p>Specified Measurement Method/Formula/Criteria for Achievement.</p> <p>Justification of Challenge Level.</p> <p>Reasonableness of goal based on industry benchmarks and/or best in class standards, also based on business improvement needs.</p>	<p>Brown and Caldwell found that the outreach efforts required for this goal are important.</p>

Gainsharing Goal Evaluation

Business Support Branch, Long Range Planning and Water Resources Division, Goal #4:

Assessment of Developer-Built Recycled Water Sites and Customer Outreach

Audit Committee Criteria	Summary of Department Response	Goal Development Worksheet Section(s)	City Auditor's Assessment
(1.a.) Does the goal have a clearly-identified outcome that benefits ratepayers?	<p>Yes.</p> <p>The outcome is to reduce the risk of recycled water cross-connections with the potable water system, and potentially reduce deliveries of potable water and reliance on imported water by increasing beneficial reuse of recycled water.</p>	<p>Relevance.</p> <p>Description.</p> <p>Expected Impact or Efficiency.</p>	<p>We identified a specific outcome.</p> <p>Benefit to ratepayers is indirect.</p>
(1.b.) Does the goal have a specific and measureable performance measure that relates to the outcome of the goal?	<p>Yes</p> <p>The goal has specific deliverables and deadlines. The performance measurements are part of a systematic approach to identifying developer-built service lines and sites, assessing readiness to connect to the recycled water system, and conducting recycled water customer outreach. These efforts are expected to significantly increase reuse of recycled water and reduce the risk of cross-connection.</p>	<p>Specified Measurement Method/Formula/Criteria for Achievement.</p> <p>Description.</p> <p>Relevance.</p>	<p>Performance measure is specific and measurable.</p> <p>Performance measure does not closely relate to outcome.</p>
(1.c.) Does the goal have a clear target that will indicate that exceptional performance will be achieved?	<p>Yes.</p> <p>This goal will be challenging because it is not included in the normal scope of work of the Recycled Water Program. A significant number of field inspections are anticipated to examine recycled water service lines and distribution lines installed by developers.</p>	<p>Justification of Challenge Level.</p> <p>Reasonableness of goal based on industry benchmarks and/or best in class standards, also based on business improvement needs.</p>	<p>Brown and Caldwell found this to be an important goal.</p>

Gainsharing Goal Evaluation

Business Support Branch, Long Range Planning and Water Resources Division, Goal #5:

Develop and Conduct a Multi-Family Water Use Survey Program

Audit Committee Criteria	Summary of Department Response	Goal Development Worksheet Section(s)	City Auditor's Assessment
(1.a.) Does the goal have a clearly-identified outcome that benefits ratepayers?	<p>Yes</p> <p>An enhanced awareness of water use will help Multi-family residential owners make changes in fixtures and landscaping practices that will result in lower water consumption.</p> <p>This goal will assist property owners in reducing water consumption and lowering water bills for individuals. An overall reduction in water consumption also decreases imported water and treatment costs.</p>	<p>Relevance.</p> <p>Expected Impact or Efficiency.</p>	<p>We identified a specific outcome.</p> <p>Benefit to ratepayers is indirect.</p>
(1.b.) Does the goal have a specific and measurable performance measure that relates to the outcome of the goal?	<p>Yes.</p> <p>The goal has specific deliverables and deadlines. Each completed survey means that an apartment or condominium has been checked for leaks, fixtures have been measured and the information has been received and documented. Educational information will be provided to property owners and tenants.</p>	<p>Specified Measurement Method/Formula/Criteria for Achievement.</p> <p>Description.</p> <p>Relevance.</p>	<p>Performance measure is specific and measurable.</p> <p>Performance measure does not closely relate to outcome.</p>
(1.c.) Does the goal have a clear target that will indicate that exceptional performance will be achieved?	<p>Yes.</p> <p>Without increasing staff, irrigation specialists and field representatives from the division will meet with customers and administrative staff will schedule appointments, compile data and perform analysis.</p>	<p>Justification of Challenge Level.</p> <p>Reasonableness of goal based on industry benchmarks and/or best in class standards, also based on business improvement needs.</p>	<p>Brown and Caldwell found this goal challenging.</p>

Appendix C – Goal Development Worksheets

GOAL #1: WASTEWATER BRANCH, ENGINEERING AND PROGRAM MANAGEMENT DIVISION (FY2011)
CONDITION ASSESSMENT OF WATER PUMP STATIONS (REVISED 9/9/10)

ALIGNMENT

BUSINESS GOAL:	Goal #1: Safe, Reliable, and Efficient Water, Wastewater, and Recycled Water Services
BUSINESS OBJECTIVE:	Objective #1: Manage Assets Optimally Through Repair, Rehabilitation, and Replacement

DESCRIPTION: Develop a plan to inspect and assess 10% of 49 water pump stations this year and develop the criteria to determine what should be assessed. The information will be used to determine when a CIP for replacement or upgrade is required. This proposal will evaluate the efficiency of the pump stations and proactively determine when and how the maintenance, repair, replacement and upgrades are needed. Participation of the Water Operations is crucial to achieve this goal. This is a joint goal with the Asset Management Section.

Coordinator for Validation/Reporting/Feedback Phone #	Pete Wong / Richard Vander Schaaf (858) 292-6475 / (858) 292-6453
Source Document/File(s) & Location	Detailed Procedure and Pump Station Inspection and Assessment Report will be prepared, approved by the EPM Deputy Director and filed with Public Utilities Records Management. Uploaded assessment data will be printed out with date stamps.
Specified Measurement Method/Formula/ Criteria for Achievement	Achievement will be determined incrementally by the following: <ul style="list-style-type: none"> A. 12/31/2010 – Detailed Procedure for Water Pump Station Inspection and Assessment = 25% B. 6/30/2011 – Pump Station Inspection and Assessment Report <ul style="list-style-type: none"> 5 Pump Stations or more = 65% 4 Pump Stations = 43% 3 Pump Stations = 21% 2 or less Pump Stations = 0% C. 6/30/2010 – Uploading to the Departmental Database <ul style="list-style-type: none"> 5 Pump Stations = 10% 4 Pump Stations = 7% 3 Pump Stations = 4% 2 Pump Stations or less = 0%
Relevance:	This testing and assessment of Water Pump Stations will document the current physical and operational conditions and identify existing and potential long range problems at the pump stations. This early identification of problems will improve the reliability of pump stations and reduce the potential of pump station failures. It may also yield a reduction in operating costs attributable to potential efficiency improvements to pumps and motors, and equipment

longevity. Achievement of the goal will provide Water Operation Branch greater evaluation information concerning the condition of these facilities. The proposed goal is an extension of the successful condition assessment program from the wastewater side wherein the Muni Pump Stations are being assessed.

Justification of Challenge Level:

This testing and assessment procedure will be comprehensive and require a considerable amount of effort to perform the field work, analysis and report preparation. The testing and assessment will follow the detailed procedure that reflects current industry practice. This work will require close coordination and data collection with personnel from other Divisions and sections including Water Operations personnel. As mentioned above, this Gainsharing Goal consists of preparing a condition assessment plan and testing and assessing 5 pump stations in FY 11. This goal is challenging because EPM staff will need to gather information, identify testing protocol and procedures, identify tools and equipment needed to perform the testing and coordinate with Water Operation Branch. It is estimated that the Detailed Procedure for Water Pump Station Inspection and Assessment require approximately 1,350 person-hours and each pump station inspection and assessment requires 180 person-hours. Performing water pump station condition assessments is not included the “Basic Service Requirement” in the PMP for the EPM Condition Assessment Group. This goal is set for performing “above-and-beyond” work. EPM will remain the same level of effort for the condition assessment of the wastewater facilities.

Expected Impact or Efficiency:

The early identification of problems and their subsequent correction will result in improved reliability and a reduced potential of pump station failures. It may also yield a reduction in operating costs attributable to potential efficiency improvements to pumps and motors, and equipment longevity. If energy efficiency improvements are identified, the EPM Energy Section will determine the applicability of SDG&E energy funding. Assessment results will be submitted to Asset Management Section for input into the Departmental Database as appropriate.

Additional Notes and/or Exceptions/Exclusions:

Following the consolidation of the Public Utilities Department, the condition assessments will be performed by the EPM Division with the cooperation and assistance of the Water Operations Division. The Water Pump Station Inspection and Assessment Reports will provide a comprehensive and standard audit of the condition of these water pump station facilities. This will include performing the following for the testing and assessment: identifying operational problems, performing pump capacity testing, inspection and condition assessment of all facility equipment and performing an Energy and Climate Protection Audit on the facility. Information developed during the condition assessment will be used by the EPM Energy Section to determine applicability of SDG&E energy funding, if energy improvement or modifications are identified.

Reasonableness of goal based on industry benchmarks and/or best in class standards, also based on business improvement needs:

The best in class standards for the City calls to assess 20% of its assets per year. Performing condition assessment for 5 water pump stations within a half year will meet this standard. The first half of the fiscal year will be utilized for developing a detailed procedure for water pump station inspection and assessment, because this is a new effort and there was no existing procedure to comply. The second half of the fiscal year will be utilized for the actual inspection and assessment work for 5 water pump stations. The early identification of problems and improvements will result in improved reliability and a reduced potential of pump station failures, improving system efficiency and cost reduction, subsequently providing safe and reliable water to its customers.

The Effective Utility Management (EUM) Primer, which includes 10 attributes of Effectively Managed Water Sector Utilities, was recently developed and published by a consortium of leading associations and agencies, including the Environmental protection Agency (EPA), Association of Metropolitan Water Agencies (AMWA), the American Water Works Association (AWWA), the National Association of Water Companies (NAWC) and the Water Environment Federation (WEF). Additionally, the AMWA provides “Gold” and “Platinum” Awards to Utilities that demonstrate initiative and *best-in-class practices* in these 10 “attributes.” The SD Public Utilities Department received the Gold Award in 2009. This Gainsharing Goal furthers our Utility’s efforts to achieve excellence in 2 of EUM’s 10 attributes. These include: operational optimization and infrastructure stability. It also contributes to one of the three AMWA “Key’s to Management Success,” including “Continual Improvement Management Framework.”

**PRODUCE ENERGY AND CLIMATE PROTECTION (ECP) AUDIT
REPORT FOR THE MIRAMAR WATER TREATMENT PLANT (MWTP)
(REVISED 9/9/10)**

ALIGNMENT

BUSINESS GOAL:	Goal #3: Sustainable Growth and Economic Viability
BUSINESS OBJECTIVE:	Objective #6: Reduce the Reliance on Non-Renewable Energy

DESCRIPTION: Produce ECP Audit Report for the MWTP emphasizing energy conservation along with greenhouse gas emissions reductions.

Coordinator for Validation/Reporting/Feedback Phone #	Tom Alspaugh 858-654-4493
Source Document/File(s) & Location	The report will be approved and signed by the EPM and System Operation Deputy Directors and final version filed with Public Utilities Record Management
Specified Measurement Method/Formula/ Criteria for Achievement accepted	The following milestones are target dates to keep this goal on track. Goal achievement will be based on meeting the milestone deadlines for actions 3, 6 and 8 only. 1. Research/Collect Information on MWTP- Sept. 2010 2. Official Site Visit(s) for Audit- Nov. 2010 3. Prepare/List Energy and Environmental Conservation Measures (EECMs) to be evaluated signed and dated by the Deputy Directors by – December 31, 2010 (30%) 4. Install Data Collection Devices and Collect Data from devices and other sources- Feb. 2011 5. Complete Calculation/Analysis and signed and dated by the Deputy Directors in multiple groups - March 2011 6. Prepare a comprehensive Draft Report signed and dated by the Deputy Directors and sent out for comments no later than April 30, 2011 (45%) 7. Receive MWTP Facility Management final comments- May 2011 8. Issue Final Report signed and dated by the Deputy Directors no later than June 30, 2011 (25%)
Relevance:	The ECP Audit Report for the largest potable water Treatment Plant in the City’s water system will identify energy-3 cost saving opportunities and direct/indirect GHG reduction opportunities, by the analysis conducted of the Plant’s treatment process, lighting, HVAC, etc.

Justification of Challenge Level:

The merge of Water and Wastewater Departments brings the Energy Section a new challenge to perform energy and related audits for the Water Branch facilities. Additionally, the developing State AB32 provides the Department the new challenge of how to reduce our contributions to Greenhouse Gas (GHG) emissions. The MWTP is a large potable water facility that needs to be audited for energy efficiency opportunities and to reduce GHG production. The process of receiving raw water, treating, and supplying potable water are different from the wastewater facilities' processes that the Public Utilities has audited in recent years. The audit of this large water treatment plant for GHG emissions control opportunities will require the new Energy and Climate Protection Audit Team to go beyond the energy work they have performed for wastewater facilities. This newly formed Energy and Climate Protection Audit Team will use the MWTP Audit to formalize and refine its coordination and involvement with the Department's ISO/Environmental Management System (EMS) Audit personnel, the Department's Commercial Facilities Water Conservation Audit personnel, Environmental Service's outdoor lighting conservation personnel, the California Center for Sustainable Energy's free Electrical Demand Response Auditor and SDG&E's free water process energy consultant. The Water Operation staff will participate in supporting this goal. We will also be formalizing and refining the team's new reporting format to include water conservation, GHG and ISO/EMS related issues.

This will have to be accomplished as the team performs an audit on the largest WTP in the system. Similar facilities in the wastewater system have been broken up into multiple audits. The PLWTP took three separate audits to complete, and energy was the only issue being audited. The EPM Energy Section is committed to expand the success of the wastewater facility energy audit to the water facilities.

This process also takes additional research, analysis, training, coordination and review of the water processing systems, as most of the team members within the Energy Section are learning the potable water treatment plant processes.

Expected Impact or Efficiency:

This ECP Audit Report will be the first step in determining what immediate and future energy efficiency measures and GHG emission reduction measures could be reasonably accomplished by implementation of recommendations made in the Report. As one example, EPM Energy Section's energy audits for certain wastewater facilities resulted in multiple phases of the California Center for Sustainable Energy (CCSE) Project. The total project cost was estimated as \$1.4 million, while 30% and 8% incentive funding were committed by Utility company for the Phase I and Phase II project, respectively. Similar results may be expected for the MWTP audit. .

Additional Notes and/or Exceptions/Exclusions:

GHG reductions could be required by 2020 at this facility by the developing State AB32 and pending Federal regulations. This goal will be achieved, in addition to the completion of the Otay Water Treatment Plant and South Bay Water Reclamation Plant Audit Reports scheduled for December 2010.

Reasonableness of goal based on industry benchmarks and/or best in class standards, also based on business improvement needs:

Public Utilities' Energy and Climate Protection Audit Team have been commended by the California Center for Sustainable Energy as being one of the best audit team for water and wastewater treatment plants, as demonstrated by a letter issued by CCSE on June 8, 2010.

To meet the compliance of AB 32, Energy and Climate Protection Audit is needed in order to determine potential energy saving possibilities and to reduce greenhouse gas emission directly and indirectly. Also, in order to receive grants and incentives for energy efficient projects, to reduce energy consumption to save money, an audit is needed to determine the current status. In addition, through the EPA Energy Star Benchmarking of MWTP will assist in evaluating the energy performance of this facility among their portfolio and compare to similar facility nationwide.

The Public Utilities Department won the Association of Metropolitan Water Agencies (AMWA) Award for demonstrating initiatives and best in class practices. Quality is assured through practices and procedures resulting in ISO 14001 certifications, illustrating our success in achieving efficiencies and savings for ratepayers.

The Effective Utility Management (EUM) Primer, which includes 10 attributes of Effectively Managed Water Sector Utilities, was recently developed and published by a consortium of leading associations and agencies, including the Environmental protection Agency (EPA), Association of Metropolitan Water Agencies (AMWA), the American Water Works Association (AWWA), the National Association of Water Companies (NAWC) and the Water Environment Federation (WEF). Additionally, the AMWA provides "Gold" and "Platinum" Awards to Utilities that demonstrate initiative and best-in-class practices in these 10 "attributes." The SD Public Utilities

Department received the Gold Award in 2009. This Gainsharing Goal furthers our Utility's efforts to achieve excellence in 3 of EUM's 10 attributes. These include: operational optimization, infrastructure stability, and community sustainability. It also contributes to two of the three AMWA "Key's to Management Success," including "Continual Improvement Management Framework" and "Measurement."

*GOAL #3: WASTEWATER BRANCH, ENGINEERING AND PROGRAM MANAGEMENT DIVISION,
ENVIRONMENTAL SECTION (FY2011)*

MITIGATION AND REVEGETATION PROJECTS GIS INVENTORY

ALIGNMENT

BUSINESS GOAL:	Goal #1: Safe, Reliable, and Efficient Water, Wastewater, and Recycled Water Services
BUSINESS OBJECTIVE:	Objective #2: Meet or Exceed Regulatory and Public Health Standards

DESCRIPTION: Research, collect and consolidate spatial and attribute data for fifteen (15) mitigation sites and twelve (12) revegetation sites, and integrate into two separate GIS shapefiles. Add the mitigation shapefile to the existing SanGIS database and Sharq.net application. This will result in more effective and efficient communication and coordination among EPM staff, other City departments, as well as State and Federal permitting agencies.

Coordinator for Validation/Reporting/Feedback Phone #	Staci Merriman (858)292-6409
Source Document/File(s) & Location	<ul style="list-style-type: none"> • Electronic copy Maps for each mitigation site and revegetation site (signed by Deputy Director) • Electronic copy of the Metadata (signed by Deputy Director) • Email confirming the mitigation shapefile was added to SanGIS • Email confirming the mitigation shapefile was added to Sharq.net application • All source documents will be saved at M:\GISdata\EPM Mitigation Inventory\B2G
Specified Measurement Method/Formula/ Criteria for Achievement	<p>Achievement will be determined by the following index.</p> <p>Mitigation/Revegetation sites inventoried:</p> <ul style="list-style-type: none"> • 0% = Less than 8 mitigation sites and Less than 6 revegetation sites complete • 25% = 8 – 14 mitigation sites and 6 – 12 revegetation sites complete • 50% = 15 or more mitigation sites and 12 or more revegetation sites complete <p>25% Metadata for mitigation shapefile</p>

	(containing all 15 sites) complete 15% Mitigation shapefile (containing all 15 sites or more) in SanGIS database 10% Mitigation shapefile (containing all 15 sites or more) in Sharq.net application
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Relevance:

Elements of this inventory are currently tracked in the canyon database in support of ongoing program activities. There is, however, a need for this data, and additional data, which would be gathered as a part of this goal, to be placed in a spatial form. Groups, such as state and federal resource agencies, non-profit organizations, government entities, community groups, friends of canyons groups, Parks and Recreation, and Open Space/Canyons Advisory Committee (OSCAC), all have an interest in Public Utilities mitigation and revegetation site locations. With our sites organized and consolidated in a spatial form, these groups would be able to coordinate easily with Public Utilities to find out where our sites are located so they don't plan to enhance an area in the same location as one of our sites. The City of San Diego Mitigation Working Group has shown an interest and has taken the initial steps to gather mitigation data from several City departments to create a spatial inventory of all City mitigation sites. Therefore, this goal is in line with other City departments' interests and needs. Also, resource agencies contact Public Utilities staff on a regular basis for mitigation site locations and information for reporting purposes. Other groups contact Public Utilities staff on a regular basis to get status updates of our current revegetation projects, such as Parks and Recreation and Open Space/Canyons Advisory Committee. Non-profit organizations and community groups could use this information for watershed management. Once the metadata is completed and the mitigation shapefile is added to the SanGIS database, other City departments could access this information to use for future mitigation site planning. Eventual consolidation into a larger City mitigation shapefile would improve communication and coordination between City departments and relevant outside permitting agencies.

Justification of Challenge Level:

Public Utilities has been carrying out habitat mitigation projects for nearly twenty years throughout San Diego County. There is currently no coordinated effort to document or map these, or other, mitigation sites. Spatial and attribute data is not consolidated, nor in the correct format for clear consolidation and documentation for all of our mitigation sites and revegetation sites. The documentation for each project is located in several file drives, and/or as hardcopies in the environmental library. Researching our file drives and environmental libraries to locate and consolidate spatial and attribute data will be time consuming, and will require additional effort from a number of staff. If spatial data is available, it will need to be merged into the working shapefile. If spatial data is not available, staff will have to go to the project site, GPS the location of the site, download and process the data in the office, and then merge the data with the working shapefile. Preparing the shapefile for SanGIS and Sharq.net will also involve the time of other City staff and SanGIS staff. The achievement of this goal will provide GIS documentation for approximately 80% of our mitigation and revegetation sites. All of our internal work will need to be completed ahead of schedule to allow for time constraints and/or other complications when relying on external staff to complete their goal related work in time for successful achievement of this goal.

Expected Impact or Efficiency:

Once this goal is completed, the consolidated mitigation and revegetation data and shapefiles will make coordination with other City departments and other groups and agencies less time consuming and ultimately allow all parties involved to be more efficient and cost-effective when planning projects that may be in the location of previous or on-going mitigation or revegetation sites. It is estimated that a saving up to eight hours of staff time per request to identify previous mitigation site locations, or other related information, will be achieved. Currently, the Environmental Section receives approximately 40-50 requests per year for this information.

Additional Notes and/or Exceptions/Exclusions:

Specification for mitigation shapefile attributes include, but are not limited to: type of habitat, upland acreage, wetland enhancement acreage, wetland creation acreage, permits, date implemented, status, sign off date, wetland delineation data. Specification for revegetation shapefile attributes include, but are not limited to: date of impact, impact type, impact area, permits, revegetation start date, status, sign-off date.

Reasonableness of goal based on industry benchmarks and/or best in class standards, also based on business improvement needs:

Within the City of San Diego there are no current mitigation or revegetation sites consolidated into GIS data bases such as proposed. The City's Mitigation Working Group, along with other resource agencies, however, are extremely interested in having countywide mitigation sites integrated into working shapefiles in order for future

planning purposes. The Public Utilities Department won the Association of Metropolitan Water Agencies (AMWA) Award for demonstrating initiatives and best in class practices. Quality is assured through practices and procedures resulting in ISO 14001 certifications, illustrating our success in achieving efficiencies and savings for ratepayer.

The Effective Utility Management (EUM) Primer, which includes 10 attributes of Effectively Managed Water Sector Utilities, was recently developed and published by a consortium of leading associations and agencies, including the Environmental protection Agency (EPA), Association of Metropolitan Water Agencies (AMWA), the American Water Works Association (AWWA), the National Association of Water Companies (NAWC) and the Water Environment Federation (WEF). Additionally, the AMWA provides “Gold” and “Platinum” Awards to Utilities that demonstrate initiative and *best-in-class practices* in these 10 “attributes.” The SD Public Utilities Department received the Gold Award in 2009. This Gainsharing Goal furthers our Utility’s efforts to achieve excellence in 2 of EUM’s 10 attributes. These include: operational optimization and infrastructure stability. It also contributes to two of the three AMWA “Key’s to Management Success,” including “Continual Improvement Management Framework” and “Measurement.”

*GOAL #4: WASTEWATER OPERATIONS BRANCH, ENGINEERING AND PROGRAM MANAGEMENT (EPM)
DIVISION (FY2011)*

WATER TEN PERCENT DESIGN STUDIES (REVISED 9/9/10)

ALIGNMENT

BUSINESS GOAL:	Goal #2: Fiscally-Sound and Effective Public Utility
BUSINESS OBJECTIVE:	Objective #4: Minimize Rate Impacts Through Expenditure Control, the Pursuit of Alternative Funding, and Full Cost Recovery

DESCRIPTION: To take advantage of and utilize the CIP savings, the water ten percent design group will increase the ten percent design planning studies from 10 in FY10 to 13 in FY11. This is an increase of 30% from the fiscal year 2010 PMP statement of work (SOW).

Coordinator for Validation/Reporting/Feedback Phone #	Eric Rubalcava 858-642-4292
Source Document/File(s) & Location	Planning Studies are signed off and dated by System Operations and EPM Deputy Director. EPM Deputy Director signs transfer Memorandum to E&CP and copy goes to goal coordinator.
Specified Measurement Method/Formula/ Criteria for Achievement	13 Planning Studies or more = 100% 12 Planning Studies = 50% 11 Planning Studies or less = 0%
Relevance The increase of Water Ten Percent Design Reports supports the Department Goal of increasing the CIP projects identified in the FY 2008 to FY 2011 Rate Case. The need for the increase of projects and CIP execution level has been documented in the FY11 Water CIP Budget.	
Justification of Challenge Level An increase in production from the previous year. In FY10, the Section produced 10 Ten Percent Planning Studies (Typical studies are over 100 pages including multiple alternative analysis, water modeling, operational considerations, and lifecycle cost analysis; project construction dollars are in excess of \$5 Million) and 5 Accelerated Pre-design Reports with specific scopes (Typical reports are up to 20 pages with project construction dollars ranging from \$100K to \$2 Million). The FY11 Group goal will increase the Ten Percent Planning Studies to 13 while maintaining the Accelerated Pre-design Reports of 5. This will be performed with the same staff of 4 individuals (1 Associate Civil Engineer, 2 Assistant Civil Engineers, and 1 Principal Drafter). In FY10, it is taking the Group 3 months of an Associate or Assistant Civil Engineer FTE to produce a planning study including two Department-wide reviews, and 1.5 months of an Associate or Assistant Civil Engineer FTE to produce an Accelerated Reports including one Department-wide review. The Principal Drafter supports all drafting needs. This is in line with the SOW documented in the Private Market Proposal. By increasing the FY11 Planning Studies total from 10 to 13, the workload is increasing by 9 months of Associate or Assistant Engineer FTEs. This is equal to ¾ of a full time engineering employee.	
Expected Impact or Efficiency Each planning package results in a CIP project with an average construction cost in excess of \$5 million. Construction costs are 30% to 40 % below their peak of several years ago and expected costs when the economy improves in the future. The acceleration of CIP projects at this time should result in considerable savings over the projects lifecycle.	
Additional Notes and/or Exceptions/Exclusions: Overtime shall not be used to achieve goal.	

Reasonableness of goal based on industry benchmarks and/or best in class standards, also based on business improvement needs:

SOW documented in the Private Market Proposal benchmarked the workload of 10 Planning Studies and 5 Accelerated Pre-design Reports and came up with reasonable staffing of the 4 FTEs. By increasing the FY11 Planning Studies total from 10 to 13, the workload is increased to industry standard of 4.75 FTEs.

The Effective Utility Management (EUM) Primer, which includes 10 attributes of Effectively Managed Water Sector Utilities, was recently developed and published by a consortium of leading associations and agencies, including the Environmental protection Agency (EPA), Association of Metropolitan Water Agencies (AMWA), the American Water Works Association (AWWA), the National Association of Water Companies (NAWC) and the Water Environment Federation (WEF). Additionally, the AMWA provides “Gold” and “Platinum” Awards to Utilities that demonstrate initiative and best-in-class practices in these 10 “attributes.” The SD Public Utilities Department received the Gold Award in 2009. This Gainsharing Goal furthers our Utility’s efforts to achieve excellence in 2 of EUM’s 10 attributes. These include: operational optimization and infrastructure stability. It also contributes to two of the three AMWA “Key’s to Management Success,” including “Continual Improvement Management Framework” and “Strategic Business Planning.”

**GOAL #5: WASTEWATER OPERATIONS BRANCH, ENGINEERING AND PROGRAM MANAGEMENT (EPM)
DIVISION (FY2011)**

FACILITY INFORMATION MANAGEMENT

ALIGNMENT

BUSINESS GOAL:	Goal #1: Safe, Reliable, and Efficient Water, Wastewater, and Recycled Water Services
BUSINESS OBJECTIVE:	Objective #1: Manage Assets Optimally Through Repair, Rehabilitation, and Replacement

DESCRIPTION: Provide timely and accurate facility information data for use by Public Utilities asset management and capital improvement programs.

Coordinator for Validation/Reporting/Feedback Phone #	Susan Wynne – (619)527-7480 or (858)614-4096
Source Document/File(s) & Location	SPLASH/Drawing Log/SWEATS/Improvement Drawings
Specified Measurement Method/Formula/ Criteria for Achievement	<p>Achievement of goal will be determined by the following index:</p> <p>50% of the goal will require:</p> <p>1) Map operational, as-built for CIP, improvement drawings, rehab drawings and field corrections into SPLASH within 50 calendar days following the receipt of notification.</p> <p>95 % of the time = 100 % credit 92 % of the time = 75 % credit 90 % of the time = 50 % credit Less Than 90% of time = 0 % credit</p> <p>50% of the goal will require:</p> <p>2) Complete all SWIM notifications with the exception of batch updates, meters and backflows within 25 calendar days of receipt of notifications.</p> <p>95 % of the time = 100% credit 92 % of the time = 75% credit 90 % of the time = 50% credit Less Than 90% of time = 0 % credit</p>
Relevance:	<p>By developing a goal that emphasizes getting water, recycled water and wastewater facility data into the Public Utilities Department SPLASH application, so that it can be accessed by any Public Utilities application using SWIFT Oracle facility tables or SPLASH developed shapefiles, we ensure all asset management applications such as SWIM, CAMS, SHARQ, PSTOOLS, and Modeling have the most up to date data at their convenience.</p>

Justification of Challenge Level :

For FY 11, this goal is a challenge due to the reduction of the number of days to map changes into splash by 20% and increasing the minimum achievement level required for credit of the efficiency from 87% to 90%, as well as, increasing the required completeness of data from 85% to 95%.

The past 4 years of data for goal (1) was examined to test the increase challenge level. While the group has improved over the past 4 years, based on the stricter goals and credit levels, the group will have to continue improving to meet the newly proposed minimum goal levels (See Chart Below).

Year	% < 40 days	% 40 to 50 days	% 50 to 60 days	% > 60 days
FY07	63%	14%	21%	2%
FY08	40%	25%	34%	1%
FY09	60%	19%	14%	6%
FY10-2Q	84%	4%	6%	6%

Expected Impact or Efficiency:

By providing asset information faster to all of the data users the risk of making uninformed decisions decreases greatly.

Additional Notes and/or Exceptions/Exclusions:**Clarifications:**

- 1) Drawing Completion shall be defined as having 95% of all facilities with required attributes entered into SPLASH prior to the 50 day time frame. This acknowledges that through the QA/QC process missing or wrongly placed facilities and attributes might need to be corrected. The data records will reflect the date of those updates.
- 2) Drawing Completion Date is defined as the 'Post Date' as carried by the Drawing log.
- 3) Water main breaks can be mapped without receipt of the Main Break Report. Additional information regarding the main break can be added within the 30 days following the event and receipt of the main break report.

Definitions:

Map	Operational Drawing	Perform data entry into SPLASH to create the utility GIS map Improvement or CIP depiction of new infrastructure that has water or sewage in it, but has not yet received final acceptance. Does not include minor construction changes.
As-Built Drawing	Receipt and Notification	The final legal document depicting a new water or sewer facility Receive a drawing or notified by any means
Rehab	Field Sketch	Operational notice that wastewater mains have been lined Drawings from field crews or other sources that indicate that the mapped facility is not accurate
CIP Drawing	Drawing log	Drawings that are funded by CIP and replace/reconfigure the existing utility infrastructure The application that logs and tracks all improvement and CIP drawings
SWEATS	SWIM Notification	The application that logs and tracks all field sketches, cleanup and rehab projects. Notification received by SPLASH from SWIM regarding attribute changes
50 Days		Fifty calendar days of the date of receipt and notification

Exceptions/Exclusions:

FIMS is not responsible for locating drawings. FIMS will notify the Department/Section responsible for maintaining and processing the drawing and track all requests for follow-up. When a CIP or improvement drawing cannot be located within 30 calendar days of the date of receipt of the notification, the original notification date will be removed until the drawing is located. The 50 days will begin on the date the drawing is received.

SWIM Batch Updates are excluded from Part 3 of the goal because of the potential of large numbers of the notifications and because of the QC and analysis done prior to the batch update. The updates are recognizable because of the unique ID placed on the update.

Meters and Backflows are excluded from Part 3 of the goal due to the nature of the changes and the ownership of this data belongs in another process within the TIDES data management activities.

Reasonableness of goal based on industry benchmarks and/or best in class standards, also based on business improvement needs:

Compared to the similar FY 10 goal, this goal escalates the standard by the reduction of queue time required to perform the work, the increase of the required successful rate, and the increase of completeness of work. The real drive of this goal is to reduce the time to provide information to all of the Section's stakeholders and thereby reduce the risk associated with making uninformed decisions. This goal provides a business improvement need of timely and accurate facility information data.

The Effective Utility Management (EUM) Primer, which includes 10 attributes of Effectively Managed Water Sector Utilities, was recently developed and published by a consortium of leading associations and agencies, including the Environmental protection Agency (EPA), Association of Metropolitan Water Agencies (AMWA), the American Water Works Association (AWWA), the National Association of Water Companies (NAWC) and the Water Environment Federation (WEF). Additionally, the AMWA provides "Gold" and "Platinum" Awards to Utilities that demonstrate initiative and best-in-class practices in these 10 "attributes." The SD Public Utilities Department received the Gold Award in 2009. This Gainsharing Goal furthers our Utility's efforts to achieve excellence in 2 of EUM's 10 attributes. These include: operational optimization and infrastructure stability. It also contributes to one of the three AMWA "Key's to Management Success," including "Continual Improvement Management Framework."

GOAL #6: WASTEWATER BRANCH, ENGINEERING AND PROGRAM MANAGEMENT DIVISION, SEWER MODELING SECTION (FY2011)

ESTABLISH MUNI PUMP STATION FLOW DATABASE (REVISED 9/9/10)

ALIGNMENT

BUSINESS GOAL:	Goal #1: Safe, Reliable, and Efficient Water, Wastewater, and Recycled Water Services
BUSINESS OBJECTIVE:	Objective #2: Meet or Exceed Regulatory and Public Health Standards

DESCRIPTION: The goal is to establish a dry weather flow database for all 75 Muni pump stations which will be used for the small main model calibration which will result in a more efficient future evaluation of each Muni pump station, and increase the accuracy of calibrating the small main model.

Coordinator for Validation/Reporting/Feedback Phone #	Edson Bando (858)-292-6458
Source Document/File(s) & Location	Project Log, Flow Database, and Field Inspection Forms will be located in the W:\ Drive
Specified Measurement Method/Formula/ Criteria for Achievement	<p>Achievement will be determined by the following:</p> <p>Establish Dry Weather flow Database for 73 Pump Stations or more = 100%</p> <p>Establish Dry Weather flow Database for 69 to 72 Pump Stations = 75%</p> <p>Establish Dry Weather flow Database for 61 to 68 Pump Stations = 50%</p> <p>Establish Dry Weather flow Database for less than 61 Pump Stations = No payout</p>
Relevance :	<p>In the past, the turnaround time to complete an As-Needed request for an evaluation of a Muni pump station has been very lengthy due to data that is not readily available. Having an established database will increase efficiency by decreasing the amount of time researching and obtaining data, and will increase the accuracy of calibrating the small main model as we will have data that is readily accessible. This data may be used for other special studies and or requests which involve any of the Muni pump stations. This data can also be documented in the Sewer Data Manual for the use of various internal and external parties.</p>

Justification of Challenge Level:

Obtaining flow data for all 75 pump stations will require a considerable amount of effort to perform the field work of installing and calibrating the meters to obtain 1 month of data for each pump station. This effort and additional works, such as data analysis and preparation of the final database, is equivalent to the workload of an additional full time position. Each site visit will require 2 personnel for a meter install or data download, to carry equipment, coordinate calibration, and exercise good safety practices. There are a total of 75 pump stations requiring bi-weekly data retrieval, troubleshooting, data analysis, and removal of meter.

Expected Impact or Efficiency:

Having an established database will increase efficiency by decreasing the amount of time researching, obtaining data, and increase the accuracy of calibrating the small main model as we will have data that is readily accessible and result in reducing the length of small main modeling task by an estimated 25%. The department will save money on costs for salary, benefits, overhead, and training for a new employee, as the additional manpower needed to complete this task will be absorbed by personnel in the hydraulic modeling section.

Additional Notes and/or Exceptions/Exclusions:

Excludes the Muni pump stations 64, 65, East Mission Gorge and Penasquitos which are currently operated and maintained by the WWT&D and are equipped with build-in metering devices. Due to EPA Consent Decree mandates, a number of Muni pump stations will undergo upgrade construction during the period of FY11. The project team needs to access the pump station facilities for a period of one to two months to perform this metering work. It is estimated that, at least for two pump stations, the construction work will prevent the project team from accessing the facilities and/or collecting accurate data. The 100% payout is therefore tied to the completion of 73 pump stations (or more).

Reasonableness of Goal based on Industry Benchmark and Standards:

In order for any business to be successful, thrive and be competitive, they must constantly evaluate their existing process and procedures and address methods of improving it. One way of doing this is to streamline and improve any process or task to be as efficient as possible which will inevitably results in money saved, or profits gained for a company or business. The industry standard is to typically collect and update system data on a minimum 5 year interval or when the system has been modified or upgraded. With this goal, we are striving to establish a flow database system that we will continue to be updated and maintained in the future years. It will also address our current process and procedure and looking to achieving a higher efficiency of work without adding staff which will ultimately translate into savings for the general public.

The Effective Utility Management (EUM) Primer, which includes 10 attributes of Effectively Managed Water Sector Utilities, was recently developed and published by a consortium of leading associations and agencies, including the Environmental protection Agency (EPA), Association of Metropolitan Water Agencies (AMWA), the American Water Works Association (AWWA), the National Association of Water Companies (NAWC) and the Water Environment Federation (WEF). Additionally, the AMWA provides “Gold” and “Platinum” Awards to Utilities that demonstrate initiative and *best-in-class practices* in these 10 “attributes.” The SD Public Utilities Department received the Gold Award in 2009. This Gainsharing Goal furthers our Utility’s efforts to achieve excellence in 2 of EUM’s 10 attributes. These include: operational optimization and infrastructure stability. It also contributes to one of the three AMWA “Key’s to Management Success,” including “Continual Improvement Management Framework.”

*GOAL #7: WASTEWATER BRANCH, ENGINEERING AND PROGRAM AMANGEMENT DIVISION
(FY2011)*

**REDUCE ESTABLISHED AVERAGE NUMBER OF REVIEW CYCLES FOR
APPROVAL OF DEVELOPMENT PLANS**

ALIGNMENT

BUSINESS GOAL:	Goal #2: Fiscally-Sound and Effective Public Utility
BUSINESS OBJECTIVE:	Objective #3: Provide the Public with Competitive, Customer-Focused Services

DESCRIPTION: The development services department’s (DSD) established performance goal is to provide plan approvals for water and sewer improvement projects after a maximum of three review cycles. This goal would improve on the established criteria by reducing the average number of review cycles required for approvals of submitted ministerial review plans to less than three.

Coordinator for Validation/Reporting/Feedback Phone #	Bobbi Salvini (619) 533-5106
Source Document/File(s) & Location	Project Tracking System with the Development Services Department
Specified Measurement Method/Formula/ Criteria for Achievement	Average review cycles required for approval $\leq 2.7 = 100\%$ of goal Average review cycles required for approval $\leq 2.8 = 75\%$ of goal Average review cycles required for approval $\leq 2.9 = 50\%$ of goal
Relevance: Review of development plans is a vital service to monitor compliance with existing standards in order to assure a safe and reliable water and wastewater infrastructure system. Private developers and members of the general public rely on a timely review and approval process to assure their projects are not delayed. Additional review cycles result in higher plan review and processing costs. The resulting project delays also lead to added construction loan costs, financing costs for land, overhead and engineering costs and may result in higher overall construction costs. Late hits on project elements may also require last minute coordination with other disciplines.	
Justification of Challenge Level: Standards for the maximum number of review cycles required prior to plan approval are defined by Development Services (DSD) criteria. This goal is defined as a maximum of three review cycles prior to plan approval, but statistics have historically been defined in terms of averages rather than absolutes. The stretch goal here is to exceed the standard goals for average review cycles required for project approval, per DSD criteria, A sliding scale (see above) reflects various levels of performance, based on how often the statistical performance measures are exceeded. In order to achieve these goals the reviewer will need to provide a very complete initial review, will need to coordinate conflicts early in the process with other disciplines and will need to proactively meet with the project engineer to resolve complicated issues and will need to identify when site conditions preclude the project from meeting design requirements and therefore need to coordinate with supervisors, managers and field personnel. Identifying these issues requires that the reviewer determine if alternatives are possible at the earliest time in the review process.	
Expected Impact or Efficiency: For developers, engineers, contractors, and even homeowners, time is money. By exceeding the performance goals for our customers and providing approval and permitting of development projects in fewer review cycles, approval is achieved in a shorter timeframe. A quicker approval process results in cost savings for our customers	

due to reduced interest on construction loans, less time spent on project overhead (carrying costs) due to a shorter project schedule, and by saving on engineering design, review, and processing fees due to fewer plan submittal iterations.

Additional Notes and/or Exceptions/Exclusions:

For any project submittals which are so incomplete that they cannot be reviewed, are deemed to be wholly non-responsive to previous comments, or where a significant change to the original scope is introduced, those review cycles will be flagged in the project tracking system via an existing “check box” which will signal the system to not include that review cycle for statistical purposes of meeting the goal objectives. This determination will be made by the Deputy Director after reviewing the plan submittal materials and not by the employee performing the review.

Reasonableness of goal based on industry benchmarks and/or best in class standards, also based on business improvement needs:

Because the performance goal for required review cycles is based on City (DSD) standards and goals, there is not a current industry standard or benchmark. However, the business improvement achieved here will result in better service to customers through fewer average review cycles for project approval, which results in less overall cost to the customers. In addition, by reducing the average review cycles required for approval, a lower total of reviews will be necessary, which results in more efficiency by City review staff.

The Effective Utility Management (EUM) Primer, which includes 10 attributes of Effectively Managed Water Sector Utilities, was recently developed and published by a consortium of leading associations and agencies, including the Environmental protection Agency (EPA), Association of Metropolitan Water Agencies (AMWA), the American Water Works Association (AWWA), the National Association of Water Companies (NAWC) and the Water Environment Federation (WEF). Additionally, the AMWA provides “Gold” and “Platinum” Awards to Utilities that demonstrate initiative and *best-in-class practices* in these 10 “attributes.” The SD Public Utilities Department received the Gold Award in 2009. This Gainsharing Goal furthers our Utility’s efforts to achieve excellence in 2 of EUM’s 10 attributes. These include: operational optimization and infrastructure stability. It also contributes to one of the three AMWA “Key’s to Management Success,” including “Continual Improvement Management Framework.”

GOAL #8: WASTEWATER BRANCH, ENGINEERING AND PROGRAM MANAGEMENT DIVISION, PROGRAM MANAGEMENT SECTION (FY2011)

PREPARE SIX (6) 10% DESIGN REPORTS ON REDIRECTION OF FLOW (Revised 9/9/10)

ALIGNMENT

BUSINESS GOAL:	Goal #1: Safe, Reliable, and Efficient Water, Wastewater, and Recycled Water Services
BUSINESS OBJECTIVE:	Objective #2: Meet or Exceed Regulatory and Public Health Standards

DESCRIPTION: Complete the 10% Designs for six (6) Canyon Redirection of Flow (ROF) Projects within the established schedule. This includes a preliminary design report to redirect the sewage flow from the canyon sewer to street right-of-way for ease of maintenance.

Coordinator for Validation/Reporting/Feedback Phone #	Albert Sohikish (858)614-5765
Source Document/File(s) & Location	10% Design Reports are signed off by Wastewater Collection and EPM Deputy Director. EPM Deputy Director signs transfer Memorandum to E&CP and copy goes to goal coordinator.
Specified Measurement Method/Formula/ Criteria for Achievement	Prepare six (6) 10% Design Reports on canyon redirection of flow. Achievement will be determined by the following index: 100% - 6 or more 75% - 5 50% - 4 0% - Less than 4
Relevance: The ROF is a planning study to evaluate the redirecting of sewage out of canyons or environmentally sensitive areas. New facilities will be needed if redirection is the viable alternative. As a result of the evaluation of canyon sewers, several redirections of flow were found feasible and cost effective. These redirections of flow concepts are associated with side mains only which would partially redirect the flow from the canyon area to right-of way. The evaluation considers the life cycle costs of the alternatives and impacts to the canyon habitat from canyon access and maintenance. The implementation of redirection of flow will benefit the community and meet the City Public Utilities Department's policy as per Council Policies 400-13 & 14, which state whenever economically practical, sewer infrastructure should be relocated out of canyons or environmentally sensitive areas. The implementation of these policies is very critical because many sewers in the canyon or environmentally sensitive lands are difficult to access for regular inspection, maintenance, and cleaning. In the past, the sewage overflows occurred without noticing for long period of time in certain canyons causing major environmental hazards. One of the solutions in dealing with these problems is to conduct the ROF studies per the Council's policies and implement necessary CIP projects to relocate the sewers from the canyons/environmentally sensitive lands to the streets. This goal calls for preparing 10% design reports for 6 ROFs studies in order to further implement the Council's policies.	

Justification of Challenge Level:

The effort to implement sewer ROF projects will vary based on project complexity and frequency to access the canyons for maintenance. To date, the Department has completed one pre-design and implementation of sewer redirection of flow (Rose Canyon). Pre-design reports are usually performed by two staff members (1 Associate Civil Engineer, and 1 Assistant Civil Engineer), which takes approximately four to six months to complete

This goal presents a significant challenge to complete a total of six (6) Pre-design Reports (10%) in Fiscal Year 2011, one (1) report every two month period. This work is above and beyond the current workload of Program Management Section, which consists of:

- 1) develop 10-year budgets and schedules
- 2) manage CIP projects implementation by the Engineering & Capital Projects Department
- 3) Administer the project and construction management of Operations & Maintenance Funded projects
- 4) Manage the Department Approved Material List
- 5) Manage the Department Design Standards & Guidelines
- 6) Coordinate with Caltrans on utility relocation.

The 10% design report includes project alternatives, sewer modeling, operation considerations, lifecycle cost analysis, construction cost estimates, environment review, and utility check. The preliminary design phase, also known as conceptual design, generates the high level of design concept which will implement the redirection of flow requirements. For this preliminary design phase, the main goal is to map out how complex ROF will perform the functions specified in the requirements, within the constraints of the sewer system. It is also to identify and layout major components, system reliability, maintenance, and to ensure that ROF can be implemented to verify those requirements.

Expected Impact or Efficiency:

Redirecting sewer mains out of canyons will eliminate impact to the natural habitat by operation staff during maintenance and reduce the number of undetected sewer overflows. In addition, this will enable the City to maintain the sewer mains more efficiently and frequently.

Additional Notes and/or Exceptions/Exclusions:

EPM will maintain the recommended ROF list that is in G:\engrng\public\gh.

Reasonableness of goal based on industry benchmarks and/or best in class standards, also based on business improvement needs:

This goal will improve the business needs by redirecting sewage out of the canyons. This will benefit the community and meet the City Council Policies 400-13 & 14 whenever economically practical.

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IMPROVE EMTS STOREROOM BUSINESS PRACTICES (REVISED 9/9/10)

ALIGNMENT

BUSINESS GOAL:	Goal #2: Fiscally-Sound and Effective Public Utility
BUSINESS OBJECTIVE:	Objective #4: Minimize Rate Impacts Through Expenditure Control, the Pursuit of Alternative Funding, and Full Cost Recovery

DESCRIPTION: This is a three-part goal related to EMTS storerooms which will: (a) expand current storeroom inventory to provide Division-wide support; (b) define equipment disposal methodology; (c) and document EMTS storeroom business practices.

Coordinator for Validation/Reporting/Feedback Phone #	Jill Friedman 619-758-2305
Source Document/File(s) & Location	(a) All source files will be located on a Department network directory (e.g. G:\EMTS\). <ul style="list-style-type: none"> • Updated, online inventory records. • Two data exports: one dated about July 15, 2010 and one after completion (not later than June 15, 2011) to demonstrate changes between the original storeroom inventory and the updated storeroom inventory. • Memoranda, signed by the Deputy Director, certifying completion of part (a) for 50% goal achievement.
	(b) All source files will be located on a Department network directory (e.g. G:\EMTS\). <ul style="list-style-type: none"> • Study regarding various methods for equipment disposal. • A Standard Operating Procedure (SOP) for EMTS equipment disposal, approved by the Deputy Director. • Memoranda, signed by the Deputy Director, certifying completion of part (b) for 25% goal achievement.
	(c) All source files will be located on a Department network directory (e.g. G:\EMTS\). <ul style="list-style-type: none"> • Two process maps, one reflecting the original storeroom work practices, and a second reflecting the improved storeroom work practices. • Work instruction for all EMTS storeroom

	<p>business processes.</p> <ul style="list-style-type: none"> • Memoranda, signed by the Deputy Director, certifying completion of part (c) for 25% goal achievement.
<p>Specified Measurement Method/Formula/ Criteria for Achievement</p>	<p>(a) 50% of goal (Storeroom Inventory); complete by 6/15/11</p> <ul style="list-style-type: none"> • Work with IT personnel to implement Division-wide online access to our storeroom inventory. • Identify EMTS Division storerooms to be supported in database application and define type/quantity of items needed for various facilities (documented on spreadsheet). • Update/expand storeroom inventory with additional items and storeroom locations (document a comparison of the current inventory to final inventory).
	<p>(b) 25% of goal (Equipment Disposal); complete by 6/15/11</p> <ul style="list-style-type: none"> • Develop an SOP for EMTS Division on equipment disposal to be approved by the Deputy Director.
	<p>(c) 25% of goal (EMTS Storeroom Processes); complete by 6/15/11</p> <ul style="list-style-type: none"> • Develop work instruction to define our storeroom business practices to support the recently consolidated laboratories on a Division-wide basis.
<p>Relevance</p> <p>This supports the Public Utility Goal of being a fiscally-sound, effective government by increasing the efficiencies of the storerooms within EMTS Division. By expanding our current storeroom inventory database to include the entire Division, and developing an SOP and Work Instruction to define our equipment disposal and storeroom processes, respectively, we do not anticipate a direct savings in personnel expense, but the reallocation of these logistics functions will relieve a significant administrative burden on laboratory staff. This will allow/provide more appropriate utilization of staff to focus on core services as defined in the B2G Statement of Work.</p>	
<p>Justification of Challenge Level</p> <p>There are several challenges associated with this goal. The current inventory management database has been managed by a single person on a laptop for many years, and it only tracks supplies used primarily by the labs at one facility (i.e. Alvarado lab). The migration of this database to the intranet will require assistance from IT; although the role IT has in this goal is minimal, it is important to get IT involved early in the process since they are involved in making the initial change to the storeroom work processes. No new applications are anticipated. Also, the expansion of the database records to incorporate all EMTS storeroom items will be labor intensive initially. Storeroom (logistics) staff will be challenged to redefine their roles in providing value-added services to the consolidated Division. Furthermore, the reduction of 4 professional staff from the Water Quality Lab in FY11 requires more efficient utilization of the remaining staff.</p> <p>With regard to the development of an SOP for equipment disposal, it may be challenging to finalize a method that will meet the requirements of other City Departments often involved in the disposal of equipment including Purchasing & Contracts (Central Stores) and Comptrollers. Additionally, some disposal methods may be better than others depending of the type and age of the equipment, so it will need to be a well-defined process covering a variety of equipment and</p>	

appropriate options.

Expected Impact or Efficiency

By achieving this goal, EMTS Division anticipates the increased efficiencies in its storeroom operations will: reduce staff time used to research and order inventory (for both lab and storeroom personnel); reduce overstocking and potential waste that results from expired items; facilitate the availability of supplies for both regular and emergent needs; and further support lab consolidation efforts.

Additional Notes and/or Exceptions/Exclusions:

Reasonableness of goal based on industry benchmarks and/or best in class standards, also based on business improvement needs:

There is no QualServ benchmark applicable to this goal. Just-in-time delivery (JITD) is a widely accepted industry strategy that strives to improve a business's return on investment by reducing in-process inventory and associated carrying costs.

The “Effective Utility Management (EUM) Primer, which includes 10 attributes of Effectively Managed Water Sector Utilities, was recently developed and published by a consortium of leading associations and agencies, including the Environmental protection Agency (EPA), Association of Metropolitan Water Agencies (AMWA), the American Water Works Association (AWWA), the National Association of Water Companies (NAWC) and the Water Environment Federation (WEF). Additionally, the AMWA provides “Gold” and “Platinum” Awards to Utilities that demonstrate initiative and *best-in-class practices* in these 10 “attributes.” The SD Public Utilities Department received the Gold Award in 2009. This Gainsharing Goal furthers our Utility’s efforts to achieve excellence in one of EUM’s 10 attributes. This includes: operational optimization. It also contributes to two of the three AMWA “Key’s to Management Success,” including “Continual Improvement Management Framework” and “Measurement.”

*GOAL #2: PUBLIC UTILITIES DEPARTMENT, ENVIRONMENTAL MONITORING & TECHNICAL SERVICES
(EMTS) DIVISION (FY2011)*

**DEVELOP A DISASTER RESPONSE CAPABILITY FOR THE PROTECTION
OF DRINKING WATER (REVISED 9/9/10)**

ALIGNMENT

BUSINESS GOAL:	Goal #1: Safe, Reliable, and Efficient Water, Wastewater, and Recycled Water Services
BUSINESS OBJECTIVE:	Objective #2: Meet or Exceed Regulatory and Public Health Standards

DESCRIPTION: Develop redundant capability and state certifications for critical microbiological testing of drinking water, wastewater, and recreational water at both EMTS Laboratory facilities in order to provide essential public health protections in the event of catastrophic loss or compromise of a single facility’s function.

Coordinator for Validation/Reporting/Feedback Phone #	Laila Othman 619 758-2312 Dan Silvaggio 619 668-3242
Source Document/File(s) & Location	<ol style="list-style-type: none"> 1. Application and certification documents from California Environmental Laboratory Accreditation Program (ELAP) to the relevant FoT’s(Fields of Testing) and methods. 2. Test Method SOPs & QA Plans to reflect the new changes by June 15, 2011.
Specified Measurement Method/Formula/ Criteria for Achievement	<ol style="list-style-type: none"> 1. 50% - The Marine Microbiology (MM) Laboratory at the Kincaid Road laboratory building will obtain ELAP certification in the appropriate Drinking Water Field of Testing (FoT) and method(s) by June 15, 2011. 2. 50% - The Water Quality Laboratory (WQL) will maintain ELAP certification in the appropriate Wastewater and Drinking Water Fields of Testing (FoT) and method(s) by June 15, 2011.

Relevance:
Providing safe drinking water to our community is a central and critical part of our mission. In the event of a natural disaster (e.g. earthquakes, large firestorms) that impacts our infrastructure, the greatest challenge will be to ensure that safe drinking water is provided to our community. As history demonstrates, the greatest post-disaster threat to the people in our community will be public health threats such as contaminated drinking water (from broken pipes and other interruptions to the treatment and conveyance system, etc.). The most critical and life-threatening contamination of drinking water will be by pathogenic microorganisms, such as the recent outbreaks of typhoid fever

in Haiti and cholera in flood areas of Pakistan. Along with restoration of water treatment and distribution systems, laboratory testing is essential to provide the assurance that water supplies will be appropriately free of such contamination.

Utilities in most of the country are not generally considered at risk from earthquake damage. Fully redundant capability for this type of critical testing is not common and is not generally included specifically in emergency or disaster response plans. Large utilities tend to have multiple laboratory locations that could be adapted to these purposes but do not necessarily maintain redundancy. Loss of testing capability could result from less severe or indirect casualties to infrastructure; for example, prolonged utility outages or transportation problems. Having both the MM (located at NTC), and the WQL Labs (located at Alvarado) obtain/maintain critical certifications for drinking water microbiological analysis would enhance the City and the region's response capability both in geographic diversity and in critical expertise/resources.

Justification of Challenge Level:

Achievement of this goal will require staff effort well outside of normal business operations; it is not dependent on investment in facilities or equipment. Reaching the end-point will require an extraordinary level of integration of the two laboratories. Staff will need to re-engineer and align significant portions of their sections' central business processes, such as: Standard Operating Procedures, training, ISO elements, quality assurance programs, and state certification requirements. Staff will develop new working relationships and business processes, formal and informal.

The existing Water Quality Laboratory and Marine Microbiology Laboratory have the requisite staff, facilities, and equipment for both suites of microbiological testing and perform their respective FoTs (drinking water or wastewater) 7-days a week now.

In order to accomplish the goal, staff will solve technical problems, develop new technical and administrative skills, learn new techniques and applications, and meet new regulatory requirements. Staff will complete the Environmental Laboratory Accreditation Program (ELAP) application, successfully perform Proficiency Testing (PT), participate in the NPDES DMR-QA program, produce the initial demonstration of proficiency, and obtain the California State Environmental Laboratory Accreditation Program (ELAP) certification within the year. Both laboratories will also be required to revise their Standard Operation Procedures (SOP) and Quality Assurance plans to reflect the new changes.

Expected Impact or Efficiency

This goal builds on the recent consolidation of the Water Quality Laboratory with the EMTS Division. The additional capability will be provided using existing staff levels. Having two facilities and staff completely cross-functional in critical microbiological testing areas provides backup response for public health related testing, the main purpose of this goal. Additionally, we anticipate some opportunity for flexibility in scheduling work assignments, taking on projects, and it may incrementally reduce weekend overtime. Significant fiscal investment in infrastructure or capital outlay is not needed. No new staff will be added. Both facilities have full-scale emergency electric generators in place that provide some independence on infrastructure already. Achievement of the goal will also provide mutual aid capability with other regional water districts for protection of public drinking water.

While direct Return on Investment (ROI) in normal operations is expected to be nominal. Should a disaster or other serious event occur, maintaining operational microbiological testing will prevent wide-spread serious illness, support of emergency and recovery operations, and restoration of water and other utility services.

Additional Notes and/or Exceptions/Exclusions:

The end result of this GSG will be to have two physically separate laboratories and staff with the capability to backup the other as needed in the event of catastrophic loss or compromise of a single facility's function. Existing facilities, equipment and staff will be used. State ELAP requires each geographically-separate laboratory be certified individually. There is an incremental addition to the annual certification fee to add a FoT.

Mutual aid agreements and outsourcing cannot provide the capability for the required microbiologic testing in the region. None had the physical space, staff, or equipment to handle the scope of work that would be required. The San Diego County Public Health Laboratory would generally be looked at as a primary resource in a disaster. But their facilities and resources for water quality testing are also limited and would be stressed by disaster response demands as well.

Reasonableness of goal based on industry benchmarks and/or best in class standards, also based on business improvement needs:

No Qualserve benchmark. This is a Best in Class practice. San Diego region's susceptibility to earthquakes is well-known.

The "Effective Utility Management (EUM) Primer, which includes 10 attributes of Effectively Managed Water Sector Utilities, was recently developed and published by a consortium of leading associations and agencies, including the Environmental protection Agency (EPA), Association of Metropolitan Water Agencies (AMWA), the American Water Works Association (AWWA), the National Association of Water Companies (NAWC) and the Water Environment Federation (WEF). Additionally, the AMWA provides "Gold" and "Platinum" Awards to Utilities that demonstrate initiative and *best-in-class practices* in these 10 "attributes." The SD Public Utilities Department received the Gold Award in 2009. This Gainsharing Goal furthers our Utility's efforts to achieve excellence in 5 of EUM's 10 attributes. These include: product quality, operational optimization, infrastructure stability, operational resiliency, and community sustainability. It also contributes to two of the three AMWA "Key's to Management Success," including "Continual Improvement Management Framework" and "Strategic Business Planning."

PLWTP PILOT STUDY - FLOW PACED CHEMICAL DOSING BASED ON INFLUENT SOLIDS LOAD
(REVISED 9/9/10)

ALIGNMENT

BUSINESS GOAL:	Goal #1: Safe, Reliable, and Efficient Water, Wastewater, and Recycled Water Services
BUSINESS OBJECTIVE:	Objective #2: Meet or Exceed Regulatory and Public Health Standards

DESCRIPTION: IMPLEMENT A DOSING SYSTEM BASED ON FLOW AND SOLIDS LOADING FOR TREATMENT CHEMICALS AT THE PLWTP TO IMPROVE EFFICIENCY OF CHEMICAL CONSUMPTION.

Coordinator for Validation/Reporting/Feedback Phone #	K.C. Shankles/619-221-8728
Source Document/File(s) & Location	<ol style="list-style-type: none"> 1. EDORS Report Generator 2. DCS Historian 3. Laboratory Analysis 4. Final pilot study report
Specified Measurement Method/Formula/ Criteria for Achievement	<p>All information must be verified by the WWTD Division DD. Year-end information must verified by the WW Branch AD. The following milestones are target dates for completion and are not firm milestones required for goal achievement, with the exception of #4.</p> <ol style="list-style-type: none"> 1. By 09/30/2010, purchase, install, and integrate meters into DCS. Correlate measured suspended solids to actual laboratory analysis to confirm meter reliability. 2. By 12/31/2010, collect sufficient baseline data – as determined by Superintendent – to begin hourly dose adjustments. 3. By 03/31/2011, begin hourly chemical dose adjustments based on treatment metrics including solids removal rates, turbidity, and potential chemical savings. 4. By 06/30/2011, optimize dosing strategies and present final evaluation of pilot study, which will equal 100% of goal achievement. The final report shall include a projection of cost savings for both labor and chemical use.
<p>Relevance: Pilot testing of a DCS-based chemical dosing strategy can be used in conjunction with a suspended solids meter to more effectively administer treatment chemicals without compromising NPDES compliance. US Peroxide has effectively used this Suspended Solids meter at other locations and in conjunction with the PRISC-</p>	

CEPT process being utilized at the PLWTP it is anticipated that there is the potential to realize additional savings on treatment chemical cost without compromising regulatory compliance.

Justification of Challenge Level: This goal, if achieved, would measure the viability of a major operational change at the PLWTP. This change could save hundreds of thousands of dollars per year in chemical costs. The impact on operations staff of completing this pilot study would be substantial, including time and effort to plan the necessary process changes, implement the changes without upsetting the plants ongoing process, and analyze the results to determine the future course. Compressing this effort into a single 12-month period further add to the difficulty of achievement. Similar pilot projects to reduce chemical consumption have already saved Ratepayers millions of dollars per year.

Expected Impact or Efficiency: Effectively chemical dosing accounting diurnal flow and solids loading that will improve the consistency of solids removal. The Department could save 10% of the annual ferric chloride budget of \$3,600,000. Goal achievement would result in reduced truck traffic and would advance ISO compliance.

Reasonableness of goal based on industry benchmarks and/or best in class standards, also based on business improvement needs:

The “Effective Utility Management (EUM) Primer, which includes 10 attributes of Effectively Managed Water Sector Utilities, was recently developed and published by a consortium of leading associations and agencies, including the Environmental protection Agency (EPA), Association of Metropolitan Water Agencies (AMWA), the American Water Works Association (AWWA), the National Association of Water Companies (NAWC) and the Water Environment Federation (WEF). Additionally, the AMWA provides “Gold” and “Platinum” Awards to Utilities that demonstrate initiative and best-in-class practices in these 10 “attributes.” The San Diego Public Utilities Department received the Gold Award in 2009. This GSG furthers our Utility’s efforts to achieve excellence in the following EUM attribute: operational optimization, operational resiliency, water resource adequacy, and product quality.

**GOAL 4: PUBLIC UTILITIES DEPARTMENT, ENVIRONMENTAL MONITORING AND TECHNICAL SERVICES (EMTS)
DIVISION (FY2011)**

**EVALUATE THE EFFICIENCY OF ANALYZING CARBON SAMPLES FOR
TOTAL % SULFUR**

ALIGNMENT

BUSINESS GOAL:	Goal #2: Fiscally-Sound and Effective Public Utility
BUSINESS OBJECTIVE:	Objective #3: Provide the Public with Competitive, Customer-Focused Services

DESCRIPTION: EMTS Division staff will perform a comparative business analysis to evaluate the efficacy and costs in performing the APCD required odor control system sulfur analyses and a technical study to evaluate performing these analyses in-house using existing staff levels.

Coordinator for Validation/Reporting/Feedback Phone #	Skylla Wallmann 619-758-2371
Source Document/File(s) & Location	<ol style="list-style-type: none"> 1. Business analysis report in EMTS Division business offices. 2. Technical study report(s) in EMTS business office and laboratory.
Specified Measurement Method/Formula/ Criteria for Achievement	<p>100%- Deputy Director accepts and approves reports :</p> <ol style="list-style-type: none"> 1. Completed business analysis report approved by Deputy Director by 6/15/2011. 2. Technical study report approved by Deputy Director by 6/15/2011. <p><i>{acceptance of a specific recommendation is not required}</i></p>
Relevance:	<p>Our odor control systems at wastewater facilities are regulated by the San Diego Air Pollution Control District (APCD). Permits require bi-annual sampling and analysis of carbon filter media for total % sulfur. The San Diego APCD has stipulated an atypical and non-standard method that has extremely limited commercial availability. This is an APCD requirement to ensure that odor control and pollution prevention measures are effective. For many years, the Public Utilities Department has had a sole-source contract with Modern Industries, Inc. of Pittsburgh, PA to perform a Calgon® proprietary method for these analyses. Approximately 200-225 carbon samples per year are required to be shipped to this external laboratory. The cost-effectiveness of the current method and provider has not been evaluated for more than 10-years. We believe that the APCD acceptance of alternative technology could lead to lower cost providers.</p> <p>This goal involves performing a technical study to evaluate the efficacy of incorporating this analysis into the EMTS Division work flow, using guidelines established by the APCD for acceptable equivalent methods of analysis of total % sulfur in activated carbon.</p>
Justification of Challenge Level:	The market for this type of work is limited and information is not readily available. The APCD has issued guidance listing

equivalent methods to TM 30 that include standard and publicly available methods. The technical and business studies will determine the feasibility of performing an equivalent analysis, and evaluating best provider options, including performing the work in-house. There is the potential for regional collaboration with other agencies with similar odor control requirements. The study will require significant research and development of a number of analytical methods, as well as determination of instrumentation requirements, availability, and costs. Cost analysis will include market research, capital investment, materials (e.g. reagents, consumables, etc.) use, maintenance and operations, staff time, shipping, hazardous materials management, and other costs associated with each option.

Expected Impact or Efficiency:

The studies will ensure that the City is getting the best value from this work. We anticipate that a lower cost method and provider can be found including the possibility of doing the work in-house. The in-house option may provide considerable value due to latitude and flexibility in the scheduling of work, without an increase of staff. Several ASTM and other methods are available that could be approved by the APCD. Some of the methods include equipment currently on-hand in EMTS Laboratories. Additional instrumentation will need to be purchased to actually perform the analyses in house.

Additional Notes and/or Exceptions/Exclusions:

The completion of the goal is predicated only on management acceptance of the reports, not on implementation of any specific recommendation. Implementation will occur at management discretion and direction.

Reasonableness of goal based on industry benchmarks and/or best in class standards, also based on business improvement needs:

No Qualseve benchmark available.

If internalized, additional value and business risk management can be expected. For example; increased responsiveness to urgent operational or compliance needs, eliminating out-of-state sole-source contract, eliminating potential dissemination and exposure to hazardous materials, etc.

The “Effective Utility Management (EUM) Primer, which includes 10 attributes of Effectively Managed Water Sector Utilities, was recently developed and published by a consortium of leading associations and agencies, including the Environmental protection Agency (EPA), Association of Metropolitan Water Agencies (AMWA), the American Water Works Association (AWWA), the National Association of Water Companies (NAWC) and the Water Environment Federation (WEF). Additionally, the AMWA provides “Gold” and “Platinum” Awards to Utilities that demonstrate initiative and *best-in-class practices* in these 10 “attributes.” The SD Public Utilities Department received the Gold Award in 2009. This Gainsharing Goal furthers our Utility’s efforts to achieve excellence in 1 of EUM’s 10 attributes. This includes: operational optimization. It also contributes to one of the three AMWA “Key’s to Management Success,” including “Continual Improvement Management Framework.”

**GOAL #5: PUBLIC UTILITIES DEPARTMENT, ENVIRONMENTAL MONITORING AND TECHNICAL SERVICES
(EMTS) DIVISION (FY2011)**

**PERFORM A PILOT STUDY TO EVALUATE THE VALUE OF REPLACING THE
SAS STATISTICAL TOOLS WITH R AS PART OF THE OCEAN MONITORING
PROGRAM**

ALIGNMENT

BUSINESS GOAL:	Goal #1: Safe, reliable, and efficient water, wastewater, and recycled water services
BUSINESS OBJECTIVE:	Objective #2: Meet or exceed regulatory and public health standards

DESCRIPTION: Perform a pilot study and Business Case Evaluation (BCE) of the “R” statistical tools as a replacement for SAS in the City’s Ocean Monitoring Program (OMP).

Coordinator for Validation/Reporting/Feedback Phone #	Tim Stebbins, Senior Marine Biologist (619) 758-2329
Source Document/File(s) & Location	Internal documents and statements of completion / Marine Biology & Ocean Operations offices at EMTS Division Laboratory at NTC.
Specified Measurement Method/Formula/ Criteria for Achievement	<ol style="list-style-type: none"> 1. Milestone: Scope of work developed for pilot study: evaluate at least 5 critical functions for statistical analysis of environmental monitoring data (Oct 31, 2010) 2. Milestone: Pilot study completed (Mar 31, 2011) 3. 100% - Business Case Evaluation (BCE) completed and approved by the EMTS Deputy Director not later than 4/15/11.

Relevance:

SAS® statistical tools are used to analyze and present the department’s Ocean Monitoring Program (OMP) data. SAS is a commercially available software package that powerful analytic and graphic tools used in the OMP and has been used for more than 20-years. Current licensing is \$30,000/year and escalating. Additional costs for training and consulting services are approximately \$10,000 per year. R is a programming language and software environment for statistical computing and graphics. The open-source and free R has become the defacto standard for statistic researchers and is widely used in universities and government agencies.

R has been adopted by many of our partners in ocean monitoring, such as Scripps Institute of Oceanography, SCCWRP (Southern California Coastal Water Research Project, JPA), UCSD, NOAA/National Weather Service, National Center for Atmospheric Research (NCAR), USGS, the Fish and Wildlife Service (FWS), and the National Parks Service (NPS). This goal will improve current environmental assessment capabilities of the City’s Ocean Monitoring Program through replacement of SAS and perhaps other statistical software packages with R. The goal would involve a) review of all statistical analyses presently performed by the ocean monitoring program using SAS, b) comparison of existing statistical analyses with those available in R, c) providing R-training to EMTS staff, and d) completion of a pilot study and Business Case Evaluation (BCE). The goal would address the EMTS Division’s enhanced ocean monitoring and continual

improvement objectives, and is expected to result in long-term cost savings in future years (>\$40,000/year).

Expected Impact or Efficiency:

The purpose of this goal is to evaluate the relative merits of converting to the use of R in lieu of our current software statistics tool, SAS. We believe there is sufficient potential savings in costs, as well as business and technical advantages in converting to R, that makes a pilot study and BCE a worthwhile investment. The potential savings include direct and indirect costs, including about \$30K/year (i.e., SAS licenses) plus \$10K/year in support and training. Additional cost savings may also be expected in future years due to: a) reduced programming hours required by staff scientists because of applicable packages freely available; b) evaluation and replacement of additional types of software typically used for environmental assessments (e.g. PRIMER), c) availability of abundant free online manuals, guides and study aids, along with free user group support, and d) reduction in time required to convert data output to production quality tables and graphs.

Justification of Challenge level:

This project requires implementation of efficiency measures for the Marine Biology & Ocean Operations section and its enhanced ocean monitoring requirements. Attainment of this goal will require imposing additional duties and responsibilities on scientific staff while maintaining MEO-defined resource levels, and continuing to develop and manage collaborative efforts with external scientific researchers and consultants. Will include staff investment in learning and gaining proficiency with the new statistical tools while ensuring complete regulatory compliance and deadlines.

Additional Notes and/or Exceptions/Exclusions:

Reasonableness of goal based on industry benchmarks and/or best in class standards, also based on business improvement needs:

No applicable Qualserve benchmark. Is a standard business practice to continuously evaluate cost-saving opportunities and adoption of industry standards.

The “Effective Utility Management (EUM) Primer, which includes 10 attributes of Effectively Managed Water Sector Utilities, was recently developed and published by a consortium of leading associations and agencies, including the Environmental protection Agency (EPA), Association of Metropolitan Water Agencies (AMWA), the American Water Works Association (AWWA), the National Association of Water Companies (NAWC) and the Water Environment Federation (WEF). Additionally, the AMWA provides “Gold” and “Platinum” Awards to Utilities that demonstrate initiative and *best-in-class practices* in these 10 “attributes.” The SD Public Utilities Department received the Gold Award in 2009. This Gainsharing Goal furthers our Utility’s efforts to achieve excellence in 2 of EUM’s 10 attributes. These include: operational optimization and financial viability. It also contributes to one of the three AMWA “Key’s to Management Success,” including “Continual Improvement Management Framework.”

**GOAL #6: PUBLIC UTILITIES DEPARTMENT, ENVIRONMENTAL MONITORING AND TECHNICAL SERVICES
(FY2011)**

AUTOMATE BILLING FOR IMPORTED FLOWS AND TRUCKED SLUDGE

ALIGNMENT

BUSINESS GOAL:	Goal #2: Fiscally-Sound and Effective Public Utility
BUSINESS OBJECTIVE:	Objective #4: Minimize Rate Impacts Through Expenditure Control, the Pursuit of Alternative Funding, and Full Cost Recovery

DESCRIPTION: Improve bill date consistency and invoice accuracy, and reduce time between performing service and receiving payment by automating the Imported Flows and Trucked Sludge charges between PIMS (Pretreatment Information Management System) and SAP.

Coordinator for Validation/Reporting/Feedback Phone #	John Steger (858) 654-4104
Source Document/File(s) & Location	<ol style="list-style-type: none"> 1. PIMS database records 2. Hardcopy Imported Flow Billing report for March 2011 discharges 3. Hardcopy Trucked Sludge Billing report for March 2011 discharges Reports located at the IWCP offices at MOC II.
Specified Measurement Method/Formula/ Criteria for Achievement	Invoices in SAP corresponding to PIMS records and 100 % of the Imported Flow Billing report and 100% of the Trucked Sludge Billing report for imported flow and sludge discharges for March 2011 accurately reported by the 4/15/2011 due date.
Relevance:	
Sludge and imported flow billing represents approximately \$2.5 M/yr of revenue to the City. Currently, billing is manual, resulting in input errors, and billing delays when the program's only billing clerk is absent. The resultant lack of correct and timely billing increases the delay between the time the service is performed and revenues are collected; it also constitutes poor customer service, resulting in an inflated number of calls to the program related to late or incorrect invoices.	
Justification of Challenge Level:	
This goal would require staff to identify requirements, load and test revisions to the database, and populate necessary tables. It is a stretch goal due to current staff vacancies and the requirement to maintain all normal deliverables. The process of implementing a web-based database and integrating with SAP accounts receivable billing requires staff to develop additional technical knowledge and skills as well as develop improved business processes.	

Expected Impact or Efficiency:

This goal will improve invoice accuracy and timing consistency, thereby improving customer service, and minimize the lag time between providing service and receiving payment. It will also eliminate the two full workdays / month of CA II staff time currently required to manually input invoices. Internal controls will be improved by the addition of a traceable process and elimination of data entry steps.

Additional Notes and/or Exceptions/Exclusions:

Sludge and imported flow billing are based on data (e.g. flow volume, COD, and TSS) provided by customers, which can be erroneous or late. March discharges based on customer-reported data that was late or inaccurate may not be invoiced before June 30, 2011 due to lack of necessary information, and are not included in the ‘100% of the Imported Flow Billing report’ and ‘100% of the Trucked Sludge Billing Report’ for discharges occurring in March 2011 required for goal achievement.

For sludge: Loads are discharged at the PS 1 dump site, and load manifests submitted at the time of discharge (flow element). Analytical data for COD and TSS is due the 15th of each month for the prior month’s discharges.

For imported flows: Both flows and strength are due the 15th of the month following the discharge.

For both: It takes 2 weeks to get data entered into PIMS, and another 2 weeks to review and validate the data, which we enter at the same time we are entering other industrial monitoring data, so that billing occurs near the end of the month following the month in which the discharge occurred (e.g. 30 – 60 (discharge early in the prior month) days after the discharge).

Reasonableness of goal based on industry benchmarks and/or best in class standards, also based on business improvement needs:

The “Effective Utility Management (EUM) Primer, which includes 10 attributes of Effectively Managed Water Sector Utilities, was recently developed and published by a consortium of leading associations and agencies, including the Environmental protection Agency (EPA), Association of Metropolitan Water Agencies (AMWA), the American Water Works Association (AWWA), the National Association of Water Companies (NAWC) and the Water Environment Federation (WEF). Additionally, the AMWA provides “Gold” and “Platinum” Awards to Utilities that demonstrate initiative and *best-in-class practices* in these 10 “attributes.” The SD Public Utilities Department received the Gold Award in 2009. This Gainsharing Goal furthers our Utility’s efforts to achieve excellence in 2 of EUM’s 10 attributes. These include: customer satisfaction and operational optimization. It also contributes to two of the three AMWA “Key’s to Management Success,” including “Continual Improvement Management Framework” and “Measurement.”

GOAL #7: PUBLIC UTILITIES DEPARTMENT ENVIRONMENTAL MONITORING AND TECHNICAL SERVICES (FY 2011)

PERFORM SURVEY TO CHARACTERIZE DENTISTS' IMPLEMENTATION OF ADA'S VOLUNTARY MERCURY BMPs

ALIGNMENT

BUSINESS GOAL:	Goal #1: Safe, Reliable, and Efficient Water, Wastewater, and Recycled Water Services
BUSINESS OBJECTIVE:	Objective #2: Meet or Exceed Regulatory and Public Health Standards

DESCRIPTION: Conduct a survey to assess the extent to which dentists in the Metro tributary area have adopted the ADA's voluntary mercury amalgam Best Management Practices (BMPs). This information will enable the program to efficiently target sources of controllable Mercury discharges when developing and implementing Mercury source control measures if enhanced monitoring in the renewal Pt Loma NPDES permit indicates control measures are necessary.

Coordinator for Validation/Reporting/Feedback Phone #	Barbara Sharatz (858) 654-4106
Source Document/File(s) & Location	Completed survey forms for 100 dentists and observations and conclusions report at IWCP offices in MOC II
Specified Measurement Method/Formula/ Criteria for Achievement	Report is accepted by EMTS DD not later than June 15, 2011
Relevance: Mercury is a conservative toxic pollutant that bio-accumulates in fish and other aquatic organisms. Consumption of affected fish can lead to mercury poisoning which can damage the brain, kidney, and lungs. EPA and NACWA have worked with the American Dental Association to develop voluntary mercury amalgam Best Management Practices (BMPs) to reduce mercury discharges to the sewer and receiving waters. This goal will assess the level of implementation of the voluntary BMPs by dentists in the Metro tributary area. Enhanced Mercury monitoring under the new NPDES permit may identify the need to control mercury loadings. If so, information obtained from this goal will facilitate the development, implementation, and enforcement of effective Mercury source control measures to maintain compliance and ensure high quality reclaimed water for optimal beneficial reuses.	
Justification of Challenge Level: This is a stretch goal due to the knowledge and personnel resources required and the need to develop collaborative relationships with the dental offices. Staff must become sufficiently familiar with the ADA BMPs and associated technologies, such as amalgam separators, to develop an appropriate investigative survey instrument and confirm compliance during inspections. Existing vacancies also further stretch staff capabilities.	
Expected Impact or Efficiency: This goal will inform the program of how widespread the voluntary BMPs have been implemented; where the BMPs have not been adopted, we will learn why. This information will allow us to evaluate and plan for appropriate resource expenditures and source control priorities going forward. It will also position us to move promptly to establish and enforce effective BMP requirements for this controllable source if enhanced mercury monitoring in the effluent indicates a need to control mercury to avoid non-compliance and to maximize recycled water reuse opportunities.	

Additional Notes and/or Exceptions/Exclusions:

Reasonableness of goal based on industry benchmarks and/or best in class standards, also based on business improvement needs:

There is no QualServe benchmark applicable to this goal. This goal supports the Public Utilities Department's Urban Area Pretreatment Program, a unique requirement for the City due to the waiver permit, and promotes the City's wastewater reclamation efforts. Uncontrolled toxic pollutants present a significant obstacle to the recycling and reuse of water.

The "Effective Utility Management (EUM) Primer, which includes 10 attributes of Effectively Managed Water Sector Utilities, was recently developed and published by a consortium of leading associations and agencies, including the Environmental protection Agency (EPA), Association of Metropolitan Water Agencies (AMWA), the American Water Works Association (AWWA), the National Association of Water Companies (NAWC) and the Water Environment Federation (WEF). Additionally, the AMWA provides "Gold" and "Platinum" Awards to Utilities that demonstrate initiative and *best-in-class practices* in these 10 "attributes." The SD Public Utilities Department received the Gold Award in 2009. This Gainsharing Goal furthers our Utility's efforts to achieve excellence in 2 of EUM's 10 attributes. These include: product quality and community sustainability. It also contributes to two of the three AMWA "Key's to Management Success," including "Continual Improvement Management Framework" and "Measurement."

GOAL #8: ENVIRONMENTAL MONITORING AND TECHNICAL SERVICES DIVISION (FY 2011)

**MAINTAIN RECORDABLE INJURIES AT OR BELOW THE DIVISION
AVERAGE (REVISED 9/9/10)**

ALIGNMENT

BUSINESS GOAL:	Goal #4: Responsive, Safe, Committed and Innovative Workforce
BUSINESS OBJECTIVE:	Objective #8: Meet or Exceed Safety Standards

DESCRIPTION: Minimize recordable injuries; maintain recordable injuries at the 5-year average rate of ≤ 3 .

Coordinator for Validation/Reporting/Feedback Phone #	Assigned Safety Officer/Rep from ES&IC Division: Jeff Denham (858) 654-4260
Source Document/File(s) & Location	Public Utilities Department Safety Section injury reports on file for the fiscal year.
Specified Measurement Method/Formula/ Criteria for Achievement	Number of Recordable Injuries are calculated as a multi-part goal; 1. Achievement of each Quarter will be based upon the following index: <ul style="list-style-type: none"> • ≤ 1 Recordable Injuries (RI) per Quarter (not to exceed 3 RI for the year, in aggregate). • 12.5 % credit will be given for each Quarter met. • Possible total = 50% 2. ≤ 3 Recordable Injuries for the fiscal year = 50%
Relevance: Measuring outcomes of safety initiatives and safety efforts will indicate whether or not they are effective. One major outcome of these efforts should be a decrease in the number of on-the-job injuries, referred to as recordable injuries. Having a multi-part goal will help maintain motivation to meet quarterly and annual target levels throughout the year, independent of the previous quarter's performance. Quarterly targets will assist in maintaining low recordable injury levels each quarter.	
Justification of Challenge Level: The challenging annual achievement criteria of ≤ 3 RI, is based on the 5-year average recordable injury rate for the EMTS Division. The Division has not always fully met this goal in the past. Goal achievement criteria remains at the same level as last fiscal year, but will be applied to appropriately 25% more people ¹ . The approximately 25% increase in people translates to an increase in the challenge level, requiring exceptional focus on and support of safety practices.	
Expected Impact or Efficiency: Control costs of medical care, disability benefits, and lost productivity by maintaining a low rate of on-the-job injury. The	

¹ Moving the Water Quality Laboratory section from Water Production to EMTS added 37 staff members to the Division total.

Utility will continue to prioritize having a total injury count below the national average as a means of reducing the soft and hard costs of lost labor hours and medical treatment. Average lost labor hours lost for FY 2006-2009 is 994 per year. Medical costs for FY 2008 and 2009 totaled \$823,367.

Additional Notes and/or Exceptions/Exclusions:

A “recordable injury” is one which is serious enough to require medical treatment other than first aid and which may involve (a) loss of consciousness; (b) restriction of work or motion; and/or (c) transfer to another job. Restriction of work or motion must affect the employee’s ability to perform the full scope of his/her normal job duties at anytime during the normal work day.

The 5-year average recordable injuries are based on FY2005-FY2009 data.

Four or more RI during the fiscal year exceeds achievement threshold and eliminates incentive award for this goal entirely.

Reasonableness of goal based on industry benchmarks and/or best in class standards, also based on business improvement needs:

The National Average for a Public Utility organization is 9.0 recordable injuries per 560 employees. These statistics are provided by the United States Department of Labor Bureau of Labor Statistics. As a utility in FY10 our Incidence Rate was 11.34 which is 2.34 above the national standard. As a utility we strive on having a safe working environment for our employees therefore, our goal is to lower our recordable injuries in order to meet industry standards.

The “Effective Utility Management (EUM) Primer, which includes 10 attributes of Effectively Managed Water Sector Utilities, was recently developed and published by a consortium of leading associations and agencies, including the Environmental protection Agency (EPA), Association of Metropolitan Water Agencies (AMWA), the American Water Works Association (AWWA), the National Association of Water Companies (NAWC) and the Water Environment Federation (WEF). Additionally, the AMWA provides “Gold” and “Platinum” Awards to Utilities that demonstrate initiative and *best-in-class practices* in these 10 “attributes.” The SD Public Utilities Department received the Gold Award in 2009. This Gainsharing Goal furthers our Utility’s efforts to achieve excellence in 2 of EUM’s 10 attributes. These include: Employee and leadership development and operational resiliency. It also contributes to two of the three AMWA “Key’s to Management Success,” including “Continual Improvement Management Framework” and “Measurement.”

**GOAL #1: PUBLIC UTILITIES DEPARTMENT, WASTEWATER BRANCH,
WASTEWATER COLLECTION DIVISION (FY11)**

**IMPROVE EFFICIENCY OF MAIN CLEANING SECTION IN ORDER TO
INCREASE MILES OF MAIN CLEANED (REVISED 9/9/2010)**

ALIGNMENT

BUSINESS GOAL:	Goal #1: Safe, reliable, and efficient water, wastewater, and recycled water services
BUSINESS OBJECTIVE:	Objective #2: Meet or exceed regulatory and public health standards

DESCRIPTION: Clean 1,800 Miles of Gravity Sewer Pipe annually, while incurring less labor hours for this activity as were incurred in Fiscal Year 2010.

Coordinator for Validation/Reporting/Feedback Phone #	Martin Kane (858) 654-4489
Source Document/File(s) & Location	SAP/Business Objects Labor Report
Specified Measurement Method/Formula/ Criteria for Achievement	<p>Quarterly Reporting of Measured Parameters:</p> <p>≥ 1,800 miles cleaned, while incurring less than the total labor hours for this activity as in FY 2010 = 50%</p> <p>≥ 1,800 miles cleaned = 25%</p> <p>≥ 1,700 miles cleaned = 25%</p>
<p>Relevance: The Final Consent Decree (FCD) mandates the cleaning of 1,500 miles of gravity sewer main annually. This goal incentivizes the pursuit of a higher achievement threshold.</p> <p>There is a direct correlation between main cleaning and Sanitary Sewer Overflow (SSO) reductions. Historically, WWC’s demonstrated reduction of SSOs has improved our negotiating position with regard to the EPA’s granting of the waiver, in addition to improving our standing in the wastewater industry from one of poor compliance to that of an industry leader.</p> <p>The average cost per SSO response, including investigation, clearing of main, and follow-up televising, is \$2,695, a substantial cost avoidance for each SSO alleviated through effective cleaning.</p>	
<p>Justification of Challenge Level: As of 03/21/2010, the division has cleaned 1,348 miles of main in FY 2010. At current cleaning levels, it is expected that we will achieve our FY 2010 goal of 1,753 miles. The challenge lies in achieving more cleaning miles in FY 2011 while striving to reduce overtime expenditures (Division Goal #3, which for the current fiscal year-to-date represents over 16% of total salary expenditures (\$858,260) and maintain total labor hours below FY 2010 labor hours incurred for main cleaning activities. Goal achievement will require additional per-crew output as well as timely filling of existing vacancies. Full achievement of this goal will also surpass the FCD mandated mileage by 27%.</p>	
<p>Expected Impact or Efficiency Increased system maintenance leads to fewer SSOs, improved overall system reliability, less potential to incur fines, reduced environmental impacts, and continued improvement in the division’s standing in the wastewater industry, both with regulators and environmental watchdog groups.</p>	
<p>Additional Notes and/or Exceptions/Exclusions: Partial credit realized by achieving lesser mileage thresholds that still exceed the Final Consent Decree mandate, provided total labor hours incurred are at or below FY 2010 levels.</p>	

Reasonableness of goal based on industry benchmarks and/or best in class standards, also based on business improvement needs:

Increased system maintenance leads to fewer SSOs, improved overall system reliability, less potential to incur fines, reduced environmental impacts, and continued improvement in the division's standing in the wastewater industry, both with regulators and environmental watchdog groups.

The "Effective Utility Management (EUM) Primer, which includes 10 attributes of Effectively Managed Water Sector Utilities, was recently developed and published by a consortium of leading associations and agencies, including the Environmental protection Agency (EPA), Association of Metropolitan Water Agencies (AMWA), the American Water Works Association (AWWA), the National Association of Water Companies (NAWC) and the Water Environment Federation (WEF). Additionally, the AMWA provides "Gold" and "Platinum" Awards to Utilities that demonstrate initiative and best-in-class practices in these 10 "attributes." The San Diego Public Utilities Department received the Gold Award in 2009. This GSG furthers our Utility's efforts to achieve excellence in the following EUM attribute: operational optimization, operational resiliency, and infrastructure stability. It also contributes to two of the three AMWA "Key's to Management Success," including "Continual Improvement Management Framework" and "Measurement."

**GOAL #2: PUBLIC UTILITIES DEPARTMENT, WASTEWATER BRANCH,
WASTEWATER COLLECTION DIVISION (FY11)**

**IMPROVE EFFICIENCY OF FEWD SECTION TO MINIMIZE NUMBER OF
EXPIRED PERMITS (REVISED 9/9/2010)**

ALIGNMENT

BUSINESS GOAL:	Goal #1: Safe, reliable, and efficient water, wastewater, and recycled water services
BUSINESS OBJECTIVE:	Objective #2: Meet or exceed regulatory and public health standards

DESCRIPTION: Reduce the FEWD Program’s Expired Permit Backlog to ensure that no more than 10 Expired Permits reside within the backlog at the end of each month in the fiscal year.

Coordinator for Validation/Reporting/Feedback Phone #	Donna Souza (858) 654-4197
Source Document/File(s) & Location	FEWD database and statistical records maintained and stored in the FEWD section.
Specified Measurement Method/Formula/ Criteria for Achievement	An Expired Permit Report will run automatically at 11:59 p.m on the last day of each month. Any permit that is expired in these reports will count against this goal. Achievement will be determined at the end of each quarter by the following index: ≤ 10 expired permits/mo = 8.33% per mo. More than 10 expired permits/mo = 0% per mo.
Relevance:	This goal will encourage the FEWD Program to reduce their backlog of expired permits; thereby supporting the Business Objective of Convey, Treat, and Dispose of all wastewater. Increasing the number of current permits will assist MWWD’s effort to minimize the level of fats, greases and oils that can clog sewer mains and lead to spills.
Justification of Challenge Level:	Expired permits are brought into compliance through facility inspections (and often follow-up inspections), which requires persistent pursuit of inspection scheduling with proprietors, dealing with erratic/inconsistent schedules or uncooperative proprietors for many facilities. In FY 09 and FY 10 YTD, the average number of expired permits at the end of each month was 124 and 150, respectively. Aggressive scheduling and completion of facility inspections will be required to meet this goal consistently.
Expected Impact or Efficiency:	Renewing permits on time leads to less fats, oils and grease (FOG) in the collection system; this leads directly to a reduction in grease-related SSOs.

Additional Notes and/or Exceptions/Exclusions:

Note: There are more than 6,000 permits citywide, with renewal frequencies ranging from 6 months to 3 years. An expired permit will be considered 'backlogged' if it is expired on the last day of any month in FY 11 per the above report.

Reasonableness of goal based on industry benchmarks and/or best in class standards, also based on business improvement needs:

Renewing permits on time leads to less fats, oils and grease (FOG) in the collection system; this leads directly to a reduction in grease-related SSOs.

The "Effective Utility Management (EUM) Primer, which includes 10 attributes of Effectively Managed Water Sector Utilities, was recently developed and published by a consortium of leading associations and agencies, including the Environmental protection Agency (EPA), Association of Metropolitan Water Agencies (AMWA), the American Water Works Association (AWWA), the National Association of Water Companies (NAWC) and the Water Environment Federation (WEF). Additionally, the AMWA provides "Gold" and "Platinum" Awards to Utilities that demonstrate initiative and best-in-class practices in these 10 "attributes." The San Diego Public Utilities Department received the Gold Award in 2009. This GSG furthers our Utility's efforts to achieve excellence in the following EUM attribute: operational optimization, infrastructure stability, and operational resiliency. It also contributes to two of the three AMWA "Key's to Management Success," including "Continual Improvement Management Framework" and "Measurement."

**GOAL #3: PUBLIC UTILITIES DEPARTMENT, WASTEWATER BRANCH,
WASTEWATER COLLECTION DIVISION (FY11)**

**REDUCE OVERTIME COSTS WITHOUT ADVERSE IMPACTS TO
CURRENT PERFORMANCE LEVELS (REVISED 9/9/2010)**

ALIGNMENT

BUSINESS GOAL:	Goal #2: Fiscally-sound and effective public utility- Optimize Productivity and employee development
BUSINESS OBJECTIVE:	Objective #4: Ensure adequate staffing to meet operational needs

DESCRIPTION: Reduce the FY 11 combined Salaries, Straight Overtime, Premium Overtime, and Comp Time Taken General Ledger (G/L) account expenditures by 15% from FY 2010 expenditures in the same categories.

Coordinator for Validation/Reporting/Feedback Phone #	Mary Cantua (858) 292-6345
Source Document/File(s) & Location	HCM (SAP) Labor Statistics
Specified Measurement Method/Formula/ Criteria for Achievement	<p>Calculation = Main Cleaning Section and Construction Section's combined FY 11 Salaries, Straight Overtime, Premium Overtime, and Comp Time Taken G/L account expenditures will not exceed those same totals for FY 10</p> <p>Reduction of $\geq 15\%$ over previous year = 100%</p> <p>Reduction of $\geq 12\%$ over previous year = 75%</p> <p>Reduction of $\geq 9\%$ over previous year = 50%</p> <p>Reduction of $\geq 6\%$ over previous year = 25%</p> <p>Reduction of $<6\%$ over previous year = 0%</p>
<p>Relevance: This Goal relates directly to the WWCD's ability to maintain service levels division-wide while managing labor costs within each section so as to remain competitive with MOE-level organizational goals.</p>	
<p>Justification of Challenge Level: Reduction in overtime has been a goal for this Program in several previous years, and has yet to be successfully achieved. The wastewater industry is by nature prone to the need for overtime; however, increased efficiency and improved judgment when determining the necessity for overtime does allow capacity for reductions in this area.</p>	
<p>Expected Impact or Efficiency Savings to ratepayers, increased efficiency. Full achievement of this goal has the potential to save an estimated \$340,000 in overtime costs.</p>	
<p>Additional Notes and/or Exceptions/Exclusions: Reduction to be calculated as per the following example: The combined expenditures for the Overtime – Straight, Overtime – Premium, and Comp Time Paid General</p>	

Ledger Accounts must be less than those same expenditures for Fiscal Year 2010.
Partial credit determined by achieving a lesser percentage reduction over the prior year's overtime costs.
Exceptions/Exclusions will be granted for OT associated with OOS expense such as Natural Disasters. This is an end-of-year goal only (not quarterly) and achievement is dependent on the combined OT for both sections being from 6% to 15% less than FY 2010 overtime expenditures.

Actual FY 10 overtime stats will be available in mid-July 2010, at which time actual dollar thresholds will be placed in the "Specified Measurement Method" section above.

Reasonableness of goal based on industry benchmarks and/or best in class standards, also based on business improvement needs:

Full achievement of this goal has the potential to save an estimated \$340,000 in overtime costs.

The "Effective Utility Management (EUM) Primer, which includes 10 attributes of Effectively Managed Water Sector Utilities, was recently developed and published by a consortium of leading associations and agencies, including the Environmental protection Agency (EPA), Association of Metropolitan Water Agencies (AMWA), the American Water Works Association (AWWA), the National Association of Water Companies (NAWC) and the Water Environment Federation (WEF). Additionally, the AMWA provides "Gold" and "Platinum" Awards to Utilities that demonstrate initiative and best-in-class practices in these 10 "attributes." The San Diego Public Utilities Department received the Gold Award in 2009. This GSG furthers our Utility's efforts to achieve excellence in the following EUM attribute: operational optimization. It also contributes to one of the three AMWA "Key's to Management Success," including "Continual Improvement Management Framework".

**GOAL #4: PUBLIC UTILITIES DEPARTMENT, WASTEWATER BRANCH,
WASTEWATER COLLECTION DIVISION (FY11)**

**DECREASE NUMBER OF VALID CLAIMS OVER PREVIOUS FISCAL
YEAR (REVISED 9/9/2010)**

ALIGNMENT

BUSINESS GOAL:	Goal #1: Safe, reliable, and efficient water, wastewater, and recycled water services
BUSINESS OBJECTIVE:	Objective #2 Meet or exceed regulatory and public health standards

DESCRIPTION: Decrease the number of valid claims reimbursements by 20% over the 3-year average of Fiscal Years 2008 through 2010.

Coordinator for Validation/Reporting/Feedback Phone #	Martin Kane (858) 654-4489 Mary Cantua (858) 292-6345
Source Document/File(s) & Location	Wastewater Collection Claims Report FY 08 thru FY 10 (which includes 3-year average of FY08 – 10, or 116 claims) vs. Wastewater Collection Claims Report FY 11 (provided by Risk Management), retained by Martin Kane
Specified Measurement Method/Formula/ Criteria for Achievement	Comparison of average number of honored claims for 3-year period (FYs 08-10 = 116 claims) vs. FY 11 20% Reduction (<93 claims) = 100% achievement 15% Reduction (<99 claims) = 75% achievement 10% Reduction (<104 claims) = 50% achievement < 10% Reduction (\geq 104 claims) = no credit
Relevance:	While largely related to sewer back-up damages, including but not limited to high-pressure flushing causing toilet backups, claims also result from vehicle operations or vehicle damage/bodily injury due to high manholes or sunken trenches. This goal focuses efforts on spill reduction, greater care with high-pressure flusher cleaning, vehicle safety, and proper construction practices.
Justification of Challenge Level:	The achievement of this goal will require ongoing improvement to cleaning and construction methods (prudent use of high-pressure flushing, improved trench compaction and manhole installations), as well as improved vehicle safety practices.
Expected Impact or Efficiency:	Increased ratepayer savings through reduction in claims-related expenses.
Additional Notes and/or Exceptions/Exclusions:	Risk Management will provide a report in July of 2010 depicting total number of honored claims in FYs 08

through 10. The 3-year average will provide the baseline figure for the reduction goal. This goal excludes contractor-caused claims, as well as any claims not associated with operations activities (such as EEO or other personnel-related claims).

Reasonableness of goal based on industry benchmarks and/or best in class standards, also based on business improvement needs:

Increased ratepayer savings through reduction in claims-related expenses.

The “Effective Utility Management (EUM) Primer, which includes 10 attributes of Effectively Managed Water Sector Utilities, was recently developed and published by a consortium of leading associations and agencies, including the Environmental protection Agency (EPA), Association of Metropolitan Water Agencies (AMWA), the American Water Works Association (AWWA), the National Association of Water Companies (NAWC) and the Water Environment Federation (WEF). Additionally, the AMWA provides “Gold” and “Platinum” Awards to Utilities that demonstrate initiative and best-in-class practices in these 10 “attributes.” The San Diego Public Utilities Department received the Gold Award in 2009. This GSG furthers our Utility’s efforts to achieve excellence in the following EUM attribute: operational optimization, operational resiliency, and infrastructure stability. It also contributes to two of the three AMWA “Key’s to Management Success,” including “Continual Improvement Management Framework” and “Measurement.”

GOAL #5: PUBLIC UTILITIES DEPARTMENT, WASTEWATER BRANCH, WASTEWATER COLLECTION DIVISION (FY11)

COMPLETE WASTEWATER COLLECTION DIVISION ENGINEERING OPERATIONAL CRITICAL REFERRALS WITHIN NINE WORKING DAYS OF RECEIPT (REVISED 9/9/2010)

ALIGNMENT

BUSINESS GOAL:	Goal #2: Fiscally-sound and effective public utility
BUSINESS OBJECTIVE:	Objective #3: Provide the public with competitive, customer-focused services

DESCRIPTION: Complete 100% of critical operations referrals to the Wastewater Collection Division Engineering Section within 9 working days.

Coordinator for Validation/Reporting/Feedback Phone #	Cha Moua 858-654-4497 Kevin Gensler 858-614-5732
Source Document/File(s) & Location	<ol style="list-style-type: none"> 1. Engineering Referral Table – retained by Cha Moua 2. Planning/Scheduling Records – retained by Kevin Gensler 3. Referral Emails 4. Completed referral Emails
Specified Measurement Method/Formula/ Criteria for Achievement	<p>Number of referrals completed within 9 working days divided by total number of referrals</p> <p>Planning/Scheduling Section will record referrals electronically and maintain a hard-copy file. These files can be validated via cross-referencing Engineering Section records.</p> <p>100% completion rate = 100% credit 95-99% completion rate = 75% credit 90-94% completion rate = 50% credit < 90% completion rate = 0%</p>
<p>Relevance: Operations staff routinely consults Engineering staff regarding operational issues/problems.</p>	

<p>Engineering staff researches issues, studies as-built drawings etc. and presents findings to operations personnel, which enables them to make informed decisions on how to proceed.</p>
<p>Justification of Challenge Level: For the last 2 years with representative data (FYs 06 and 07), Engineering staff handled 188 and 301 referrals, respectively. During that time, the Engineering staff consisted of 16 employees, which equates to approximately 1 to 1.5 referrals per month per staff member.</p> <p>At current staffing levels (7 staff members), and assuming a similar level of referrals, this represents an average of 3 to 5 referrals per month per staff member, which is three times as many referrals per staff member. In addition, the number of days to complete the referrals has been reduced from 10 days in FY 06 and 07 to 9 days in FY 11. Additionally, the impending consolidation of departmental engineering activities could potentially result in additional work activities for these staff members, thereby increasing the challenge level even more.</p>
<p>Expected Impact or Efficiency: Timely addressing of operational issues and increased efficiency of both Engineering and Planning/Scheduling staff.</p>
<p>Additional Notes and/or Exceptions/Exclusions: Referrals will be emailed to Engineering Section, with email retained as record of referral date. Completed referrals will be emailed back to Planning & Scheduling, who will respond acknowledging acceptance of completed work.</p> <p>All requests sent to the Engineering Section are considered critical. However, there can be variations, based on urgency and impacts to the operations. During FY11 staff will establish criticality criteria and the initiating personnel will tag the request with a criticality score. A database of criticality score versus time to complete the request will be kept and analyzed at the end of the year to determine if the 9 day benchmark is appropriate or should be modified.</p>
<p>Reasonableness of goal based on industry benchmarks and/or best in class standards, also based on business improvement needs: Timely addressing of operational issues and increased efficiency of both Engineering and Planning/Scheduling staff.</p> <p>The “Effective Utility Management (EUM) Primer, which includes 10 attributes of Effectively Managed Water Sector Utilities, was recently developed and published by a consortium of leading associations and agencies, including the Environmental protection Agency (EPA), Association of Metropolitan Water Agencies (AMWA), the American Water Works Association (AWWA), the National Association of Water Companies (NAWC) and the Water Environment Federation (WEF). Additionally, the AMWA provides “Gold” and “Platinum” Awards to Utilities that demonstrate initiative and best-in-class practices in these 10 “attributes.” The San Diego Public Utilities Department received the Gold Award in 2009. This GSG furthers our Utility’s efforts to achieve excellence in the following EUM attribute: operational optimization and operational resiliency.</p>

COLLECTION SYSTEM SEWER SPILL REDUCTION

ALIGNMENT

BUSINESS GOAL:	Goal #1: Safe, reliable, and efficient water, wastewater, and recycled water services
BUSINESS OBJECTIVE:	Objective #2: Meet or exceed regulatory and public health standards

DESCRIPTION: Clean Gravity Sewer pipe such that less Sanitary Sewer Overflows (SSOs) occur in Fiscal Year 2011 than occurred in FY 2010.

Coordinator for Validation/Reporting/Feedback Phone #	Martin Kane, (858) 654-4489; Kevin Gensler, (858) 614-5732.
Source Document/File(s) & Location	Quarterly and Annual SSO Reports to EPA
Specified Measurement Method/Formula/ Criteria for Achievement	Monthly Reporting of Measured Parameters (Annual Totals): 5 SSOs < FY 2010 – 100% 4 SSOs < FY 2010 – 90% 3 SSOs < FY 2010 – 80% 2 SSOs < FY 2010 – 70% 1 SSO < FY 2010 – 60%
<p>Relevance: This SSO Reduction Goal has direct correlation with WWCD’s on-going sewer pipe maintenance program. The better the level of this maintenance cleaning service provided, the greater the level of SSO reduction that can be anticipated. Reduced environmental impact, avoidance of regulatory fines, cultivation of goodwill with regulators, ratepayers</p>	
<p>Justification of Challenge Level: Large sewer agencies that achieve low SSO occurrence typically experience annual SSO counts in the range of 2.0 to 4.0 SSOs per 100 miles of sewer system pipe. For calendar year 2009, the division achieved a rate of 1.27 SSOs per 100 miles of collection system (38 SSOs). Attainment of this goal will further exceed performance standards for large sewer agencies. For FY 2010 YTD thru March, the division has 26 SSOs. At the current trend of one SSO every 9-10 days, the projected total SSOs for FY 2010 is 35. This equates to 1.17 SSOs per 100 miles of sewer system. The full achievement of this goal (a reduction of 5 SSOs in FY 2011) would represent a substantial 14.28% reduction over current year projected spills, or 1.00 SSO per 100 miles of sewer system.</p>	
<p>Expected Impact or Efficiency: Reduced environmental impact, avoidance of regulatory fines, cultivation of goodwill with regulators, ratepayers</p>	
<p>Additional Notes and/or Exceptions/Exclusions: The actual number of FY 10 SSOs will be available the first week of July 2010 and will serve as the baseline for this goal. Excludes spills occurring in the Treatment & Disposal System. Excludes contractor-caused spills.</p>	

These Treatment & Disposal System and contractor-caused spills are already excluded from the reports.

Actual FY 10 SSO stats will be available in mid-July 2010, at which time actual SSO thresholds will be placed in the “Specified Measurement Method” section above.

Reasonableness of goal based on industry benchmarks and/or best in class standards, also based on business improvement needs: Large sewer agencies that achieve low SSO occurrence typically experience annual SSO counts in the range of 2.0 to 4.0 SSOs per 100 miles of sewer system pipe. For calendar year 2009, the division achieved a rate of 1.27 SSOs per 100 miles of collection system (38 SSOs). Attainment of this goal will further exceed performance standards for large sewer agencies.

The “Effective Utility Management (EUM) Primer, which includes 10 attributes of Effectively Managed Water Sector Utilities, was recently developed and published by a consortium of leading associations and agencies, including the Environmental protection Agency (EPA), Association of Metropolitan Water Agencies (AMWA), the American Water Works Association (AWWA), the National Association of Water Companies (NAWC) and the Water Environment Federation (WEF). Additionally, the AMWA provides “Gold” and “Platinum” Awards to Utilities that demonstrate initiative and best-in-class practices in these 10 “attributes.” The San Diego Public Utilities Department received the Gold Award in 2009. This GSG furthers our Utility’s efforts to achieve excellence in the following EUM attribute: operational optimization, operational resiliency, and customer satisfaction. It also contributes to two of the three AMWA “Key’s to Management Success,” including “Continual Improvement Management Framework” and “Measurement.”

*GOAL #7: WASTEWATER COLLECTION & WASTEWATER TREATMENT & DISPOSAL
(FY2011)*

**TO LOWER WASTEWATER COLLECTION AND WASTEWATER
TREATMENT & DISPOSAL INCIDENT RATE IN ORDER TO MEET
INDUSTRY STANDARDS (REVISED 9/9/2010)**

ALIGNMENT

BUSINESS GOAL:	Goal #4: Responsive, Safe, Committed and Innovative Workforce
BUSINESS OBJECTIVE:	Objective #8: Meet or Exceed Safety Standards

DESCRIPTION: To reduce Wastewater Collection and Wastewater Treatment & Disposal Incident Rate and reach the industry standard.

Coordinator for Validation/Reporting/Feedback Phone #	Assigned Safety Officer/Rep from ES&IC Division: Jeff Denham (858) 614-4556
Source Document/File(s) & Location	Public Utilities Department Safety Section injury reports on file for the fiscal year. Risk Management Injury Report located at http://citynet/riskmanagement/safety/index .shtml#reports
Specified Measurement Method/Formula/ Criteria for Achievement	1. To have an Incident Rate of ≤ 9 as of 6/30/2011 for the Wastewater Collection and Wastewater Treatment & Disposal divisions.
<p>Relevance: Measuring outcomes of safety initiatives and safety efforts will indicate whether or not they are effective. One major outcome of these efforts should be a decrease in the number of on-the-job injuries, referred to as recordable injuries.</p>	
<p>Justification of Challenge Level: The goal is to maintain low recordable injury levels each year which will result in a reduction in the Incident rate. The Incident Rate target level will be based on the United States Department of Labor Bureau of Labor Statistics Incident Rate which is 9 for the water and sewage industries (code 2213). This goal is intended to ensure compliance with state mandated safe work practices and principles identified in the California Code of Regulations, Title 8, Sections 1509, and 3203, for rewarding employees for working according to safe and healthful work practices.</p>	
<p>Additional Notes and/or Exceptions/Exclusions: A "recordable injury" is one which is serious enough to require medical treatment other than first aid and which may involve (a) loss of consciousness; (b) restriction of work or motion; and/or (c) transfer to another job. Restriction of work or motion must affect the employee's ability to perform the full scope of his/her normal job duties at anytime during the normal work day. The "Incident Rate" represents the number of "Recordable" Injury & Illnesses per 100 full-time workers.</p>	

N = number of (Recordable) Injuries and Illnesses

EH = total hours worked by all employees during the reporting period

200,000 = base for 100 equivalent full-time workers (working 40 hours per week, 50 weeks per year)

Calculation Formula:

$(N / EH) \times 200,000 = \text{Incident Rate}$

The target level of having an Incident Rate of 9 is based on the United States Department of Labor Bureau of Labor Statistics and is the industry standard for a Water/Sewage Utility.

Reasonableness of goal based on industry benchmarks and/or best in class standards, also based on business improvement needs:

These statistics are provided by the United States Department of Labor Bureau of Labor Statistics.

**GOAL #8: PUBLIC UTILITIES DEPARTMENT, WASTEWATER BRANCH,
WASTEWATER COLLECTION DIVISION (FY11)**

**TO REDUCE WASTEWATER COLLECTIONS BRANCH FY11
PREVENTABLE VEHICLE ACCIDENTS PER MILES DRIVEN
TOTAL BY 15%. (REVISED 9/9/2010)**

ALIGNMENT

BUSINESS GOAL:	Goal #4: Responsive, Safe, Committed and Innovative Workforce
BUSINESS OBJECTIVE:	Objective #8: Meet or Exceed Safety Standards

DESCRIPTION: TO REDUCE WASTEWATER COLLECTION FY10 PREVENTABLE VEHICLE ACCIDENTS PER MILES DRIVEN TOTAL BY 15%.

Coordinator for Validation/Reporting/Feedback Phone #	Jeff Denham 858 614-4556
Source Document/File(s) & Location	Accident Review Committee Findings Form #RM-1551 (12-95) and Form # RM-1555 (12-95) Location: WWC Administration Office/Assistant Director's secretary
Specified Measurement Method/Formula/ Criteria for Achievement	Reduce preventable vehicle accidents per miles driven to be = 297,813 per accident
<p>Relevance (Statement that explains how this Goal will gauge the accomplishment of the associated Business Objective.)</p> <p>This goal relates directly to the Wastewater Collection ability to maintain service levels division-wide while managing vehicle accidents costs within each section so as to remain competitive with Department-wide BTG organizational goals.</p>	
<p>Justification of Challenge Level Vehicle accidents cause lost of productivity, as well as potential bodily injury and property damage to City and private property. Reduced vehicle accidents translate directly to increased productivity, and cost savings. In order to reach this goal the Utility will be providing additional driver safety training to the top drivers. Another area for review will be looking for ways to decrease windshield time which decreases the number of miles driven and can have direct relation to accidents.</p>	
<p>Expected Impact or Efficiency Reduced vehicle accidents directly translate to increased safety of City employees and the public as well as reduced potential for vehicular damage/bodily harm-related expenses resulting in a potential reduction in overall liability costs.</p>	
<p>Additional Notes and/or Exceptions/Exclusions:</p> <p>A "Preventable Vehicle Accident" (AR 75.12) "Accident" which the employee was at fault or where the "Accident" could have been prevented by utilizing defensive driving techniques.</p> <p>The 15% reduction factor is based on the FY2010 baseline of preventable vehicle accident miles driven. During Fy10 there were a total of 19 preventable accidents within the Wastewater Collection Division. During FY2010 Wastewater Collection vehicles were driven a total of 4,920,383 miles. The equation for computing accidents per miles driven is the Total Mileage/Total Vehicle Accidents. In FY2010 the Wastewater Collection Division had one (1) vehicle accident occur every 258,968 miles driven.</p>	

Based on last year's total of 4,920,383 miles driven the Wastewater Collection Division would need to have a 15% reduction in preventable vehicle accidents in order to reach the vehicle accidents per miles driven goal of 297,813. Which means the Wastewater Collection Division can have no more than 16 preventable vehicle accidents in FY11. There were a total of 19 preventable vehicle accidents in FY2010.

GOAL #1: WWTD DIVISION/ ALL FACILITIES (FY2011)

**ELECTRONIC MONITORING AND DATA STORAGE FOR TREATMENT
PLANT OPERATOR ROUNDS AND CHEMICAL DELIVERY DATA**
(REVISED 9/9/10)

ALIGNMENT

BUSINESS GOAL:	Goal #1: Safe, Reliable, and Efficient Water, Wastewater, and Recycled Water Services
BUSINESS OBJECTIVE:	Objective #2: Meet or Exceed Regulatory and Public Health Standards

DESCRIPTION: Implementation of a system for electronic collection and storage of operator rounds and chemical delivery data at the NCWRP, SBWRP, PLWTP, and MBC. data will be automatically uploaded to appropriate systems (EDORS, DCS, etc.) and operator efficiency will be improved.

Coordinator for Validation/Reporting/Feedback Phone #	Barry Ayers (858) 614-5803
Source Document/File(s) & Location	<ol style="list-style-type: none"> 1. Memoranda approved by WWTD Division DD noting completion of appropriate milestones 2. Summary of available technology 3. Final presentation to Public Utilities Management
Specified Measurement Method/Formula/ Criteria for Achievement	<p>All information must be submitted verified by the WWTD Division DD by the milestone due date. Year end information must be verified by the WW Branch AD.</p> <p>Each item below shall independently account for the indicated percentage of goal achievement.</p> <ol style="list-style-type: none"> 1. By 08/31/2010, consolidate operator rounds data points (~100 each at four facilities) with chemical delivery data and other relevant information. Chose appropriate remote points in each Area of the facilities for electronic confirmation that rounds are being completed as scheduled. (25%) 2. By 10/31/2010, identify paperless technologies available for rounds tracking and data storage requirements. (5%) 3. By 02/28/2011, tag reporting locations with necessary bar codes and program handheld units to prompt user for and receive data for each Area. By 03/31/2011, train all operators on use of electronic rounds equipment. (15% for each facility, 60% total)

	4. By 06/30/2011, confirm that all data is uploaded and stored in the appropriate system(s). (10%)
<p>Relevance: Implementation of technology to streamline current data gathering and reporting of operator rounds will eliminate paper records as well as increase operational efficiency and regulatory compliance throughout the division. The new system will allow for faster confirmation that rounds were completed, faster supervisory review, and faster reporting of data trends that may show developing operations problems.</p>	
<p>Justification of Challenge Level: Use of computer technology for this purpose is not consistent in the wastewater industry. The one-year time frame is aggressive for implementation of such a system at four plants, given the number of staff requiring training. Implementation at the pump stations will follow assuming successful completion of this goal.</p>	
<p>Expected Impact or Efficiency: This goal will eliminate the manual entry of rounds data and chemical deliveries by using a computer interface device. Such a device can be used to record and download information into an appropriate database for permanent storage. Environmental impact is reduced by eliminating paper rounds. Approximately 2 person-hours of staff time will be saved each day. Documentation of ongoing savings in later fiscal years could help justify future technology driven efficiency measures.</p>	
<p>Additional Notes and/or Exceptions/Exclusions: This technology could be a viable means of recording, transferring, and storing data. Such a system could be applicable on a larger scale than the WWTd Division.</p>	
<p>Reasonableness of goal based on industry benchmarks and/or best in class standards, also based on business improvement needs: Electronic tracking and collection of operational data is common in manufacturing and commercial environments (such as shipping), but less common in the wastewater industry. This goal will incentivize employees to improve the efficiency of our workforce by accelerating this work into a one-year timeframe and concurrently implementing the system in all treatment plants.</p> <p>The “Effective Utility Management (EUM) Primer, which includes 10 attributes of Effectively Managed Water Sector Utilities, was recently developed and published by a consortium of leading associations and agencies, including the Environmental protection Agency (EPA), Association of Metropolitan Water Agencies (AMWA), the American Water Works Association (AWWA), the National Association of Water Companies (NAWC) and the Water Environment Federation (WEF). Additionally, the AMWA provides “Gold” and “Platinum” Awards to Utilities that demonstrate initiative and best-in-class practices in these 10 “attributes.” The San Diego Public Utilities Department received the Gold Award in 2009. This Gainsharing Goal furthers our Utility’s efforts to achieve excellence in the following EUM attributes: operational optimization and operational resiliency.</p>	

GOAL #2: WWTD DIVISION/LARGE PUMP STATION SECTION (FY2011)
COMPLETE PUMP STATION DRY WEATHER PROJECTS
(REVISED 9/9/10)

ALIGNMENT

BUSINESS GOAL:	Goal #1: Safe, Reliable, and Efficient Water, Wastewater, and Recycled Water Services
BUSINESS OBJECTIVE:	Objective #2: Meet or Exceed Regulatory and Public Health Standards

DESCRIPTION: WWTD Pump Station's Section will complete 11 Dry Weather Projects between July 1, 2010 and June 30, 2011.

Coordinator for Validation/Reporting/Feedback Phone #	Ron Wiggins – 619-692-4880
Source Document/File(s) & Location	<ol style="list-style-type: none"> 1. Master list of scheduled Dry Weather Projects. 2. PS and CSF staff Scope of Work. 3. EMPAC Work Orders, Purchase Orders 4. Final Report of all completed projects.
Specified Measurement Method/Formula/ Criteria for Achievement	<ol style="list-style-type: none"> 1. By 07/16/2010, submit a brief Scope of Work for each project that can be completed toward credit for this goal. The list will be submitted for WWTD DD approval. Each of the projects will be assigned a target date for completion. These target dates will be used for pacing of work through the year and will not be firm milestones required for goal achievement. Pump Station staff may submit more than 11 projects for consideration by the WWTD DD. 2. By 06/30/2011, complete projects on the list described in #1. Project completion shall be defined by completion and closing of all work orders and purchase orders related to a project, excepting purchase orders necessary for other projects. A report detailing work completed and supporting documentation must be delivered to the WW Branch AD by 06/30/2011. 3. Use of overtime for a project shall disqualify that project for goal achievement, except for work requiring shutdown of pump station systems or complete station shutdown. This work must be verified by the WWTD DD. 4. From the list of projects submitted, Pump

	<p>Station staff will designate at least seven as “highest priority”, with DD approval.</p> <p>5. There shall be two criteria for achievement, each accounting for half of the total goal achievement:</p> <p style="padding-left: 40px;"><u>CRITERION #1</u> Completing a minimum of 7 “high priority” projects = 50 %</p> <p style="padding-left: 40px;"><u>CRITERION #2</u> 11 projects complete = 100 % 10 projects complete = 60 % 9 projects complete = 40 % 8 projects complete = 20% 7 fewer projects complete = 0 %</p>
Relevance:	
This goal will further efforts of the LPS Section to maximize pumping capacity throughout the year, but especially during the wet-weather season. System reliability will therefore be improved.	
Justification of Challenge Level:	
Dry-weather projects have often been delayed by unplanned corrective work orders. Achievement of this goal would require exceptional effort to complete all corrective work as required, while also completing the pre-planned dry-weather projects without incurring unnecessary overtime.	
Expected Impact or Efficiency:	
These projects are primarily predictive in nature. Timely completion will result in operational cost savings by avoiding breakdowns and emergency repairs during the wet season.	
Additional Notes and/or Exceptions/Exclusions:	
This goal is to include projects for Pump Stations 1, 2, 64, 65, East Mission Gorge, Penasquitos, Grove Avenue and Otay. The dry weather season runs from May 1 through October 31, but some dry weather projects can be completed during wet weather during sufficiently long forecast dry periods.	
Reasonableness of goal based on industry benchmarks and/or best in class standards, also based on business improvement needs:	
An average of 7 dry-weather projects (engine overhauls, wet-well cleanings, influent screen rebuilds) have been complete each year over the past five years. This goal will increase that number by more than 40%.	
The “Effective Utility Management (EUM) Primer, which includes 10 attributes of Effectively Managed Water Sector Utilities, was recently developed and published by a consortium of leading associations and agencies, including the Environmental protection Agency (EPA), Association of Metropolitan Water Agencies (AMWA), the American Water Works Association (AWWA), the National Association of Water Companies (NAWC) and the Water Environment Federation (WEF). Additionally, the AMWA provides “Gold” and “Platinum” Awards to Utilities that demonstrate initiative and best-in-class practices in these 10 “attributes.” The San Diego Public Utilities Department received the Gold Award in 2009. This Gainsharing Goal furthers our Utility’s efforts to achieve excellence in the following EUM attribute: operational optimization, operational resiliency, water resource adequacy, employee leadership and development, infrastructure stability.	

PLWTP PILOT STUDY - FLOW PACED CHEMICAL DOSING BASED ON INFLUENT SOLIDS LOAD (REVISED 9/9/10)

ALIGNMENT

BUSINESS GOAL:	Goal #1: Safe, Reliable, and Efficient Water, Wastewater, and Recycled Water Services
BUSINESS OBJECTIVE:	Objective #2: Meet or Exceed Regulatory and Public Health Standards

DESCRIPTION: Implement a dosing system based on flow and solids loading for treatment chemicals at the PLWTP to improve efficiency of chemical consumption.

Coordinator for Validation/Reporting/Feedback Phone #	K.C. Shankles/619-221-8728
Source Document/File(s) & Location	<ol style="list-style-type: none"> 1. EDORS Report Generator 2. DCS Historian 3. Laboratory Analysis 4. Final pilot study report
Specified Measurement Method/Formula/ Criteria for Achievement	<p>All information must be verified by the WWTD Division DD. Year-end information must verified by the WW Branch AD. The following milestones are target dates for completion and are not firm milestones required for goal achievement, with the exception of #4.</p> <ol style="list-style-type: none"> 1. By 09/30/2010, purchase, install, and integrate meters into DCS. Correlate measured suspended solids to actual laboratory analysis to confirm meter reliability. 2. By 12/31/2010, collect sufficient baseline data – as determined by Superintendent – to begin hourly dose adjustments. 3. By 03/31/2011, begin hourly chemical dose adjustments based on treatment metrics including solids removal rates, turbidity, and potential chemical savings. 4. By 06/30/2011, optimize dosing strategies and present final evaluation of pilot study, which will equal 100% of goal achievement. The final report shall include a projection of cost savings for both labor and chemical use.

Relevance:

Pilot testing of a DCS-based chemical dosing strategy can be used in conjunction with a suspended solids meter to more effectively administer treatment chemicals without compromising NPDES compliance. US Peroxide has effectively used this Suspended Solids meter at other locations and in conjunction with the PRISC-CEPT process being utilized at the PLWTP it is anticipated that there is the potential to realize additional savings on treatment chemical cost without compromising regulatory compliance.

Justification of Challenge Level:

This goal, if achieved, would measure the viability of a major operational change at the PLWTP. This change could save hundreds of thousands of dollars per year in chemical costs. The impact on operations staff of completing this pilot study would be substantial, including time and effort to plan the necessary process changes, implement the changes without upsetting the plants ongoing process, and analyze the results to determine the future course. Compressing this effort into a single 12-month period further add to the difficulty of achievement. Similar pilot projects to reduce chemical consumption have already saved Ratepayers millions of dollars per year.

Expected Impact or Efficiency:

Effectively chemical dosing accounting diurnal flow and solids loading that will improve the consistency of solids removal. The Department could save 10% of the annual ferric chloride budget of \$3,600,000. Goal achievement would result in reduced truck traffic and would advance ISO compliance.

Additional Notes and/or Exceptions/Exclusions:**Reasonableness of goal based on industry benchmarks and/or best in class standards, also based on business improvement needs:**

The “Effective Utility Management (EUM) Primer, which includes 10 attributes of Effectively Managed Water Sector Utilities, was recently developed and published by a consortium of leading associations and agencies, including the Environmental protection Agency (EPA), Association of Metropolitan Water Agencies (AMWA), the American Water Works Association (AWWA), the National Association of Water Companies (NAWC) and the Water Environment Federation (WEF). Additionally, the AMWA provides “Gold” and “Platinum” Awards to Utilities that demonstrate initiative and best-in-class practices in these 10 “attributes.” The San Diego Public Utilities Department received the Gold Award in 2009. This Gainsharing Goal furthers our Utility’s efforts to achieve excellence in the following EUM attribute: operational optimization, operational resiliency, water resource adequacy, and product quality.

GOAL #4: WWTD DIVISION/WATER RECLAMATION PLANTS (FY2011)

**REDUCE RECLAIMED WATER DISCHARGE TO THE OCEAN OUTFALL
OR SEWER AT WATER RECLAMATION PLANTS TO 1.5 MGD PER
PLANT (REVISED 9/9/10)**

ALIGNMENT

BUSINESS GOAL:	Goal #1: Safe, Reliable, and Efficient Water, Wastewater, and Recycled Water Services
BUSINESS OBJECTIVE:	Objective #2: Meet or Exceed Regulatory and Public Health Standards

DESCRIPTION: Reduce tertiary treated water discharge to the ocean outfall at the SBWRP to a monthly average of 1.5 MGD, and reduce tertiary treated water discharge to the Rose Canyon Trunk Sewer at the NCWRP to a monthly average of 1.5 MGD

Coordinator for Validation/Reporting/Feedback Phone #	Ernie Molas
Source Document/File(s) & Location	<ol style="list-style-type: none"> 1. EDORS Database 2. Monthly Meeting Minutes 3. Final Report 4. June 2011 Plant Flow Data
Specified Measurement Method/Formula/ Criteria for Achievement	<ol style="list-style-type: none"> 1. By 09/30/2010, identify operational changes that are feasible and determine NPV of these changes (20% credit). 2. By 12/31/2010, implement feasible and cost effective changes (20% credit). 3. During the last six months of the fiscal year, limit RW overflows as described above. By 06/30/2011, provide written analysis of actual savings from RW overflow reduction through 05/31/2011, with a comparison to NPV estimates from Criterion #1 (5% credit for each successful month at each facility, up to a total of 60%).
Relevance: Achievement will reduce energy consumption and treatment cost, in support which of ISO program goals.	
Justification of Challenge Level: Savings of \$400 per MG reduction of tertiary treated water returned to the sewer or released through the ocean outfall. If goal is achieved in every month of the last six months of the FY, total estimated savings will be at least \$100,000.	
Expected Impact or Efficiency:	
Additional Notes and/or Exceptions/Exclusions: The plant produces RW to meet demand of external customers and the plant. The plant produces excess amount of RW in anticipation of the demand. In order to meet the projected demand, the plant must produce equal or more than the projected demand. In some cases, often during winter months, production of RW exceeds demands. The purpose of this goal is find ways to minimize the excess production while maintaining regulatory and contractual requirements.	

Reasonableness of goal based on industry benchmarks and/or best in class standards, also based on business improvement needs:

The “Effective Utility Management (EUM) Primer, which includes 10 attributes of Effectively Managed Water Sector Utilities, was recently developed and published by a consortium of leading associations and agencies, including the Environmental protection Agency (EPA), Association of Metropolitan Water Agencies (AMWA), the American Water Works Association (AWWA), the National Association of Water Companies (NAWC) and the Water Environment Federation (WEF). Additionally, the AMWA provides “Gold” and “Platinum” Awards to Utilities that demonstrate initiative and best-in-class practices in these 10 “attributes.” The San Diego Public Utilities Department received the Gold Award in 2009. This Gainsharing Goal furthers our Utility’s efforts to achieve excellence in the following EUM attribute: operational optimization and operational resiliency.

GOAL #5: WWTD DIVISION/ASSET MANAGEMENT SECTION (FY2011)
UPDATE BILLS-OF-MATERIAL, STOCKING POLICIES, AND
WAREHOUSE POLICIES FOR CRITICAL PLANT EQUIPMENT
(REVISED 9/9/10)

ALIGNMENT

BUSINESS GOAL:	Goal #1: Safe, Reliable, and Efficient Water, Wastewater, and Recycled Water Services
BUSINESS OBJECTIVE:	Objective #2: Meet or Exceed Regulatory and Public Health Standards

DESCRIPTION: Update the Bills-of-Material (BOM's), stocking policies, and warehouse policies, and procure all necessary warehoused items for most critical equipment.

Coordinator for Validation/Reporting/Feedback Phone #	Rim Stanley/858-292-6482
Source Document/File(s) & Location	<ol style="list-style-type: none"> 1. Critical equipment list, as defined by facility superintendents (10 per facility) <p style="text-align: center;">DD Certification of :</p> <ol style="list-style-type: none"> 2. Updated BOM's 3. Updated stocking policies 4. Warehouse inventory 5. Purchase orders 6. EMPAC warehouse records 7. Warehouse reports dated 06/15/2010
Specified Measurement Method/Formula/ Criteria for Achievement	<p>All information must be verified by the WWTD Division DD. Year-end information must verified by the WW Branch AD. Percentages following each milestone denote percent credit toward goal achievement for each milestone. Credit for a milestone is not contingent on credit for earlier milestones.</p> <ol style="list-style-type: none"> 1. By 07/16/2010, finalize list of top 10 critical assets, as defined by the facility manager, for the following facilities: PLWTP, NCWRP, SBWRP, MBC, PS 1, PS 2 (60 total pieces of equipment). (0%) 2. By 09/30/2010, complete BOM's for all equipment on the "critical list" with all parts and repair kits necessary for in-house repair and rebuild. (15%) 3. By 12/15/2010, update stocking policy and reorder points for all equipment on the "critical list". (15%) 4. By 02/28/2011, complete warehouse inventory of all parts and kits for all

	<p>equipment on the “critical list”. (30%)</p> <ol style="list-style-type: none"> 5. By 03/31/2011, order all necessary parts and equipment as consistent with the stocking policy. (30%) 6. By 06/15/2011, stock all parts and kits for all equipment on the “critical list” with a lead time < 2 months. (10%)
<p>Relevance: Out-of-date BOM’s have frequently resulted in delayed repair of critical equipment because parts and/or rebuild kits are not appropriately warehoused. Incomplete and inappropriate stocking policies for parts and on-shelf equipment have also reduced component availability and increase risk of failure. Achievement would correct these issues and get all necessary parts and kits on the warehouse shelf so that equipment downtime and risk are minimized. This goal focuses attention on this important, yet easily overlooked issue</p>	
<p>Justification of Challenge Level: The challenge of the goal comes from its aggressive schedule and the challenge of completing the task without affecting other aspects of the Division’s performance.</p>	
<p>Expected Impact or Efficiency: Improved reliability and redundancy of critical plant equipment, leading to better reliability of plants as a whole.</p>	
<p>Additional Notes and/or Exceptions/Exclusions:</p>	
<p>Reasonableness of goal based on industry benchmarks and/or best in class standards, also based on business improvement needs: Achieving this goal will lead to significant reliability improvement at all Division facilities. With current staffing and focused leadership by management, these updates could be completed in approximately 1.5 years. This goal will incentivize employees to complete the updates in less than one year. Additionally, achievement will bring the Division closer to recommended warehousing Best Management Practices, as defined by a warehouse study commissioned by the City from IBM.</p> <p>The “Effective Utility Management (EUM) Primer, which includes 10 attributes of Effectively Managed Water Sector Utilities, was recently developed and published by a consortium of leading associations and agencies, including the Environmental protection Agency (EPA), Association of Metropolitan Water Agencies (AMWA), the American Water Works Association (AWWA), the National Association of Water Companies (NAWC) and the Water Environment Federation (WEF). Additionally, the AMWA provides “Gold” and “Platinum” Awards to Utilities that demonstrate initiative and best-in-class practices in these 10 “attributes.” The San Diego Public Utilities Department received the Gold Award in 2009. This Gainsharing Goal furthers our Utility’s efforts to achieve excellence in the following EUM attribute: infrastructure stability, operational optimization, and operational resiliency.</p>	

**GOAL #6: WASTEWATER COLLECTION & WASTEWATER TREATMENT & DISPOSAL
(FY2011)**

**TO LOWER WASTEWATER COLLECTION AND WASTEWATER
TREATMENT & DISPOSAL INCIDENT RATE IN ORDER TO MEET
INDUSTRY STANDARDS (REVISED 9/9/10)**

ALIGNMENT

BUSINESS GOAL:	Goal #4: Responsive, Safe, Committed and Innovative Workforce
BUSINESS OBJECTIVE:	Objective #8: Meet or Exceed Safety Standards

DESCRIPTION: To reduce Wastewater Collection and Wastewater Treatment & Disposal Incident Rate and reach the industry standard.

Coordinator for Validation/Reporting/Feedback Phone #	Assigned Safety Officer/Rep from ES&IC Division: Jeff Denham (858) 614-4556
Source Document/File(s) & Location	Public Utilities Department Safety Section injury reports on file for the fiscal year. Risk Management Injury Report located at http://citynet/riskmanagement/safety/index.shtml#reports
Specified Measurement Method/Formula/ Criteria for Achievement	1. To have an Incident Rate of ≤ 9 as of 6/30/2011 for the Wastewater Collection and Wastewater Treatment & Disposal divisions.
<p>Relevance:</p> <p>Measuring outcomes of safety initiatives and safety efforts will indicate whether or not they are effective. One major outcome of these efforts should be a decrease in the number of on-the-job injuries, referred to as recordable injuries.</p>	
<p>Justification of Challenge Level:</p> <p>The goal is to maintain low recordable injury levels each year which will result in a reduction in the Incident rate. The Incident Rate target level will be based on the United States Department of Labor Bureau of Labor Statistics Incident Rate which is 9 for the water and sewage industries (code 2213). This goal is intended to ensure compliance with state mandated safe work practices and principles identified in the California Code of Regulations, Title 8, Sections 1509, and 3203, for rewarding employees for working according to safe and healthful work practices.</p>	
<p>Additional Notes and/or Exceptions/Exclusions:</p> <p>A “recordable injury” is one which is serious enough to require medical treatment other than first aid and which may involve (a) loss of consciousness; (b) restriction of work or motion; and/or (c) transfer to another job. Restriction of work or motion must affect the employee’s ability to perform the full scope of his/her normal job duties at anytime during the normal work day.</p> <p>The "Incident Rate" represents the number of “Recordable” Injury & Illnesses per 100 full-time workers.</p>	

N = number of (Recordable) Injuries and Illnesses

EH = total hours worked by all employees during the reporting period

200,000 = base for 100 equivalent full-time workers (working 40 hours per week, 50 weeks per year)

Calculation Formula:

$(N / EH) \times 200,000 = \text{Incident Rate}$

The target level of having an Incident Rate of 9 is based on the United States Department of Labor Bureau of Labor Statistics and is the industry standard for a Water/Sewage Utility.

Reasonableness of goal based on industry benchmarks and/or best in class standards, also based on business improvement needs:

These statistics are provided by the United States Department of Labor Bureau of Labor Statistics.

GOAL #1: PUBLIC UTILITIES DEPARTMENT, WATER OPERATIONS BRANCH (FY2011)
(FORMERLY GOAL #2 IN FY2010)

PERFORM PREVENTIVE MAINTENANCE ON 453
CONTROL/REGULATOR VALVES (REVISED 9/9/10)

ALIGNMENT

BUSINESS GOAL:	Goal #1: Safe, reliable and efficient water, wastewater, and recycled water services
BUSINESS OBJECTIVE:	Objective #1: Manage assets optimally through repair, rehabilitation, and replacement

DESCRIPTION: Perform preventive maintenance on 453 control/regulator valves.

Coordinator for Validation/Reporting/Feedback Phone #	Walter Cooke (619) 668-2036
Source Document/File(s) & Location	Crystal Report/SWIM Problem Code : PM, SCMNT
Specified Measurement Method/Formula/ Criteria for Achievement	All information must be submitted and verified by the SYSTEM OPERATIONS Division DD. Year end information must be verified by the Water Branch AD. = 453 Completed = 100% Goal Achievement = 441 and <453 Completed = 75% Goal Achievement = 429 and <441 Completed = 50% Goal Achievement
Relevance: Performing preventive maintenance (PM) on control/regulator valves will ensure the water distribution system is operating safely, reliably and efficiently. Effective PM programs improve system reliability and aid in preventing system failures and subsequent impacts to the environment, community stakeholders and customers.	
Justification of Challenge Level: The City's potable water distribution system contains over 900 regulating/control valves which are critical to maintaining adequate and reliable pressures throughout the City. This goal focuses on these critical system components (regulating/control valves). This goal is based on a two-year maintenance cycle. For the City, this goal has been measured/tracked over the previous 3 years with the following results: Fiscal Year 2010: 468 PMs were completed (103.3% of PMs completed); for the Fiscal Year 2009: 323 PMs were completed (71% of PMs completed); for Fiscal Year 2008, 367 PMs were completed (81% of PMs completed). In order to achieve the FY2011 goal, System Operations will need to continue to balance planned and non-planned work activities and increase its efficiency in performing required PMs without decreased levels of service to its other extensive duties and activities related to day to day operations of the City's complex distribution system. Non-planned activities/duties vary widely year to year and include, but are not limited to testing and performing shutdowns to accommodate water distribution capital improvement infrastructure projects, coordinating with developer contractors for new connections to the system, emergency responses due to main breaks, power outages and equipment failures, field investigations to address pressure complaints and daily operational adjustments to ensure reliable and adequate water service to customers.	
Expected Impact or Efficiency: Goal achievement will ensure proper pressures are maintained throughout the distribution system thereby decreasing the possibility of both main breaks and customer complaints related to low or high water pressure issues.	

Additional Notes and/or Exceptions/Exclusions:

Definitions:

Preventive Maintenance: Inspect and replace control components of valves as necessary; then systematically test control and regulator valves; overhaul valves that fail test. Valve fails test if it does not respond properly to controls and/or settings. Overhaul definition: Replace diaphragm and other parts as necessary, remove corrosion if present.

Control Valve: A type of pressure reducing valve for controlling downstream pressure.

Pressure Reducing Valve: A pressure reducing valve includes regulating valves, relief valves, pump control valves, and altitude valves. SWIM will be utilized to monitor the status of PM's throughout the year.

Reasonableness of goal based on industry benchmarks and/or best in class standards, also based on business improvement needs:

The City's distribution system is one of the most complex and unique systems in the United States due to the natural terrain and large service area. Regulating/control valve maintenance cycles vary widely among water agencies based on number of valves, the type of PM activity, system complexity, water quality, staffing levels and other required staff duties. An active PM schedule improves system reliability, helps to prevent failure, reduces water delivery disruption and pressure problems and increases service life of the valves.

A two-year PM cycle was selected based on staff experience with water quality, valve operations and failures. City water quality constituents, such as chloramines and hardness, have specific detrimental impacts to valve components, such as diaphragms and O-rings. PM procedures dictate that PM activities are systematically performed to progressively address valve issues. For each valve, specific valve operational test failures lead to progressively increased PM activities. For example, complete overhauls are not automatically performed at each valve PM cycle. This controls and manages maintenance costs. A specific number of regulating valves in the system are automatically overhauled completely at each maintenance cycle due to their higher risk nature, which is based on experience and knowledge of size and risk failure impact to a pressure zone. No formal risk-based prioritization model is currently utilized, but current PM activities incorporate similar concepts.

The Effective Utility Management (EUM) Primer, which includes 10 "attributes" of Effectively Managed Water Sector Utilities, was recently developed and published by a consortium of leading associations and agencies, including the Environmental protection Agency (EPA), Association of Metropolitan Water Agencies (AMWA), the American Water Works Association (AWWA), the National Association of Water Companies (NAWC) and the Water Environment Federation (WEF). Additionally, the AMWA provides "Gold" and "Platinum" Awards to Utilities that demonstrate initiative and *best-in-class practices* in these 10 "attributes." The San Diego Public Utilities Department received the Gold Award in 2009. This Gainsharing Goal furthers our Utility's efforts to achieve excellence in three of EUM's 10 attributes. These include: Operational Optimization, Infrastructure Stability, and Operational Resiliency. It also contributes to one of the three AMWA "Key's to Management Success," called "Continual Improvement Management Framework."

*GOAL #2: PUBLIC UTILITIES DEPARTMENT, WATER OPERATIONS BRANCH (FY2011)
(FORMERLY GOAL #4 IN FY2010)*

**REDUCE THE NUMBER OF MAIN BREAKS TO LESS THAN 105
DURING THE FISCAL YEAR (REVISED 9/18/10)**

ALIGNMENT

BUSINESS GOAL:	Goal #1: Safe, Reliable, and Efficient Water, Wastewater, and Recycled Water Services
BUSINESS OBJECTIVE:	Objective #2: Meet or Exceed Regulatory and Public Health Standards

DESCRIPTION: Reduce the number of main breaks to less than 105 main breaks during this fiscal year.

Coordinator for Validation/Reporting/Feedback Phone #	Jesse Ballesteros (619) 527-7038
Source Document/File(s) & Location	Crystal Report/SWIM Problem Code: 724 Location: N:WaterOperations/BidToGoal/FY2011/GainsharingGoals
Specified Measurement Method/Formula/ Criteria for Achievement	= All information must be submitted and verified by the C&M Division DD. Year end information must be verified by the Water Branch AD. Less than or equal to 104= 100% Achievement (10% reduction) Greater than 104 and less than or equal to 110 = 50% Achievement (5% reduction)
Relevance	This goal allows for branch wide involvement within the Water Operations Branch to meet achievement. A coordinated effort among operators, engineers, construction and maintenance staff is required for this goal. Water Operations Branch involvement will range from engineering analysis specific to infrastructure failure, effective preventive maintenance and construction activities, and training. With reduced main breaks, construction crews can focus on maintenance and leak repair activities to improve system reliability and reduce water loss. These coordinated efforts will improve system reliability and help prevent system failures and subsequent impacts to water quality, the environment, community stakeholders and customers.
Justification of Challenge Level	If achieved, this measure would result in reduced main breaks and reduced impacts to operation costs, customers and the environment. The annual average number of main breaks over the past three fiscal years (FY08 – FY10) is 116 main breaks/year. This goal is set to reduce the prior three year main break average by 10 percent to achieve maximum payout. Emergency events, such as severe breaks or leaks causing significant water loss, flooding, property damage and/or traffic impacts are responded to within one hour. All other reported leaks are to be responded to and repaired within three working days.
Expected Impact or Efficiency	The current average cost of water main break repairs is approximately \$16,000.00 per break, including trench work. Additionally the average liability claim cost of main breaks is approximately \$14,000 per break. Reduced main breaks will reduce impacts to our customers, reduce construction costs related to repairs, reduce water losses and environmental impacts and reduce costs associated with subsequent claims.
Additional Notes and/or Exceptions/Exclusions:	A GSG of 100 main breaks during FY10 was set, but was not achieved. The total number of main breaks in FY10 was 126

Reasonableness of goal based on industry benchmarks and/or best in class standards, also based on business improvement needs:

Service reliability is the hallmark of a best-in-class utility. With this goal, we are benchmarking against prior year experience with main breaks. We remain committed to continual improvements and challenging our workforce to become more precise and improve our operations.

The Effective Utility Management (EUM) Primer, which includes 10 “attributes” of Effectively Managed Water Sector Utilities, was recently developed and published by a consortium of leading associations and agencies, including the Environmental protection Agency (EPA), Association of Metropolitan Water Agencies (AMWA), the American Water Works Association (AWWA), the National Association of Water Companies (NAWC) and the Water Environment Federation (WEF). Additionally, the AMWA provides “Gold” and “Platinum” Awards to Utilities that demonstrate initiative and *best-in-class practices* in these 10 “attributes.” The San Diego Public Utilities Department received the Gold Award in 2009. This Gainsharing Goal furthers our Utility’s efforts to achieve excellence in three of EUM’s 10 attributes. These include: Operational Optimization, Infrastructure Stability, and Operational Resiliency. It also contributes to one of the three AMWA “Key’s to Management Success,” called “Continual Improvement Management Framework.”

GOAL #3: PUBLIC UTILITIES DEPARTMENT, WATER OPERATIONS BRANCH (FY2011)

PERFORM PREVENTIVE MAINTENANCE ON 17,514

POTABLE WATER DISTRIBUTION SYSTEM APPURTENANCES

(REVISED 9/18/10)

ALIGNMENT

BUSINESS GOAL:	Goal #1: Safe, Reliable, and Efficient Water, Wastewater, and Recycled Water Services
BUSINESS OBJECTIVE:	Objective #2: Meet or Exceed Regulatory and Public Health Standards

DESCRIPTION: Perform preventive maintenance on 17,514 potable water distribution system appurtenances.

Coordinator for Validation/Reporting/Feedback Phone #	John Pich (619) 527-3945
Source Document/File(s) & Location	Crystal Reports/SWIM Work Code: PM Location: N:WaterOperations/BidToGoal/FY2011/GainsharingGoals
Specified Measurement Method/Formula/ Criteria for Achievement	All information must be submitted and verified by the System Operations and Construction and Maintenance Division DD. Year end information must be verified by the Water Branch AD. Fire Hydrants (6,216) and Air Valves (672) (high priority four year maintenance cycle 65% of goal total) 100% complete = 100% goal achievement; 97.5% complete = 75% goal achievement and 95.0 % =50% goal achievement. Blow-offs (991) and Gate Valves (9,635) (lower priority five year maintenance cycle 35% of goal total) 100% complete = 100% goal achievement; 97.5% complete = 75% goal achievement and 95.0 % =50% goal achievement.

Relevance

Effective PM programs improve system reliability and aid in preventing and minimizing system failures and subsequent impacts to the water quality, environment, community stakeholders and customers.

Justification of Challenge Level

There are a total of 82,500 appurtenances in the potable water distribution system. This goal focuses on system components required for day to day normal operations and on components critical to emergency repairs and shutdowns. This goal has been changed to consider the risk to priority appurtenances. This goal is now set for a four-year maintenance cycle for fire hydrants (6,216/year) and air valves (672/year) and a five year cycle for blow-offs (991/year) and gate valves (9,635/year). Other utilities have a wide range of system maintenance cycles ranging from 1 year to no maintenance at all for certain components (run to failure maintenance modes). This goal has been measured/tracked over the previous 2 years with the following results: FY10 EOY results are 17,233 PMs completed (104.44%); for the FY2009: 14,914 PMs were completed (90% of PMs completed). To achieve this FY2011 goal, Water Operations Branch staff will need to increase its efficiency in performing required PMs while continuing its other duties and activities related to repairing and maintaining the City's extensive distribution

system.

Expected Impact or Efficiency

Performing preventive maintenance (PM) on distribution system appurtenances will ensure the water distribution system is operating safely, reliably and efficiently.

Additional Notes and/or Exceptions/Exclusions:

Includes: 6”> Inline Valves, Fire Hydrants, Blow-offs and Air-Vacs within the potable water system. Listing Facility Type, and Isolation Type.

Reasonableness of goal based on industry benchmarks and/or best in class standards, also based on business improvement needs:

This goal is benchmarked against prior year performance of scheduled P.M.’s. The criterion for achievement of this goal has been increased from 92.5% completion for 100% achievement in FY2010 to 100% completion for 100% achievement in FY2011. This stretch will promote the need to develop operational efficiencies in an effort to meet this goal.

The Effective Utility Management (EUM) Primer, which includes 10 “attributes” of Effectively Managed Water Sector Utilities, was recently developed and published by a consortium of leading associations and agencies, including the Environmental protection Agency (EPA), Association of Metropolitan Water Agencies (AMWA), the American Water Works Association (AWWA), the National Association of Water Companies (NAWC) and the Water Environment Federation (WEF). Additionally, the AMWA provides “Gold” and “Platinum” Awards to Utilities that demonstrate initiative and *best-in-class practices* in these 10 “attributes.” The San Diego Public Utilities Department received the Gold Award in 2009. This Gainsharing Goal furthers our Utility’s efforts to achieve excellence in four of EUM’s 10 attributes. These include: Product Quality, Operational Optimization, Infrastructure Stability, and Operational Resiliency. It also contributes to one of the three AMWA “Key’s to Management Success,” called “Continual Improvement Management Framework.”

GOAL #4: PUBLIC UTILITIES DEPARTMENT, WATER OPERATIONS BRANCH (FY2011)
 (FORMERLY GOAL #8 IN FY2010)

REPAIR REPORTED DISTRIBUTION SERVICE LEAKS
WITHIN THREE WORKING DAYS (REVISED 9/9/10)

ALIGNMENT

BUSINESS GOAL:	Goal #1: Safe, Reliable, and Efficient Water, Wastewater, and Recycled Water Services
BUSINESS OBJECTIVE:	Objective #2: Meet or Exceed Regulatory and Public Health Standards

DESCRIPTION: Repair reported distribution services leaks within three (3) working days.

Coordinator for Validation/Reporting/Feedback Phone #	Jesse Ballesteros (619) 527-8038
Source Document/File(s) & Location	Crystal Reports/SWIM N:WaterOperations/BidToGoal/FY2011/GainsharingGoals
Specified Measurement Method/Formula/ Criteria for Achievement	All information must be submitted and verified by the Construction & Maintenance Division DD. Year end information must be verified by the Water Branch AD. ≥ 95% Completed = 100% Achievement (tracked quarterly; 25% per Quarter) = 92.5% and ≤94.9% Completed = 75% Achievement or 18.75% per Quarter = 90.0% and ≤92.4% Completed = 50% Achievement or 12.5% per Quarter
Relevance	Repairing service leaks within 3 working days will decrease water losses and ensure the water system infrastructure is operating properly and efficiently. It will also help prevent system failures and subsequent impacts to water quality, the environment, community stakeholders and customers. The goal requirement to repair reported distribution service leaks within three working days mirrors the City's Drought Ordinance which mandates customers to fix all reported water leaks within 72 hours. All non-emergency leaks are responded to and repaired within three working days. Emergency leaks are responded to within one hour.
Justification of Challenge Level	This goal is in alignment with the City's expectations for repair of leaks by its customers. It is in compliance with the Drought Response Level 2- Drought Alert Condition which requires customers to repair or stop all leaks upon discovery or within 3 days of notification by the City. This was a FY10 gainsharing goal with a target of 92.5% completion for 100% payout. No payout level was achieved for this FY 10 goal. The FY10 goal combined two previous FY09 pay-for-performance goals associated with service leaks. The previous goals were to investigate reported distribution service leaks within 2 working days and repair the service leaks within 7 days. The respective goals for FY2009 were set at 88 and 97.5 percent completion for 100% payout, respectively. The actual completion levels achieved were 92 and 96 percent, respectively (100% payout was not achieved). The 3-day repair response time is a significant improvement over the previous 9-day investigate and repair response time (FY2009 for Performance Goal) for service leaks.
Expected Impact or Efficiency	Reduce water loss and reduce expenditures in street repairs due to extended leaks.
Additional Notes and/or Exceptions/Exclusions:	The goal is calculated based on 3 working days following the day the leak is reported. For example, if a leak is reported on Monday, then Division staff will have until the end of the workday on Thursday to complete.

Reasonableness of goal based on industry benchmarks and/or best in class standards, also based on business improvement needs:

The reduction in water losses related to this goal is tied to both the drought response ordinance and a business improvement need. The goal's benchmark is set against prior year's performances and the significant increase in the challenge level with the FY10 and FY11 goals. This criteria for achievement is being set on a quarterly basis to promote the desire for continual improvement that is the hallmark of best-in-class practices.

The Effective Utility Management (EUM) Primer, which includes 10 "attributes" of Effectively Managed Water Sector Utilities, was recently developed and published by a consortium of leading associations and agencies, including the Environmental protection Agency (EPA), Association of Metropolitan Water Agencies (AMWA), the American Water Works Association (AWWA), the National Association of Water Companies (NAWC) and the Water Environment Federation (WEF). Additionally, the AMWA provides "Gold" and "Platinum" Awards to Utilities that demonstrate initiative and *best-in-class practices* in these 10 "attributes." The San Diego Public Utilities Department received the Gold Award in 2009. This Gainsharing Goal furthers our Utility's efforts to achieve excellence in six of EUM's 10 attributes. These include: Product Quality, Customer Satisfaction, Operational Resiliency, Infrastructure Stability, Community Sustainability, and Operational Optimization. It also contributes to one of the three AMWA "Key's to Management Success," called "Continual Improvement Management Framework."

TO REDUCE WATER OPERATIONS BRANCH FY11 PREVENTABLE VEHICLE ACCIDENTS PER MILES DRIVEN TOTAL BY 15%.

(REVISED 9/18/10)

ALIGNMENT

BUSINESS GOAL:	Goal #4: Responsive, Safe, Committed and Innovative Workforce
BUSINESS OBJECTIVE:	Objective #8: Meet or Exceed Safety Standards

DESCRIPTION: To Reduce Water Operations Branch FY11 Preventable Vehicle ACCIDENTS PER Miles DRIVEN TOTAL by 15%.

Coordinator for Validation/Reporting/Feedback Phone #	Jeff Denham 858 614-4556
Source Document/File(s) & Location	Accident Review Committee Findings Form #RM-1551 (12-95) and Form # RM-1555 (12-95) Location: Chollas Administration Office/Assistant Director's secretary
Specified Measurement Method/Formula/ Criteria for Achievement	Reduce preventable vehicle accidents per miles driven to be = 290,153 per accident
Relevance This goal relates directly to the Water Operations Branch's ability to maintain service levels division-wide while managing vehicle accidents costs within each section so as to remain competitive with Department-wide BTG organizational goals.	
Justification of Challenge Level Vehicle accidents cause loss of productivity, as well as potential bodily injury and property damage to City and private property. Reduced vehicle accidents translate directly to increased productivity, and cost savings. In order to reach this goal the Utility will be providing additional driver safety training to the top drivers. Another area for review will be looking for ways to decrease windshield time which decreases the number of miles driven and can have direct relation to accidents.	
Expected Impact or Efficiency Reduced vehicle accidents directly translate to increased safety of City employees and the public as well as reduced potential for vehicular damage/bodily harm-related expenses resulting in a potential reduction in overall liability costs.	
Additional Notes and/or Exceptions/Exclusions: A "Preventable Vehicle Accident" (AR 75.12) "Accident" which the employee was at fault or where the "Accident" could have been prevented by utilizing defensive driving techniques. The 15% reduction factor is based on the FY2010 baseline of preventable vehicle accident miles driven. During Fy10 there were a total of 21 preventable accidents within the Water Operation Branch (Not including the Meter Shop). During FY2010 the Water Operations Branch vehicles were driven a total of 5,298,450 miles. The equation for computing accidents per miles driven is the Total Mileage/Total Vehicle Accidents. In FY2010 Water Operations Branch had one (1) vehicle accident occur every 252,307 miles driven. Based on last year's total of 5,298,450 miles driven the Water Operations Branch would need to have a 15% reduction in preventable vehicle accidents in order to reach the vehicle accidents per miles driven goal of 290,153. Which means the Water Operations Branch can have no more than 18 preventable vehicle accidents in FY11. There were a total of 21 preventable vehicle accidents in FY2010.	

Reasonableness of goal based on industry benchmarks and/or best in class standards, also based on business improvement needs:

Reduced vehicle accidents directly translates to increased safety of City employees and the public, reduced potential for vehicular damage/bodily harm-related expenses.

The Effective Utility Management (EUM) Primer, which includes 10 “attributes” of Effectively Managed Water Sector Utilities, was recently developed and published by a consortium of leading associations and agencies, including the Environmental protection Agency (EPA), Association of Metropolitan Water Agencies (AMWA), the American Water Works Association (AWWA), the National Association of Water Companies (NAWC) and the Water Environment Federation (WEF). Additionally, the AMWA provides “Gold” and “Platinum” Awards to Utilities that demonstrate initiative and *best-in-class practices* in these 10 “attributes.” The San Diego Public Utilities Department received the Gold Award in 2009. This Gainsharing Goal furthers our Utility’s efforts to achieve excellence in the following EUM attribute: Operational Resiliency.

*GOAL #6: PUBLIC UTILITIES DEPARTMENT
(FY2011)*

**TO LOWER WATER OPERATIONS INCIDENT RATE IN ORDER TO MEET
INDUSTRY STANDARDS. (REVISED 9/9/10)**

ALIGNMENT

BUSINESS GOAL:	Goal #4: Responsive, Safe, Committed and Innovative Workforce
BUSINESS OBJECTIVE:	Objective #8: Meet or Exceed Safety Standards

DESCRIPTION: To reduce the Water Operations Branch Incident Rate and reach the industry standard.

Coordinator for Validation/Reporting/Feedback Phone #	Assigned Safety Officer/Rep from ES&IC Division: Jeff Denham (858) 614-4556
Source Document/File(s) & Location	Public Utilities Department Safety Section injury reports on file for the fiscal year. Risk Management Injury Report located at http://citynet/riskmanagement/safety/index.shtml#reports
Specified Measurement Method/Formula/ Criteria for Achievement	1. To have an Incident Rate of ≤ 9 as of 6/30/2011 for the Water Operations Branch.

Relevance:

Measuring outcomes of safety initiatives and safety efforts will indicate whether or not they are effective. One major outcome of these efforts should be a decrease in the number of on-the-job injuries, referred to as recordable injuries.

Justification of Challenge Level:

The goal is to maintain low recordable injury levels each year which will result in a reduction in the Incident Rate. The Incident Rate target level will be based on the United States Department of Labor Bureau of Labor Statistics Incidence Rate which is 9 for the water and sewage industries (code 2213). This goal is intended to ensure compliance with state mandated safe work practices and principles identified in the California Code of Regulations, Title 8, Sections 1509, and 3203, for rewarding employees for working according to safe and healthful work practices.

Additional Notes and/or Exceptions/Exclusions:

A "recordable injury" is one which is serious enough to require medical treatment other than first aid and which may involve (a) loss of consciousness; (b) restriction of work or motion; and/or (c) transfer to another job. Restriction of work or motion must affect the employee's ability to perform the full scope of his/her normal job duties at anytime during the normal work day.

The "**Incident Rate**" represents the number of "Recordable" Injury & Illnesses per 100 full-time workers.

N = number of (Recordable) Injuries and Illnesses

EH = total hours worked by all employees during the reporting period

200,000 = base for 100 equivalent full-time workers (working 40 hours per week, 50 weeks per year)

Calculation Formula:

$(N / EH) \times 200,000 = \text{Incident Rate}$

The target level of having an Incident Rate of 9 is based on the United States Department of Labor Bureau of Labor Statistics and is the industry standard for a Water/Sewage Utility.

Reasonableness of goal based on industry benchmarks and/or best in class standards, also based on business improvement needs:

These statistics are provided by the United States Department of Labor Bureau of Labor Statistics.

GOAL# 7: PUBLIC UTILITIES DEPARTMENT, WATER OPERATIONS BRANCH (FY2011)
(FORMERLY GOAL #10 IN FY2010)

COMPLETE 98% OF ALL PRIORITY 1 (2,034) AND PRIORITY 2 (1,837)
TASKS FOR THE RESERVOIR AND RECREATION PROGRAM. TASKS
INCLUDE PREVENTIVE MAINTENANCE, PROPERTY AND WATERSHED
INSPECTIONS, READINGS AND MEASUREMENTS ON THE RAW WATER
INFRASTRUCTURE (REVISED 9/9/10)

ALIGNMENT

BUSINESS GOAL:	Goal #1: Safe, Reliable, and Efficient Water, Wastewater, and Recycled Water Services
BUSINESS OBJECTIVE:	Objective #1: Manage Assets Optimally Through Repair, Rehabilitation, and Replacement

DESCRIPTION: Complete 98% OF PRIORITY 1 AND PRIORITY 2 PLANNED MAINTENANCE PROGRAM TASKS : INCLUDES MAINTENANCE, PROPERTY AND WATERSHED INSPECTIONS, READINGS AND MEASUREMENTS.

Coordinator for Validation/Reporting/Feedback Phone #	Joe Weber (619) 668-2030
Source Document/File(s) & Location	<p>All information must be submitted and verified by the Water Branch Program Manager. Year end information must be verified by the Water Branch AD.</p> <p>File containing the list of Priority 1 and Priority 2 tasks is located on the network drive N:\WaterOperations\Bid To Goal\FY2011\FY2011 Gainsharing Goals. "FINAL_FY11_Reservoir_GSG7_Priority1_2_Tasks.pdf"</p> <p>Excel file used to track the total tasks completed and is located on the network drive (J :).</p> <p>Paper copies of activities (tasks) completed and summary sheets are stored at each reservoir and the Construction section stores paper records at the San Vicente Yard.</p>
Specified Measurement Method/Formula/ Criteria for Achievement	<p><u>Priority 1 – 2,075 Tasks for 65% of the Total Goal Achievement</u> ≥ 2,034 Completed = 100% Achievement ≥ 1,982 and < 2,034 Completed = 75% Achievement ≥ 1,930 and < 1,982 Completed = 50% Achievement</p> <p><u>Priority 2 – 1,874 Tasks for 35% of the Total Goal Achievement</u></p>

	<p>≥ 1,837 Completed = 100% Achievement</p> <p>≥ 1,790 and < 1,837 Completed = 75% Achievement</p> <p>≥ 1,743 and < 1,790 Completed = 50% Achievement</p>
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Relevance :

This measure represents the Department’s efforts to maintain its raw water reservoirs and infrastructure, manage and protect its property, natural resources and environment, and monitor and manage its facilities to provide safe, reliable, and cost-effective water and recreational activities.

Justification of Challenge Level:

This is a challenging goal for staff because approximately one quarter of the staff is hourly which results in significant turnover. Associated ongoing training requirements for new staff and expanded assignments for full-time staff due to unfilled positions is an on-going issue. Maintaining scheduled maintenance in the backcountry areas of San Diego where three of the nine reservoirs are located is challenging due to extreme weather conditions including hot summer months and cold, wet winter months. Fixing washed out roads and clearing culverts along steep cliffs, removing fire hazards varies each season dependent on the previous season’s weather conditions. Unexpected emergencies such as missing person searches, removal of illegal dumping of dangerous items, (e.g., vehicles from the reservoirs), further challenges staff to complete the planned maintenance activities in a timely manner.

Expected Impact or Efficiency:

Accomplishing the preventive maintenance, inspections and readings on 51 miles of raw water pipelines and infrastructure, nine major dams and surface reservoirs, and 40,000 acres of watershed land ensures an adequate supply of City owned raw water is available and accessible for the treatment plants to provide potable water for customers. Using City owned raw water at the treatment plants saves \$599.00 per acre foot of imported raw water.

Additional Notes:

FY2011 total planned maintenance, inspections and readings total 3,949 (1,002 maintenance, 2,527 inspections, and 420 readings). Priority 1 tasks comprise 2,075 of the 3,949 total and are based on regulatory requirements, water quality, public and staff safety. Priority 2 tasks comprise 1,874 of the 3,949 total and are based on other factors including the need for inspections of infrastructure, watershed and property.

The number of tasks completed in previous years: FY05 – 2,648 tasks completed (88.8%), FY06 – 3,169 tasks completed (92.1%), FY07 – 3,148 tasks completed (91.2%), FY08 – 3,613 tasks completed (94.1%), FY09 – 3,644 tasks completed (97.4%) and through May 31, FY10 3,198 tasks completed (96.2%). FY10 EOY will be updated by July 15.

Reasonableness of goal based on industry benchmarks and/or best in class standards, also based on business improvement needs:

Maintaining the raw water infrastructure provides an less expensive alternative to using imported water.

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**GOAL #8: PUBLIC UTILITIES DEPARTMENT, WATER OPERATIONS BRANCH (FY2011)
(FORMERLY GOAL #5 IN FY2010)**

**REPLACE CITY-OWNED SMALL METERS 1” AND SMALLER
17,515 METERS; TEST 2,203 COMMERCIAL METERS AND 1,183
BACKFLOW ASSEMBLIES (REVISED 9/9/10)**

ALIGNMENT

BUSINESS GOAL:	Goal #1: Safe, Reliable, and Efficient Water, Wastewater, and Recycled Water Services
BUSINESS OBJECTIVE:	Objective #1: Manage Assets Optimally Through Repair, Rehabilitation, and Replacement

DESCRIPTION: Replace 17,515 City owned meters 1” and smaller; Test 2,203 City-owned Backflow assemblies and 1,183 Commercial Meters.

Coordinator for Validation/Reporting/Feedback Phone #	Johnny Mitchell (619) 527-7429
Source Document/File(s) & Location	Crystal Reports/SWIM Location: N:WaterOperations/BidToGoal/FY2011/GainsharingGoals
Specified Measurement Method/Formula/ Criteria for Achievement	All information must be submitted and verified by the Construction & Maintenance Division DD. Year end information must be verified by the Water Branch AD. Number of meters replaced divided by the total number of meters. = 90% Completed = 65% Goal achievement 100% completion of tests on backflow assemblies= 17.5% goal achievement 100% completion of tests on commercial meters =17.5% goal achievement.
Relevance:	Maintaining the meter replacement program will ensure accurate and reliable meter reads. The City will be able to accurately bill its water customers, thereby mitigating revenue losses. The City would be able to accurately bill its large water customers and possibly capture lost revenue. Testing meters and backflows will allow for proper monitoring of the equipment and the opportunity to make needed repairs or replacements.
Justification of Challenge Level:	Not only will the team be tasked with changing out the age-based meters due to be replaced, the team will also need to keep pace with other planned and unplanned work orders. This goal in FY10 was to replace 7,955 meters 1” and smaller. The task for this year is to replace 17,515 meters 1”and smaller, which is a 219% increase from FY10. Testing large meter and backflow assembly assets requires coordination with facility management or building engineer at these critical sites which includes hospitals, high rises, hotels schools, condos, etc. Crews that are assigned to these duties will need to provide additional support to the small meter section as a result of that sections increased work load. In previous years these goals were reported separately. We are combining the small meter, backflow devices and large meters in FY11 to encourage and ensure the work group is working cooperatively to complete all required activities within the section.

Expected Impact or Efficiency:

This goal will improve billing accuracy on small meters and result in fewer investigation trips by maintenance units or Field Representatives. Preventative maintenance of commercial meters enhances billing reliability and accuracy of reads. Backflow assemblies maintained annually and kept in compliance with State-mandated programs, will help the City avoid financial penalties levied for non-compliance and potential lawsuits

Additional Notes and/or Exceptions/Exclusions:

Test for commercial meters is defined as follows: Check for industry or manufacturer acceptable range of water flow. If a meter is not within the permissible range, adjustments or repairs are made as needed, i.e. flush meter, clean strainers, exercise valves or clean or replace registers. In some cases replacement of the asset is necessary and this calls for a new work ticket.

Test for backflow assemblies is defined as follows: Includes a multiple step procedure to confirm valves in a backflow device are working properly. If valve does not hold at regulatory pressure, it is considered a failed test and repairs are made on site and the valve is rechecked.

Reasonableness of goal based on industry benchmarks and/or best in class standards, also based on business improvement needs:

AWWA recommends small meters be replaced every 25 years and this efforts aligns our goals with this industry standard.

Actual number of small meters replaced in FY10 is 7,939.

There is no benchmark for testing commercial meters and backflow assemblies.

The results for FY10 is 1,051 PM's completed on large meters. This group is tasked with supporting the small meter goal which is increased by 219% from FY10.

In FY10, 2,215 backflow devices were PM'd. Backflow testing must be conducted annually to remain in compliance with the mandated State program.

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This GSG furthers our Utility's efforts to achieve excellence in four of EUM's 10 attributes. These include: Product Quality, Customer Satisfaction, Infrastructure Stability, and Community Sustainability. It also contributes to one of the three AMWA "Key's to Management Success," called "Continual Improvement Management Framework."

GOAL #1: BUSINESS SUPPORT BRANCH, JOINT GOAL FOR ESIC AND FIT DIVISIONS (FY2011)
DEVELOPMENT OF FOUR E-LEARNING COURSES (REVISED 9/9/2010)

ALIGNMENT

BUSINESS GOAL:	Goal #4: Responsive, Safe, Committed and Innovative Workforce
BUSINESS OBJECTIVE:	Objective #10: Develop and Support Employees, and Recognize Exceptional Performance

DESCRIPTION: Identify four e-learning course(s) for Public Utilities Department employees. One course would be for field employees, a second one would be for all employees, and two will be IT oriented trainings. Test the effectiveness of this methodology of training by offering this training to a minimum of 100 fields and 100 non-field employees.

Coordinator for Validation/Reporting/Feedback Phone #	Stuart Karasik Linda Schmidt 619-668-2093 858-292-6470
Source Document/File(s) & Location	Approved and signed curricula, rosters, course evaluations to be maintained at ETDC. Signed by the DDs for FIT and ES&IC.
Specified Measurement Method/Formula/ Criteria for Achievement	<ol style="list-style-type: none"> 1. One training course will be targeted for field employees, one training course will be targeted for non-field employees, two training courses will be based on the survey conducted for the FIT Division IT Program survey noted in FIT GSG #7. The field and non-field courses will be identified by the Training Section and approved by the ES&IC DD by September 30, 2010. The FIT IT Division IT Program courses will be identified by the FIT Division IT Program and approved by FIT DD by March 31, 2011. 2. All curricula and student handout and reference materials will be developed by the Training Section. Qualified instructors will be identified by the Training Section. The instructors will provide post course support to students after course completion. All above will be approved by the ES&IC DD before December 31, 2010. The FIT Division IT Program course curricula will be developed by the IT Program, reviewed by the Training Section and approved by the FIT DD before March 31, 2011. As part of the course development process, The Training Section will conduct "Peer Review"

	<p>sessions of each course to evaluate training effectiveness</p> <ol style="list-style-type: none"> 3. All e-Learning courses will be listed in the Public Utilities Registration and Enrollment (PURE) database to allow for creation of course rosters prior to course offering. The e learning will be offered to a minimum of 100 field and 100 non-field employees at their work locations before June 30, 2011. 4. Signed rosters and certificates of completion (will be retained by the Training Section. Data entry into LS will be completed by the Training Section 5. A summary of evaluations provided reviewed and approved by ES&IC and FIT DD. The evaluations will include identification of “Bottom Line” results (Kirkpatrick Level 3 and 4) of the training. 6. Recommendation of further utilization of this methodology will be made by the Training Section to the ES&IC and FIT DD.
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Relevance:

E learning is becoming a benchmark of training in Public Utilities. This platform is utilized to a greater degree for both field and non-field employees due its flexibility and potential for customization to specific employee group needs. By providing this methodology of training services, employees will be able to complete training requirements with a minimum disruption to their work schedules.

Justification of Challenge Level:

Developing and managing effective e Learning is a complex task requiring input from Training, Operations and Administrative staff. Time commitments can be high. Utilizing the technical knowledge in both the subject area and the e-learning platform, can be complex. Melding technical knowledge and information with the platform requirements can be difficult and will be challenging. Developing a work product that can be easily accessed by the end user (employee) is also an intricate activity. This is a new area of educational technology that the Training Section has not yet utilized.

Expected Impact or Efficiency:

Operational efficiencies due to employees being able to complete mandatory training without travelling to one central location. These efficiencies can be translated into PE and NPE dollars using the following parameters:

Using any classroom based course as the standard

1. Employees can attend training whenever it is most convenient for them, rather than only when it is scheduled
2. Employees can save an average of two hours travel time to and from the course per course offering
3. Employees do not need to be backfilled while the attend classroom based training saving an average of six hours premium time charged by the replacement
4. Instructors need only develop a course once and not have to be present to teach the course in the classroom environment
5. NPE costs for printing course materials are reduced, since they are accessible on-line
6. NPE and PE costs associated with course revision can be minimized since courses reside on-line rather than hard copies (old versions are thrown out and new versions need to be created

7. PE costs associated with course registration are reduced.

Using the results obtained by other agencies who have field-tested e learning, the “loaded cost/course” (course development, presentation costs plus instructor costs plus employee impact costs can be reduced. These costs include a saving of an average of one-hour travel time per employee who is able to complete the e-learning training at their work location, i.e. Chollas, Point Loma, rather than at ETDC or MOC. The attached Public Utilities Cost Model can be used to calculate actual costs and cost savings. An estimate of field personnel savings, based on a test group of 100 field employees completing four hours of e-learning at their worksite could range up to \$50,000. These costs do not include the cost savings in the Training Section realized by having staff available to work on additional projects, or the NPE savings by not ordering “hard copy” training materials.

Additional Notes and/or Exceptions/Exclusions:

Reasonableness of goal based on industry benchmarks and/or best in class standards, also based on business improvement needs:

Over the past years, the e-Learning Platform of training presentation has become one of the many training modalities being offered by Best In Class Public and Agency Utilities. Many technical session presentations at AWWA, WEF and Utility Management conferences have described the PE and NPE benefits of offering e-Learning options to employees, in addition to traditional classroom training and blended learning.

The “Effective Utility Management (EUM) Primer, which includes 10 attributes of Effectively Managed Water Sector Utilities, was recently developed and published by a consortium of leading associations and agencies, including the Environmental protection Agency (EPA), Association of Metropolitan Water Agencies (AMWA), the American Water Works Association (AWWA), the National Association of Water Companies (NAWC) and the Water Environment Federation (WEF). Additionally, the AMWA provides “Gold” and “Platinum” Awards to Utilities that demonstrate initiative and *best-in-class practices* in these 10 “attributes.” The SD Public Utilities Department received the Gold Award in 2009. This Gainsharing Goal furthers our Utility’s efforts to achieve excellence in 2 the following 10 EUM attributes: Operational Optimization, and Employee and Leadership Development. It also contributes to one of the three AMWA “Key’s to Management Success,” entitled “Continual Improvement Management Framework.”

GOAL #2: PUBLIC UTILITIES DEPARTMENT, Department-wide Goal,
CELL PHONE USAGE MONITORING (REVISED 9/9/2010)

ALIGNMENT

BUSINESS GOAL:	Goal #2: Fiscally-Sound and Effective Public Utility
BUSINESS OBJECTIVE:	Objective #4: Minimize Rate Impacts Through Expenditure Control, the Pursuit of Alternative Funding, and Full Cost Recovery

DESCRIPTION: Enhance Internal Controls by strengthening policies and procedures related to cell phones and establishing a centralized program for monitoring cell phone expenditures with the goal of reducing cell phone costs by 10% or \$50,000 annually.

Coordinator for Validation/Reporting/Feedback Phone #	Kacy Green, Administrative Aide II, Internal Controls Program, 858-654-4257
Source Document/File(s) & Location	<ol style="list-style-type: none"> 1. Department Instruction and Department Policy Narrative on authorization of cell phones and Monitoring Cell Phone Usage. 2. Memorandum from Department Director, divisional cell phone reviews, submission forms, copies of cell phone bills that detail feature usage, and calculation of percentage reduction in cell phone charges will be maintained in a centralized folder on the managed share drive in the ES&IC Internal Controls Section.
Specified Measurement Method/Formula/ Criteria for Achievement	<p>Develop a Department Instruction (DI) and a Department Process Narrative (DPN) to further strengthen internal controls related to cell phone eligibility, usage and tracking. The DI will communicate the Consolidated Public Utilities policy level objectives and will specify criteria for determining which cell phone plan and features are appropriate for each cell phone user as well as ensure procedures are in place for addressing erroneous and/or unauthorized billing charges in a timely manner. The DPN will describe cell phone authorization standards and procedures for the system of monitoring of cell phone usage.</p> <p>After the DI and DPN have been distributed and implemented, a random sample of cell phone users will be selected and their 4th quarter bills from FY10 and FY11 will be reviewed to determine if a savings has been achieved.</p> <ul style="list-style-type: none"> • 100% of the GSG will be achieved if a

	<p>10% reduction of department –wide cell phone usage costs is accomplished in the last quarter of FY11 when compared to the last quarter of FY2010. If the pricing of the rate plan changes between comparison periods, the 10% achievement must be accomplished net of pricing changes.</p>
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Relevance:

Control activities help ensure management directives are carried out. Control activities involve two elements: policies establishing what should be done and the procedures to carry out established policy. Additionally, ongoing monitoring ensures that controls are effective. As a Department of more than 1,400 employees, cell phones are a significant expense. The Water and Wastewater Department merged into one department beginning in FY2010. A new Department-wide DI will ensure standardization, and fiscal control over cell phone usage. Development of department-wide standards and guidelines, and the establishment of a centralized monitoring process will help ensure appropriate handling, review and monitoring of monthly cell phone bills. Designated contacts will be expected to review the bills on a monthly basis, and submit a formal report to their Deputy Director each month. Contact with current cell phone coordinators will determine what practices are presently in place and how cell phone bill review procedures can be improved and enhanced to create a consistent approach throughout the entire department. Sample testing will be performed to ensure adherence to Department policy.

Justification of Challenge Level:

The development of a department-wide DI will require input and contact with every division to ensure all feedback and usage issues are incorporated into the instruction. The various cell phone plans and features currently in use will need to be evaluated to determine appropriateness and necessity levels in relation to each user’s job duties. Reports will need to be obtained from the City Vendor to determine what information is available and how it can be best utilized to improve department efficiency. This is a stretch goal both in terms of level of effort, estimated to be 80 hours of staff effort during the Fiscal Year, and in terms of the goal of a 10% reduction in cell-phone usage costs.

Expected Impact or Efficiency:

By providing designated contact person(s) with guidelines, they will be held accountable for identifying inefficiencies that can be addressed and therefore save money for the entire department. An exact dollar amount on what will be saved is not known until proper tracking and follow-through has been implemented, but currently cell phone bills for the department total approximately \$500,000 per fiscal year. We have an expectation that this type of review can result in a savings of \$50,000 or 10% of cell phone usage expense annually.

Additional Notes and/or Exceptions/Exclusions:

The GSG will be achieved if during the months of April, May and June in FY2011, cell phone usage costs are reduced by 10% or more department-wide when compared against the same months in FY2010, in the aggregate. If usage rates are increased or decreased due to vendor pricing changes, the impact of such changes will be netted-out of the calculation in a fair and reasonable manner.

Reasonableness of goal based on industry benchmarks and/or best in class standards, also based on business improvement needs:

No benchmarking data exists on this goal at this time. Best-in-Class Utilities are constantly looking for ways to reduce costs and for continuous improvement opportunities. The continual enhancement of internal controls is key element of best in class organizations.

The “Effective Utility Management (EUM) Primer, which includes 10 attributes of Effectively Managed Water Sector Utilities, was recently developed and published by a consortium of leading associations and agencies, including the Environmental protection Agency (EPA), Association of Metropolitan Water Agencies (AMWA), the American Water Works Association (AWWA), the National Association of Water Companies (NAWC) and the Water Environment Federation (WEF). Additionally, the AMWA provides “Gold” and “Platinum” Awards to Utilities that demonstrate initiative and *best-in-class practices* in these 10 “attributes.” The SD Public Utilities Department received the Gold Award in 2009. This GSG furthers our Utility’s efforts to achieve excellence in the following EUM attribute: Operational Optimization. It also contributes to one of the three AMWA “Key’s to Management Success,” entitled “Continual Improvement Management Framework.”

ESTABLISH AND IMPLEMENT A MENTORSHIP PROGRAM
(REVISED 9/9/2010)

ALIGNMENT

Business Goal:	Goal #4: Responsive, Safe, Committed, and Innovative Workforce
Business Objective:	Objective #11: Develop and Support Employees, and Recognize Exceptional Performance

DESCRIPTION: Establish and implement a Mentorship Program.

Coordinator for Validation/Reporting/Feedback Phone #	Jeanine Hillis, Organization Effectiveness Specialist
Source Document/File(s) & Location	<p>Source Documents further defined in Addendum #1.</p> <p>Summary:</p> <ol style="list-style-type: none"> 1) Mentorship Program Description 2) Mentoring Skills Assessment Instrument 3) Mentor Agreement Forms 4) Mentee Agreement Forms 5) Phone Log Documenting Calls with Mentors 6) Mentee-Mentor-Deputy Director Contract Form 7) Orientation with the Mentee and Mentor - Summary of Meeting Notes 8) Check-in Meeting: Mentee-Mentorship Program Support Staff Meeting Notes 9) Progress Forms: Mentor-Mentee Meeting Documentation 10) Final Meeting - (Summary of Discussion Notes) 11) Mentee's Summary of Learnings Report Form 12) Mentee's Evaluation of Mentorship Program Form 13) Mentor's Evaluation of Mentorship Program Form <p>All on file with the Strategic Support Services Section within the ES&IC Division</p>

<p>Specified Measurement Method/Formula/ Criteria for Achievement</p>	<p>Criteria for Goal Achievement further defined in Addendum #1. Summary: This goal is achieved through the completion of the 5 milestones summarized below. Each milestone stands on its own and is worth the goal credit allotted.</p> <ol style="list-style-type: none"> 1. Mentorship Program Description approved by 11/1/10 = 20% Credit – signed by BSB AD 2. Mentee and Mentor Selection approved by 12/3/10 = 10% Credit – signed by BSB AD and Divisional DD 3. Mentee-Mentor Contract approved by 1/14/10 = 10% Credit – signed by mentee, mentor, and Divisional DD 4. 7 of the 8 mentees complete the following: <ol style="list-style-type: none"> a. Meet with SSS/HR staff member 1 time by 3/30/11 b. Meet with mentor 3 times by 6/3/11 c. Attend final meeting by 6/3/11 40% Credit 5. Mentee’s Summary of Learning Report developed and Mentor’s and Mentee’s Evaluation of Mentorship Program completed by 6/14/11 = 20% Credit
<p>Relevance: Ratepayers will benefit from this Mentorship Gain Sharing Goal, as it will raise the caliber of leadership and competencies of the Utility’s personnel through the “project-based learning approach” utilized. This goal furthers the Department’s Strategic Goal #4 of developing its employees. It also helps the Utility address its succession planning needs. It helps to improve workforce morale and “engagement,” as employees will see that the utility is committed to developing its own workforce. The mentee will help the mentor in completing certain work (e.g., public presentations, participation in fact findings, assistance in developing budgets, etc.), the mentee will receive development-oriented feedback related to their identified areas for professional growth, and the mentor will strengthen their “employee development skills”</p>	
<p>Justification of Challenge Level: This is a new program, and is above and beyond the existing workload of the SSS and/or HR staff. All participants involved in the program will be stretched to successfully achieve this goal. The plan for the first year involves mentors/mentees from 2—3 divisions of the department (as opposed to involving all divisions from the entire department) so the program can be evaluated and improved based on the results from this first group. The mentorship program’s design, forms, processes, etc., have yet to be developed, and this will be a significant staff effort to design and train all involved to achieving these deliverables, by the accelerated schedule. The section’s (e.g., SSS and HR) and the Utility’s’ current workload contribute to make this initiative challenging. Developing this program by the proposed, accelerated due dates, and achievement of the many deliverables by the mentors and the mentees, described in Addendum #1, will take a concentrated effort by staff during other major change efforts, and will impose additional duties and responsibilities on staff that is above and beyond their normal job duties.</p>	
<p>Expected Impact or Efficiency: This project will raise the caliber of leadership of in the Utility, and will result in skill development in specific leadership competencies, of mentees and mentors alike.</p>	

Additional Notes and/or Exceptions/Exclusions:

Reasonableness of goal based on industry benchmarks and/or best in class standards, also based on business improvement needs:

Best-in-Class Utilities and many top organizations have mentorship programs. This was determined in a Benchmarking Study, conducted in December 2008, by the MWWD. One hundred percent of the organizations with Leadership Development Programs (LDPs) that were surveyed in this study had coaching or mentoring programs as part of their LDPs.

The "Effective Utility Management (EUM) Primer, which includes 10 attributes of Effectively Managed Water Sector Utilities, was recently developed and published by a consortium of leading associations and agencies, including the Environmental Protection Agency (EPA), Association of Metropolitan Water Agencies (AMWA), the American Water Works Association (AWWA), the National Association of Water Companies (NAWC) and the Water Environment Federation (WEF). Additionally, the AMWA provides "Gold" and "Platinum" Awards to Utilities that demonstrate initiative and best-in-class practices in these 10 "attributes." The SD Public Utilities Department received the Gold Award in 2009. This Gainsharing Goal furthers our Utility's efforts to achieve excellence in the following EUM attribute: Employee and Leadership Development.

Addendum #1: Description of “Specified Measurement Method/Formula/Criteria for Achievement

1. **Deliverable #1 (20% of GSG): Mentorship Program Description** - Develop a comprehensive and detailed “Mentorship Program Description,” signed and dated by BSB AD by Nov. 1, 2010. The Mentorship Program Description should include the following, not necessarily in this sequence:
 - a. Program Mission and Goals
 - b. Mentees Overview
 - ✓ Plan of Action and Milestones (POAM) for selection, approval and orientation/training of the Mentees
 - ✓ Number of Mentees to participate in the program
 - ✓ Description of the Mentee nomination and selection process
 - ✓ Description of the Roles and Responsibilities of the Mentees
 - ✓ Criteria for mentee selection
 - ✓ Process for matching a mentor with a mentee (i.e., mentee has some choice in the match)
 - c. Mentor Overview
 - ✓ Plan of Action and Milestones (POAM) for selection, approval and orientation/training of the Mentors
 - ✓ Number of Mentors to participate in the program
 - ✓ Description of the Mentor recruitment and selection process
 - ✓ Description of the Roles and Responsibilities of the Mentors
 - ✓ Criteria for mentor selection (i.e., focus on Emotional Intelligence, senior staff with project work they want assistance with, use of a Mentor Skills Assessment Instrument, etc.)
 - d. Mentee-Mentor-Program Support Staff (e.g. HR and /or SSS staff) Overview
 - ✓ Minimum number of mentor-mentee meetings that will be required.
 - ✓ Number of meetings that will be facilitated by the Strategic Support Services or Human Resources Staff with the a) Mentor, b) Mentees, and c) Mentors and Mentees,
 - ✓ Overview of the “Project-Based learning Component” of this Mentorship Program – (i.e. a list of sample project-based learning experiences that are acceptable (e.g., public presentations, participation in fact findings, assistance in developing budgets/budget management, etc.)
 - e. Documentation of Learning and Evaluation of the Mentorship Program: Overview
 - ✓ An Overview of the requirements of the Mentee’s and Mentor’s to evaluate the program.
 - ✓ Overview of the Mentee’s requirement to develop a Summary of Learning Report
 - f. Forms and Source Documents

- ✓ Mentoring Skills Assessment Instrument
- ✓ Mentor Agreement Form
- ✓ Mentee Agreement Form
- ✓ Mentee-Mentors-Deputy Director Contract Form
- ✓ Phone Log Documenting Calls with Mentors Form
- ✓ Orientation with Mentee and Mentor - Summary of Meeting Notes
- ✓ Check-in Meeting - Mentee-Mentorship Program Support Staff Meeting Summary of Meeting Notes Form
- ✓ Progress Forms - Mentor-Mentee Meeting Progress Form
- ✓ Final Meeting - Summary of Discussion Notes from the Final Mentorship Meeting Form
- ✓ Mentee's Summary of Learning Report Form
- ✓ Mentee's Evaluation of Mentorship Program Form
- ✓ Mentor's Evaluation of Mentorship Program Form

2. Deliverable #2 (20% of GSG): Selection of Mentees and Mentors - By 12/3/10, the following deliverables will have been achieved:

- a. Mentors: Eight Mentors are approved as Mentors in the Utility Department's Mentorship Program. A "Mentor Agreement Form" will be signed and dated by the mentor, their Deputy Director (unless the mentor is a DD), and the BSB AD.
- b. Mentees: Eight mentees will have been selected to participate in the program. A "Mentee Agreement Form" will have been signed and dated by the mentee, their Deputy Director, and the employee's Branch's AD.

3. Deliverable #3: "Mentee-Mentor-Deputy Director Contract" signed, and learning objectives and project-based learning experiences" agreed-to (20% of GSG): By 1/14/2011, the "Mentee-Mentors-DD Contract" is signed and dated by the Mentor, Mentee, and employee's DD. This contract will include at a minimum; a) learning objectives, and b) project-based learning experiences agreed-to. The "Kick-off Meeting - Summary of Meeting Notes, Agreements and Action Items from the Kick-off Meeting with the Mentee and Mentor Form" that will be signed by all participants and by the Deputy Director of that mentee's branch by 1/27/11, documenting that the meeting described in 3c below (3rd swoosh) occurred. The deliverables associated with this Deliverable #3 are described below:

- a. Mentee is assigned to a Mentor, based on process described in the "Mentorship Program Development Description"
- b. "Mentee-Mentor-DD Contract" is signed for each of the mentee-mentor relationships.
- c. Staff from Strategic Support Services or from Human Resources will have completed the following:
 - ✓ Met in-person with each of the mentees,
 - ✓ Met by phone with each of the mentors, and

- ✓ Facilitated one in-person meeting with the mentor and mentee, reviewing and discussing the elements within the “Mentee-Mentor-DD Contract,” and validate and/or modify the agreements, learning objectives, and roles and expectations of all parties. The “project-based learning experiences” (e.g., public presentations, participation in fact findings, assistance in developing budgets, etc.) will have been outlined, and will be reviewed, agreed-upon, and modified as necessary.
- ✓ Developed a “Summary of Meeting Notes, Agreements and Action Items from the Orientation with the Mentee and Mentor” that will be signed by all participants and by the Assistant Director of that mentee’s branch by 1/27/11, documenting that the meeting, described above, occurred.

4. **Deliverable #4: Mentorship Experience** (40% of GSG if 7 of the 8 mentees complete 4a – 4c below).

Summary:

- ✓ The mentor and the mentee are to have met for three 45-minute meetings, prior to 6/3/11.
- ✓ The Mentee and a staff member from the SSS or HR section will have held a Check-in Meeting at least once, prior to 3/30/11.
- ✓ A final facilitated Meeting will be convened between the Mentor, Mentee and a staff member from the SSS or HR, prior to 6/3/11.

By 6/3/2011, mentee will have met one-one-one with staff from Strategic Support Services or the Human Resources section one time, and the mentee will have met with their mentor a minimum of three times to discuss the mentorship and any special projects they are involved with. The milestones and/or documents associated with this Deliverable #4 are described below:

- a. Staff from Strategic Support Services or the Human Resources (Hereafter referred to as “Mentorship Program Support Staff”) will have met with the Mentee by March 30th for a “Mentee- Mentorship Program Support Staff Check-in Meeting,” to review the “project-based learning experiences” they are participating in, learning-to-date, and what they hope to learn in the remaining two months. A “Check-in Meeting: Mentee-Mentorship Program Support Staff Meeting Summary of Meeting Notes Form” will be signed and dated by the Mentee, the SSS or HR staff person, and the Mentee’s Deputy Director by 4/15/11.
- b. The Mentor and the Mentee will have met a minimum of 3 times for at least 45 minutes each. Meetings that occur prior to the Orientation with the Mentee and Mentor will not count towards these three mentor-mentee meetings. These meetings will be documented by signatures of the mentor and the mentee on the “Progress Forms - Mentor-Mentee Meeting Progress Form.” The form will have three signatures with dates, for the mentor and the mentee, and will be signed by the employee’s DD no later than 6/3/11.

**GOAL #4: BUSINESS SUPPORT BRANCH, EMPLOYEE SERVICES & INTERNAL CONTROL DIVISION
(FY2011)**

RECORDS MANAGEMENT SYSTEM FOR SAFETY PROGRAM

ALIGNMENT

BUSINESS GOAL:	Goal #1: Safe, Reliable, and Efficient Water, Wastewater, and Recycled Water Services
BUSINESS OBJECTIVE:	Objective #1: Manage Assets Optimally Through Repair, Rehabilitation, and Replacement

DESCRIPTION: Transition selected Safety Program records into the upgraded electronic Records Management System (RMS) This entails development of a plan that will transition safety records from paper to an electronic RMS, while ensuring conformance with the City’s Records Disposition schedule and other legal record keeping requirements.

Coordinator for Validation/Reporting/Feedback Phone #	Karry Wetherby, Internal Controls Program, 858-654-4258
Source Document/File(s) & Location	<p>Documentation of GSG achievement will be:</p> <ul style="list-style-type: none"> • 25% for ESIC Deputy Director written approval of an RMS indexing plan (IP) and process flow of documents to the RMS system that will be kept in the Goal Contact’s work station. The RMS IP will cover all records identified for scanning into an electronic RMS in the Justification Section below. • 25% of the GSG will be based on the rollout of the RMS to the Safety Program. This will be documented with a memorandum, signed and dated, from the Records Supervisor and the Safety Manager to the ESIC Deputy Director, listing all safety staff that have an RMS account and have received technical assistance on how to use the new system. Documentation will also include an agenda and sign-in sheet for a kick-off meeting with Safety Staff and Records staff. • 50% based on review of documents in the system as defined in the Justification Section below and approved evaluation report by DD by June 15, 2011 <p>All documents will be maintained by Records Supervisor</p>

<p>Specified Measurement Method/Formula/ Criteria for Achievement</p>	<p>Implement an RMS strategy and indexing plan for scanning safety records identified in the Justification Section below into a digital format for: longevity, document control & security; organization; ease of retrieval; and work flow.</p> <p>The Department has initiated an IT system upgrade that should become operational between October 1 and December 31, 2010. The Safety Program is a records intensive function that will be amongst the first work groups in the department to commit to the new system.</p> <ul style="list-style-type: none"> • 25% of the GSG will be achieved by having an approved RMS indexing plan and process flow for Safety Program records identified in Justification section by the ES&IC Deputy Director. • 25% of the GSG will be achieved once staff holds an RMS kickoff meeting and trains Safety staff and operational division staff that will have an account on the RMS and process flows. RMS will need to certify that the safety and operational staff are proficient in the RMS process and technology by signed training certifications from the AMA in the RM section. This will occur prior to March 1, 2011. • 50% of the GSG will be achieved upon completion of three months of actual input of the records into the Records Management System based on the plan developed and evaluation of the system for future use by other sections. Evaluation report and records statistics will be reviewed and approved by the ES&IC DD by June 15, 2011.
<p>Relevance: The newly consolidated Public Utilities Department resulted in a marriage of two Records Programs that rely upon different software systems that are incompatible in their current form. To eliminate this problem, the Department recently was approved for an upgraded Records Management IT system that will give the department access to all Water and Wastewater records that have been scanned into the prior systems. The new software will open up the records management system to many intensive records groups in the department. The safety program is identified as an early candidate to submit to the new system. This will result in a significant shift in record keeping practices, that will lead to greater efficiency and reliability of records retrieval than what is in place today.</p>	
<p>Justification of Challenge Level: Currently the RMS is only in use by a few work groups in the Department. This RMS transition will bring several record intensive work groups into the digitized records system. The Safety Program will submit to this transition as a pilot group. Once the system has been rolled out to the Safety Program, the Records staff will move on to other work group based on priority. This will include planning, technical assistance and the creation of an indexing plan. The major Safety Program records groups are:</p>	

Confined Space Evaluation/Permits
Ergonomic Evaluation Reports
Facility/Workplace Inspections
Gastec Summary and Calibration Reports
OSHA 161
OSHA 300 Log
OSHA 301
Job Safety Analysis
Medical Status Report
Accident Review Committee Reports and Responses
Safety Investigation Reports
Report of Minor Injury
Security Access Safety Audits
Security Camera Logs
Bee Removal Requests

Expected Impact or Efficiency:

The creation of a centralized records program that relies upon digital scanning software and hardware is a critical Internal Control's practice. This is becoming the norm for agencies that generate a large volume of records. The primary records that will be put into the RMS system are: environmental; technical; engineering; contracts; construction; administrative; policy; human resources; and others. It is anticipated that the new system will lead to a highly reliable and user friendly system that will open up this system for use throughout the Department. The expected benefits from a enterprise-wide RMS include improved: document version control; quick and easy document retrieval; document security; and reduced hard paper file cabinets. This goal is to pilot the system in the Safety Section and then take lessons learned to roll this out to other Divisions/Sections of the department. In addition it is anticipated that this will increase the efficiency of record retrieval by reducing the inconsistency of who has the records and trying to locate records in various filing systems.

Additional Notes and/or Exceptions/Exclusions:

Reasonableness of goal based on industry benchmarks and/or best in class standards, also based on business improvement needs:

As a best practice, an enterprise-wide records management program is an essential part of sound financial and internal controls.

The "Effective Utility Management (EUM) Primer, which includes 10 attributes of Effectively Managed Water Sector Utilities, was recently developed and published by a consortium of leading associations and agencies, including the Environmental protection Agency (EPA), Association of Metropolitan Water Agencies (AMWA), the American Water Works Association (AWWA), the National Association of Water Companies (NAWC) and the Water Environment Federation (WEF). Additionally, the AMWA provides "Gold" and "Platinum" Awards to Utilities that demonstrate initiative and best-in-class practices in these 10 "attributes." The SD Public Utilities Department received the Gold Award in 2009. This Gainsharing Goal furthers our Utility's efforts to achieve excellence in the following EUM attribute: Employee and Leadership Development. It also contributes to two of the three AMWA "Key's to Management Success," including "Continual Improvement Management Framework" and "Measurement."

*GOAL #5: BUSINESS SUPPORT BRANCH, EMPLOYEE SERVICES AND INTERNAL CONTROLS DIVISION
(FY2011)*

IMPROVE THE HIRING PROCESS (REVISED 9/9/2010)

ALIGNMENT

BUSINESS GOAL:	Goal #4: Responsive, safe, committed and innovative workforce
BUSINESS OBJECTIVE:	Objective #9: Ensure adequate staffing to meet operational needs

DESCRIPTION: Public Utilities Human Resources will strive to improve the hiring process for the department by analyzing the current process, recommending improvements, and implementing those changes.

Coordinator for Validation/Reporting/Feedback Phone #	Maureen Brungardt, 858-61-45758
Source Document/File(s) & Location	All source documents will be made available by Goal Coordinator <ol style="list-style-type: none"> 1. As-Is and To-Be Process Maps 2. Recommended Changes were implemented...and/or reasons why some were edited or cancelled.
Specified Measurement Method/Formula/ Criteria for Achievement	50% of goal is contingent on meeting producing As-Is and To-Be process maps signed off by the Director on or before 12/31/10. 50% of goal is contingent on meeting the following criteria: Implement all approved recommended changes on or before 6/15/2011. This is documented in memo from Director.
Relevance: If the Public Utility can improve the efficiency of the hiring process, it will remain staffed fully at a higher rate, and it will have to utilize OT and OCA pay less often.	
Justification of Challenge Level: The hiring process for the City of San Diego is in need of improvement. The mostly immediate need is the improvement in efficiency. This means that we want to have a replacement for an incumbent just after he/she exits the organization. This process is comprised of various moving parts. Some are under the control of HR, some are driven by management needs/wants, and some are driven by the Personnel Department's normal operating procedures. Establishing and endorsing a hiring process with the emphasis on filling vacancies quickly or quicker than before will increase management's understanding and compliance towards expeditious hiring practices.	
Expected Impact or Efficiency: With a fully staffed Department, achievement of required performance levels will occur without the use of overtime or fines due to compliance violations. Human Resources will utilize the hiring process in order to identify what is within the Department's control, and focus on the expeditious completion of those steps (e.g., Request to Fill Memorandums, Department advocacy with Personnel Department, creating hiring packages, establishing interview panels).	
Additional Notes and/or Exceptions/Exclusions:	

Reasonableness of goal based on industry benchmarks and/or best in class standards, also based on business improvement needs:

Time to hire is a widely used benchmark in the HR field. If a department of the City of San Diego can improve the efficiency in its own process, it will also aid the other departments in meeting the same need.

Finding that employees remain for approximately 23 to 24 months, according to the 2006 Bureau of Labor Statistics. The Employment Policy Foundation states it costs a company an average of \$15,000 per employee, including separation costs, paperwork, unemployment; vacancy costs, including overtime or temporary employees and replacement costs including advertisement, interview time, relocation, training and decreased productivity when colleagues depart. The Public Utilities Department is committed to expedite the hiring process for the to-be identified critical positions that will allow for a sustainable workforce.

The “Effective Utility Management (EUM) Primer, which includes 10 attributes of Effectively Managed Water Sector Utilities, was recently developed and published by a consortium of leading associations and agencies, including the Environmental protection Agency (EPA), Association of Metropolitan Water Agencies (AMWA), the American Water Works Association (AWWA), the National Association of Water Companies (NAWC) and the Water Environment Federation (WEF). Additionally, the AMWA provides “Gold” and “Platinum” Awards to Utilities that demonstrate initiative and *best-in-class practices* in these 10 “attributes.” The SD Public Utilities Department received the Gold Award in 2009. This Gainsharing Goal furthers our Utility’s efforts to achieve excellence in the following EUM attribute: Operational Optimization. It also contributes to two of the three AMWA “Key’s to Management Success,” including “Continual Improvement Management Framework” and “Measurement.”

**GOAL #6: BUSINESS SUPPORT BRANCH, EMPLOYEE SERVICES & INTERNAL CONTROL
DIVISION/SAFETY SECTION (FY2011)**

REDUCTION OF THE THREE YEAR AVERAGE INCIDENT RATE BY 10%

ALIGNMENT

Business Goal:	Goal #4: Responsive, Safe, Committed and Innovative Workforce
Business Objective:	Objective #8: Meet or Exceed Safety Standards

DESCRIPTION: Goal is designed to reduce the Public Utilities Department Incident Rate by 10% from the prior three-year average through Job Safety Analysis. The results will be communicated to all employees who are, or will be, performing that job. The Job Safety Analysis narrative will be approved by the responsible Deputy Director. In addition, the completed Job Safety Analysis will be used as a standard for health and safety inspections or observations and will assist in completing comprehensive accident investigations.

Coordinator for Validation/Reporting/Feedback Phone #	Jeff Denham (858) 614-4556
Source Document/File(s) & Location	Public Utilities Department Job Safety Analysis Forms on file in the Safety Section Office.
Specified Measurement Method/Formula/ Criteria for Achievement	<p>Performance of 42 Job Safety Analyses resulting in a 10% reduction of the 3-year average (FY07-FY09) Departmental Incidence Rate. Achievement of each Quarter will be based on the following Index:</p> <ol style="list-style-type: none"> 1. 20% of Goal- Identify 42 Operational Tasks to be analyzed. A report identifying these operational tasks will be signed off by the Assistant Director of BSB. 2. 60% of Goal - The Second, Third and Fourth Quarter Achievement will be based on the performance of 14 Job Safety Analyses per Quarter, signed and dated by Assistant Director and Deputy Director. 3. 20% of Goal - 10% Reduction in the 3 year average (FY07-FY09) Year-End Incidence Rate of 10.74. A memo will be signed off by the Assistant Director and Deputy Director showing a reduction of 10% along with a source documentation of the 3 year average.
Relevance:	One way to gauge whether or not our safety initiatives and efforts are effective is to measure the outcome of those efforts. One major outcome of these efforts should be a decrease in the number of on-the-job injuries in order to increase employee work time and productivity.

Justification of Challenge Level:

The number of recordable injuries allocated for goal credit was designed to sustain PUD’s Incident Rate (IR) below the California industry average. Having a three-part goal will maintain motivation to meet quarterly and annual target levels independent of previous performance. Quarterly targets will assist in maintaining low recordable injury levels each quarter. The 10% incident rate reduction will be based on the three year-average IR for the combined utility which is 10.74.

Expected Impact or Efficiency:

The expected impact is a reduction in loss-time and recordable injuries, resulting in lower worker compensation cost and increased productive work time. The Public Utilities Department has a rolling 3-year average IR approximately 10.74, this goal proposes reduction of 10% which translates to approximately a savings of \$123,000 for the department. This saving is based off an estimated injury cost of \$2,700.00 per injury.

Additional Notes and/or Exceptions/Exclusions:

A “recordable injury” is one which is serious enough to require medical treatment other than first aid and which may involve (a) loss of consciousness; (b) restriction of work or motion; (c) transfer to another job. The motion that is restricted must affect the employee’s ability to perform the full scope of his or her normal job duties during all or any part of the normal work day. The "**Incidence Rate**" represents the number of “Recordable” Injury & Illnesses per 100 full-time Workers.

Incidence Rates are calculated as:

N = number of (Recordable) Injuries and Illnesses

EH = total hours worked by all employees during the reporting period

200,000 = base for 100 equivalent full-time workers (working 40 hours per week, 50 weeks per year)

Calculation Formula:

$(N / EH) \times 200,000 = \text{Incidence Rate}$

The total hours worked and recordable injuries data for the Public Utility Department is based off of the Risk Management yearly Safety Performance Reports.

The National Average for a Public Utility organization is 9.0 recordable injuries per 100 employees. These statistics are provided by the Bureau of Labor, United States Department of October 2009.

Reasonableness of goal based on industry benchmarks and/or best in class standards, also based on business improvement needs:

The “Effective Utility Management (EUM) Primer, which includes 10 attributes of Effectively Managed Water Sector Utilities, was recently developed and published by a consortium of leading associations and agencies, including the Environmental protection Agency (EPA), Association of Metropolitan Water Agencies (AMWA), the American Water Works Association (AWWA), the National Association of Water Companies (NAWC) and the Water Environment Federation (WEF). Additionally, the AMWA provides “Gold” and “Platinum” Awards to Utilities that demonstrate initiative and *best-in-class practices* in these 10 “attributes.” The SD Public Utilities Department received the Gold Award in 2009. This Gainsharing Goal furthers our Utility’s efforts to achieve excellence in the following EUM attributes: Operational Optimization and Employee and Leadership Development. It also contributes to two of the three AMWA “Key’s to Management Success,” including “Continual Improvement Management Framework” and “Measurement.”

GOAL #1: BUSINESS SUPPORT SERVICES BRANCH, CUSTOMER SUPPORT DIVISION (FY2011)
ENHANCE CUSTOMER SERVICE BY IMPROVING COMPLETION TIME OF
CUSTOMER REQUESTED INVESTIGATIONS (REVISED 9/9/10)

ALIGNMENT

BUSINESS GOAL:	Goal #2: Fiscally-Sound and Effective Public Utility
BUSINESS OBJECTIVE:	Objective #3: Provide the Public With Competitive, Customer-Focused Services

DESCRIPTION: Complete customer-requested investigations within an average of 6.5 business days or less; develop and implement approved prioritization criteria for completion of customer requested investigations.

Coordinator for Validation/Reporting/Feedback Phone #	Customer Services Supervisor – Aundrea Fisher (619) 533-4694
Source Document/File(s) & Location	Investigation Message Forms #U02-240-20 tracked by Customer Request Desk and filed in Customer Service Office Billing Section Customer Information System/Investigation Request Screen (IR screen) Excel File Path - J:\600B\BILLING\Customer Request Bid to Goal\FY2011
Specified Measurement Method/Formula/ Criteria for Achievement	<ul style="list-style-type: none"> • 6.5 business days or less average completion time = 90% award • 6.6-7.0 business days average completion time =40% award • Greater than 7.0 = 0% • Implement developed investigation prioritization criteria and procedure (approved by the CSD Deputy Director in writing by June 15, 2011) to prioritize high priority/impact investigations = 10% award.
<p>Relevance: Continuously enhance customer service by improving resolution response time to customer complaints; Implementing a prioritization criteria for completing investigations based on the scope/nature of inquiry and impact to the customer or City’s service obligations will allow the department to identify and further improve response to the highest priority/impact issues.</p>	
<p>Justification of Challenge Level: The Division will accomplish this goal in approximately one business day less than the prior year. Achieving this goal while at the same time diverting resources to high-priority projects (CCS and AMI implementation) makes this goal especially challenging. In FY2011, three (3) of six (6) employees working full-time on the CCS project will not be backfilled. Through March 2010, 1,709 customer requested investigations have been completed with an average completion time of 7.53 days. In FY09 a total of 2,424 customer request investigations were completed (in an average of 7.18 days). Implementing a prioritization criteria will require extensive review and analysis prior investigation requests and development investigation categories, a prioritization criteria which aligns with Department/Division customer service objectives and goals and a procedure for assigning/ tracking investigations based on the prioritization criteria.</p>	

Expected Impact or Efficiency:

Response to customer inquiries is prioritized and the time allotted to complete all customer related investigations is shortened. Once the prioritization criteria is developed, the department will be able to target resources and shorten response time for higher priority/impact issues.

Additional Notes and/or Exceptions/Exclusions:

Notes:

- 1) Completion of Customer Requested Investigations entails responding to customers within an average of 6.5 business days. The count of days begins on the “date of request” and ends on the day the customer is contacted for notification of completion of the investigation (via door hanger, letter, telephone call, etc).
- 2) A completed investigation requires 1) Sending investigation form U02-240-20 to the field office; 2) field verifies/researches customer’s concern; 3) Field sends investigation results back to Billing Office; 3) Billing Office and/or Field Office may contact customer to notify of results.
- 3) Investigations returned from the field are entered into an Excel spreadsheet by month, with a tab for each day. Data entered will include the account number, date generated, date assigned to field and the date when the customer was notified of the results.
- 4) Completion times goals for high priority investigations will be further reduced in subsequent years.

Tracking:

Customer Request Investigations are logged daily in a spreadsheet (J:\600B\BILLING\Customer Request Bid to Goal\FY2011) with information on the date the customer request is received and the date the customer is contacted of the results.

At the end of the year, the total Average Number of Days to Complete Investigations is divided by the Total Number of Investigations to calculate the yearly average.

Reasonableness of goal based on industry benchmarks and/or best in class standards, also based on business improvement needs:

A benchmark for the number of days to complete field investigations is five days. CSD intends to make annual operational improvements until the five day goal is met or exceeded. This effort will be aided by implementation of new technologies expected within the next two years. Source for industry standard; Competitive Assessment Report, HDR Engineering, Inc., November 2005.

The Effective Utility Management (EUM) Primer, which includes 10 “attributes” of Effectively Managed Water Sector Utilities, was recently developed and published by a consortium of leading associations and agencies, including the Environmental protection Agency (EPA), Association of Metropolitan Water Agencies (AMWA), the American Water Works Association (AWWA), the National Association of Water Companies (NAWC) and the Water Environment Federation (WEF). Additionally, the AMWA provides “Gold” and “Platinum” Awards to Utilities that demonstrate initiative and *best-in-class practices* in these 10 “attributes.” The San Diego Public Utilities Department received the Gold Award in 2009. This Gainsharing Goal furthers our Utility’s efforts to achieve excellence in the following EUM attribute: Customer Satisfaction.

GOAL #2: BUSINESS SUPPORT SERVICES BRANCH, CUSTOMER SUPPORT DIVISION (FY2011)
INCREASE THE NUMBER OF PRIVATELY MAINTAINED BACKFLOWS
TESTED ANNUALLY

ALIGNMENT

BUSINESS GOAL:	Goal #1: Safe, Reliable, and Efficient Water, Wastewater, and Recycled Water Services
BUSINESS OBJECTIVE:	Objective #2: Meet or Exceed Regulatory and Public Health Standards

DESCRIPTION: Increase the number of backflow devices tested annually by 1,000 to reduce the risk of non-compliance.

Coordinator for Validation/Reporting/Feedback Phone #	Principal Engineering Aide – Felix Garcia (858) 614-5535
Source Document/File(s) & Location	Cross-Connection Program database files (XC2) Report of backflow devices in XC2 as of June 30, 2010 Monthly Status Reports Report of backflow devices in XC2 as of June 30, 2011
Specified Measurement Method/Formula/ Criteria for Achievement	Total the number of cross connection devices in the database at the end of FY'11 and compare it to the total at the end of FY10. <ul style="list-style-type: none"> • 1,000 or more completed = 100% award • 800-999 completed = 75% award • 799 or less completed = 0% award
Relevance: The City is required to survey a population of approximately 54,787 building facilities for compliance with the State's Cross Connection regulations. The number of facilities which need a backflow installation is not constant due to changes in the facilities' use and new facilities coming into the system. Currently there are approximately 17,000 existing services and 300 private wells requiring evaluation and installation of backflow devices throughout the City. To remain in compliance with State regulations to install and test these new devices, CSD has developed an implementation plan, which includes installations of 1,000 additional backflow devices in FY11. Once installed these devices must be tested annually. Failure to survey and ensure compliance can subject the City to Notices of Violation and penalties from the state of California.	
Justification of Challenge Level: Cross-connection staff will need to survey 1000 or more high priority/risk sites for cross connection compliance, identify sites required to install back flow devices, notify and work with private property owners to install back flow devices, add newly installed devices to annual testing program. This increase in workload represents a 4% increase over FY09. The total backflow devices tested in FY09 was 23,998. As of March 2010, the total number of backflows tested is 24,752. This goal will be achieved without increasing staffing levels.	
Expected Impact or Efficiency: Testing of backflows in a timely basis as they are added to the system will ensure the integrity of the water supply. This goal will require the Cross Connection section to develop improvements to their Standards and Procedures in order to increase the number of investigations completed annually. Reporting of progress will occur in a monthly basis to identify areas of improvement and to ensure monthly goals are met.	

Additional Notes and/or Exceptions/Exclusions:

The implementation plan will be used to track weekly and monthly progress.

Reasonableness of goal based on industry benchmarks and/or best in class standards, also based on business improvement needs:

An effective cross-connection program is required to maintain compliance with Code of California Regulations, Titles 17 and 22 State of California Water Code, Chapter 1, Section 110, Chapter 8, Section 500 and Chapter 723, Sections 13533, 13554.2, and 13554.3 and State of California Department of Health Services (DHS) Regulations for Recycled Water Compliance. The California Department of Health Services closely monitors the department's cross-connection and backflow program. Increasing the number of devices installed and tested annually reduces the risk of non-compliance or regulatory action by the DHS

The Effective Utility Management (EUM) Primer, which includes 10 "attributes" of Effectively Managed Water Sector Utilities, was recently developed and published by a consortium of leading associations and agencies, including the Environmental protection Agency (EPA), Association of Metropolitan Water Agencies (AMWA), the American Water Works Association (AWWA), the National Association of Water Companies (NAWC) and the Water Environment Federation (WEF). Additionally, the AMWA provides "Gold" and "Platinum" Awards to Utilities that demonstrate initiative and *best-in-class practices* in these 10 "attributes." The San Diego Public Utilities Department received the Gold Award in 2009. This Gainsharing Goal furthers our Utility's efforts to achieve excellence in four of EUM's 10 attributes. These include: Product Quality, Infrastructure Stability, Operational Resiliency, and Water Resource Adequacy. It also contributes to one of the three AMWA "Key's to Management Success," called "Measurement."

GOAL #3: BUSINESS SUPPORT SERVICES BRANCH, CUSTOMER SUPPORT DIVISION (FY2011)
MAXIMIZE THE ACCURACY OF UTILITY BILLING BY REDUCING BILLING ERRORS DUE TO INCORRECT READS (REVISED 9/9/10)

BUSINESS GOAL:	Goal #2: Fiscally-Sound and Effective Public Utility
BUSINESS OBJECTIVE:	Objective #3: Provide the Public with Competitive, Customer-Focused Services

ALIGNMENT

DESCRIPTION: Improve customer confidence by reducing billing errors due to water consumption misreads

Coordinator for Validation/Reporting/Feedback Phone #	Customer Services Supervisor – Tony Leyva Tel. (858) 614-5528
Source Document/File(s) & Location	Report #U02-272-10 - Report of Rebilling for Meter Read Errors Monthly Report #U02-546-01 – Skipped-Read Meters by Reason
Specified Measurement Method/Formula/ Criteria for Achievement	<ul style="list-style-type: none"> • 50% or greater reduction in misread-related billing adjustments with a skip rate \leq industry standard for best performers (0.4) = 100% award • 25% to 49% reduction in misread-related billing adjustments with a skip rate \leq industry standard for best performers (0.4) = 50% award 24% or less reduction in misread-related billing adjustments or a skip rate greater than the industry standard for best performers (0.4) = 0% award
Relevance: Accurate readings and customer bills are critical to customer satisfaction and to meeting the Department’s function of collecting revenues accurately. Meter reading related misreads negatively impact Customer Services Office workload by increasing billing errors and increasing the number of billing adjustments that must be performed.	
Justification of Challenge Level: The current staff is fully engaged in monitoring and enforcing standards related to skipped reads. The next step in continuing excellence is to focus on accuracy. To be successful, meter reading staff will have to take more time to ensure each read is accurate, increase the number of reads that are re-keyed in response to high/low alerts, and increase the number of investigations done in response to read exceptions.	
Expected Impact or Efficiency: Reduction in billing errors and increased customer satisfaction.	
Additional Notes and/or Exceptions/Exclusions: A misread is a meter reading error (confirmed to be an error by a field investigation) which results in a billing error that needs to be adjusted. Target level of a 50% reduction of misread-related billing adjustment is 857 per month. This target was based on a 3-month average (March, April and May 2010) of misread-related billing adjustments. A skip rate is the percentage of meters that were not read; a reason code is entered in the meter reading device when a meter is skipped.	

Reasonableness of goal based on industry benchmarks and/or best in class standards, also based on business improvement needs:

The number of skipped reads in FY'10 is maintaining at 0.3 percent. The industry standard is 0.4 percent skipped for best performers and 5.5 percent skipped for the industry average. Since the section is already exceeding industry standards, the goal for FY'11 will be to maintain a low number of skips and reduce the number of billing adjustments related to misreads.

Source for industry standard; Competitive Assessment Report, HDR Engineering, Inc., November 2005.

The Effective Utility Management (EUM) Primer, which includes 10 “attributes” of Effectively Managed Water Sector Utilities, was recently developed and published by a consortium of leading associations and agencies, including the Environmental protection Agency (EPA), Association of Metropolitan Water Agencies (AMWA), the American Water Works Association (AWWA), the National Association of Water Companies (NAWC) and the Water Environment Federation (WEF). Additionally, the AMWA provides “Gold” and “Platinum” Awards to Utilities that demonstrate initiative and *best-in-class practices* in these 10 “attributes.” The San Diego Public Utilities Department received the Gold Award in 2009. This Gainsharing Goal furthers our Utility’s efforts to achieve excellence in three of EUM’s 10 attributes. These include: Customer Satisfaction, Operational Optimization and Operational Resiliency. It also contributes to one of the three AMWA “Key’s to Management Success,” called “Continual Improvement Management Framework.”

GOAL 4: BUSINESS SUPPORT SERVICES BRANCH, CUSTOMER SUPPORT DIVISION (FY2011)

CREATE AN INFORMATION REPOSITORY FOR THE DIVISION

ALIGNMENT

BUSINESS GOAL:	Goal #2: Fiscally-Sound and Effective Public Utility
BUSINESS OBJECTIVE:	Objective #3: Provide the Public with Competitive, Customer-Focused Services

DESCRIPTION: Create an information repository on the Customer Support Division’s (CSD) intranet site where division-specific operating procedures and reference information is available (stored or linked) to provide customer service staff with accurate and consistent information to assist customers.

Coordinator for Validation/Reporting/Feedback Phone #	Supervising Public Information Officer – Kurt Kidman 619-533-4185
Source Document/File(s) & Location	The Public Utilities Web page, CSD link
Specified Measurement Method/Formula/ Criteria for Achievement	<p>Create the CSD’s data repository on the Public Utilities intranet site for use by Division/Department/City staff by June 30, 2011.</p> <ol style="list-style-type: none"> 1. Create an information repository containing all documents and resources (identified in No. 1) on the CSD intranet site = 50% award. 2. Develop a Deputy Director approved list of documents and information frequently accessed by Division staff = 25% award. 3. Develop a Deputy Director approved procedure for maintaining and updating this information and the contents of the data repository = 25% award.
Relevance: Improves communication, expedites responses to customers, results in data easily available for faster completion of projects. Provides a single resource from which to obtain accurate and timely information necessary to assist customers	
Justification of Challenge Level: The volume of information frequently accessed by staff to perform tasks and assist customers is extensive. Maintaining this information and ensuring the information is updated timely as policies and procedures change is essential. This is especially true as new technology-related projects are developed and implemented. Currently, there is no central location to access this data. This goal seeks to create a repository of information by identifying information typically requested by internal and external customers/employees and providing access to the consolidated information via a single point, the CSD intranet site as well as developing a process for managing updates to this data.	
Expected Impact or Efficiency: Employees will have faster access to source information. Employees will have a better understanding of the changes and improvements that will be implemented as a result of new technology-related programs. All employees will have access to the same information from a single repository. A formal procedure for maintaining	

and updating the information will ensure all employees have the most up to date information when needed. Quick access to consistent information will result in faster more consistent and higher quality response to customer and employee questions for increased productivity and customer service.

Additional Notes and/or Exceptions/Exclusions:

Reasonableness of goal based on industry benchmarks and/or best in class standards, also based on business improvement needs:

Continually striving to meet evolving service expectations and maintaining customer satisfaction are key objectives for Best in Class service providers. The ability for customer service staff to quickly and efficiently access consistent up-to-date information to assist customers builds customer confidence in the information provided, promotes a positive perception of the organization as a whole and reduces the risk of error and mis-information.

The Effective Utility Management (EUM) Primer, which includes 10 “attributes” of Effectively Managed Water Sector Utilities, was recently developed and published by a consortium of leading associations and agencies, including the Environmental protection Agency (EPA), Association of Metropolitan Water Agencies (AMWA), the American Water Works Association (AWWA), the National Association of Water Companies (NAWC) and the Water Environment Federation (WEF). Additionally, the AMWA provides “Gold” and “Platinum” Awards to Utilities that demonstrate initiative and *best-in-class practices* in these 10 “attributes.” The San Diego Public Utilities Department received the Gold Award in 2009. This Gainsharing Goal furthers our Utility’s efforts to achieve excellence in two of EUM’s 10 attributes. These include: Customer Satisfaction and Operational Optimization.

GOAL #5: BUSINESS SUPPORT SERVICES BRANCH, CUSTOMER SUPPORT DIVISION (FY2011)
**REDUCE THE NUMBER OF CUSTOMER TELEPHONE CALLS TO THE
CUSTOMER SERVICE OFFICE (CSO) CALL CENTER BY 8% FROM
FY10(REVISED 9/9/10)**

ALIGNMENT

BUSINESS GOAL:	Goal #2: Fiscally-Sound and Effective Public Utility
BUSINESS OBJECTIVE:	Objective #3: Provide the Public with Competitive, Customer-Focused Services

DESCRIPTION: Improve the quality and effectiveness of services delivered and availability of online customer information to reduce customer telephone calls to the CSO call center by 8% from FY10.

Coordinator for Validation/Reporting/Feedback Phone #	Adrienna Sellers 619-533-4152
Source Document/File(s) & Location	FY10 and FY11 Monthly Aspect Reports
Specified Measurement Method/Formula/ Criteria for Achievement	<ul style="list-style-type: none"> • 8% reduction in the median number of annual customer calls received in FY2008-FY2010 with average CSR availability of 85% or greater = 100% award • 6%-7% reduction in the median number of annual customer calls received in FY2008-FY2010 with average CSR availability of 85% or greater = 60% award
<p>Relevance: A key factor to enhancing customer service is improving customer first-call-resolution. This goal represents the Division’s effort to guide the call center through developing a new approach that requires CSRs to become better informed and highly motivated to resolve customer requests on the first call. Success will be achieved by demonstrating a reduction in the annual number of calls received at the call center. This effort is expected to yield other benefits consistent with the Division’s focus, such as a reduction in the number of customer-generated investigations. In addition, since this goal applies equally to all employees within the Division, other sections outside CSO will also be motivated to complete customer requests faster, before the customer is inclined to call a second time to resolve the same issue. To achieve this goal, the Customer Service Representatives (CSR) will develop and implement ten new initiatives (approved by the Deputy Director at his discretion by June 15) that will resolve customer service issues with fewer customer interactions and follow-up. This will be achieved by encouraging CSRs to work together and with other Sections and Management to implement a broad range of service oriented changes/improvements that will improve agent follow-up/follow-through, enhance service quality/customer satisfaction and increase CSR ownership/advocacy in customer issues.</p>	
<p>Justification of Challenge Level: This goal will result in a change in the way CSRs handle customer requests. Currently, the customer calls and states a request to the CSR (i.e., request a field investigation or a meter exchange). The CSR forwards requests to appropriate sections and is not involved in following-up to ensure requests are completed thoroughly or in a timely basis. This measure will require and empower CSRs to take ownership in developing/implementing a wide range of solutions targeted to reduce the number of customer calls. CSRs will also be responsible for developing a “team” atmosphere where CSRs express and share ideas of how to become more efficient and better prepared to resolve customer calls. This practice will achieve three purposes 1) improve customer satisfaction, 2) expedite resolution of</p>	

customer requests, and 3) reduce the volume of incoming calls. In addition, if a customer question is resolved while the customer is on the phone the first time, (i.e., by asking the customer to provide a current meter read) this will also 1) reduce the number of investigations generated by CSRs and 2) reduce billing adjustments. Total customer calls for FY08 was 390,308, for FY09 was 377,508 and for FY10 is projected to be 395,208.

Expected Impact or Efficiency:

The aim of this goal is to encourage Customer Service Representatives (CSR) to resolve customer questions on the first call. This will entail being more involved and taking greater ownership in resolving customer issues. Additional effort will include following-up with other sections such as Meter Services for the status of meter replacements and Field Services and Investigations on the results of investigations without the customer having to call back to follow-up. This will reduce the number of return calls. In addition, as CSRs become more involved in resolving customer questions, they will become more multi-disciplined, work more as a team, be more inclined to escalate and or resolve internal issue/deficiencies and handle a broader scope of customer services. This will allow the group to become more knowledgeable, proactive, resourceful and willing to re-assign resources when and where needed.

Additional Notes and/or Exceptions/Exclusions:

Only in-coming calls will be counted to calculate achievement of this goal. This serves as an incentive for Customer Service Reps to get back to the customer (resolve issue) before the customer calls back. After hours emergency calls are also excluded. Percentage is measured as a yearly average. Rounding of results is acceptable.

Reasonableness of goal based on industry benchmarks and/or best in class standards, also based on business improvement needs:

Continually striving to meet evolving service expectations and maintaining customer satisfaction are key objectives for Best in Class service providers. Reducing the number of customer calls by implementing initiatives targeted to reduce first call response time and minimizing customer inconvenience and follow-up builds customer acceptance of outcomes, promotes a positive perception of the organization as a whole and reduces risk of failing to respond to customer problems.

The Effective Utility Management (EUM) Primer, which includes 10 “attributes” of Effectively Managed Water Sector Utilities, was recently developed and published by a consortium of leading associations and agencies, including the Environmental protection Agency (EPA), Association of Metropolitan Water Agencies (AMWA), the American Water Works Association (AWWA), the National Association of Water Companies (NAWC) and the Water Environment Federation (WEF). Additionally, the AMWA provides “Gold” and “Platinum” Awards to Utilities that demonstrate initiative and *best-in-class practices* in these 10 “attributes.” The San Diego Public Utilities Department received the Gold Award in 2009. This Gainsharing Goal furthers our Utility’s efforts to achieve excellence in three of EUM’s 10 attributes. These include: Customer Satisfaction, Operational Optimization and Stakeholder Understanding and Support. It also contributes to two of the three AMWA “Key’s to Management Success” called “Continual Improvement Management Framework” and “Measurement.”

GOAL #1: FINANCE AND INFORMATION TECHNOLOGY (FIT) DIVISION, (FY2011)

CREATION OF BUDGET CALENDAR

ALIGNMENT

BUSINESS GOAL:	Goal #2: Fiscally-Sound and Effective Public Utility
BUSINESS OBJECTIVE:	Objective #4: Minimize Rate Impacts Through Expenditure Control, the Pursuit of Alternative Funding, and Full Cost Recovery

DESCRIPTION: Create a budget calendar, which incorporates the needs of all sections (e.g. Operations and Maintenance (O&M), CIP, Account Payable (A/P)), so that we are sharing and using the same information, and know when items should be prepared.

Coordinator for Validation/Reporting/Feedback Phone #	Lee Ann Jones-Santos, 619-890-1962
Source Document/File(s) & Location	<p>For audit purposes, by the end of each quarter, a PDF of the budget calendar will be created, initialed and dated on or before the last day of the quarter by the Deputy Director.</p> <p>Within two weeks after the end of the quarter, the calendar will be posted on the Public Utilities Intranet site and updated as needed prior to publication of a new calendar.</p> <p>A training schedule will be created by the end of the first quarter and the training agendas and sign-in sheets will be initialed by the Deputy Director. In addition, an email from the IT section will be sent to the O&M/CIP/AP section(s) with a screen shot verifying the timestamp of published reports on the website.</p>
Specified Measurement Method/Formula/ Criteria for Achievement	<p>Prepare a budgetary calendar by the end of the first quarter, which will be reviewed /updated each subsequent quarter. Provide the IT section with any changes to the budgetary calendar, to be posted within 2 weeks of the end of each quarter.</p> <p>Budget Calendar updates will represent 12.5% of the goal per quarter. Provide training on the BMA by August 31. Provide training on the CYM by January 31.</p> <p>Each training session will represent 25% of the overall achievement. All of the updates and trainings must occur for the goal to be met.</p>
Relevance:	This will help to ensure that the various sections are all using the same data, and can work more efficiently in

sharing and providing information. Various divisions and sections will be able to anticipate when budget information will be needed, allowing for better planning and preparation of data. It will also address staff outside the Budget Section and the information they would have to provide to us. This goal would not only assist our section, but would assist other sections and divisions as well.

Justification of Challenge Level:

Coordinated work among many staff will be necessary as there is currently no location that houses combined budgetary deadline information. This goal will challenge staff by requiring them to work as a team to proactively design a budgetary calendar which anticipates both internal and external needs. Additional challenges will be realized due to the implementation of the new ERP system. Approximately 80 hours will be required to create the calendar and training schedule. Staff will be better trained and have a greater knowledge of the budget process as well as how to manage their time. The Budget Calendar will assist in a quicker turnaround of deliverables both inside and outside of the organization. Organizational effectiveness will be obtained through increased information sharing, ability to anticipate organizational goals, and the integration of employees from different organizational units. We have functioned in the past without this tool; the calendar will assist us in anticipating priority deliverables and managing resources and time more effectively.

Expected Impact or Efficiency:

Achievement of this goal is expected to result in improved efficiency because the O&M, CIP and AP sections will proactively plan for the various budget deadlines. Additionally divisions that provide information to the Budget section can also plan their activities based on upcoming requests. Communication within the department will be enhanced. This goal seeks to create this calendar thereby significantly reducing duplication of effort in gathering, verifying and reporting of information. Using the calendar, divisions can review and assist in providing data so that information is more accurate. The impact will be two-fold as we have centralized and decentralized budget staff.

Additional Notes and/or Exceptions/Exclusions:

This requirement will be posted to the intranet and will require coordination with the Information Technology (IT) Section.

Reasonableness of goal based on industry benchmarks and/or best in class standards, also based on business improvement needs:

Best in class Utility as per the GFOA (Government Finance Officers Association) recommends publishing a comprehensive budget calendar that specifies when budget tasks are to be completed and that identifies timelines for those tasks.

The Effective Utility Management (EUM) Primer, which includes 10 attributes of Effectively Managed Water Sector Utilities, was recently developed and published by a consortium of leading associations and agencies, including the Environmental protection Agency (EPA), Association of Metropolitan Water Agencies (AMWA), the American Water Works Association (AWWA), the National Association of Water Companies (NAWC) and the Water Environment Federation (WEF). Additionally, the AMWA provides “Gold” and “Platinum” Awards to Utilities that demonstrate initiative and *best-in-class practices* in these 10 “attributes.” The SD Public Utilities Department received the Gold Award in 2009. This Gainsharing Goal furthers our Utility’s efforts to achieve excellence in 1 of EUM’s 10 attributes. This includes: operational optimization. It also contributes to two of the three AMWA “Key’s to Management Success,” including “Continual Improvement Management Framework” and “Strategic Business Planning.”

**RETRIEVE AND MAINTAIN CURRENT YEAR MONITORING
INFORMATION THROUGH THE USE OF BUSINESS OBJECTS REPORTS**

ALIGNMENT

BUSINESS GOAL:	Goal #2: Fiscally-Sound and Effective Public Utility
BUSINESS OBJECTIVE:	Objective #4: Minimize Rate Impacts Through Expenditure Control, the Pursuit of Alternative Funding, and Full Cost Recovery

DESCRIPTION: Create a Current Year Monitoring (CYM) by division using Business Objects (BO) that would run automatically at the end of each month. Create process and desk manuals. BO reports would be a deliverable by 12/31/10 and process/desk manuals would be a deliverable by 06/30/11.

Coordinator for Validation/Reporting/Feedback Phone #	Terrell Breaux (858) 292-6348
Source Document/File(s) & Location	Part 1: Certification memo from the Deputy Director confirming that the process for CYM to run automatically is in place (dated no later than December 31, 2010.) Date stamped Business Objects Report initialed by the Deputy Director. Part 2: Certification memo from the Deputy Director confirming that process and desk manuals are complete and accurate.
Specified Measurement Method/Formula/ Criteria for Achievement	Part 1: First half of FY11: No later than the end of the calendar year 2010, identify a method for retrieving CYM data from Business Objects Reports that will run automatically at the end of each month. Report will be broken down as follows: accounting, by section, division and branch. Part 1 will be 50% of the task. Part 2: Second half of FY11: Create desk manuals detailing the steps required to run Business Objects report for the following positions; Budget Analyst, Revenue Analyst and Senior Analyst for the CYM report. This information will be shared with all budget analysts (centralized or de-centralized). Part 2 will be 50% of the task. Both parts must be complete for goal to be considered achieved. Additionally, the report must be built, desk manual complete and training provided by June 15, 2011.
Relevance:	Ease of obtaining consistent Budget information is important to proactively manage the budget. Having a process

in place that achieves this goal will free up staff time for other budget related activities thereby increasing staff efficiencies in time and assigned tasks.

Justification of Challenge Level:

The challenge to achieve success in reporting the most accurate budget possible across Divisions is contingent upon staff having the consistent information as it relates to the CYM. Business Objects is a new reporting mechanism in addition to our restructure. Automating the report will provide staff additional time for analyzing the information. There is currently no process in place to retrieve this information on a consistent and accurate basis. One of the major goals of the new ERP system was to streamline the reporting process and eliminate redundancies.

Expected Impact or Efficiency:

Approximately 40 hours are spent each month to create the report by division. We will be able to accomplish the same task in less time by utilizing a more efficient method of gathering and analyzing the data.

Additional Notes and/or Exceptions/Exclusions:

Public Utilities agencies invoicing, payments, and contract status to monitor and report should be updated on the Public Utilities shared drive by the last business day of the month following the end of a reporting quarter.

Reasonableness of goal based on industry benchmarks and/or best in class standards, also based on business improvement needs:

The Government Finance Officers Association (GFOA) encourages every government to consider forecasting procedures that would result in more accurate expenditure projections, by automating out monitoring processes this will staff more time to review and analyze the activity and update the way we forecast.

The Effective Utility Management (EUM) Primer, which includes 10 attributes of Effectively Managed Water Sector Utilities, was recently developed and published by a consortium of leading associations and agencies, including the Environmental protection Agency (EPA), Association of Metropolitan Water Agencies (AMWA), the American Water Works Association (AWWA), the National Association of Water Companies (NAWC) and the Water Environment Federation (WEF). Additionally, the AMWA provides “Gold” and “Platinum” Awards to Utilities that demonstrate initiative and *best-in-class practices* in these 10 “attributes.” The SD Public Utilities Department received the Gold Award in 2009. This GSG furthers our Utility’s efforts to achieve excellence in 3 of EUM’s 10 attributes. This Gainsharing Goal furthers our Utility’s efforts to achieve excellence in 1 of EUM’s 10 attributes. This includes: operational optimization. It also contributes to two of the three AMWA “Key’s to Management Success,” including “Continual Improvement Management Framework” and “Measurement.”

GOAL #3: FINANCE AND INFORMATION TECHNOLOGY (FIT) DIVISION, FY2011
INCREASE GRANT AND LOAN REVENUE (REVISED 9/9/10)

ALIGNMENT

BUSINESS GOAL:	Goal #2: Fiscally-Sound and Effective Public Utility
BUSINESS OBJECTIVE:	Objective #4: Minimize Rate Impacts Through Expenditure Control, the Pursuit of Alternative Funding, and Full Cost Recovery

DESCRIPTION: Increase grant and SRF loan revenue received by 20% over FY10. This will be accomplished by strengthening relationships within the department and the City and intensifying networking efforts with funding agencies; provide the Executive Team with a quarterly report on outreach efforts, potential funding opportunities and their status.

Coordinator for Validation/Reporting/Feedback Phone #	Wilson Kennedy (619) 851-8072
Source Document/File(s) & Location	The FY11 Grant and Loan Status Reports showing revenue received totals can be compared to the FY10 totals. Agendas obtained from financial workshops, travel reports and research/phone logs can be used to prove attendance at networking events and outreach efforts. Copies of quarterly reports on funding opportunities will be kept on file in the Grants & Loans Section. The reports will be signed off by the Deputy Director and saved in PDF format.
Specified Measurement Method/Formula/ Criteria for Achievement	This is a 2-tiered goal with each tier accounting for 50%: 1) Grant and SRF loan revenue received in FY11 must be at least 20% more than in FY10. In FY10, grant revenue received was \$2,602,093 which makes the FY11 goal \$3,122,512. There was no SRF loan revenue received in FY10. 2) Prepare quarterly reports and provide to management. The report will include outreach efforts, potential funding opportunities and a status achieved. See additional notes below for required report information.
Relevance: The Grants & Loans Section is responsible for the research, tracking and administration of grants and loans. Through research and coordination with other Divisions, the section becomes aware of alternative funding opportunities for projects. It is our responsibility to perform due diligence in debt financing and obtain the least expensive funding sources available which will translate into minimum rate impacts for our ratepayers. Strengthening our relationships within the City and intensifying our networking efforts with funding agencies will go hand and hand with accomplishing this goal. Keeping the lines of communication open with CIP, Long Range Planning and Engineering & Capital Projects will ensure we are informed about upcoming projects. Building solid relationships with funding agencies will give us the ability to discuss the eligibility requirements of these projects directly with the individuals who will possibly be funding them.	
Justification of Challenge Level: This goal is challenging because it requires the Grants & Loans Section to obtain additional funding of 20% above	

the prior year. In FY10, grant revenue received was \$2,602,093. Therefore, \$3,122,512 is the goal for grant receipts in FY11. Approximately 80% of this FY11 grants goal or \$2,498,010 will be the result of knowledge of project status through strengthened relationships within the department and external funds availability. There was no SRF loan revenue received in FY10, but two SRF loan applications were submitted totaling \$100M (\$20M and \$80M, respectively). In an era when available grant revenue has decreased due to the economic climate. There is more competition between agencies, and networking is valuable and assists with the credibility of Department. Additional research will be needed and an understanding of the various functions within Public Utilities that could benefit staff in identifying funding opportunities.

Expected Impact or Efficiency:

Achievement of this goal will ultimately benefit ratepayers by funding both operational and capital improvement projects in the most cost efficient manner. In addition, it will create a sense of satisfaction and have a positive impact on morale because the Grants & Loans Section will know their hard work is resulting in financial savings to our ratepayers.

Additional Notes and/or Exceptions/Exclusions:

Quarterly reports to the Executive Team on funding opportunities are due by the 10th day of the month following the end of the quarter – quarter 2 (25%), quarter 3 (12.5%) and quarter 4 (12.5%) for a total of (50% max). The report should include the following: A) Identify funding opportunities available at State, Federal and Regional levels. B) Develop a report to identify the number of agencies researched. C) Identify percentage of opportunity notifications provided to the Executive Team and Program Mangers. D) Identify percentage of applications submitted.

Reasonableness of goal based on industry benchmarks and/or best in class standards, also based on business improvement needs:

According to Grant Writing USA, networking is a critical part of the funding process. The people skills used in networking removes a agency a nonymity, allows you to check your homework regarding project criteria requirements and helps build credibility. Revenue received in FY10 will be the benchmark for FY11. It is reasonable for FY11 revenue received to increase by 20% as a result of intensified networking efforts and reinforced internal relationships.

The Effective Utility Management (EUM) Primer, which includes 10 attributes of Effectively Managed Water Sector Utilities, was recently developed and published by a consortium of leading associations and agencies, including the Environmental protection Agency (EPA), Association of Metropolitan Water Agencies (AMWA), the American Water Works Association (AWWA), the National Association of Water Companies (NAWC) and the Water Environment Federation (WEF). Additionally, the AMWA provides “Gold” and “Platinum” Awards to Utilities that demonstrate initiative and *best-in-class practices* in these 10 “attributes.” The SD Public Utilities Department received the Gold Award in 2009. This Gainsharing Goal furthers our Utility’s efforts to achieve excellence in 2 of EUM’s 10 attributes. These include: operational optimization and financial viability. It also contributes to two of the three AMWA “Key’s to Management Success,” including “Continual Improvement Management Framework” and “Strategic Business Planning.”

DEVELOP AND ENHANCE INTERAGENCY AGREEMENTS REPORTING

(REVISED 9/9/10)

ALIGNMENT

BUSINESS GOAL:	Goal #2: Fiscally-Sound and Effective Public Utility
BUSINESS OBJECTIVE:	Objective #4: Minimize Rate Impacts Through Expenditure Control, the Pursuit of Alternative Funding, and Full Cost Recovery

DESCRIPTION: Conduct, monitor and report on detailed quarterly bases the status of Public Utilities agencies invoicing, payments, and contract requirements by agency, by agreement and by fund with contractual deliverables and post to shared drive.

Coordinator for Validation/Reporting/Feedback Phone #	Edgar Patino(858) 292-6321
Source Document/File(s) & Location	<p>Certification Memo from Department Director confirming that a master schedule (inventory) addresses all reporting requirements by agency, by agreement and by fund has been developed. Dated no later than 12/31/2010.</p> <p>PDF and dated data sources initialed by FIT Deputy Director.</p> <p>MWWD Location: G:\mngmt\public\PA Quarterly Reports</p> <p>Water Location : B:\DepartmentWideShare\PA Quarterly Reports</p>
Specified Measurement Method/Formula/ Criteria for Achievement	<p>Part 1: No later than the end of Calendar Year 2010 (12/31/2010), develop a master schedule (inventory) that addresses reporting requirements by agency, by agreement and by fund. (33%)</p> <p>Part 2: Distribute 1st of 2 quarterly reports dated no later than 04/30/2011 for quarter end on 03/31/2011. (33%)</p> <p>Part 3: Distribute 2nd of 2 quarterly reports dated no later than 07/31/2011 for quarter end on 06/30/2011. (34%)</p>
Relevance:	Timely receipt and review by management of Public Utilities (water, metro, and municipal) of invoices, payments, flow, operating reserve and debt coverage ratio monitoring are critical to achieve this business objective. In addition this data will accurately be needed to proactively manage agency contracts and make timely decisions.
Justification of Challenge Level:	Agency information is currently not uniformly tracked, collected or reported on regular bases. This goal will require a coordinated effort among staff. In addition, analysts will now need to report out on a regular basis which will require a more detail knowledge of their individual work load, contract deliverables and increase the level of accuracy and integrity of reporting to Public Utilities. Estimated invoices to be issued will range from 40-50 per quarter. The amount of time and effort necessary to research, track, produce and implement report will be completed by 12/31/2010; The hours necessary to produce a meaningful report will greatly vary as interagency contracts section begins the development and production phase.

Expected Impact or Efficiency:

Agency information would be current and readily available and reported to department management. This data will be a key and relied upon to proactively manage agency contracts and make timely and informed decisions.

Additional Notes and/or Exceptions/Exclusions:

Public Utilities agencies invoicing, payments, and contract status to monitor and report should be updated on the Public Utilities shared drive by the last business day of the month following the end of a reporting quarter.

Reasonableness of goal based on industry benchmarks and/or best in class standards, also based on business improvement needs:

Public Utility best practice is to minimize expenditures, by being as efficient as possible, to lower costs to the rate payers. This best practice also extends to our member Participating Agencies that contract with the City of San Diego for the purchase of water and wastewater services. Timely receipt and review by management of Public Utilities member agencies trending data is critical to achieving maximum efficiency.

The Effective Utility Management (EUM) Primer, which includes 10 attributes of Effectively Managed Water Sector Utilities, was recently developed and published by a consortium of leading associations and agencies, including the Environmental protection Agency (EPA), Association of Metropolitan Water Agencies (AMWA), the American Water Works Association (AWWA), the National Association of Water Companies (NAWC) and the Water Environment Federation (WEF). Additionally, the AMWA provides “Gold” and “Platinum” Awards to Utilities that demonstrate initiative and *best-in-class practices* in these 10 “attributes.” The SD Public Utilities Department received the Gold Award in 2009. This Gainsharing Goal furthers our Utility’s efforts to achieve excellence in 3 of EUM’s 10 attributes. These include: operational optimization, financial viability, and operational resiliency. It also contributes to two of the three AMWA “Key’s to Management Success,” including “Continual Improvement Management Framework” and “Strategic Business Planning.”

GOAL #5: FINANCE AND INFORMATION TECHNOLOGY (FIT) DIVISION, (FY2011)
**DEVELOPMENT OF CROSS-DIVISIONAL, 5-YEAR INTERNAL
 BUDGETARY OUTLOOK**

ALIGNMENT

BUSINESS GOAL:	Goal #2: Fiscally-Sound and Effective Public Utility
BUSINESS OBJECTIVE:	Objective #4: Minimize Rate Impacts Through Expenditure Control, the Pursuit of Alternative Funding, and Full Cost Recovery

DESCRIPTION: This group will take the lead in assessing the ability and developing a cross divisional, five-year internal outlook to assist in developing future budgets and projections. Currently most divisions develop a one-year budget only. A five-year outlook would be used exclusively for internal projections to identify any known required adjustments and assist management in making decisions for future actions. This product will be posted to the intranet website and will require coordination with the IT section.

Coordinator for Validation/Reporting/Feedback Phone #	Chris Ojeda, (858) 229-0351
Source Document/File(s) & Location	Source documents will be the City Council approved budget, Excel-based spreadsheets and charts originating from the respective Water and Wastewater rate models, and supporting reports generated from SAP. Spreadsheets will be reviewed, signed, and dated by appropriate Divisional Representatives. IT Department Representative will forward the signed and dated standardized memo confirming receipt of materials to be placed on Intranet. Source documents will be stored in PDF format on appropriate shared drive established for compiling Departmental Goals' information.
Specified Measurement Method/Formula/ Criteria for Achievement	Part I: Measurement Value: 90% of goal Deliverable: 5-yr Budgetary Outlook Date to be delivered to IT Group: June 1, 2011 Part II: Measurement Value: 10% of goal Deliverable: Placing 5-yr Budget Outlook on Intranet Date to be completed: June 30, 2011
Relevance:	Currently, the Rates & Finance Group uses the most recently Council approved budget and applies specific growth rates to determine projected future costs. By developing a five year financial outlook, it will engage all divisions in the discussion of the development of future revenue and cost projections. The involvement of all divisions and a documented methodology of future projections will ensure that future projections are being based on the best known information, supporting forward-looking strategic plans, and allow for revisiting certain assumptions periodically, resulting in more accurate financial forecasts.
Justification of Challenge Level:	The current practice of developing a one year budget can take up to 6 months. This goal is to develop a five year outlook that will outline and detail anticipated revenues (sources) and expenditures (uses) for the Department. This

structured report will require detailed discussions and projections from/with individual divisions as to their respective revenues, expenditures, and future goals; it will require inter-divisional coordination of priorities, and assure support for overall management strategies. The General Fund current publishes an annual 5-year outlook. Number of hours to create and implement: Approximately 200 hours

Expected Impact or Efficiency:

The expected impact of this goal would be to provide better forecasts for future revenues and expenditures. These forecasts are used in determining future rates. Better forecasts would ensure rate payers are being charged the appropriate rates.

Additional Notes and/or Exceptions/Exclusions:

This goal will require working with the different divisions within the Department, which will require a great deal of coordination and cooperation. Completion of this goal assumes the participation of all the divisions within the Department. If certain divisions would be unable to participate due to competing priorities or unforeseen personnel complications, this goal may only be partially completed, resulting in the full Measurement Value not being received. This goal also assumes that no third party IT related issues arise resulting in the IT Department not being able to complete their portion of this goal. Should an unforeseen IT issue arise causing the IT Department not to be able to post the delivered 5-year budget on the intranet, the IT Department will notified the appropriate Public Utilities Department personnel and verification of this issue will be documented and placed on the appropriate shared drive for documentation purposes.

Reasonableness of goal based on industry benchmarks and/or best in class standards, also based on business improvement needs:

The National Advisory Council on State and Local Budgeting (NACSLB) has endorsed the forecasting of revenues and expenditures in their Recommended Budget Practices. The Government and Finance Officers Association (GFOA) recognizes that a government should have a financial planning process that assesses long-term financial implications of current and proposed policies, programs, and assumptions that develop appropriate strategies to achieve its goals. The GFOA recommends that governments at all levels forecast major revenues and expenditures. The forecast should extend at least three to five years beyond the budget period and should be regularly monitored and periodically updated. The forecast, along with its underlying assumptions and methodology, should be clearly stated and made available to participants in the budget process.

The Effective Utility Management (EUM) Primer, which includes 10 attributes of Effectively Managed Water Sector Utilities, was recently developed and published by a consortium of leading associations and agencies, including the Environmental protection Agency (EPA), Association of Metropolitan Water Agencies (AMWA), the American Water Works Association (AWWA), the National Association of Water Companies (NAWC) and the Water Environment Federation (WEF). Additionally, the AMWA provides “Gold” and “Platinum” Awards to Utilities that demonstrate initiative and *best-in-class practices* in these 10 “attributes.” The SD Public Utilities Department received the Gold Award in 2009. This Gainsharing Goal furthers our Utility’s efforts to achieve excellence in 3 of EUM’s 10 attributes. These include: operational optimization, financial viability, and operational resiliency. It also contributes to two of the three AMWA “Key’s to Management Success,” including “Continual Improvement Management Framework” and “Strategic Business Planning.”

GOAL #6: FINANCE AND INFORMATION TECHNOLOGY (FIT) DIVISION, (FY2011)
CONDUCT IT CUSTOMER SERVICE SURVEY/PUBLISH SERVICE CATALOG/CREATE “BROWN BAG” TRAININGS ON IT SERVICES

ALIGNMENT

BUSINESS GOAL:	Goal #2: Fiscally-Sound and Effective Public Utility
BUSINESS OBJECTIVE:	Objective #3: Provide the Public with Competitive, Customer-Focused Services

DESCRIPTION: Conduct IT customer service survey, develop a plan to address deficiencies and publish an updated service catalog. Create 4 Brown Bag trainings and have them part of the service catalog. This will improve use of IT by raising awareness of available IT applications and services. Providing training /coaching sessions will enhance users IT skills and knowledge of available IT applications.

Coordinator for Validation/Reporting/Feedback Phone #	Linda Schmidt (858) 292-6470
Source Document/File(s) & Location	<ol style="list-style-type: none"> 1) IT Customer Service Survey 2) Service catalog – published list of the IT services that the IT program and other technical service providers perform. 3) Class roster, session outline and curriculum
Specified Measurement Method/Formula/ Criteria for Achievement	<ol style="list-style-type: none"> 1) Develop/issue IT customer service survey – October 1, 2010 20% 2) Publish service catalog and submit to Public Utilities Executive Team – January 31, 2011 20% 3) Provide trainings on IT services offered – Two by April 1, 2011 20% 4) Provide trainings on IT services provided – Two more by June 30, 2011 20%

Relevance:

Management, customers and users inquire about what IT services are offered by the IT section and other technical service providers. The customer service survey results indicate tasks that are expected and should be focused. The service catalog documents the functions that are performed based upon requirements and priorities. Communicating this information is important for enhanced customer service and continuous improvement.

Justification of Challenge Level:

The Water and Wastewater consolidation increased the IT responsibilities and key performance indicators for ultimate success. A comprehensive service catalog that emphasizes enterprise core tasks and functions must be developed to enhance customer service. Trainings are required to fully explain and gain acknowledgment of the significant IT focus areas and topics.

Expected Impact or Efficiency:

Being better informed about IT services offered will enhance overall productivity effectiveness. The trainings provide business understanding of IT systems and how to perform analyzes on enterprise data to achieve more effective business decision making. Timely, comprehensive and accurate reports generated and explained by staff will gain more efficiency.

Additional Notes and/or Exceptions/Exclusions:

Public Utilities agencies invoicing, payments, and contract status to monitor and report should be updated on the Public Utilities shared drive by the last business day of the month following the end of a reporting quarter.

Reasonableness of goal based on industry benchmarks and/or best in class standards, also based on business improvement needs:

Customers within department are not aware of the full services that the Information Technology Section provides. A published catalog of services based upon current services and additional services (derived from the survey) will increase awareness. Providing “brown bag” trainings will assist in getting the message out to the population within the department.

The Effective Utility Management (EUM) Primer, which includes 10 attributes of Effectively Managed Water Sector Utilities, was recently developed and published by a consortium of leading associations and agencies, including the Environmental protection Agency (EPA), Association of Metropolitan Water Agencies (AMWA), the American Water Works Association (AWWA), the National Association of Water Companies (NAWC) and the Water Environment Federation (WEF). Additionally, the AMWA provides “Gold” and “Platinum” Awards to Utilities that demonstrate initiative and *best-in-class practices* in these 10 “attributes.” The SD Public Utilities Department received the Gold Award in 2009. This Gainsharing Goal furthers our Utility’s efforts to achieve excellence in 2 of EUM’s 10 attributes. These include: operational optimization and customer satisfaction. It also contributes to two of the three AMWA “Key’s to Management Success,” including “Continual Improvement Management Framework” and “Measurement.”

GOAL #1: LONG-RANGE PLANNING AND WATER RESOURCES DIVISION (FY2011)

BRINE DISPOSAL EVALUATION (REVISED 9/9/2010)

ALIGNMENT

BUSINESS GOAL:	Goal #3: Sustainable Growth and Economic Viability
BUSINESS OBJECTIVE:	Objective #7: Develop Long Range Infrastructure Improvement Plans to Support a Growing Community

DESCRIPTION: Under this gain sharing goal, other Public Agencies’ practices regarding brine treatment and disposal will be examined and documented. Alternative treatment technology that suits the City’s application with increased recycling will be identified, and preliminary implementation costs will be estimated. Additionally, all possible planning level cost savings that will result from implementing the recommended technology will be evaluated and identified in this study.

Coordinator for Validation/Reporting/Feedback Phone #	Amy Dorman 619-533-5248
Source Document/File(s) & Location	All files will be maintained in project binder and kept with the project manager at 600 “B” Street. Files will be available upon request.
Specified Measurement Method/Formula/ Criteria for Achievement	<p>Achievement is measured by:</p> <ol style="list-style-type: none"> 1. Prepare Scope of Work and obtain Deputy Director approval by 8/30/2010 2. Conduct Research and Compile Data by 3/31/2011 <ul style="list-style-type: none"> - Obtain information from other Public Agencies - Obtain vendor information on various technologies. - Provide summary of collected information to Deputy Director for Approval by 3/31/2011 3. Submit Draft Report to Deputy Director for input and comments. Deadline is 4/30/2011 4. Submit Final Report to Deputy Director for acceptance. Deadline is 6/15/2011 <ul style="list-style-type: none"> - Final Report cost at 15% savings versus estimated consultant cost of \$175k. 50% - Final Report cost at 30% savings versus estimated consultant cost of \$175k. 100%
Relevance:	The United States Environmental Protection Agency (USEPA) and the San Diego Regional Water Quality Control Board (SDRWQCB) administer the effluent disposal requirements for the City’s Point Loma Wastewater Treatment Plant (PLWTP) and in the past, granted the City waivers that defer upgrading to secondary treatment.

The PLWTP has a limited space for any future expansion or upgrade which makes it very difficult to upgrade the facility to secondary if the regulatory agencies decide not to renew the waiver application in the future. To facilitate the possible future upgrade of PLWTP to secondary, the City is conducting a Recycled Water Study (RWS) and examining ways of reducing flows to the PLWTP via increased recycled water usage through potable reuse. Potable reuse has the added benefit of providing water supply reliability. All RWS options being examined involve advanced treatment of recycled water that would result in brine production.

This reject brine flow, if not treated further, would have to be returned to the sanitary system or disposed of via a new exclusive pipeline (at a cost of \$15-\$100 million to ratepayers) that would have to be tied in to the Point Loma ocean outfall. The brine flow may amount to approximately 20% of the flow diverted away from the PLWTP.

This Gain Sharing Goal (GSG) proposes an examination of other agencies' brine disposal practices as well as other treatment processes that would allow brine treatment and disposal without placing it back into the Metro Sewerage System. A thorough understanding of available options is essential to defraying increased treatment and disposal costs.

Justification of Challenge Level:

This proposed GSG is a challenge for the Master Planning Team. Though small in number, the team is currently involved in the management of major study efforts including the RWS, and the Indirect Potable Reuse projects. This proposed GSG is beyond the scope of the RWS. The addition of this proposed GSG is a significant increase in the team's workload and this type research and analysis is typically performed by consultants.

Expected Impact or Efficiency:

This evaluation could lead to possible future reduction in brine flows ranging between 7-35 million gallons per day (MGD). Removal of this flow from the PLWTP will lead to a smaller secondary treatment footprint. The potential savings in capital costs attributed to building reduced secondary treatment capacity at the PLWTP may be as much as \$350 million. Studies with similar difficulty and duration have cost an average of \$175,000 to perform via a consultant contract (selection process costs are not included). At the proposed criteria for achievement of 10% and 30% savings for in-house staff to perform the work, the expected savings would be approximately \$17,500 and \$52,500, respectively.

Additional Notes and/or Exceptions/Exclusions:

The Recycled Water Study (RWS) is looking at ways of reducing flows to the Point Loma Wastewater Treatment Plant (PLWTP) via increased recycled water usage. Included among the concepts for increasing recycling to be evaluated in the RWS are advanced water treatment plants that will treat recycled water to a higher level, where brine will be produced as a result of the Micro Filtration/Reverse Osmosis process. The scope of the RWS does not address brine management alternatives and assumes the brine will be transferred back into the wastewater collection and treatment system consistent with current practices.

Below are the sources for the estimated \$350 million savings of capital costs:

1. Secondary Treatment Siting Analysis By Pete Wong and Amer Barhoumi (2007)
2. Evaluation of the City of San Diego's sewer Capacity by Pete Wong, Amer Barhoumi & Monika Smoczynski (2007)

Reasonableness of goal based on industry benchmarks and/or best in class standards, also based on business improvement needs:

The Recycled Water Study is a critical component the Public Utilities Department's requirement to consider options for reducing flows to the Point Loma Wastewater Treatment Plant and developing local water supplies. The development of brine management alternatives is an integral sub-component of this analysis that is proposed to be completed by in-house staff rather than consultants. The resulting efficiency reduces costs to the Department.

The Effective Utility Management (EUM) Primer, which includes 10 attributes of Effectively Managed Water Sector Utilities, was recently developed and published by a consortium of leading associations and agencies, including the Environmental protection Agency (EPA), Association of Metropolitan Water Agencies (AMWA), the American Water Works Association (AWWA), the National Association of Water Companies (NAWC) and the Water Environment Federation (WEF). Additionally, the AMWA provides "Gold" and "Platinum" Awards to Utilities that demonstrate initiative and *best-in-class practices* in these 10 "attributes." The SD Public Utilities Department received the Gold Award in 2009. This Gainsharing Goal furthers our Utility's efforts to achieve excellence in 3 of EUM's 10 attributes. These include: operational optimization, operational resiliency and

community sustainability. It also contributes to two of the three AMWA “Key’s to Management Success, including “Strategic Business Planning” and “Continual Improvement Management Framework”.

GOAL #2: LONG-RANGE PLANNING AND WATER RESOURCES DIVISION/SECTION (FY2011)
LOCATE, ASSESS, AND PLAN FOR RURAL PROPERTY BOUNDARIES
(REVISED 9/9/2010)

ALIGNMENT

BUSINESS GOAL:	Goal #1: Safe, Reliable, and Efficient Water, Wastewater, and Recycled Water Services
BUSINESS OBJECTIVE:	Objective #2: Meet or Exceed Regulatory and Public Health Standards

DESCRIPTION: Establish a systematic approach to locating, marking, and assessing the property boundaries to control unauthorized and potentially polluting activities that could degrade water quality in the reservoirs. This proposed goal seeks to locate, assess, and manage property boundaries of rural Public Utilities lands.

Coordinator for Validation/Reporting/Feedback Phone #	Jeffery Pasek 533 7599 Niki McGinnis 533 4101
Source Document/File(s) & Location	All the data for Tasks 2 and 3 will be recorded in GIS database files and stored on the LRP&WR Division's shared drive. Hard copy maps of the data will be produced for interim reporting dates throughout the fiscal year. <i>Memos to File</i> and memos to management will be archived in the LRP&WR Division's shared drive.
Specified Measurement Method/Formula/ Criteria for Achievement	<ol style="list-style-type: none"> 1. By October 1, 2010 staff will present to the Deputy Director of LRP&WR an overarching plan for the areas that will be the focus of the property boundaries located and assessed for this goal. By October 15, 2010 the Deputy Director of LRP&WR Division will approve the plan via a memo to file. 2. Upon approval of plan, staff will locate² and mark in the field ten miles of property boundaries of Public Utilities rural lands³. (By June 15, 2011 Maximum of 50%) 3. Upon approval of plan, staff will assess five miles of located property boundaries for unauthorized access or encroachments [e.g. trespass livestock, e.g., OHVs]. These boundaries that are at risk will be mapped¹. (By June 15, 2011 Maximum of 50%)

	<p>Task #1 must be completed to achieve the goal.</p> <p>Tasks #2 and #3 can be done concurrently and each accounts for a maximum of 50% of overall achievement of the goal. However, a minimum threshold requires the completion of Task 1 and half of Task 2 to achieve any portion of the goal.</p> <p>The formula used to calculate the overall achievement of the goal is detailed in the “Additional Notes” section below⁴.</p> <p>Management will approve completion or partial completion of tasks #2 and #3 via signed memo at the completion of each item, and a signed summary memo acknowledging the GSG is overall complete or partially complete, by June 15, 2011.</p>
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Relevance:
Citizens of San Diego require the Public Utilities Department to protect water quality in its reservoir and manage associated landholdings. Until recently these rural properties were largely out of harm’s way. However, as a result of growth, development, and increased human activities in rural east county, unauthorized access to our watershed lands has become a problem and potential liability.

This goal accomplishes the objective of protecting the Department’s Water Resources by ensuring that its land holdings are secure. The effort will also result in better knowledge of the lands and the threats to these lands; and will yield on-the-ground actions to protect source water quality.

Justification of Challenge Level:
The Public Utilities Department owns and manages slightly more than 42,000 acres of rural land. The boundaries of these rural lands are 250 miles⁵. Most of these land holdings surround the City’s source water reservoirs and are located in rural portions of San Diego County. The lands are largely undeveloped, are mostly outside of the City boundaries.

Very little of Public Utilities Department property boundaries have been marked in the field or the markers cannot be found, and the department has not visually assessed the conditions along these boundaries for decades.

Previous assessments of property boundaries were done on a piecemeal basis and only in response to isolated and egregious trespass or encroachment problems. The work set up by this goal establishes a more systematic and proactive approach to resolving property boundary problems. This proposed GSG will be done entirely by the LRP&WR division.

Expected Impact or Efficiency:
Identification and securing of vulnerable boundary areas will help reduce the Public Utilities Department’s risk exposure.

Additional Notes and/or Exceptions/Exclusions:

¹ “map” means gathering data in the field with GPS and transferring the data to GIS.

² For the purpose of the work of this goal “locate” means to establish the physical position on-the-ground of property lines and corners sufficient to make assessments of unauthorized access onto Public Utilities lands. “Locating” will be done using handheld GPS, pace and compass, and visual inspection of landmarks, existing survey monuments, and lay-of-the land. This work will not include formal certified surveys.

³ “rural lands” are Public Utilities lands at the following sites: Barrett, El Capitan, Hodges, Morena, Otay, San Vicente, and Sutherland reservoirs; Eichenlaub Ranch; along the Dulzura Conduit; Marron Valley; Pamo Valley;

and Proctor Valley.

⁴The formula for calculating achievement of the goal has two parts: minimum thresholds and percentages, as follows. a) The minimum thresholds to achieve any portion of the goal are of half [5 miles] of property boundary must be located and marked, and half [2½ miles] of property boundary must be assessed for unauthorized access; then

b) The percent achievement of goal = [(miles of property boundary located and marked / 10 miles)(0.5) + (miles of property boundary assessed for unauthorized access / 5 miles)(0.5)](100)

⁵ This number for the total length of rural property boundaries [250 miles] is a fairly reliable estimate.

We will establish protocols for surveying, assessing, GPS, GIS, mapping, fencing, signs, etc. These protocols will be approved by the Watershed Manager. These approvals will be documented in a series of *memos to file*.

OHV = Off Highway Vehicle

GPS = Global Positioning System

GIS = Geographic Information System

Reasonableness of goal based on industry benchmarks and/or best in class standards, also based on business improvement needs:

The Public Utilities Department's land holding are substantial and of considerable value. Business standards dictate that such assets must be properly identified and managed.

The Effective Utility Management (EUM) Primer, which includes 10 attributes of Effectively Managed Water Sector Utilities, was recently developed and published by a consortium of leading associations and agencies, including the Environmental protection Agency (EPA), Association of Metropolitan Water Agencies (AMWA), the American Water Works Association (AWWA), the National Association of Water Companies (NAWC) and the Water Environment Federation (WEF). Additionally, the AMWA provides "Gold" and "Platinum" Awards to Utilities that demonstrate initiative and *best-in-class practices* in these 10 "attributes." The SD Public Utilities Department received the Gold Award in 2009. This Gainsharing Goal furthers our Utility's efforts to achieve excellence in 3 of EUM's 10 attributes. These include: product quality, water resource adequacy, and community sustainability. It also contributes to two of the three AMWA "Key's to Management Success," including "Continual Improvement Management Framework" and "Measurement."

GOAL #3: LONG-RANGE PLANNING AND WATER RESOURCES DIVISION/SECTION (FY2011)

PUBLIC OUTREACH FOR GROUNDWATER PROGRAM

ALIGNMENT

BUSINESS GOAL:	Goal #3: Sustainable Growth and Economic Viability
BUSINESS OBJECTIVE:	Objective #5: Engage in Regional Initiatives which Provide Viable, Environmentally Responsible and Cost-Effective Alternative Sources of Water Supply

DESCRIPTION: Our goal is to introduce the groundwater work the Public Utilities Department is in the process of doing, to various stakeholders which would help these groups understand the proactive approach by the City in planning for a sustainable water future

Coordinator for Validation/Reporting/Feedback Phone #	Greg Cross (619) 533-4235 George Adrian (619) 533-4680
Source Document/File(s) & Location	N:\Resources & Planning\WaterReliability\Long Range Planning\Groundwater. Excel file containing presentation schedule presentation materials, Deputy Director signed memo, class rosters, sign in sheets for presentations and final summary report.
Specified Measurement Method/Formula/ Criteria for Achievement	<p>Introduce the groundwater work to various shareholders. Prepare informational materials and give 8 presentations for the Fiscal Year 2011. Criteria for achievement will be as follows in terms of number of presentations for the fiscal year:</p> <ul style="list-style-type: none"> • Presentation/informational materials developed, and approved by Deputy Director via a signed memo by Nov 30, 2010 – 10%. • Conduct eight presentations (two per quarter) in FY2011 by June 1, 2011. Ten percent per presentation for a total of 80% <ul style="list-style-type: none"> - 4 by Dec 31, 2010 40% - 6 by Mar 31, 2011 60% - 8 by Jun 15, 2011 80% • Provide Summary Report to the Deputy Director. Completion of this GSG is evidenced by Deputy Director signed acceptance of Summary Report by June 15, 2011. – 10%.
Relevance	Since the Public Utilities Department’s work with groundwater is relatively new, the public are likely unfamiliar

with our development of this resource. An understanding of our groundwater work will help the development, business and environmental groups as well as the general public to understand how the Public Utilities Department is proactively acting to enhance the sustainability of water for the region in times of drought, climate change and reduction in potable water supplies. It would aid these groups in understanding the steps the City is taking for water reliability for the region.

Justification of Challenge Level

The Groundwater Team is a small team focused solely on developing and implementing the City’s groundwater program. The study, development, and interagency/interdepartmental management of 6 groundwater basins, and State mandated compliance for metering, monitoring and management, let alone ongoing litigation on two basins, places huge demands on staff. All of our projects are intended to study, test and develop the City’s groundwater basins to obtain sustainable groundwater yields that will bolster our water reliability. Historically, public presentations focused on public education have not been part of the Groundwater Team’s scope of work.

Attainment of this goal will require significant effort above and beyond the scope of the Water Reliability Section and will be challenging to achieve. We will need to prepare, organize, review and schedule presentations, in addition to follow-up work after meetings in answering questions and following up with City Attorney’s Office, Public Utilities Department Executives and others.

Expected Impact or Efficiency

Attainment of this goal will raise the level of awareness of City staff, the business community, various (public, civic, environmental) organizations and Council Districts in understanding what is being done by the Public Utilities Department to improve water reliability. This will allow project discussions and approvals through the NR&C, and City Council processes to proceed more efficiently and smoothly. Outreach will be done ahead of time and allow for community feedback and interaction in an open government style regarding the project direction before dollars are spent.

Additional Notes and/or Exceptions/Exclusions:

Reasonableness of goal based on industry benchmarks and/or best in class standards, also based on business improvement needs:

Stakeholder involvement in long-range water supply planning matters is required by law (Senate Bill X7-6) in all formal planning matters such as Urban Water Management Plans and Groundwater Management Plans. This effort proactively builds upon the industry standard of stakeholder involvement in long-range water supply planning.

The Effective Utility Management (EUM) Primer, which includes 10 attributes of Effectively Managed Water Sector Utilities, was recently developed and published by a consortium of leading associations and agencies, including the Environmental protection Agency (EPA), Association of Metropolitan Water Agencies (AMWA), the American Water Works Association (AWWA), the National Association of Water Companies (NAWC) and the Water Environment Federation (WEF). Additionally, the AMWA provides “Gold” and “Platinum” Awards to Utilities that demonstrate initiative and *best-in-class practices* in these 10 “attributes.” The SD Public Utilities Department received the Gold Award in 2009. This Gainsharing Goal furthers our Utility’s efforts to achieve excellence in 2 of EUM’s 10 attributes. These include: water resource adequacy and stakeholder understanding & support. It also contributes to two of the three AMWA “Key’s to Management Success, including “Strategic Business Planning” and “Continual Improvement Management Framework”.

GOAL #4: LONG-RANGE PLANNING AND WATER RESOURCES DIVISION/SECTION (FY2011)
ASSESSMENT OF DEVELOPER-BUILT RECYCLED WATER SITES AND
CUSTOMER OUTREACH

ALIGNMENT

BUSINESS GOAL:	Goal #3: Sustainable Growth and Economic Viability
BUSINESS OBJECTIVE:	Objective #7: Develop Long Range Infrastructure Improvement Plans to Support a Growing Community

DESCRIPTION: To identify Developer-built service lines and sites along phase II of the Northern Recycled Water Distribution System (per the 2005 Recycled Water Master Plan) to reduce risk of cross connections with the potable water system, assess readiness to connect to the recycled water system and begin to conduct recycled water customer outreach.

Coordinator for Validation/Reporting/Feedback Phone #	Fabiola Amarillas (619)533-5437
Source Document/File(s) & Location	Recycled Water Distribution System Map will be kept by Recycled Water Program. All other relevant information will be kept by the Recycled Water Program in a project notebook located in 600 B Street 6th Floor.
Specified Measurement Method/Formula/ Criteria for Achievement	<p>Conduct Research and Field Work to be completed by April 8, 2011. (75%)</p> <ul style="list-style-type: none"> • Develop data gathering sheet • Field inspection, data collection • Input/ add data to existing recycled water system map to develop an updated map of the northern distribution system • Provide a Fieldwork Summary Report to Deputy Director. Deputy Director to sign acceptance memo by April 8, 2011. <p>Conduct Customer Outreach to be completed by June 18, 2011. (20%)</p> <ul style="list-style-type: none"> • Develop a prioritized list of customer sites based on readiness-to-connect • Contact potential customers • Conduct minimum of 3 site assessments, a customer signed assessment letter for the files. • Provide Summary Report to Deputy Director. Deputy Director to sign acceptance memo by June 18, 2011. <p>Meet with DSD to present findings and discuss process enhancements by June 18, 2011, evidenced by signed meeting notes. (5%)</p>

Relevance

A cross-connection incident can adversely impact the public trust and confidence in the City's Public Utilities Department. This goal helps ensure that possibility is eliminated by ensuring developer-built recycled water sites and service lines are properly documented and are in compliance with public health standards.

This goal also directly supports the goal to develop and maximize local water resources. As the City completes this goal, the City could significantly reduce deliveries of potable water and reduce its reliance on imported water. Projected recycled water demand or possible savings of potable water is 1000 acre-feet per year.

Justification of Challenge Level

This goal will be challenging because this is not included in the normal scope of work of the Recycled Water Program. A significant amount of field inspections are anticipated to verify recycled water service lines and distribution lines installed by developers. "As-Built" drawings have not been submitted to the City therefore Recycled Water Program staff must locate and document these sites and service lines.

The estimated total length of recycled water pipeline that will be examined is approximately 10,000 linear feet or approximately 25% of the entire length of Phase II.

Expected Impact or Efficiency

This goal will help reduce the Public Utilities Department's exposure to risk attributed to recycled water cross-connection. In addition, the City can also significantly increase its beneficial reuse of recycled water.

Based on the maximum irrigation demand for Phase II, this project can lead to a potential reduction of potable water consumption within the City of San Diego of approximately 320 million gallons each year. This may translate to a more than 12% increase in Beneficial Reuse of recycled water in the northern service area.

Additional Notes and/or Exceptions/Exclusions:

This goal intends to communicate field survey results but does not include resolving process related issues with the Development Service Department with regards to the site conditioning and plan review of recycled water sites.

Phase II potential reduction of potable water consumption within the City of San Diego of approximately 320 million gallons each year from the Recycled Water Master Plan.

Reasonableness of goal based on industry benchmarks and/or best in class standards, also based on business improvement needs:

Completing this goal will minimize the risk of cross connection between the potable and recycled water systems and help ensure public health and (Ca. Health and Safety Code Section 116800-116820) and will provide input to improve the City's plan review business process.

The Effective Utility Management (EUM) Primer, which includes 10 attributes of Effectively Managed Water Sector Utilities, was recently developed and published by a consortium of leading associations and agencies, including the Environmental protection Agency (EPA), Association of Metropolitan Water Agencies (AMWA), the American Water Works Association (AWWA), the National Association of Water Companies (NAWC) and the Water Environment Federation (WEF). Additionally, the AMWA provides "Gold" and "Platinum" Awards to Utilities that demonstrate initiative and *best-in-class practices* in these 10 "attributes." The SD Public Utilities Department received the Gold Award in 2009. This Gainsharing Goal furthers our Utility's efforts to achieve excellence in 2 of EUM's 10 attributes. These include: product quality and water resource adequacy. It also contributes to two of the three AMWA "Key's to Management Success," including "Continual Improvement Management Framework" and "Measurement".

GOAL #5: LONG-RANGE PLANNING AND WATER RESOURCES DIVISION (FY2011)
DEVELOP AND CONDUCT A MULTI-FAMILY WATER USE SURVEY
PROGRAM

ALIGNMENT

BUSINESS GOAL:	Goal #2: Fiscally-Sound and Effective Public Utility
BUSINESS OBJECTIVE:	Objective #3: Provide the Public with Competitive, Customer-Focused Services

DESCRIPTION: Develop a Multi-Family (MF) water use self-survey program which includes: development of a water use survey instrument, identification of at least 1200 MF units to be targeted for water use survey, one-on-one training of MF property agents to complete survey instrument, and conducting water use analyses on sites that return completed surveys.

Coordinator for Validation/Reporting/Feedback Phone #	Maureen Hall 619 533-4126
Source Document/File(s) & Location	California Urban Water Conservation Council Programmatic BMP #3 -Residential / CWC (Consolidated Water Conservation Database) program participation data, completed survey forms, completed water use analyses. Every document will be saved in a notebook along with electronic files saved on the N:Drive.
Specified Measurement Method/Formula/ Criteria for Achievement	Meet with Stake holders to discuss purpose and get feedback (buy-in). Develop survey form. Research CIS/CWC to develop contact list. Develop prioritized list of contacts to be marketed to. (1200 units). Approval from Deputy Director in memo form by October 1, 2010= 25% Complete Surveys and Water Use Analyses (meet, discuss and conduct outreach/site analysis to property agents in order to produce 1200 completed surveys as evidenced by completed returned surveys signed by property representatives and completed analyses by June 10, 2011 . Maximum 70% as follows: <p style="text-align: center;"> 1200 or greater = 70% 800 to 1199 = 46% 400 to 799 = 30% 399 or less = 0% </p> Final report, Summary, Spreadsheet of Contacts, Accounts, # of Units, and Water Use Analysis signed and accepted by Deputy Director by June 15, 2010 = 5%

Relevance:

The Department is in BMP compliance for SF Dwelling Surveys but is not in BMP Requirement for MF Dwelling Units. By reaching out to this sector, we will be assisting property owners to reduce water consumption and therefore lower water bills. Data will be collected to help meet Programmatic BMP #3-Residential. The analysis provided will also give the department valuable statistics of gallons per capita per day for multiple-family residential. Educational information will be provided to property owner and tenants. This goal will be customer focused, as we will be working one on one with customers.

Justification of Challenge Level:

Past water conservation programs have focused on single family residential, small multi-family (four units or less) and large landscape sites. The challenge will be in creating an interest in conservation in the rental market, and spanning the dichotomy of the consumer (renter) and the bill payer (owner). Without increasing staff, we will be pulling from irrigation specialists and field representatives to meet with customers, along with administrative staff to set appointments, and perform analysis. According to SANDAG data MF dwelling units make up approximately 44% total dwelling units. By 2020 MF housing is expected to account for approximately 49% of housing units in the City of San Diego.

Expected Impact or Efficiency: An enhanced awareness of water use will help Multi-family residential owners make changes in fixtures, and landscape practices that result in lower water consumption. More data will also help us develop programs that meet the needs of the multi-family sector.

Additional Notes and/or Exceptions/Exclusions:

1 unit (1 unit = 1 survey) completed means that an apartment or condominium has been checked for leaks, fixtures measured and the information has been received and documented by the city. Stakeholders to include property managers, and apartment owners. Survey documentation to include summary data of leaks and fixture sizes, number of occupants per meter and estimate of water use on an annual basis. BMP 3 states we will provide...to an average of 1.5% per year of current multi-family units during the first ten years after signing the MOU...

Housing Data from SANDAG Regional Growth Forecast – Feb 2010.

Approximately 565,000 residential water users occupy multi-family units. This represents approximately 44% of the residential population of the City of San Diego.

Reasonableness of goal based on industry benchmarks and/or best in class standards, also based on business improvement needs:

Implementation of this GSG is an integral part of implementing BMP 3 from California Urban Water Conservation Council MOU, which requires that we provide leak detection assistance to an average of 1.5 percent per year of current single-family accounts and 1.5 percent per year of current multi-family units during the first ten years after signing the MOU. See: www.cuwcc.org.

The Effective Utility Management (EUM) Primer, which includes 10 attributes of Effectively Managed Water Sector Utilities, was recently developed and published by a consortium of leading associations and agencies, including the Environmental protection Agency (EPA), Association of Metropolitan Water Agencies (AMWA), the American Water Works Association (AWWA), the National Association of Water Companies (NAWC) and the Water Environment Federation (WEF). Additionally, the AMWA provides “Gold” and “Platinum” Awards to Utilities that demonstrate initiative and *best-in-class practices* in these 10 “attributes.” The SD Public Utilities Department received the Gold Award in 2009. This Gainsharing Goal furthers our Utility’s efforts to achieve excellence in 3 of EUM’s 10 attributes. These include: customer satisfaction, water resource adequacy and community sustainability. It also contributes to two of the three AMWA “Key’s to Management Success,” including “Continual Improvement Management Framework” and “Measurement.”