



Monroe County Water Authority

Memorandum

To: MCWA Governance Committee*

Date: February 22, 2022

From: Nicholas Noce, Executive Director

Copy: S. Nasca, Ex-Officio
D. Hendrickson

Subject: Meeting Scheduled **Tuesday, March 1, 2022 at 8:30 a.m.**

The first item for this meeting will be a review of the Authority's mission Statement.

The second item on the agenda is to review the Report on 2021 Performance Measurements Results.

The third item on the agenda is to review the Report on 2022 ABO Performance Measurements.

The last item on the agenda is to confirm the next Governance Committee meeting scheduled for Thursday, June 2, 2022 at 8:30 a.m.

If you have any questions, please feel free to contact me. Please inform Diane or me if you are unable to attend the March 1st meeting. Thank you.

NN/dlh
Attachment

*Committee Members:
Sheryal A. Volpe, Chairperson
Joseph R. Rulison
Marcia Van Vechten

MISSION STATEMENT
RE-ADOPTED MARCH, 2022 ~~2021~~

The Monroe County Water Authority is a not-for-profit public benefit corporation that reliably provides quality, affordable water that fosters economic vitality and enhanced quality of life for Monroe County and area communities who request service.



**REPORT ON 2021
PERFORMANCE MEASUREMENTS**

The Monroe County Water Authority evaluated and monitored the following goals and global performance measurements to assess our effectiveness in meeting our mission.

The **reliability** component of our mission was evaluated by the following:

- Continuity of production capacity is paramount. Unplanned outages from treatment plants and pumping stations are tracked by the number of events and duration of events. As each of these facilities is unique and will have a varying level of severity of impact, each outage event of greater than four hours is assessed and, if necessary, an action plan to minimize impacts is developed.

✓ **Results for 2021:** *There were no unplanned outages of supply capacity lasting more than four hours. Outages of specific treatment components, tanks, pumps and water mains were either planned in advance or did not lead to a significant reduction in capacity. The Authority’s treatment, distribution and storage systems have been designed with redundancy and flexibility so that individual components may be temporarily taken out of service while maintaining the Authority’s full ability to meet customer demands.*

- Distribution system reliability is measured by an assessment of the combined number of leaks and main breaks per mile of water main as benchmarked against the most recent American Water Works Association Benchmarking Report. Our goal is to achieve a benchmark that is better than the national average ratio.

✓ **Results for 2021:** *The AWWA benchmark to meet the goal for system integrity is to be less than 18.9 combined leaks and main breaks per 100 miles of pipeline per year, which is the national median value for systems serving more than 500,000 people. Our distribution system includes 3,398 miles of water main. In 2021 the combined number of leaks and main breaks repaired was 597 yielding a system integrity rating of 17.6, which is below the national median.*

- Maintaining the long-term reliability of our infrastructure requires a planned reinvestment in its renewal. Our goal is to implement a budget that reinvests a minimum of 2% of annual revenues in the renewal and replacement of our infrastructure.

✓ **Results for 2021:** *The Authority’s 2021 budget for infrastructure related reinvestment was as follows:*

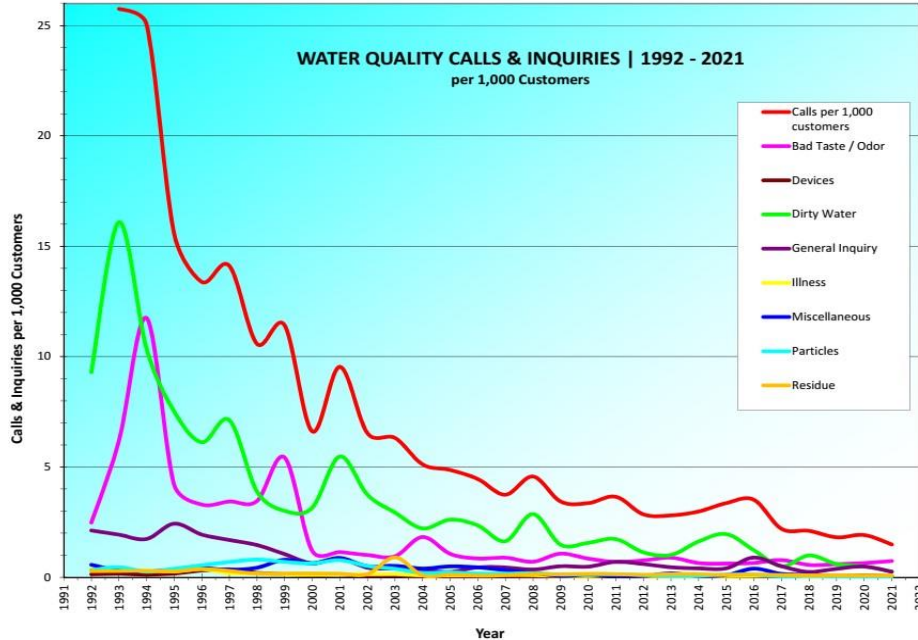
▪ Security:	\$ 100,000
▪ Production & Transmission:	\$ 4,800,000
▪ Engineering:	\$ 9,615,000
▪ Facilities Fleet Operations:	\$ 2,709,450
▪ Finance & Business Services	\$ 1,777,500
▪ Total	\$ 19,001,950

Although most projects in the budget were either initiated or completed in 2021, some were delayed due to supply-chain impacts from the COVID-19 pandemic. It is

anticipated that these will be initiated and/or completed in 2022. This reinvestment in infrastructure replacement was greater than the goal amount.

The **quality** aspect of our mission was evaluated by:

- Our goal is to produce and deliver water that meets or exceeds the requirements of state and federal water quality regulations. This is measured by compliance with each regulated parameter and is reported to the Board, and our customers, in an annual Water Quality Report.
- ✓ **Results for 2021:** *All of the Authority's produced and delivered water supplies were in full compliance with New York State Department of Health and United States Environmental Protection Agency regulatory requirements. Our Annual Water Quality Report reflecting this achievement will be made available to our customers on the MCWA.com website or delivered to customers in accordance with the revised USEPA regulations regarding the Consumer Confidence Report requirements.*
- Our Customer Service Information System includes tracking mechanisms for categorizing and measuring the number of customer calls and inquiries that are specific to quality. Trends and specific events are analyzed and, if necessary, action plans are to be implemented.
- ✓ **Results for 2021:** *The Authority received approximately 280 quality related calls and inquiries from customers in 2021 (1.5 calls per thousand customers). The Shoremont Water Treatment Plant Laboratory handled 82 of these calls and inquiries. The number of quality related calls and inquiries is a 22% decrease from the previous year, as the overall trend continues to remain downward.*



The **affordable** component of our mission was judged in relation to:

- Our goal is to achieve a better than average cost of service for a typical residential customer as benchmarked against our peer group of New York State water purveyors.
- ✓ **Results for 2021:** *The analyses of the rates charged for a typical residential customer for our peer group is shown below. MCWA rates in the lower quartile, significantly better than the 2021 goal.*

Comparison of January 2022 Water Charges^{1, 2, 3} (All amounts in \$)				
	Annual Fixed Charge	Annual Consumption- Based Charge	Annual Minimum Charge	Annual Total Charge
Albany Water Board	0	270	115	270
City of Syracuse	0	289	161	289
City of Watertown	0	323	147	323
Monroe County Water Authority	91	251	91	342
Suffolk County Water Authority	197	148	197	345
Erie County Water Authority	91	266	228	357
City of Rochester	105	253	105	359
New York	0	384	179	384
City of Binghamton	68	317	208	385
Yonkers	212	184	212	396
Niagara Falls Water Board	15	385	214	399
Onondaga County Water Authority	155	246	155	401
Buffalo Water Board	200	214	200	413
Western Nassau Water Authority	0	422	241	422
Elmira Water Board	0	446	172	446
City of Poughkeepsie	10	440	142	450
Mohawk Valley Water Authority	137	361	287	498
Average	73	294	173	366
Notes				
¹ Charges are based on rates in effect in January 2022.				
² Charges assume a single family residential customer using a 5/8" meter and 70,000 gallons of water per year.				
³ Minimum charges include fixed charges.				

- The ratings on our bonds affect the cost of capital to our customers and also provide an outside perspective and analysis of the overall financial health of the Water Authority. Our goal is to maintain a double A rating or better from the rating agencies.
- ✓ **Results for 2021:** *Our Moody's and Standard & Poor's ratings are listed below. These were reviewed and assigned by both agencies in March 2020 with the issuance of the Water System Revenue Refunding Bonds Series 2020.*
 - *Standard and Poor's: AA+*
 - *Moody's: Aa1*

The measure of our water supply **fostering economic vitality** was judged by:

- Our goal is to produce and deliver water in a manner that meets both our residential and our commercial/industrial customer's needs; to both retain current users and attract those looking to locate in our service area.

✓ **Results for 2021:** *Presented below is a summary of new service inquiries:*

- *56 new Industrial/Commercial customer applications*
- *1,222 new residential water services*
 - *579 new customers from new residential subdivisions*
 - *435 new customers from water districts*
 - *31 were generated by secondary source change-overs*
 - *177 were generated by new construction*

The response to **requests for service** received from area communities' component of our mission was measured by:

- Requests for service can be accurately measured by reporting and tabulating contacts from local communities. Internal procedures require all such contacts of this nature be directed to the Executive Director, who will annually report all such requests and the status thereof to the Board.

✓ **Results for 2021:** *Presented below is a summary of leases renewed and contacts made by water purveyors that are presently un-served, or looking to upgrade service from wholesale to retail:*

- *We amended the retail lease with the Town of Byron.*
- *We responded to inquiries and had discussions with the town of Murray about changes to the Supplemental Supply.*
- *We continued discussions with the New York State Office of Children and Family Services for the potential of operating a portion of their public water system at the Industry Residential Center in the Town of Rush.*



PERFORMANCE MEASUREMENTS FOR 2022

The Monroe County Water Authority will evaluate and monitor the following goals and global performance measurements to assess our effectiveness in meeting our mission.

The **reliability** component of our mission will be evaluated by the following:

- Continuity of production capacity is paramount. Unplanned outages from treatment plants and pumping stations are tracked by the number of events and duration of events. As each of these facilities is unique and will have a varying level of severity of impact, each outage event of greater than four hours is assessed and, if necessary, an action plan to minimize impacts is to be developed.
- Distribution system reliability is measured by an assessment of the number of main breaks per mile of water main as benchmarked against the most recent American Water Works Association Benchmarking Report. Our goal is to achieve a benchmark that is better than the national average ratio.
- Maintaining the long-term reliability of our infrastructure requires a planned reinvestment in its renewal. Our goal is to implement a budget that reinvests a minimum of 2% of annual revenues in the renewal and replacement of our infrastructure.

The **quality** aspect of our mission will be evaluated by:

- Our goal is to produce and deliver water that meets or exceeds the requirements of state and federal water quality regulations. This is measured by compliance with each regulated parameter and is reported to the Board, and our customers, in an annual Water Quality Report.
- Our Customer Service Information System includes tracking mechanisms for categorizing and measuring the number of customer calls and inquiries that are specific to quality. Trends and specific events are analyzed and, if necessary, action plans are to be implemented.

The **affordable** component of our mission will be judged in relation to:

- Our goal is to achieve a better than average cost of service for a typical residential customer as benchmarked against our peer group of New York State water purveyors.
- The ratings on our bonds affect the cost of capital to our customers and also provide an outside perspective and analysis of the overall financial health of the Water Authority. Our goal is to maintain a double A rating or better from the rating agencies.

The measure of our water supply **fostering economic vitality** will be judged by:

- The availability of a plentiful, high quality water supply can be a critical differentiator for attracting new businesses, and the associated economic benefits of new jobs, to our service area. Our goal is to produce and deliver water in a manner that meets our residential and our commercial/industrial customer's needs; to both retain current users and attract those looking to locate in our service area. New service inquiries are handled by our Engineering Department who will annually report a summary of such requests and their status to the Board.

The response to **requests for service** received from area communities component of our mission will be measured by:

- Requests for service can be accurately measured by reporting and tabulating contacts from local communities. Internal procedures require all such contacts of this nature be directed to the Executive Director, who will annually report all such requests and the status thereof to the Board.