



**DISTRICT OF COLUMBIA
WATER AND SEWER AUTHORITY
BOARD OF DIRECTORS**

**Customer and Community Service
Committee Meeting
Thursday, January 13, 2005
10:00 a.m.**

Meeting Minutes

Board Members in Attendance

**Alexander McPhail
David J. Bardin
Stephanie Nash
Brenda Richardson**

WASA Staff in Attendance

**Jerry N. Johnson, General Manager
Paul Bender, CFO
Avis Russell, General Counsel
Charles Kiely, Customer Service
Director
Linda R. Manley, Board Secretary**

Mr. McPhail called the meeting to order at approximately 10:00 am.

Private Line Replacement Updates

Mr. Kiely reported that 210 customers signed up for private-side service line replacements on the 2004 replacement contracts. Customer responses for private-side replacements on the 2005 contracts have been significantly higher, mostly due to the increased advertising done in December. Mr. Kiely reported that 401 customers identified for the block replacements committed to replace the private-side of the service line. He reported that an additional 187 priority replacement customers committed to replacing their service lines. These commitments represent 16% of the 2,484-block replacement mailings sent to property owners in December and 24% of the 775-priority replacement mailings sent. Mr. Kiely also reported that 171 customers designated as priority replacements in 2005 declined to replace the private-side section of the service line.

Mr. McPhail asked if we provided estimates to every customer that is scheduled for lead service line replacement. Mr. Kiely responded that all block replacement customers received an estimate along with a contract. Mr. Bardin ask how much does it cost for an estimate? Mr. Bender remarked that in terms of additional dollars we are paying that the amount is probably close to zero.

Mr. Bardin asked when the customers are required to pay? Mr. Bender replied that when the customer sends the contract back they check off a box on the contract for the different payment methods. Customers have the option of paying up front or by arranging for payment terms in addition to the grant offered by DHCD.

Ms. Richardson asked what is the estimated cost for private-side replacements? Mr. Bender replied its about \$2,500 at the low end but can be as high as \$5,000 depending on the pipe length. Mr. Bardin asked is there any correlation between the pipe length and customers who committed to replacing their service lines. Mr. Kiely reported that we

just received the data and that it is premature at this time to comment either way. He added that a database was being set up that will enable us to analyze the data in a few months and determine if there is any correlation.

Ms. Richardson asked if a high number of low-income customers were declining because they could not afford to pay. Mr. Bender replied that the opposite was probably true in that it is doubtful that low-income customers would decline because of the large amount of grant money being set aside for low-income customers by DHCD.

Call Center

Mr. Kiely made a presentation on the call center performance. Mr. Kiely showed the call volume for the entire year as well as a month-to-month comparison. Mr. Kiely pointed out that although call volume remained somewhat constant each month, the volume of bills being sent has changed significantly because of the switch from quarterly to monthly billing. In the past we mailed about 35,000 to 45,000 bills per month while today we mail about 118,000 bills per month. Since most of WASA's calls in the past were billing related, it is reasonable to conclude that because of AMR our billing has improved significantly resulting in fewer calls per bill sent than anytime in the past.

Mr. Kiely also mentioned that WASA now tracks emergency calls through the telephone equipment, where in the past volume was measured based on bills and manual logs. We can now predict what our volume will be and what resources are needed to meet the predicted demand. Ms. Richardson asked what cause the spike in call volume in March 2004. Mr. Kiely responded that the 48" main break resulted in thousands of calls into the call center. Mr. Kiely also mentioned that events of this kind is a result in the call center not meeting its performance criteria on any given day. Mr. Kiely mentioned that we could lose an entire day's performance goal as the result on one bad half-hour period. Mr. Bardin commented that unusual events should be identified but not included in the performance criteria reported each month.

Mr. Kiely presented another slide showing a typical day of call volume broken down in hourly increments. He remarked that call volume could be predicted in that the higher call volume occurs when our customers are taking their breaks and lunches. He also mentioned that it is difficult to schedule resources to meet demand because the higher volumes occur when we have the least amount of staff that is why scheduling breaks and lunches to meet this demand is an ongoing process. We require the representatives to be available to take telephone calls for at least six hours per day and the remaining workday is structured to support paperwork and customer follow up.

Mr. Kiely reported that when we are fully staffed; we have about 18 day workers to do everything. We also have shift workers to cover our after hours and early morning time. We also have to support the business office at First Street, the Penn Branch office and the Hearings Process with this staff, which is why it is critical to keep the vacancy rate low. Mr. Kiely reported that the performance problems we had in September and October were directly related to the vacancy rate. We had a real problem toward the latter part of the summer into the fall in terms of staffing. Some people decided to leave to continue studies or because of a better job offer, while others were forced to leave during their probationary period because of poor work performance.

Mr. Kiely also reported that we are doing an IVR study as part of our telecommunications plan. We are trying leverage technology to provide customers with as many self-service applications as possible so that we can reduce call volume while being more accessible to our customers.

Mr. McPhail reminded everyone of the upcoming customer service conference in Baltimore sponsored by the AWWA. Mr. Kiely remarked that at least one WASA staff member will be speaking at this conference.

Federal Grant Initiative

Mr. McPhail referred to the Customer and Community Services Committee Proposed Strategic Goal (work plan) under a.2. He indicated that he wanted to add another item to this work plan “Develop and Implement Federal Grant Funding”. Mr. Johnson reported that we have identified a number of sources of funds and we want to take advantage of as many as possible and we do not want to focus on any one source. We are doing a number of things within the organization to help find funding for the capital program.

Doug Siglin, from the Chesapeake Bay Foundation, commented on CSO, stating he wants to bring along a lot of people to work in partnership with WASA to get every dollar that the Authority need in Federal money to take the burden off of the ratepayers. He made several comments on CSO.

Mr. McPhail said the it's the desire of the Board to have a formal program that will dramatically increase the amount of grant funding that the Authority receive. The number one priority is the CSO; maybe number two priority is the lead service replacement line. What's the best way to organize this for the Authority? Mr. Johnson commented that he thinks that the Authority have been tremendously successful already and that staff need to work towards obtaining a long-term commitment for dollars.

Johnnie Hemphill informed the Committee that the Authority can use a tool, sometimes referred to as a “case statement” to inventory organization projects that could be prospects for federal funding. An effective case statement will inventory priority Authority capital projects with a 3-5 year or longer time horizon. The inventory can then be organized into mission areas that may more neatly fold into Administration funding priorities, e.g. homeland security, Congressional Appropriations subcommittee jurisdictions e.g. health, labor and education, or areas of particular interest to a champion (on the Hill or with significant influence on the Hill).

The most effective case statement provides a reasonably good inventory of most institutional project priorities, as well as an inclusive and flexible statement of purpose or mission that avoids too narrow a focus on a single project. Although it was not intended as such, the LTCP Executive summary is an excellent example of a good case statement—it provides an encompassing statement of purpose, and sufficient substantive background to allow the Authority to approach at least 2-3 different appropriations subcommittees with requests for support for many discrete CSO projects over a long period of time without “rewriting” the book every appropriations cycle. The case statement stands alone over time, with only a periodic “progress report”. The Committee agreed to the “case statement” for large projects that could be used for many purposes, including fund raising.

Mr. McPhail asked if the Authority needed to dedicate more resources to CSO? Mr. Johnson commented that the Authority have resources that are dedicated to this effort here although these resources also perform other functions. Mr. Johnson remarked that he does not believe that a full time person just dealing with this issue is a good use of resources.

Ms. Richardson remarked that Johnnie Hemphill needs more support. She suggested to Mr. Johnson that the CSO project is very critical and he should at least think about getting Johnnie some assistance. She remarked that the Authority may be missing opportunities to connect with other people who can help and maybe the Authority should look at getting at least a part time person.

Mr. Johnson replied that he believes that the Authority have been extremely successful. The Authority have outstripped most cities in the country in terms of getting funding for CSO. There is an additional position that will be added to Johnnie's staff. Ms. Richardson asked when will this happen? Mr. Johnson replied as soon as the job description is approved and the recruitment completed.

Ms. Richardson wants to know when the recruitment will be completed at the next meeting.

Inspector General Report

The discussion primarily focused on the publicity surrounding WASA's refusal to sign an MOU with the Department of Health as recommended by the IG. Mr. Johnson remarked that the Authority have multiple interactions and relationship with D.C. Health Department that do not require an MOU so why is this any different. In fact DOH has three staffers at the Blue Plains that did not require an MOU. This was the only issue where we failed to get cooperation from the DOH early on at staff level that was later ignored by the Director. The same Director who stated that lead is a WASA problem and WASA issue.

Beyond that Mr. Johnson feels that the Authority's working relationship is a very good one and that establishing a MOU for a single issue serves no real benefit. Mr. Johnson also remarked that the leadership has changed at DOH and a number of changes instituted that negate the need for an MOU.

Other Items

Mr. McPhail suggested that the staff consider mailing to all customers what the Authority have accomplished and where the Authority is going with regards to the lead program. Mr. Johnson replied that there have been several internal discussions about possibly issuing a progress report. Mr. Johnson mentioned that the media probably would not report on it if WASA issues a report so staff may look at purchasing some ad space to make the community aware of the progress the Authority have made.

Mr. McPhail stated that Item #4 and Item #7 on the agenda would be discussed at the February meeting.

The meeting was adjourned at 1:00 p.m.

