

It's All About Customer Service

At the Division of Water, we are completely focused on providing superior customer service, because we are conscious of how vital customers are to the Division of Water. As a result, a substantial amount of effort is spent in a variety of customer service areas, from maintaining and repairing water mains and meters to regulating the time a customer spends on hold, not to mention giving accurate and well-researched information to customers who call us.

By implementing several new initiatives within the last couple of years, and by recognizing those CWD individuals who surpass basic customer service standards, we are constantly revitalizing our focus in this area. For example, letters of appreciation are given to employees who have received "thank you" cards and letters from satisfied customers.

Within the Division, we pride ourselves in not simply saying we care about our customers, but actually showing customers how much we value their concerns.

In short, everything the Division of Water does is customer-oriented, from explaining the structure of a bill to describing our advanced water treatment procedures. We are committed to providing knowledgeable, caring, responsive and effective service to satisfy customers in a timely and consistent manner.



WE CARE ABOUT OUR CUSTOMERS

NEW CUSTOMER SERVICE INITIATIVES.

In 2007, the Division of Water looked at ways of better servicing its customers. All of us have experienced the frustration of being transferred from one person to another when we call a business. However, at the Division of Water we are pursuing innovative ways of creating "one stop" call resolution.

Our call centers are staffed with knowledgeable customer service representatives that can answer the majority of customer questions. If a call requires a more technical answer or involves an out-of-the-ordinary issue, there may be a need to transfer the caller to a person who is better suited to assist with the call. However, it is our goal to have the initial customer service representatives (the people who answer the calls) successfully fulfill 90% of all calls.

In addition, an assessment of our current practice for handling emergency calls was initiated in an effort to enhance customer service. As a result, our dispatchers have been integrated into the call center's day-to-day operations. Increased stability in this area is leading to more support throughout the system and improved customer satisfaction. Also, planning is underway to implement an external Customer Service Advisory Board. We are confident that this new initiative will be a valuable resource to augment our improvements in customer service.

More service improvements will continue as we begin our new Strategic Business Plan that extends from 2008 through 2012.

Mayor's Operations Efficiency Task Force

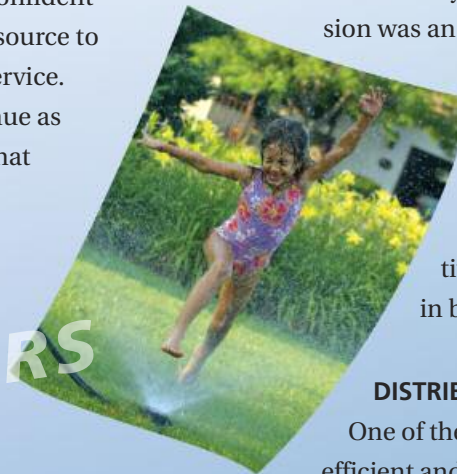
The year 2007 saw the second phase of Mayor Frank Jackson's Operational Efficiency Task Force, a citywide initiative that challenged various departments to do more with less. The Mayor initiated this Task Force, and the Division was an extremely willing and active participant.

Working within this Task Force, the Division dealt with many issues involving improvements in Distribution and Maintenance, Information Technology, and within Human Resources. The objective was to capture institutional knowledge in both written and verbal forms.

DISTRIBUTION AND MAINTENANCE

One of the recommendations for developing a more efficient and effective work process within Distribution and Maintenance involved increasing the number of crews we have in the field, so that we can respond more quickly to customer concerns.

Another proposal involved the application of scheduling software for service crews and maximizing the use of the Division's Web page as a communications conduit to the service directors of our suburban communities. This information, such as anticipated arrival and completion times, can then be passed on to the customers and help eliminate or minimize complaints. By implementing this process, it will reduce the number of phone calls, help minimize complaints, and provide for a more seamless operation.



INFORMATION TECHNOLOGY

In the Information Technology (IT) section of our Division, we are keenly aware that we deal with two sets of customers: our internal staff and the rate-payers who are our ultimate customers. In 2007, we reorganized our IT group into its own section, headed by a new Assistant Commissioner. With this reorganization, we will have the capability to improve operations and to maximize the positive effects of the new technology investments we have made and continue to make.

As an example, we are in the process of implementing a new Customer Care and Billing (CC & B) system. We selected our preferred software vendor in 2007, after a careful review of all the available systems on the market. It's no accident that the word "care" comes before "billing" in this system name, since our focus is on providing ever-increasing customer responsiveness across a broad spectrum of service categories. This new billing system is expected to be on-line in 2009.

Additional customer service enhancements include better-informed customer service agents along with a web self-service application so that customers will be able to see their account status and pay bills on-line. There will also be additional customer self-serve features on our telephone system, so customers' needs can be met with shortened wait times.

The conversion to automatic meter reading (AMR) has now become a project within the Division, and we are gearing up to initiate this system in 2008. In 2007 proposals were received for program management services for the Division's Meter Automation and Replacement Program project. This new AMR technology will provide our customers with more accurate and timely readings, since AMR obtains meter readings using the latest radio and telephone technologies.

During 2007, the Division also finished construction of our new Technology and Security Center, located on the grounds of our Nottingham Water Treatment Plant. This building houses our IT staff and provides them with office space, a robust data center and facility monitoring. Designed and constructed to be environmentally sustainable and energy efficient, this impressive building incorporates skylights and a broad use of recycled materials.

KNOWLEDGE CAPTURE

We completed a pilot project in 2007 that focused on the vital task of capturing and disseminating knowledge that resides within the employees working at the Cleveland Division of Water. A consultant identified certain "subject matter experts" and then used specialized software to capture their unique knowledge.

After close observation of these experts at work in our Division, a script was developed so that the experts themselves could be recorded on video sharing all the needed information, in an easy-to-access format. We believe that this kind of knowledge collection and transference, by the people who actually maintain our water system, will be invaluable now and especially in the future.

Budget and Finance

The Division continued its financial viability in 2007. Revenue exceeded expenditures by approximately \$8 million. Our metered sales revenue increased \$12.8 million over 2006 due to a combination of a 2% increase in consumption and a water rate increase.

2007 was the first year of a new four-year water rate schedule that now includes a new customer service charge of \$7 per quarter. This customer service charge recovers the costs of meter reading, billing, remittance and other customer service activities and results in approximately \$12 million of fixed revenue per year. With the new water rate schedule that became effective January 1, 2007 we also attempted to help our lower income customers, by offering a new Water Affordability program that provides a 20% discount on water bills to qualifying customers.

As a result of previously escrowing or "pre-paying" \$12.4 million for debt service payments from the 2006 budget, our debt service coverage ratio at 2007 year end was 2.34 times, one of the highest in the last 10 years.

Delivery of supplies to outlying destinations has been implemented through better scheduling, an improvement that will save many employee hours every month and help our repair crews respond more effectively.



WE'RE PLANNING FOR THE FUTURE