Audit of the
Athens-Clarke County
Water Business Office
2020

Stephanie Maddox, Internal Auditor

Office of Operational Analysis ♦ City Hall
301 College Avenue ♦ Suite 202
Athens, GA 30601 ♦ (706) 613-3012

www.accgov.com/operationalanalysis

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Jill M. Arquette, Management Analyst

For a copy of this report contact us at:

City Hall, Office of Operational Analysis
301 College Avenue; Suite 202
Athens, GA 30601
(706) 613-3012

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Audit Report Highlights

WHAT WE DID

The purpose of this audit was to determine whether the WBO could improve the efficiency of its operations, whether it could increase customer service delivery, and to provide an update on the implementation of automated meters, or the Advanced Metering Infrastructure System (AMI).

WHAT WE FOUND

In January 2018, the Mayor and Commission approved an audit of the Athens-Clarke County Water Business Office (WBO), as part of the Office of Operational Analysis' (OOA) annual work plan. The audit team conducted the audit from February to October 2019.

The audit team developed two surveys during pre-audit planning. One survey was advertised to the community. The purpose of the survey was to learn how satisfied customers were with the service provided by the WBO. A total of 1,204 participants completed the survey. Customer survey respondents indicated the lack of technological advancements was inconvenient, which has created an adverse opinion of doing business with the WBO.

The second survey was designed for employees of the WBO and focused on employee job satisfaction. One-hundred percent of WBO employees completed the survey. Employee survey responses indicated that providing great customer service was a priority.

WHAT WE RECOMMEND

The scope is comprised of four main elements divided into four distinct chapters in this report. A brief summary of the recommendation by chapter is listed below.

ELEMENT #1: Evaluate Internal Controls, to include the reliability of financial and operational reporting.

Recommendations:

(1) The independent consultant should finalize the Operating Policies and Procedures and the Water Business Office should implement them within the next 12 months.

(2) Update or replace the software to interact with the financial software used throughout ACC.

(3) Provide extensive training on all facets of the H.T.E. software or purchase the financial software used by other departments in ACC.

(4) Proactively pursue continuous improvement in technology, work practices, and processes to eliminate the heavy dependency on other ACC departments and the software vendor for technology support.

(5) Hire a financial/operations manager proficient in up-to-date ERP software to generate utility reports, conduct financial analysis, communicate data across reporting levels within the WBO and with other ACC departments as necessary, support WBO operations, evaluate internal controls, and ensure the WBO becomes compliant with the Disposition of Unclaimed Property Act O.C.G.A. Section 44-12-190.

(6) Implement an updated billing system improving the speed and efficiency of the billing process.

ELEMENT #2: Update on the progress of the implementation of the Advanced Metering Infrastructure System (AMI).

Recommendations:

(7) Continue to enhance the AMI system to reduce misreads and the lack of polling by either the installation of additional collectors or by other means.

ELEMENT #3: Identify opportunities to improve customer service delivery and efficiency.

Recommendations:

(8) Establish standard customer procedures that all staff adhere to.

(9) Empower the Solid Waste staff by training them on how to create accounts, take and post payments, and to assist during high levels of account activity.

(10) Controlled parking or additional parking spaces are needed for customers.

ELEMENT #4: Opportunities to improve existing process. Compare current function of the WBO to similar water utilities with consideration of industry best practices.

Recommendations:

(11) Technological enhancements are necessary to improve customer satisfaction.

Date: February 10, 2020

To: Glenn Coleman, Interim Director, Public Utilities Department

Re: Audit of the Water Business Office

Enclosed is our draft of the audit of the Water Business Office. This report was conducted in accordance with Article IV, Section 4-104, and Article VII, Section 7-410 of the Charter of the Unified Government of Athens-Clarke County, Georgia, and the ordinance and the policies guiding the conduct of reviews.

Audit Results begin on page 4 of the report; Audit Objectives, Scope, and Methodology are located in Appendix A on page 25. This report contains 8 findings and makes 11 recommendations for improving operations, internal controls, customer service delivery, and management of the WBO.

We would like to thank the Public Utilities Department (PUD) Director and Assistant Director. We also want to thank the WBO staff for their cooperation throughout the audit. We believe this was a successful audit, and that is due in large part to the commitment the PUD made to the project.

We also want to thank Information Technology, Solid Waste, Finance, Transportation and Public Works/Stormwater Division, and the Geospatial Informational Office for their cooperation during this audit. Last, we want to thank the Gainesville Department of Water Resources for allowing the audit team to conduct an observation of their water utility service delivery.

Respectfully submitted,

Stephanie R. Maddox, Internal Auditor

cc: Frank Stephens, Public Utilities Director;
    Interim Director, Transportation and Public Works Department
    Blaine Williams, Manager
    Deborah Lonon, Assistant Manager
    Josh Edwards, Assistant Manager

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EXECUTIVE SUMMARY

INTRODUCTION

The Office of Operational Analysis (OOA) has completed the audit of the Water Business Office (WBO). Audit field work was performed during the period of February through October 2019.

The Athens-Clarke County Water Business Office is a division of the Public Utilities Department (PUD). The WBO serves a population of over 127,000 residents. The WBO provides customer service, billing, and field services to approximately 42,000 customers. The sewer system serves approximately 28,000 consumers. According to the PUD webpage, the WBO provides wastewater collection and treatment to approximately 75 percent of the residential population, as well as all industrial and commercial customers. There are 1,297 miles of pipe (810 miles of water pipe and 487 miles of sewer pipe) and 40,154 meters in Athens-Clarke County. The WBO issues and collects bills for water and wastewater treatment services (Public Utilities Department), stormwater fees (Transportation and Public Works' Stormwater Management Program), and refuse and recycling collection inside the urban service district (Solid Waste Department).

> According to the FY19 Annual Operating and Capital Budget document, the **mission** of the Public Utilities Department is to *provide general services relative to maintaining the financial stability and operational quality and integrity of the Water Treatment/Distributional and Wastewater Treatment/Collection systems*

BACKGROUND

The ACC WBO is organized into three distinct functional areas illustrated in **Exhibit 1**. The functional areas include:

1. Customer Service
2. Billing
3. Field Services

Customer Service
- Accepts and processes applications for service
- Processes payments received in-person, mail, or drop box for water, sewer, storm water, and solid waste services
- Accepts and processes requests for the start, stop, and transfer of water, sewer, and solid waste services
- Processes leak adjustments

Billing
- Processes readings from meters submitted through the AMI system or by manual reads
- Processes bills for residential and commercial customers
- Processes work orders for Field Services personnel
- Processes billing for septage disposal at the Cedar Creek Water Reclamation Facility

- Processes solid waste billing for residential and commercial customers within the urban service district

Field Service
- Manually conducts meter readings
- Troubleshoots misreads (unreported water consumption or unusually low or high water levels
- Turns water service on or off due to start, stop, transfers, and termination of service for delinquent accounts

The Water and Sewer Enterprise Fund accounts for the operations of the water distribution and sewer collection system. PUDs operating expenses for FY19 totaled $40,848,243; net revenues were $15,551,097. The FY19 budget estimated a planned increase to water and sewer rates, which equated to an increase of approximately $2.68 per month for the average customer generating approximately $52.2 million for FY19. Revenue provides funding for operating expenses, debt service, and capital projects needed to maintain the water and sewer system.

PUBLIC UTILITIES – WATER BUSINESS OFFICE

Administrator

Administrative Assistant II

Customer Service Supervisor

Operations Coordinator

Sr. Customer Service Rep.

Sr. Customer Service Rep.

Sr. Customer Service Rep.

Customer Service Rep.

Customer Service Rep.

Customer Service Rep.

Customer Service Rep.

Customer Service Rep.

AMI Analyst

Billing Specialist

Billing Specialist

Administrative Assistant I

Field Service Supervisor

Field Service Tech.

Field Service Tech.

Field Service Tech.

Field Service Tech.

Meter Reader

Meter Reader

Meter Reader

AUDIT RESULTS

The audit scope consists of four distinct areas, which include:
- Internal Controls
- Advanced Metering Infrastructure (AMI)
- Customer Service
- Process Improvements

This report highlights the strengths of the WBO. It also suggests multiple recommendations to enhance performance further - many of which are already underway.

INTERNAL CONTROLS

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Strengths

- **In general, internal controls were sufficient over cash handling.**

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The audit team identified three areas that would benefit from improved or updated internal controls.
1. Policies and Procedures
2. Outdated Technology
3. Customer Billing Process

Policies and Procedures

Internal controls are policies or procedures put in place to safeguard assets, provide reliable financial information, promote efficient and effective operations, and ensure policy compliance.

Finding (1):   No formal policies or procedures are in place at the WBO.

Up-to-date Standard Operating Procedures (SOPs) contributes to a strong governance structure. Well-documented, comprehensive, up-to-date policies provide employees with a clear idea of their responsibilities and how their subsequent performance helps the WBO achieve its goals overall. The WBO currently does not have a process in place to evaluate continued effectiveness within the division. The division lacks formal policies and procedures resulting in weak internal controls in areas like delinquent accounts, returned checks, and customer refunds. The WBO does not address delinquent utility accounts regularly or consistently by billing cycle, allowing customers' bills to add up for months before requiring a payment. Another example is returned checks are not processed on a regular schedule causing the end of day totals to be out of balance with data generated by the Finance Department. Also, there is inconsistency in processing customer refunds according to multiple responses by staff. These issues lead to negative financial exposure. The WBO currently is not in compliance with the Disposition of Unclaimed Property Act, O.C.G.A., Section 44-12-190, which defines unclaimed property as accounts held by financial institutions

and other businesses who have lost contact with their owner of record. According to the Department of Revenue, all accounts with unclaimed balances after five years should be reported to the state. A concerted effort is not made to send customers refunds to customers. Approximately 11,000 customers are owed almost $400,000 in unclaimed balances.

Existing policies and procedures (P&Ps) available to staff are located in a 3-ring notebook and contain policy iterations disseminated from various departments dating back to 1993.

In FY14, the Public Utilities Department hired an independent consultant to review and develop Operating Policies and Procedures for the Water Business Office. Despite receiving a little over $200,000 ($206,500) over six years, the consultant had not completed the policy manual by the submission date of this audit report.

The audit team was curious about the commonality of outsourcing for the development of departmental operating policies and procedures. The audit team created and disseminated a one-question survey about departmental policies and procedures to approximately 45 ACC departments, including those headed by an elected or appointed official. Fifty percent of the departments responded to the survey. Of those who responded, more than half (55%) stated their department has formal SOPs and P&Ps. One-hundred percent of the survey respondents stated their policies and procedures are written internally by staff. Collectively between the Assistant Director and three WBO supervisors (Superintendent, Operations Coordinator, and Customer Service Supervisor), they have over 100 years of experience working for the ACC WBO. It is unknown why the WBO chose not to write its policies and procedures manual(s) in-house like other ACC departments. Given that monthly rates and charges paid by utility customers fund operations, as well as maintenance and repair and replacement of the water distribution system, the consultant should finalize the project immediately.

Recommendation:

    (1) The independent consultant should finalize the Operating Policies and Procedures, and the Water Business Office should implement them within the next 12 months.

Outdated Technology

Finding 2:   WBO software is outdated.

Selecting the best software or Enterprise Resource Planning (ERP) system is one of the largest projects an organization can undertake due to the impact on how work is conducted, the way in which day-to-day tasks are accomplished, and the impact on customer service delivery. The appeal of an ERP system is that the software integrates data, functions, and departments across the entire organization. In addition, ERP systems can automate manual tasks, allow users to produce and access information in real-time, and share data throughout the organization.

The ERP system used by the WBO is called H.T.E. According to staff, it is outdated and has limited capabilities. Also, H.T.E. requires significant manual data entry, is unable to perform generic queries, is not user friendly, and is unnecessarily cumbersome. In 2007, the majority of

ACC departments migrated to a new ERP system called EDEN (which was still the primary ERP system in place at the time of the audit). The WBO made a decision not to upgrade its software along with ACC departments, and to continue using H.T.E. The decision has created challenges both for the WBO and for other departments because of the incompatibility of the two software programs. No specific reason was provided to the audit team as to why the WBO had not updated its technology in almost two decades other than that a small group of employees is familiar with the software program.

The old, underperforming H.T.E. system presented other challenges over the years. For example, as technology evolved, up-to-date software systems offered programs that are not available through H.T.E. To keep up with advancements, WBO personnel must request a custom report from the software vendor.

Despite the continued use of H.T.E., the audit team could not identify one employee within the WBO who was proficient with the software. In an effort to meet their specific needs, the WBO paid to have H.T.E. customized whenever a specific function was desired. Basic reports that should be generated by the WBO are being generated by other ACC departments. On some occasions, the WBO staff requests additional assistance from the Finance Department. The WBO should not be dependent on the software vendor or other ACC departments for the generation of basic reports.

Over the years, the H.T.E. system has been extensively customized to be able to generate standard reports and templates that were not included in the initial software program. An essential component unavailable with the H.T.E. system is a user manual. Employees within the WBO do not have access to comprehensive guides to familiarize themselves with the full extent of the software's capabilities. A lack of training and knowledge of the H.T.E. customized system will continue to result in more unnecessary and time-consuming processes to extract necessary data.

Recommendation(s):

(2) Update or replace the software to interact with the financial software used throughout ACC.

(3) Provide extensive training on all facets of the H.T.E. software or purchase the financial software used by other departments in ACC.

(4) Proactively pursue continuous improvement in technology, work practices, and processes to eliminate the heavy dependency on other ACC departments and the software vendor for technology support.

(5) Hire a financial/operations manager proficient in up-to-date ERP software to generate utility reports, conduct financial analysis, communicate data across reporting levels within the WBO and with other ACC departments as necessary, support WBO operations, evaluate internal controls, and ensure the WBO becomes compliant with the Disposition of Unclaimed Property Act O.C.G.A. Section 44-12-190.

Customer Account Billing
Finding 3:   The customer billing process is time-consuming and inefficient.

Water meter billing is a critical part of the management and oversight of the delivery of water to ACC citizens. The Billing Unit is part of the WBO and has three staff:

1- AMI Analyst, Supervisor

2- Billing Technicians

The WBO uses the H.T.E. system to execute daily billing processes. The H.T.E. billing system serves as the data repository for meter readings and billing information. Current billing processes and technology are outdated, which results in inefficient use of manpower and a waste of resources. For example, the WBO still uses green bar paper and prints reports daily that are 700-900 pages in length. Two employees manually read through the 700–900 pages of documentation daily to search for discrepancies. Updated billing software would enhance the process allowing queries to be generated, which would reflect any exceptions, limiting the number of man-hours necessary to review data.

Bills are outsourced through Arista, a third party distributor, and then mailed to customers. Issues occur when customers fail to notify WBO personnel of address changes, which increases unnecessary workload by requiring WBO personnel to research a potential new address and remailing of bills. Paperless billing would reduce discrepancies in incorrect addresses and the amount of returned mail received by the WBO.

Not only is the current billing process time intensive, but it is also costly. The department spent an average of $167,000 on postage each year between FY14 and FY18 (approximately 30% of the WBO operating budget). If the WBO offered paperless billing to customers, postage fees would decrease, thus cutting down on paper usage and reducing the level of rate increases to cover operating costs.

Recommendation:

(6) Implement an updated billing system improving the speed and efficiency of the billing process.

ADVANCED METERING INFRASTRUCTURE (AMI)

Strengths
- **The AMI project was complete $763k below budget.**
- **Through attrition, no jobs were lost due to the automation of the system.**
- **The approved contract included 100% coverage - ensuring that all software, hardware, and change outs were covered.**

Finding 4: **The implementation of the AMI technology is complete. Public Utilities completed the installation of the project in November 2019.**

The AMI allows both customers and the WBO to know exactly how much water is being consumed.

Prior to 2008, PUD employed 10 Meter Readers in the field service area who were responsible for performing manual meter readings of every water meter. Meter Readers were required to meet a quota of 225 meter readings per day. Reading meters manually consists of driving to each meter address, locating the meter on the property, and entering a 10-digit account identifier, found on the meter, into a handheld device. Meter reading data was not downloaded into the financial system until the Meter Readers returned to the WBO at the end of the work day. The audit team found that the field services staff are still being required to meet a quota of 225 meter readings per day even after the installation of the AMI. This is an inefficient use of time as the purpose of the AMI system was to reduce the number of manual readings necessitated by the former system.

In 2008, the Mayor and Commission approved $5,000,000 to fund an Automated Meter Reading system (AMR). Water meters measure how much water customers use; the WBO then uses this information to calculate customer billings. As meters age, they tend to run slower and may not measure all the water going through them. New meters offer increased accuracy of water consumption. Per industry guidelines, the meters should be replaced every 15-20 years, sooner if needed. From both a customer and the utility point of view, metering is a valuable aid to water conservation efforts.

The objective of the installation of advanced meters was to provide a digital reading of water consumption as well as facilitate meter reading and billing for the WBO.

From 2015 to 2019, PUD installed over 40,000 AMI meters. AMI allows both customers and the WBO to know exactly how much water is being consumed. The new technology was expected to eliminate time-intensive manual processes and reduce meter reading errors. A significant enhancement of the AMI technology is the timely identification of leaks. With automated meters, the WBO has the ability to detect leaks early, contact customers, and provide assistance with identifying leaks while simultaneously reducing the need for manual meter readings. This information can assist in conserving water and saving money.

During its installation, the AMI's system ran parallel with H.T.E. to serve as a check and balance for meter readings. For example, if the AMI system reported abnormalities for an account's meter read, (unusually low or high water consumption) or a missed read (the meter did not import consumption data to the collector), the reading would be compared to the customer's history report which was run in H.T.E. If necessary, Field Service Technicians manually read the meter to ascertain the reason behind the exception or misread.

Meters are read according to 11 billing cycles. Exhibit 2 shows the location of each of the 11 billing cycles, and Exhibit 3 shows the number of meters within each cycle as of June 2019. Exhibit 4 indicates the location of AMI collectors across Athens-Clarke County. During the time of the audit, there were a total number of 40,154 meters. The total number of meters fluctuates as new meters are installed and meters that are old or are no longer in use are removed, resulting in continually changing numbers.

Exhibit: 2
WBO Meter Cycles
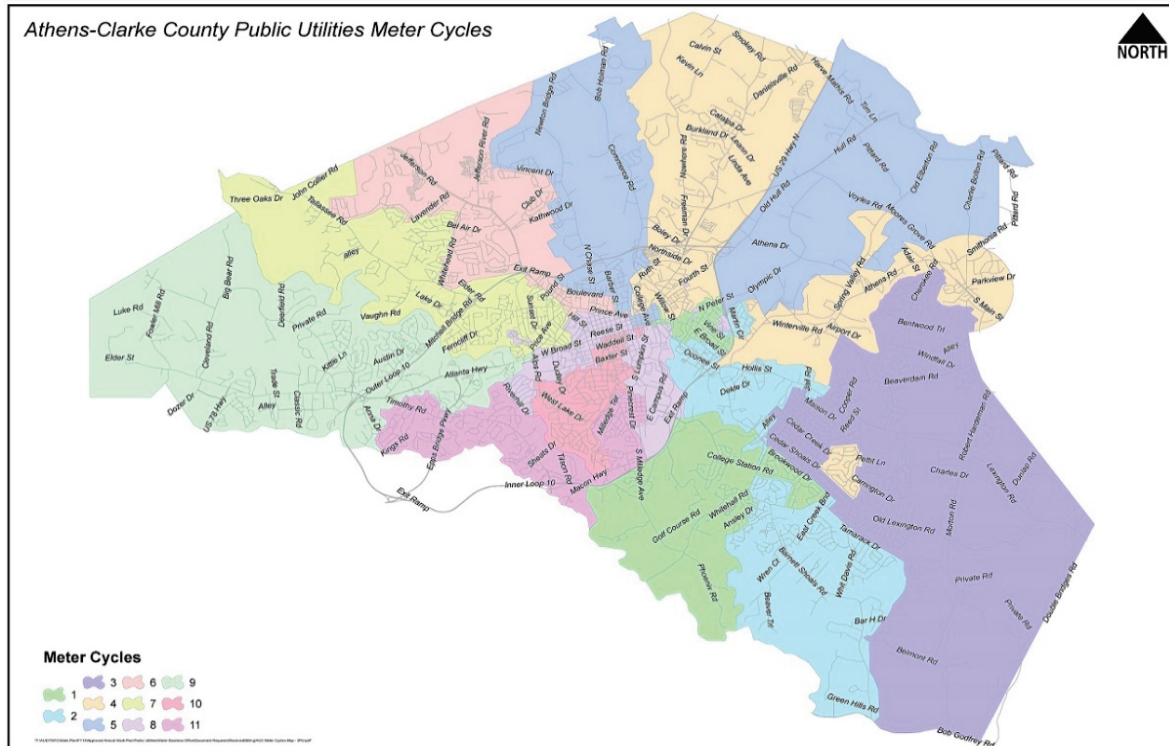
Exhibit 2 is an illustration of the location of cycles (as of June 2019). The meter reading function is divided into 11 billing cycles.

Exhibit: 3
Number of Meters in each Cycle

Meter Cycle Number	Number of Meters within Cycle
1	3,981
2	4,814
3	4,937
4	4,187
5	3,137
6	3,543
7	3,638
8	2,315
9	4,241
10	2,344
11	3,017
Total # of Meters	**40,154**

Exhibit: 4
AMI Collector Locations in Athens-Clarke County

Recommendation:

(7) Continue to enhance the AMI system to reduce misreads and the lack of polling by either the installation of additional collectors or by other means.

Exhibit: 5

Athens-Clarke County Water Business Office AMI Project Timeline

September 2008
Mayor & Commission approved inclusion of $5 million in the Series 2008 Water and Sewer Bonds for the funding of a portion of an AMR System.

2009

April 2010
Mayor & Commission approve the 2011 Service Delivery Plan Update which Included the AMR Project.

2010

2010
Prior to the 2011 Service Delivery Plan Update, automated meter reading systems were referred to as AMR (Automated Meter Reading) Systems. The latest technology has progressed and is referred to as AMI (Advanced Metering Infrastructure) Systems.

February 2012
AMI presented by PUD to Mayor & Commission at a Work Session.

2011

June 2012
RFP proposals submitted to Purchasing.

2012

April 2012
Mayor & Commission approved AMI preliminary plans and authorized to move forward with advertising RFPQ.

August 2013
Mayor & Commission authorized staff to enter into contract negotiations with Neptune and Delta Municipal Supply, Inc.

2013
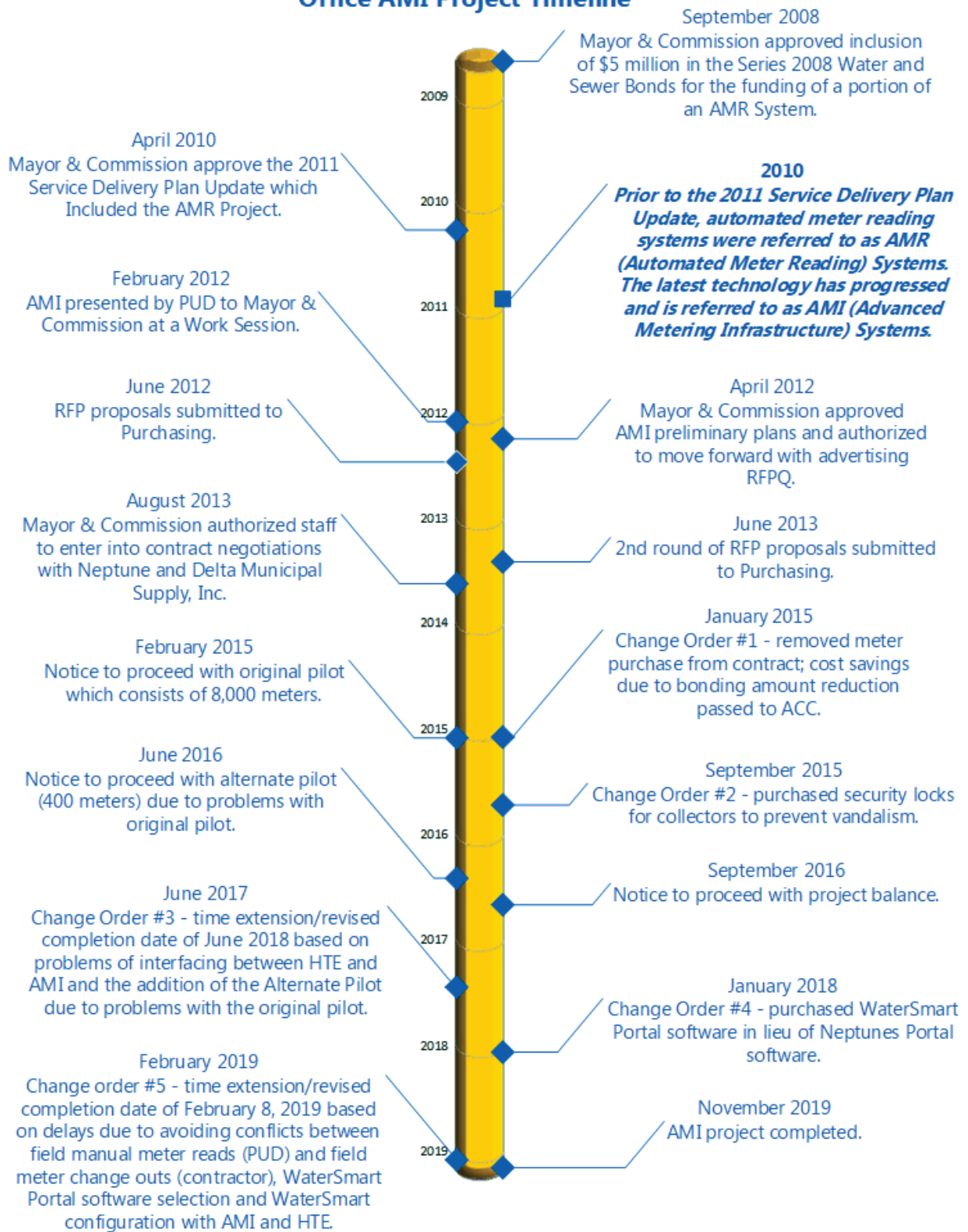
June 2013
2nd round of RFP proposals submitted to Purchasing.

February 2015
Notice to proceed with original pilot which consists of 8,000 meters.

2014

January 2015
Change Order #1 - removed meter purchase from contract; cost savings due to bonding amount reduction passed to ACC.

2015

June 2016
Notice to proceed with alternate pilot (400 meters) due to problems with original pilot.

September 2015
Change Order #2 - purchased security locks for collectors to prevent vandalism.

2016

June 2017
Change Order #3 - time extension/revised completion date of June 2018 based on problems of interfacing between HTE and AMI and the addition of the Alternate Pilot due to problems with the original pilot.

September 2016
Notice to proceed with project balance.

2017

January 2018
Change Order #4 - purchased WaterSmart Portal software in lieu of Neptunes Portal software.

2018

February 2019
Change order #5 - time extension/revised completion date of February 8, 2019 based on delays due to avoiding conflicts between field manual meter reads (PUD) and field meter change outs (contractor), WaterSmart Portal software selection and WaterSmart configuration with AMI and HTE.

November 2019
AMI project completed.

2019

CUSTOMER SERVICE

The Public Utilities Department does not have established performance measures to track customer service delivery.

Exhibit: 6
Public Utilities Performance Measures

Public Utilities							
Performance Measure	Goal	FY13	FY14	FY15	FY16	FY17	Notes
Provide safe drinking water for public health, fire protection and economic productivity, and							
Drinking water produced (mgd)	NA	11.74	11.52	12.04	12.26	12.46	
% SDWA compliance rate	100.00	100.00	100.00	100.00	100.00	100.00	Goal = AWWA/WEF Median
Water main breaks / 100 miles	< 7		3.5	5.8	4.5	4.2	Goal = AWWA/WEF Median
ISO fire rating	2/2X	new	2/2X	2/2X	2/2X	2/2X	ISO Public Protection Classification
safely convey and reclaim wastewater							
Reclaimed wastewater (mgd)	NA	10.11	11.98	11.63	12.81	10.98	
TV inspection	> 11%		11%	7	11%	12%	Goal = AWWA/WEF Median
in an environmentally responsive way.							
SSOs / 100 miles of public sewer	< 2.0	2.5	2.7	4.2	4.1	4.0	Goal = AWWA/WEF Median
% CWA compliance rate	99.99	98.63	100.00	100.00	100.00	100.00	Goal = AWWA/WEF Median
We run an effective and reliable enterprise							
% Apparent water loss	< 1.69	2.14	1.79	1.36	1.37	1.37	Goal = AWWA/WEF Median
% Real water loss	<13.78	10.52	9.51	10.23	8.02	9.65	Goal = AWWA/WEF Median
Debt coverage ratio	> 1.55	1.55	1.68	1.94	3.76	2.46	Goal = AWWA/WEF Median
Water and sewer bond rating	AA	AA	AA	AA+	AA+	AA+	Goal = AWWA/WEF Median Fitch
responsibly reinvesting in public health and environmental protection infrastructure							
% CIP R&R sanitary sewers	> 1.6%	0.33%	0.08%	0.39%	0.43%	0.83%	Goal = AWWA/WEF Median
% CIP R&R water lines	> 1.6%	0.47%	1.01%	2.13%	1.50%	2.30%	Goal = AWWA/WEF Median
% CIP R&R treatment plants	> 1.8%	0.92%	0.39%	0.56%	1.09%	2.36%	Goal = AWWA/WEF Median
at value to our ratepayers.							
Water affordability index	< 0.66%	1.02%	1.04%	1.12%	1.13%	1.16%	Goal = AWWA/WEF Median
Wastewater affordability index	< 0.74%	0.94%	0.96%	1.06%	1.11%	1.15%	Goal = AWWA/WEF Median

FY19 Annual Operating and Capital Budget

Exhibit 6, submitted by PUD for the FY19 Budget, is an illustration of the goals and outcomes tracked by the department between FY13 and FY17. As illustrated, infrastructure, economic

productivity, and public health are measured. The department has not established performance measures for the WBO, specifically customer service delivery or employee development.

Customers expect convenience and readily available up-to-date account information.

Finding 5:   Customer service procedures lack consistency.

When two or more customers bring identical issues or concerns to WBO personnel, those customers should each receive the same answer, despite bringing it to the attention of different employees.

While some procedures are performed consistently among staff, there are times that customers do not receive a consistent response from staff. For example, customers seeking payment assistance may receive one answer to their question from an employee then ask the same question of another employee only to receive a different response.

> "I called SEVERAL times to inquire about a water leak and extremely high water bill. The first person they sent to check it never reported back and different representatives gave different information. It took about 4 calls to finally get answers over 2-3 weeks."

Customers become frustrated when they receive different responses from staff. Failure to establish and maintain formal training, guidance, and direction will result in continued inconsistencies in service provided to customers.

The end-to-end customer lifecycle (establish service-change service-end service) provides opportunities to improve the customer experience at each stage. Providing consistency throughout the process enhances the overall customer experience.

Recommendation:

(8) Establish standard customer procedures that all staff adhere to.

Finding 6:   ACCUG departments are not afforded the opportunity to collaborate with the WBO staff to maximize customer service.

The WBO needs to leverage opportunities to work collaboratively with other ACC departments to benefit customers.

For example, the billing of approximately 10,000 customers for refuse and recycling collection within the urban service district of Athens-Clarke County (which encompasses the former city limits of Athens) is conducted by the Water Business Office.

Water Business Office personnel conduct the following on behalf of Solid Waste to include refuse only accounts:

- Establishment of new refuse collection and recycling services.
- Accepts payments and creates daily reports.
- Termination of services.

- Implementation of a "force off" to close an account that was not properly closed prior to a new tenant moving in.
- Change of garbage level from a larger trash receptacle to a smaller receptacle or vice versa.
- Sells trash bags and stickers for receptacles.

Work orders are sent to Solid Waste through the billing system (H.T.E.) that is used by both Solid Waste and the Water Business Office. Solid Waste personnel have the ability to enter adjustments on the customer's account but are unable to post the adjustment. Allowing Solid Waste personnel to post adjustments would provide assistance and eliminate the task undertaken by WBO personnel.

Refuse only accounts are set-up by the Water Business Office

From mid-July through mid-August, approximately 15,000 water utility accounts are opened, closed, or transferred due to college students returning to Athens or moving to a new residence prior to the start of the Fall Semester at the University of Georgia. In addition to servicing water utility accounts, the WBO has the ability to set-up refuse and recycling accounts for customers located within the Urban Service District. Due to the large volume of customer activity, in an effort to reduce customer wait times, Solid Waste staff have volunteered to assist the WBO with setting up customer accounts in order to reduce customer wait times. For example, while waiting in line for service at the WBO, Solid Waste staff educates customers living in the urban service district on refuse and recycling account options.

Recently, in 2019, the Water Business Office agreed to accept assistance from the Solid Waste Department during this busy time.

Recommendation:

(9) Empower the Solid Waste staff by training them on how to create accounts, take and post payments, and to assist during high levels of account activity.

Customer Satisfaction

The Customer Satisfaction Survey results indicate that residents in the community are not satisfied with the lack of modern technology available at the WBO. The population of Athens-Clarke County continues to grow, and the WBO has not increased staffing to sufficiently handle the increase of residents. During the audit period, the WBO did not have a sufficient number of Customer Service Representatives (CSRs) to assist walk-in customers as well as customers calling the WBO for account assistance. According to staff, customers calling the WBO become upset due to being placed on hold for a long time while the CSR assists walk-in customers and vice versa.

By updating the WBO software to allow customers to manage all facets of their accounts electronically without having to physically enter the WBO would reduce the frustration of the customers. Customers should be able to start/stop/transfer service, check the status of their account, and pay bills online, either by mobile app or by use of an interactive voice response

system (IVR). Updated technology that allows customers the ability to manage their accounts electronically would reduce the workload for the staff and the need for additional employees.

Employee Satisfaction

Employee satisfaction is a measure of workers' contentedness with their job, whether or not they like the job or individual aspects or facets of jobs, such as the nature of work or supervision.

The audit team distributed an online employee survey to WBO staff to gain insight into employee job satisfaction. The survey consisted of questions related to roles and responsibilities, communication, technology, management, service delivery, training and operational processes. One hundred percent of WBO employees completed the survey. Customer service and working with the public were rated as the most liked aspects of the employee's jobs.

Management is comfortable with existing processes and leadership is reluctant to change. Employees in Customer Service, Billing, and Field Services all stated that the WBO supervisors are not open to suggestions. According to staff, morale is low due to the lack of support they receive from management whether in job development or day-to-day tasks. For example, when the WBO is busy, management does not take the initiative to answer phone lines or assist customers at the front counter.

Training

There is no established formal training program for customer service, AMI, or succession planning.

Customer service training consists of various screenshots photo-copied and given to new employees as a step-by-step reference to common requests. While some procedures are performed consistently among staff, there are often times that staff develops their own individual procedures for completing tasks. When there is not a standardized way of delivering customer service, customers suffer. Customers become frustrated when answers are not consistent.

Training that was offered for AMI was done far in advance of the actual implementation of the system making it ineffective.

Many of the management positions are currently filled by employees that have been with the WBO for over 25, 30, or 40 years and there is no succession plan in place. Succession planning is needed to prepare capable employees by increasing their experience and helping them to attain the knowledge, skills, and abilities that will prepare them for the management roles as they become available.

According to the Employee Satisfaction Survey, the lack of on-the-job training and opportunities to cross-train has caused discord with most employees. Updated SOPs and P&Ps will provide consistencies in training and the performance of employee duties.

When asked to rate their experience with training, professional development, cross-training, opportunities for promotion, and office morale, the majority of employees are dissatisfied.

Exhibit: 7
Question 3 of the Employee Satisfaction Survey
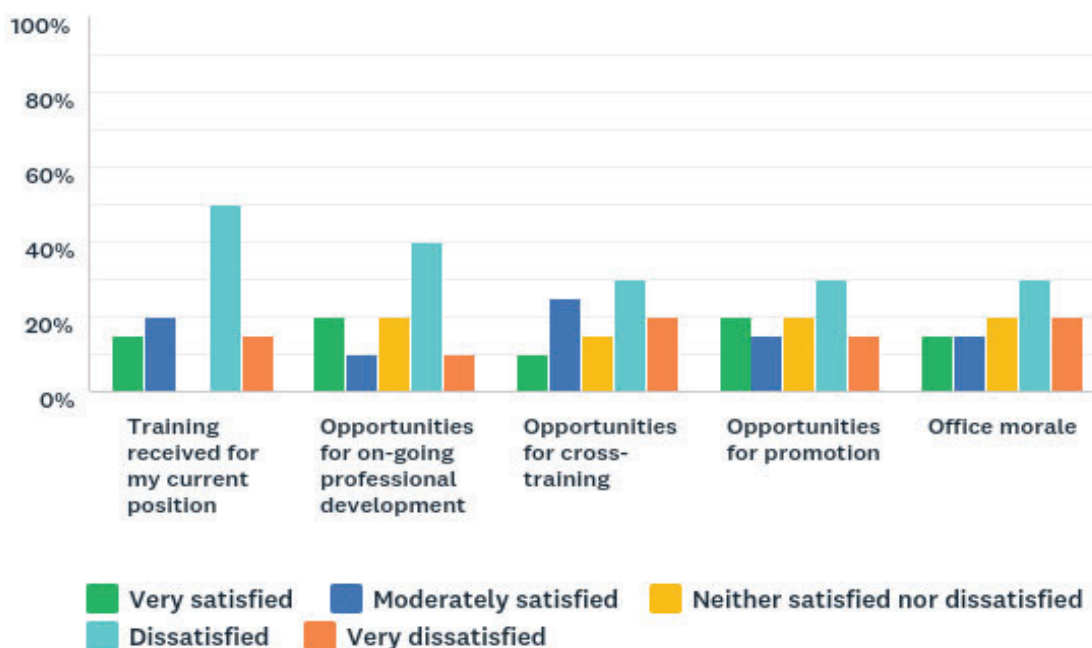
Finding 7:   Customer parking is inadequate.

The WBO has seventeen parking spaces for its customers. Audit team field observations of the parking conditions determined that the average customer transaction inside the WBO was four minutes. Despite swift customer service, the parking available to customers was regularly inadequate due to a combination of customers, county vehicles, vendors conducting business with the WBO, and residents conducting business somewhere other than the WBO parking in the WBO lot.

According to the customer satisfaction survey respondents, when asked, "How would you rate the convenience of parking when paying in person?" 22% of the 58% of respondents replied that they would rate the parking as poor.

The audit team observed a day of high vehicle traffic as vehicles continued to enter and exit the parking lot. Increased activity in the parking lot resulted in vehicles attempting to turn around in the lot, causing more congestion due to the limited space. One vehicle continued into the DO NOT ENTER area backwards and proceeded the entire length of the side parking lot onto Lumpkin Street. The average time WBO customers spent parked in the lot was three and a half minutes.

Exhibit: 8
Ariel Photo of the WBO and Adjacent Parking Lot

Recommendation:

(10) Controlled parking or additional parking spaces are needed for customers. A single entrance and separate exit both with gates would assist with parking issues.

PROCESS IMPROVEMENTS

Strengths

- **During the course of the audit, the WBO introduced a new tool for customers called WaterSmart. The WaterSmart program allows customers to monitor water usage and identify leaks before they become a serious issue.**

WaterSmart is a self-service platform that equips customers with the technology to monitor and manage their water bill. Customers use their account number to register and gain access to the WaterSmart portal. Once registered, customers have the ability to customize their profile preferences, such as setting alerts for daily consumption and possible water leaks.

Neighboring communities follow procedures similar to the WBO with some notable differences. Exhibit 9 illustrates the following comparisons between neighboring water utilities and the ACC WBO.

Exhibit: 9
Comparison between ACC WBO and Neighboring Communities

Services		Counties					
		ACC	Gwinnett	Jackson	Madison	Oconee	Barrow
2018 Census Population Estimate		127,330	927,781	70,422	29,650	39,272	80,809
1.	Paperless billing		•	•	•	•	•
2.	Start service online		•			•	
3.	Online stop or transfer service		•			•	
4.	Update personal information		•	•		•	
5.	Refund and deposit policy clearly stated on webpage		•	•			
6.	After hours emergency (24/7,365 days)		•	•		•	•
7.	Water rate information stated online	•		•	•	•	•
	Leak adjustment education or acct. adjustment					•	
8.	Payment options						
	Online payment without fee		•	•	•	•	•
	USPS Mail	•	•	•	•	•	•
	In-person	•	•	•	•	•	•
	Over the phone with Customer Service		•	•	•	•	•
	Auto draft from bank account	•	•	•	•	•	•
	Auto draft with credit card		•		•	•	
	Text message payment		•			•	
	Pay-by-phone automated service		•	•		•	

To gain a better understanding of the services offered by other municipalities, the audit team contacted neighboring utilities.   As the illustration shows, other utilities representing populations between approximately 30,000 and 1 million residents offer customers more payment options as well as additional conveniences such as the ability to start, stop, or transfer service online and an after-hours emergency number.

Finding 8:   Customer Satisfaction Survey results indicate customer expectations are not being met.

The inefficient processes and systems in place during the time of the audit negatively affect the customer satisfaction levels of the WBO.

Throughout the employee survey, customer satisfaction survey, and interviews that were conducted during the audit period, one topic rose to the top with the highest level of importance – customer service. The staff of the Water Business Office strives to provide excellent customer service, and the customers expect to receive the same. Unfortunately, there are areas that hinder the staff's ability to provide the level of service both they and the customer desire.

Customers expect to have the ability to conduct most facets of business electronically, whether it is receiving a paperless bill, registering for service, or making a payment. In the customer satisfaction survey, out of 1,110 responses to Question 9, "If you currently do not pay your bill online, would you be more likely to do so if the $2.50 fee was waived?" 754 respondents (67.93%) replied yes.

Further, customers expect to be able to utilize these services online using credit cards, e-checks, phone, or a mobile application. Following are just a few quotes from the customer satisfaction survey:

> *"I can't link my bank payment center to the bill as the WBO uses too antiquated of a system. I can't even get a paperless bill from y'all."*

> *"Why don't you accept CREDIT cards?????? ACC Water is the only utility I've ever had that doesn't accept CC payments. Seems ancient"*
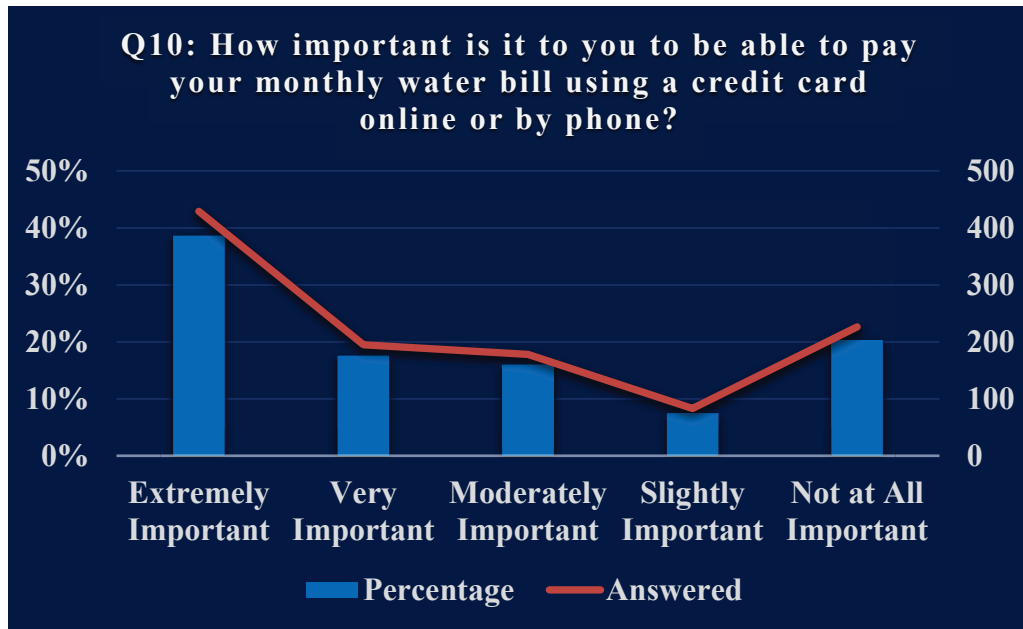
> *"CAN NEVER SET UP ANYTHING ONLINE! IT IS SO FRUSTRATING- YES I'M MEANING TO TYPE IN ALL CAPS DUE TO FRUSTRATION AND ANGER WITH THE CRAPPY ONLINE SYSTEM"*

Exhibit: 10
Processing Fee for Online Payment
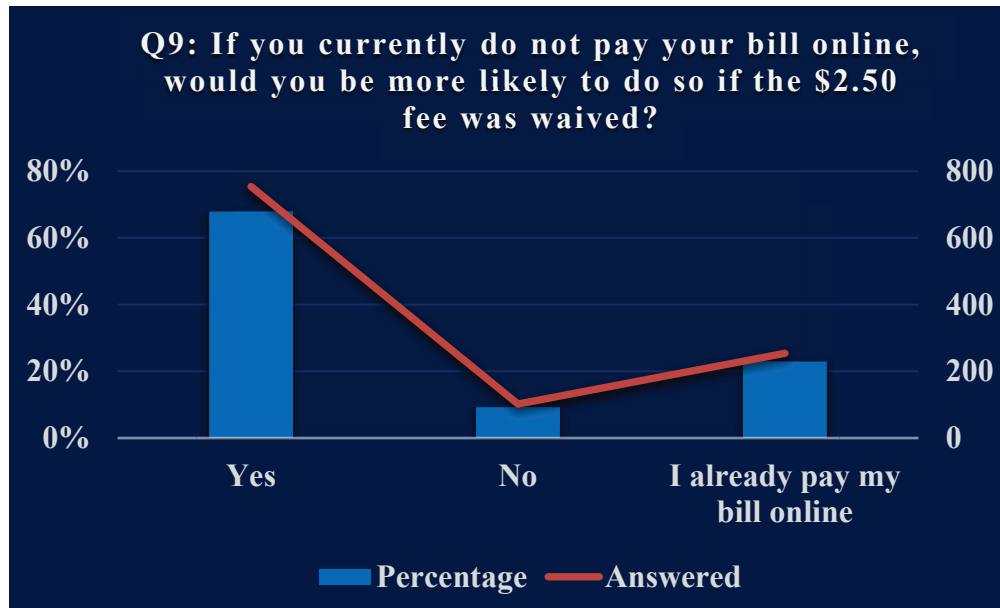
Additionally, when asked in the same survey how important is it for the customer to be able to pay their monthly bill online by phone using a credit card, out of 1,111 responses, 72% of customers responded that it was moderately-extremely important to be able to pay by phone or online using a credit card.

Exhibit: 11
Online Credit Card Payments

Q10: How important is it to you to be able to pay your monthly water bill using a credit card online or by phone?

Legend: ▬ Percentage ▬ Answered

Recommendations:

(11) Recommendation: Technological enhancements are necessary to improve customer satisfaction.

The most influential examples are:
- Proactive alerts — notifications via text or email when trending towards higher usage.
- Interactive Voice Response (IVR) technology, which will allow customers to pay via telephone to an automated system.
- Pay bill online with a credit card or e-check without a processing fee.
- View account activity in real time.
- Start, transfer, or stop service electronically and receive a confirmation number immediately indicating receipt of the form.
- Card scanners installed at each CSR station for the processing of credit card payments.

Industry Comparison

The audit team conducted a field observation of the City of Gainesville Department of Water Resources (GDWR), Gainesville, Georgia, because its population is similar to Athens-Clarke County, staffing of the GDWR in relation to the number of meters being read and the number of customers being served is comparable to the ACC WBO (see Exhibit 12), they use an AMI system, and they have received positive reviews on customer service.

Exhibit: 12

Staffing Comparison Between Athens-Clarke County WBO and Gainesville DWR

Athens-Clarke County Water Business Office Staffing	Number of Authorized Positions	Gainesville Department of Water Resources Staffing	Number of Authorized Positions
Administrative Assistant II	1	Billing Specialist	3
AMI Analyst	1	Customer Advocate	1
Billing Specialist	2	Customer Service Field Representative	5
Customer Service Representative	5	Customer Service Manager	1
Customer Service Supervisor	1	Customer Service Representative	10
Field Service Supervisor	1	Meter Asset Manager	1
Field Service Technician	4	Meter Sales Specialist	2
Meter Reader	4	Senior Billing Specialist	1
Administrative Assistant I - PT/NB	1	Senior Customer Advocate	1
Operations Coordinator	1	Senior Customer Service Field Representative	2
Senior Customer Service Representative	3	Senior Customer Service Specialist	2
Water Business Administrator	1	Utilities Analyst	1
		Utility Senior Database/AMI Analyst	1
TOTAL	25	*TOTAL*	31

In 2010, GDWR began the process of improving service by implementing an AMI system. The system can be managed remotely, allowing staff to update information from the office, process on-demand readings, restore power, and more. The department began the AMI installation with 35,000 meters and 3 tower gateway base systems (TGBs). In 2013, they added an additional 24,000 meters and 3 more TGBs.

GDWR currently has over 56,000 meters, and over 50,000 of those are AMI meters. The department has roughly 6,500 remaining meters that they plan to upgrade to AMI. The AMI installation is estimated to be completed by the end of 2019. Gainesville began implementing the AMI project over nine years ago and has been gradually expanding the system as budgeting has allowed.

CONCLUSION

Opportunities exist to improve customer service delivery and improve employee engagement.

The overarching takeaway from the customer satisfaction survey is survey respondents expressed dissatisfaction with limited technology options available at WBO. Specifically, customers want a paperless billing option, the ability to see account activity in "real" time, and the most commented request by survey respondents was the ability to make payments online without paying a processing fee. To address these issues, the WBO should explore a "customer friendly" billing system immediately, update its existing technology (H.T.E.) to streamline processes within the WBO, which is not only out of date, staff state it is not user friendly, and the WBO is overly reliant on other departments to generate advanced reports.

The WBO should also develop a rigorous succession plan for employees. Collectively, the supervisors in the WBO have almost 100 years of service with ACC. The next generation must be prepared to take over when seasoned employees retire. Employees expressed a desire in learning useful functions on the Microsoft Platform. Last, employees in the WBO and the Meter Management Division both expressed an interest in cross-training on new product rollouts. For example, when the AMI meter installation process began, WBO staff received limited training and communicated limited information with customers. Conversely, when Meter Management met with the same customer in the field to address an issue, the explanations were different from those provided by WBO staff. Both divisions acknowledge the intention to communicate the same message but stated they understood how customers became frustrated and confused. Commendably, both divisions expressed an interest in communicating a consistent message to improve customer service.

SUMMARY OF FINDINGS AND RECOMMENDATIONS

A. Internal Controls

Finding 1: *No formal policies or procedures are in place at the WBO.*

1. **Recommendation:** The independent consultant should finalize the Operating Policies and Procedures and the Water Business Office should implement them within the next 12 months.

Finding 2: *WBO software is outdated.*

2. **Recommendation:** Update or replace the software to interact with the financial software used throughout ACC.

3. **Recommendation:** Provide extensive training on all facets of the H.T.E. software or purchase the financial software used by other departments in ACC.

4. **Recommendation:** Proactively pursue continuous improvement in technology, work practices, and processes to eliminate the heavy dependency on other ACC departments and the software vendor for technology support.

5. **Recommendation:** Hire a financial/operations manager proficient in up-to-date ERP software to generate utility reports, conduct financial analysis, communicate data across reporting levels within the WBO and with other ACC departments as necessary, support WBO operations, evaluate internal controls, and ensure the WBO becomes compliant with the Disposition of Unclaimed Property Act O.C.G.A. Section 44-12-190.

Finding 3: *The customer billing process is time-consuming and inefficient.*

6. **Recommendation:** Implement an updated billing system improving the speed and efficiency of the billing process.

B. Advanced Metering Infrastructure (AMI)

Finding 4: *The implementation of the AMI technology is complete. Public Utilities completed the installation of the project in November 2019.*

7. **Recommendation:** Continue to enhance the AMI system to reduce misreads and the lack of polling by either the installation of additional collectors or by other means.

C. Customer Service

Finding 5: *Customer service procedures lack consistency.*

8. **Recommendation:** Establish standard customer procedures that all staff adhere to.

Finding 6: *ACCUG departments are not afforded the opportunity to collaborate with the WBO staff to maximize customer service.*

9. **Recommendation:** Empower the Solid Waste staff by training them on how to create accounts, take and post payments, and to assist during high levels of account activity.

Finding 7: *Customer parking is inadequate.*

10. **Recommendation:** Controlled parking or additional parking spaces are needed for customers. A single entrance and separate exit both with gates would assist with parking issues.

D. Process Improvements

Finding 8: Customer Satisfaction Survey results indicate customer expectations are not being met.

11. **Recommendation: Technological enhancements are necessary to improve customer satisfaction. Some examples are:**
    - Proactive alerts — notifications via text or email when trending towards higher usage.
    - Interactive Voice Response (IVR) technology, which will allow customers to pay via telephone to an automated system.
    - Ability to pay bill online with a credit card or e-check without a processing fee.
    - View account activity in real time.
    - Start, transfer, or stop service electronically and receive a confirmation number immediately indicating receipt of the form.
    - Card scanners installed at each CSR station for the processing of credit card payments.

APPENDIX A

OBJECTIVE, SCOPE, AND METHODOLOGY

Objective

Following are the objectives of the audit:

♦ Are there any internal control weaknesses related to the adequacy of operating controls and operation procedures

♦ A status report on the implementation of the Advanced Metering Infrastructure System (AMI)

♦ Is the WBO meeting customer service delivery expectations

♦ Are WBO employees satisfied with their job, supervisor, and work environment

Scope

The scope of the audit covers the period FY14–FY19 and includes assessing the following areas:

♦ Water Business Office internal controls, to include the reliability of financial and operational reporting

♦ Status of the implementation of the Advanced Metering Infrastructure System (AMI)

♦ Customer service delivery and efficiency, administrative and operational procedures, staffing levels, and organizational structure

♦ Opportunities for process improvements

Methodology

The methodology consisted of three phases.

Phase I   —   Pre-Audit Planning and Research
Phase II   —   Operational Review and Assessment
Phase III   —   Development of Final Report

Phase I — Pre-Audit Planning and Research

The audit team:

♦ Met with the Director of PUD prior to the start of the audit. The purpose of the meeting was to develop an initial understanding of the issues, which led to the audit.

♦ Developed an anonymous employee engagement survey to gather data about knowledge, and ideas of those employees working in the WBO.

♦ Developed an anonymous customer satisfaction survey for community citizens, which was advertised in local newspapers and on radio stations.

Phase II — Operational Review and Assessment

The audit team assessed operational efficiency, effectiveness, and the quality of customer service by conducting the following activities:

• Interviewed employees of the WBO and Meter Management Divisions.

- Interviewed employees from the Finance Department (two), Storm Water, Solid Waste, GIS (one), and Information Technology to gain an understanding of their experience relating to the WBO.
- Conducted observations of WBO operations.
- Conducted field observation of the Gainesville, Georgia water department.
- Reviewed documents from various ACC departments for the period (FY14–FY19).
- Analyzed WBO parking traffic.

Phase III — Final Report Development

The audit team prepared a report to summarize recommendations identified to improve the operations of the WBO.

APPENDIX B

Acronyms

AMI	Advanced Metering Infrastructure
AMR	Automated Meter Reading
AWWA	American Water Works Association
CSR	Customer Service Representative
CWA	Federal Clean Water Act
DWR	Department of Water Resources
ERP	Enterprise Resource Planning
ISO	Insurance Service Office
IT	Information Technology
JGBWTP	J. G. Beacham Water Treatment Plant
kWh	Kilowatt hours
mgal	Million gallons
mgd	Million gallons per day
MHI	Median Household Income
OOA	Office of Operational Analysis
R&R	Capital Rehabilitation and Replacement
SDWA	Federal Safe Drinking Water Act
WBO	Water Business Office
WEF	Water Environment Federation
WRF	Water Reclamation Facility

Key Definitions

The words defined in this report shall have the following meanings.

AMI – Advanced Metering Infrastructure (AMI) remotely transmits meter data to the WBO using radio towers and communication networks.

AMR – Automated Meter Reading (AMR) is a meter reading system that includes using a handheld device to receive meter data using technology without requiring Meter Readers to open customer meter boxes.

Benchmarking – The comparison of similar processes or measures across or within organizations and or the industry to identify best practices, set improvement targets, and measure progress.

Capex – Historical capital expenditure.

Enterprise Resource Planning (ERP) - software like H.T.E. that the WBO uses to manage day-to-day business activities.

Exception Report – A report ran by the Billing staff that lists meters with possible problems, such as leaks, abnormally high or low water consumption, or zero consumption.

H.T.E. – Financial services software designed for local governments.

Internal Control - policies or procedures put in place to safeguard assets, provide reliable financial information, promote efficient and effective operations, and ensure policy compliance.

Leak Adjustment – When a leak occurs on the customer side of the meter may adjust a customer's bill if a leak has occurred that was not reasonably discoverable by the customer.

Policy and Procedures (P&Ps) - Policies and procedures are designed to influence and determine all major decisions and actions, and all activities take place within the department or organization.

Median – 50th percentile of performance by other utilities.

Meters - a device used to measure water consumption.

Service Delivery Plan – The strategy for providing water and wastewater services to all residents, as required by the Charter of the Unified Government of Athens-Clarke County (ACCUG). The plan is updated every five years and consists of three major elements: Infrastructure, Capital Improvements, and Financial Elements.

SSO – Sanitary sewer overflows that reach waters of the State.

Standard Operating Procedures (SOPs) – A prescribed set of actions to be followed routinely; a set of instructions having the force or directive, covering those features of operations that lend themselves to a definite or standardized procedure without loss of effectiveness.

Urban Service District – Inside the former Athens city limits.

INTERNAL CONTROLS

SCOPE: Evaluate internal controls, to include the reliability of financial and operational reporting.

Objective: Determine if internal control weaknesses exist at the WBO.
1. H.T.E. Enterprise Resource Planning systems software
2. Support from various ACC departments

FINDING 1:	RECOMMENDATION:
No formal policies or procedures are in place at the WBO.	(1) The independent consultant should finalize the Operating Policies and Procedures and the Water Business Office should implement them within the next 12 months.

Agree: ☐	Partially Agree: ☒	Disagree: ☐

ACTIONS TO BE TAKEN OR PLAN TO BE IMPLEMENTED:
The Public Utilities Department partially agrees with this finding. There are numerous existing Policy/Procedures (P&P) in place in the Water Business Office (WBO).The Audit Report acknowledges same on page #5 of the report. The existing P&P notebook on file in the WBO was developed entirely by PUD staff. In addition, there are several sections of Municipal Code that dictate how certain things are handled in the WBO. The new Business Plan includes the implementation of numerous new processes, checks and balances and P&P. There was a question noted in the Audit Report regarding the decision to use an outside firm to assist with the development of the new Business Plan; much insight was gained from new and fresh ideas the professionals brought to the table. In addition the knowledge and fresh ideas obtained by the professionals from working previously with multiple other municipalities and incorporating some of those ideas into our new Business Plan will pay dividends in the WBO for years to come. The PUD agrees the New Business Plan will be implemented within the next 12 months.

IMPLEMENTATION TIME FRAME:
The new Business Plan will be implemented within 12 months.

FINDING 2:	RECOMMENDATION(S):
WBO software is outdated.	(2) Update or replace the software to interact with the financial software used throughout ACC. (3) Provide extensive training on all facets of the H.T.E. software or purchase the financial software used by other departments in ACC. (4) Proactively pursue continuous improvement in technology, work practices, and processes to eliminate the heavy dependency on other ACC departments and the software vendor for technology support.

	(5) Hire a financial/operations manager proficient in up-to-date ERP software to generate utility reports, conduct financial analysis, communicate data across reporting levels within the WBO and with other ACC departments as necessary; support WBO operations, evaluate internal controls, and ensure the WBO becomes compliant with the Disposition of Unclaimed Property Act O.C.G.A. Section 44-12-190.

Agree: ☐	Partially Agree: ☒	Disagree: ☐

ACTIONS TO BE TAKEN OR PLAN TO BE IMPLEMENTED:

PUD agrees with this finding; however, there appears to be confusion in the Audit Report regarding Enterprise Resource Planning (ERP) and Billing Software. ERP is not the same as Billing Software. PUD will initiate a Request for Proposals (RFP) thru the ACC Finance Department and Information Technology Dept. requesting a proposal for the provision and implementation of a new Billing Software. It should be noted staff recognized the need to accomplish same prior to the audit initiation, but considered implementation of a new Billing Software before finalization of the AMI Project, review of the existing water and sewer rate structure and prior to the selection of the ERP by ACC would create major implementation problems, additional costs and project delays. (3). Staff partially agrees with this portion of the finding. Although extensive training has been made available previously, immediate efforts will be made to provide more additional and extensive training on all facets of HTE/Sungard. Per ACC Information Technology Dept. implementation of a new Billing Software will take approximately 24 months to implement once the billing software has been selected. (4). PUD agrees with a portion of this finding. PUD proactively pursues continuous improvement in technology, work practices and processes to eliminate dependency on other ACC Depts. (Examples; Upgrading the AMI System to 5G before the project was completed, utilizing Cellular Meter Interface Units(CMIU) to eliminate trouble spot polling areas, implementation of the Customer Portal, which allows the customers to monitor and manage their water usage online, thereby enhancing customer service, and recognizing operational processes shortcomings and lack of consistency by developing a New Business Plan for the WBO. (5). The PUD agrees with this finding. The Mayor & Commission approved a Financial Analyst position in the WBO, as recommended by the Manager. The job description has been developed, Human Resources is reviewing, and PUD will be advertising to fill the position within 4 weeks. PUD recognized the need for additional staff to communicate and share information with other departments and responded by funding an Informational Technology position. The New Business Plan includes the process relative to the disposition of unclaimed property and same will be initiated within twelve months when the new Business Plan is initiated.

IMPLEMENTATION TIME FRAME:

The new Business Plan will be implemented within 12 months.

FINDING 3:	**RECOMMENDATION:**
The customer billing process is time-consuming and inefficient.	(6) Implement an updated billing system improving the speed and efficiency of the billing process.

Agree: ☒	Partially Agree: ☐	Disagree: ☐

ACTIONS TO BE TAKEN OR PLAN TO BE IMPLEMENTED:

(6) PUD agrees with this finding and will work with the ACC Finance Department and the Informational Technology Department to develop and advertise for Requests for Proposals (RFP) to facilitate the review and selection of a new Billing Software for the WBO.

IMPLEMENTATION TIME FRAME:
(a). Finalizing the RFP, advertising the RFP, reviewing available software and selecting a Billing Software is estimated to take approximately 6 months; (b). Billing Software Implementation will require 18 months to complete, dependent upon the Mayor & Commission deliberations regarding the tiered water rate structure.

ADVANCED METERING INFRACTURE (AMI)

SCOPE: Review progress on the implementation of the AMI system

Objective: Determine the status of the AMI implementation process.

FINDING 4:	RECOMMENDATION:
The implementation of the AMI technology is complete. Public Utilities completed the installation of the project in November 2019.	(7) Continue to enhance the AMI system to reduce misreads and the lack of polling by either the installation of additional collectors or by other means.

Agree: ☒	Partially Agree: ☐	Disagree: ☐

ACTIONS TO BE TAKEN OR PLAN TO BE IMPLEMENTED:
PUD agrees with this finding. Staff continues to seek technology advancement to the AMI System that will enhance customer service while also improving system performance. Staff is working with ACCGov Finance Department to advertise an RFP for a Financial Component that will complement the AMI Customer Portal. Features will include paperless billing, establishing or modifying an account on line, online payment by e-check or credit card, etc. Staff is currently working with the AMI Software Company to move data management from a server to cloud based, resulting in data efficiencies and long term cost savings.
IMPLEMENTATION TIME FRAME:
The Financial Component of the Customer Portal and the cloud based storage data will be implemented within twelve months.

CUSTOMER SERVICE

SCOPE: Do opportunities exist to improve customer service delivery and improve employee morale

Objective: Determine if opportunities exist to improve customer service delivery and improve employee morale

FINDING 5:	RECOMMENDATION:
Customer service procedures lack consistency.	(8) Establish standard customer procedures that all staff adhere to.

Agree: ☒	Partially Agree: ☐	Disagree: ☐

ACTIONS TO BE TAKEN OR PLAN TO BE IMPLEMENTED:
Staff agrees with this finding. Prior to the initiation of the Internal Audit of the WBO, staff has already identified short-comings and initiated the development of a new Business Plan for the WBO. One of the reasons for the Plan development was to memorialize the day to day operating procedures, thereby creating

operational consistencies and processes to ensure staff is using the same metrics and standards. In addition, the new Plan implements a variety of checks and balances that will result in improved performance efficiencies across the WBO.

IMPLEMENTATION TIME FRAME:
The New Business Plan will be implemented within the next 12 months.

FINDING 6:	**RECOMMENDATION:**
ACCUG departments are not afforded the opportunity to collaborate with the WBO staff to maximize customer service.	(9) Empower the Solid Waste staff by training them on how to create accounts, take and post payments, and to assist during high levels of account activity.

Agree: ☐	Partially Agree: ☒	Disagree: ☐

ACTIONS TO BE TAKEN OR PLAN TO BE IMPLEMENTED:
PUD staff partially agrees with this finding. WBO staff has continued to collaborate with other departments to improve overall customer service. Examples are when PUD and T&PW Storm Water opened a joint office on the East side, closer to that customer base. While ultimately the volume of transactions did not warrant keeping the satellite office open, this is still an example of collaboration between the WBO and other depts. The WBO continues to work with Solid Waste and Information Technology to identify ways to improve customer service. Solid Waste has manned a station at the WBO during RUSH to provide information regarding available solid waste services. In addition a computer station was established in the lobby of the WBO allowing customers to sign in to the system rather than standing in a long line waiting their turn. Unfortunately available existing work stations limit utilizing Solid Waste staff assisting with taking payments, creating and posting to an account, etc. WBO staff will ensure that HTE training is made available to Solid Waste staff, so that the WBO can utilize their talents as the opportunities become available.

IMPLEMENTATION TIME FRAME:
Immediate and at the same time training is made available to WBO staff as identified in finding #3.

FINDING 7:	**RECOMMENDATION:**
Customer parking is inadequate.	(10) Controlled parking or additional parking spaces are needed for customers. A single entrance and separate exit both with gates would assist with parking issues.

Agree: ☒	Partially Agree: ☐	Disagree: ☐

ACTIONS TO BE TAKEN OR PLAN TO BE IMPLEMENTED:
A. Click or tap here to enter actions to be taken or plan to implement.PUD agrees with this finding. Staff will work with the ACC T&PW Traffic Engineer to request an evaluation of traffic flow patterns at the Customer Service Center (CSC), inclusive of striping and signage.
B. PUD recommends designating the three existing parking spaces on Hancock Avenue in front of the CSC and the three spaces adjacent to the CSC on Lumpkin Street be designated for WBO Customer Parking only.
C. PUD recommends implementation of the Customer Drive Thru Window that was included in the original building design.
D. PUD recommends the reallocation an existing vacant Meter Reader position to a full-time police officer position to provide security for the CSC. Responsibilities will include monitoring all customer parking and traffic movement. Currently, the WBO utilizes off duty police officers during RUSH and peak volume periods.

IMPLEMENTATION TIME FRAME:
A. 2 months
B. 6 months
C. 12 months
D. 4 months

PROCESS IMPROVEMENTS

SCOPE: Determine the potential for process improvements

Objective: Determine if there are processes or improvements that would benefit the WBO.

FINDING 8:	RECOMMENDATION:
Customer Satisfaction Survey results indicate customer expectations are not being met.	(11) Technological enhancements are necessary to improve customer satisfaction. Some examples are: • Proactive alerts — notifications via text or email when trending towards higher usage. • Interactive Voice Response (IVR) technology, which will allow customers to pay via telephone to an automated system. • Ability to pay bill online with a credit card or e-check without a processing fee. • View account activity in real time. • Start, transfer, or stop service electronically and receive a confirmation number immediately indicating receipt of the form. • Card scanners installed at each CSR station for the processing of credit card payments.

Agree: ☒	Partially Agree: ☐	Disagree: ☐

ACTIONS TO BE TAKEN OR PLAN TO BE IMPLEMENTED:
PUD agrees with this finding. a). Proactive Alerts: The AMI Customer Portal is currently providing customer alerts relative to potential leaks or upward trending water usage. Staff is currently trying to capture email addresses from the HTE/Sungard Billing System to increase potential customer notifications. In addition, the new Business Plan includes a revised Customer Application for Service that request an email address. All designed to increase customer notifications. B). Interactive Voice feature will be included in the RFP for the Financial Component of the Customer Portal. c). The ability to pay online with a credit card or e-check is included in the Financial Component of the Customer Portal RFP. d). View Account Status in Real Time: This is currently being accomplished regarding volume usage. The Financial Component RFP will allow same for account financials. e). Start, transfer or stop service electronically with confirmation; This feature is included in the RFP of the Customer Portal. f). WBO currently has card scanners at each Customer Service Representative station at the front counter for processing payments by credit.