

**UTILITIES COMMISSION,  
CITY OF NEW SMYRNA BEACH  
STRATEGIC INITIATIVES 2014**

**VISION**

Improving the quality of life for our customers by being the best utility service provider.

**STRATEGIES**

To effectively achieve the planned strategies using traditional and new methodologies.  
To develop operating and values-based platforms with complementary goals and systems.  
To develop an organization which emphasizes learning, value, respect, and efficiency.  
To optimize the return on financial, physical, and human resources.

**MISSION**

To benefit our community by providing timely, cost-effective and high quality products and services to our customers with sound economy and good management.

**OBJECTIVES**

To gain and retain satisfied customers  
To optimize competitive performance  
To achieve our established goals and measures  
To add value to our community  
To enhance the quality of life of our employees  
To be grounded in our strategic planning  
To promote awareness of our value-added services

**PREMISE**

Our initiatives to achieve our vision and mission will develop our character and the effective means to be successful.

**GOING-FORWARD VALUES**

We measure our success through our customers.  
We represent integrity.  
We are responsible, not just accountable.  
We understand that good values promote positive consequences.  
We promote learning, innovation, and effectiveness.  
We sell solutions.  
We support each other by listening, understanding and developing ourselves and our organization to achieve our goals.  
We encourage continuous improvement and consensus development of processes, standards, and work practices.  
We increase the worth of everything we do.

**STRENGTHS**

Defined community role.  
Vital multi-faceted service provider.  
Responsive to community needs.  
High caliber staff with potential.  
Responsive, dependable service.  
High aspirations for integrity and excellence.

**KEY PERFORMANCE INDICATORS (KPIs)**

A Key Performance Indicator, or KPI, is a measure of performance within an organization, which is to evaluate the success of the business in terms of its primary objectives. KPIs vary widely, depending on the type of business and its goals. The purpose of KPIs is to evaluate an organization and measure its progress toward its long-term goals. KPIs must be measurable so leadership can use KPI factors for assessment.

## OBJECTIVES

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### Customer Service

#### 1. TO GAIN AND RETAIN SATISFIED CUSTOMERS

Good impartial service is the primary objective of the UTILITIES COMMISSION.

Our objective is to meet or exceed the expectations of our customers by providing "value-added" services.

#### Strategies

1. Learn from the customer what is desired and important and develop customer trend and satisfaction references.
2. Develop and enhance customer satisfaction with quick and efficient response times to needed repairs.
3. Develop and improve communication to customers for education, information and ownership.
4. Increase customer interaction and input opportunities regarding operation.
5. Retain and cultivate the "customer relationship" as the primary focus of the UC.
6. Provide timely, effective and accurate service with customer focus in most cost effective manners.

#### Implementation Plan

Tactic	Goal	Responsibility
Devise or revise evaluation and survey methods to gain information from customers to learn areas of improvement and response to needs.	To have at least 3 meaningful tools to measure satisfaction by 1 <sup>st</sup> Qtr, 2014 and to implement with results monthly.	CFO and Director of IT
Acquire, install and implement GIS system alongside an Outage Management System to better communicate with customers and respond to outages and repairs.	GIS installed and functioning by June 30, 2015.	CFO, Director of Electric Operations, Director of System Ops. & Generation Director of IT, and other
Publish results, activities, financial performance measures and forecasts.	Monthly.	CFO as the lead with support from all Directors
Implement key accounts program and contact top 10 customers of each utility.	Semi-annually.	CFO as the lead with support from all Directors
Implement computer/systems based technology to enhance communication.	Review and analysis semi-annually  90% or more customer satisfaction.	Director of IT  CFO and Directors
Survey customer satisfaction and work performance.	Bi-annual comparative studies of like companies with development of realistic, but challenging expectations.	CFO, Director of Electric Operations,

Assess utilities reliability goals and operation/restoration performance.

Monthly

CFO and Directors

Implement work management system.

Establish work performance levels, organizational structure, monthly performance reporting

Director of IT, CFO, with support

### **Performance Measures**

1. Ascertain field and staff performance survey method for on-time, of-use, and of-value customer satisfaction.
2. Total O&M direct and indirect expenditures to range from a \$850/utility meter target to a goal of \$800/meter.
3. 90% on time response to needed service.
4. Total O&M expenses to rate in upper 90% nationally.
5. Complete all (100%) service/product and work orders within lead times or need date.
6. Attain established reliability and restoration goals for each utility.

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### **Stewardship**

#### **2. TO OPTIMIZE COMPETITIVE PERFORMANCE**

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To make wise decisions for operations from a fiscal perspective regarding the quality of service and the cost to the customer.

#### **Strategies**

1. Continue and improve Director communication and coordination of operations to develop decisions relative to each area of concern.
2. Develop rating structure for all services which is effective and favorable.
3. Develop and refine financial performance and assessment measures relative to the industry and accounting for local factors.
4. Continue monitoring industry activities and comparing them to Operational Department's activities to assure the Utilities Commission is providing the best cost effective electric service to our ratepayers.
5. When required, implement new cost effective practices and/or improvements to assure the Operational Departments compare favorably to other utility providers in the industry.
6. Research and review and implement where appropriate, markets for renewable regulations and climate related efficiency and appropriate conservation initiatives.
7. Educate employees about their financial role and contribution to overall success measures of the business unit.
8. Move toward best ratio for power generated by the UC vs. purchased power.
9. Move toward best ratio for water resources – AWS and conservation.

## Implementation Plan

Tactic	Goal	Responsibility
	Directors' Meetings twice per month	CEO/GM and Directors
Hold regular meetings with Directors with focused agenda for planning and progress evaluations	Annually	Director of Electric Operations, Director of Water Resources, CFO, with support
Update cost of service studies for electric, water, wastewater	By June 1, 2014	Director of Human Resources
Develop an integrated performance management system.	Annually	CFO and Directors
Establish financial measures and reports with performance indicators and comparisons	Monthly publication of key measures	CFO and Directors
Publish financial performance and forecasts monthly which meet or exceed goals set by CEO/GM	Quarterly Reports	Director of System Ops. & Generation, with support
Assess evolving energy markets for renewable, efficiency and conservation requirements	Quarterly Reports	Directors
Ratio corrective versus preventive maintenance costs per connection.	Review quarterly and compare with industry standard	Director of System Ops. & Generation With support
Own power generation as percentage of internal power generation and purchased power.		

## Performance Measures

1. Implement strategic initiatives exceeding a 90% success level.
2. 90%+ successful completion rate for apprentice training.
3. 40%+ successful completion rate for basic apprentice training on entry positions.

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## Productivity

### 3. TO ACHIEVE OUR ESTABLISHED GOALS AND MEASURES

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To provide all of the resources our employees need to optimize productivity.

#### Strategies

1. Develop on-line training for company-wide and department specific topics.
2. Cross-train employees to ensure continuity of operations and compliance.
3. Establish work performance levels and regular performance reporting of results.
4. Establish and revise a 5-10 year master plan.
5. Periodically evaluate and provide training for emergency/restoration plan.
6. Develop and publish new budget and financial performance reports.
7. Implement GIS system and Outage Management System to better communicate with customers regarding outages and repairs.
8. Provide monthly employee briefings to improve employee awareness of corporate strategies to enhance/promote customer service.
9. Continue to implement reliability practices that support UC Reliability goals measured by industry indices of SAIDI, CAIDI and MAIFIE goals/benchmarks.
10. Continue holding Department Monthly Meetings to enhance/promote employee's productivity awareness.
11. Continue evaluating industry practices and provide the most cost effective tools/equipment to assure employees can provide safe, efficient, reliable service.
12. Continue monitoring each Department's employee's safety practices and evaluating new industry safety practices to maintain an accident free workplace and corporate record.
13. Implement new safety practices/procedures to assure safe, reliable, cost effective service.

#### Implementation Plan

Tactic	Goal	Responsibility
Provide additional training for emergency restoration plans.	Reinforce Plans by 2 <sup>nd</sup> Qtr, 2014 and training for relevant staff by 3 <sup>rd</sup> Qtr.	Director of Human Resources Operational Directors
Publish Electric, Water, Wastewater reliability and restoration performance.	Monthly statistics (GIS program will assist)	Directors
Evaluate existing and recommend new rate pricing concepts	Ongoing review with bi-annual meeting and statement of opinion	CEO/GM and Directors
Develop data back-up and recovery plan for catastrophic data events	Annual review (ongoing – GM Rpt)	Director of IT
Review and revise where necessary maintenance plan for existing property and potential uses	Asset Management Plan by March 1, 2014	CEO/GM and Directors

**Performance Measures  
(Key Performance Measure in bold)**

**SAIDI = System Average Interruption Duration Index**

= Sum of All customer Minutes Interrupted (CMI)

Total number of Customers Served ( C ) Annualized

<u>FY2013</u>	<u>FY2012</u>	<u>FY2011</u>	<u>FY2010</u>	<u>FY2009</u>	<u>AVERAGE</u>	<b>KPI</b>	
150.75	148.76	90.84	153.91	157.89	140.43	<b>140</b>	SAIDI

**CAIDI = Customer Average Interruption Duration Index**

= Sum of All customer Minutes Interrupted (CMI)

Total number of Customers Interruptions (CI)

56.27	50.67	46.89	53.08	66.20	54.62	<b>50</b>	CAIDI
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**SAIFI = System Average Interruption Frequency Index**

= Total Number of Customer Interruptions (CI)

Total number of Customers Served (C) Annualized

2.68	2.94	1.94	2.90	2.39	2.57	<b>2.5</b>	SAIFI
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**MAIFle = Momentary Average Interruption Event**

= Sum of All customer Momentary Interruption Events (CME)

Total number of Customers Served (C) Annualized

7.56	8.81	9.91	7.34	9.76	8.68	<b>8</b>	MAIFle
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**L-Bar = Average Length of a Service Interruption**

= Minutes of Interruption

Total Number of Outages

75.89	74.23	74.61	72.51	93.82	78.21	<b>75</b>	L-Bar
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1. 100% compliance with potable water standards.
2. Unplanned water service interruption duration less than 300 minutes per event and fewer than 100 Events per year.
3. Fewer than 10 sewer blockages per 1,000 miles of forced and gravity mains

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**Community Values**

**4. TO ADD VALUE TO OUR COMMUNITY**

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To achieve excellence in operations to enhance intrinsic and relational value to the community.

**Strategies**

1. Develop collaborations with City of New Smyrna Beach and New Smyrna based contractors. (Also County & State)
2. Develop annual safety plan and provide accident prevention performance standards.
3. Provide safety audits. (Energy Audits, & Educate RE: Energy & Water Conservation)
4. Educate community emergency organizations by contacting police, fire, and response organizations, community groups and multiple living facilities.

## Implementation Plan

Tactic	Goals	Responsibility
Develop collaborations with City of New Smyrna Beach and New Smyrna Beach based Contractors.	Implement New Programs and Educate and Support Existing	CEO/GM and Directors
Publish electric, water and wastewater reliability and restoration performance measures.	Monthly	Directors
Evaluate rate/pricing structure for applicability and cost efficiency.	Semi-annually	CFO and CEO
Acquire, install and implement GIS system alongside an Outage Management System to better communicate with customers and respond to outages and repairs.	GIS installed and functioning by June 30, 2015	CFO, Director of Electric Operations, Director of IT, and others
Refine and Update UC Website	Ongoing PIO Content Mgr. Currently	Director of IT

### Performance Measures (Key Performance Measure in bold)

1. Answer customer correspondence within five working days with a target of three working days of receipt.
2. Achieve 90% affirmative response to accountability survey.
3. Achieve one supportive customer response/month.
4. Achieve two awards per year.

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### Employee Retention

#### 5. TO ENHANCE THE QUALITY OF LIFE OF OUR EMPLOYEES

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To maintain a productive and positive employee environment which improves retention, morale, and ultimately, customer satisfaction.

#### Strategies

1. Periodically evaluate organizational structure to maximize productivity and employee satisfaction.
2. Support an effective work management culture.
3. Develop an organization focused on learning, value, and effective response capability.

4. Develop position evaluation system, and implement performance review process and succession planning systems.
5. Publish recognition events exclusively from employee-advancement perspectives.
6. Provide recognition for proactive approaches and adopted solutions by employees.
7. Assess talents, competencies, and skills to develop and place employees into relevant positions.
8. Implement new strategies and/or practices that promote/enhance employees ownership of practices that add value to our services and promote positive corporate culture.
9. Continue recognizing all Department accomplishments to maintain/improve employee's morale.
10. Continue to all promote Departmental employee safety awareness and promote corporate safety culture.
11. Continue holding Departmental Monthly Meetings to enhance/promote employees awareness of their impact on the UC's corporate image.
12. Use team based incentives to promote employee self-worth.
13. Use ad-hoc rewards for employees when recognition is initiated by the customer.
14. Tie broad-based salary grades with variable incentives to promote employee performance.
15. Use appropriate rewards of the applicable culture profile.
16. Identify and maintain "safety" as a priority with the UC employee as a key component to success..

### **Implementation Plan**

<b>Tactic</b>	<b>Goals</b>	<b>Responsibility</b>
Develop flexible recruiting and succession plan compatible with growth and demographics	Fill vacant positions within 30 days and maintain 95% employment rate.	Human Resources
Implement and revise where necessary position evaluation system and improve performance review and succession planning systems.	Increase organizational performance and timely evaluations to 98% Develop and implement performance measures.	Human Resources
Hold Departmental Monthly Meetings to enhance/promote Department's employee's awareness of UC Corporate Culture.	Monthly Meetings held by each Department with report to CEO/GM	Directors
Conclude Local 2088 Principal and Supplemental Negotiations Successfully	Prepare for negotiations by January 15 and successfully conclude by March 15 annually.	Director of Human Resources as the lead with support from Negotiating Team
Develop and implement performance measures and training with benchmark evaluations and departmental recognition.	Evaluations monthly by each department and summary report to HR Subsequent Briefing to CEO/GM	Director of Human Resources with Directors
Review Annual Safety Plan (Various Existing Plans - Required)	Implement changes as needed to update Safety Plan.	Director of Human Resources with Director (and Risk Manager contributions

## Performance Measures

1. Maintain a 95%+ "meets expectation" review rating for UC employees. Goal 98%. Completion of 100% of annual employee performance evaluations.
2. Reduce number of injury/illness accidents per year by 10%. Target <12 accidents per year. Goal <1. Injury Rate equals the # of cases x 200 divided by the total hours worked.
3. Prevent vehicle accidents with less than 3 UC employee- caused accidents per year. Goal: 0%. (frequency rate = # of preventable vehicle conflicts x 200.000divided by total miles driven)
4. Reduce discharge of employees from workplace due to DOT or DFW alcohol/drug testing violations to zero. Goal: <2 discharges per year.
5. 100% attendance rate for mandated UC trainings.
6. 90% of new hire retention after -180 day probationary period. Goal 95%.

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## Growth Management

### 6. TO BE GROUNDED IN OUR STRATEGIC PLANNING

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To create a dynamic organization that is prepared to meet the challenges of the utility service provider industry. Planning is the creative work undertaken on a systematic basis in order to increase the stock of knowledge and the use of this stock of knowledge to devise new applications

#### Strategies

1. Research and analyze alternatives and technological changes for electrical and water needs.
2. Develop and analyze strategic positioning for increased market competition and growth in service.
3. Continue monitoring all Departments practices and comparing to industry practices to assure we are providing the best most cost effective electric service possible.
4. When practical, implement new industry practices that will allow Departments to support corporate growth.
5. Work with other UC Departments to evaluate, recommend and implement new technologies that will move the Utilities Commission forward to enhance the Utilities Commission's ability to improve in order to excel providing customer service.
6. Establish an electrical and water 5-10 year transition plan based upon a "Best Total Price" and supply mix platform.
7. Promote decreased fossil energy demand through the use of technology and proprietary approaches to consumption, energy management, and renewables. (also conservation and demand management)
8. Promote water conservation through the use of technology and alternative approaches relating to consumption, energy management in distribution and plants.

#### Implementation Plan

Tactic	Goals	Responsibility
Time-to-market of new products/services. The time it takes from the time a product is envisioned or defined until it is a service to our customers.	To implement new products/services within stated time frame 90% of the total "roll-outs"	Directors, CFO
Develop a 5, 10 and 20 year planning for business structure	Initial Plan by September, 2014 and revised annually	CEO/GM

## Performance Measures

1. 85% of new product/service developments launched on budget.
2. 5% of dedicated resources for Planning.
3. 10% of R&D projects involving customers.

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## Objective-Public Relations

### 7. TO PROMOTE AWARENESS OF OUR VALUE-ADDED SERVICES

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To effectively communicate with and educate the public and our customers of the value and benefits of the UC and to gain understanding and involvement in the UC's role and contribution to our community.

#### Strategies

1. Continue working with Finance Department's Purchasing Group to assure the Utilities Commission is always implementing most cost effective alternatives.
2. Continue evaluating industry standards and trends to assure that the Departments are developing valuable partnerships that promote solid financial success.
3. Cultivate and retain customer relationships as the primary focus of the Utilities Commission.
4. Interact with and educate local organizations regarding the role of the Utilities Commission in the Community.
5. Develop and maintain communication processes with emergency responders and local and state to mitigate effects of catastrophic events.
6. Provide new and pertinent information to customers in the form of monthly brochures, mailings and website announcements.

#### Implementation Plan

Tactics	Goals	Responsibility
Modify and improve these initiatives as a dynamic tool.	Modify plan as appropriate.	CEO/GM
Communication with ratepayers through publications, notices, and direct contact.	Direct contact with one "major" ratepayer monthly. Continued review and revision where necessary of web site and promotional materials.	Directors

## **Performance Measures**

1. All UC personnel to have at least one customer service related training each year.
2. Electric, water and wastewater operations facilities to have one open house for customers per year.
3. Make a presentation on utility related topic to an appropriate local community group at least bi-annually.
4. Hold training exercises with emergency first responders annually.
5. Have UC booth/table at all significant community events.
6. Monitor website and Interactive Voice Response (IVR) for customer visits – provide “reminders” to insure increase in site visits by customers.