

**Utility Billing Recommendations –
Comparison of Raftelis Report, Staff Response, and
Ad Hoc Advisory Committee Review**
City of Pearland, TX * 8 September 2021

Rec. #	Raftelis Report December 16, 2020	CoP Staff Response December 18, 2020	Ad Hoc Advisory Committee Final Report July 2021	Additional Staff information / update August 2021
1	Foster a culture of engagement and continuous improvement.	<p>Agree UB leadership team has been focusing on revamping the Finance division culture to be customer-centric and innovative. Much of this has been shared on the subject through Quarterly updates to City Council and will be a priority to continue going forward.</p>	<p>Agree Identifies this as an area that still needs work. Offered four specific examples that highlight the ongoing need. The need spans multiple departments and is not isolated to UB.</p>	<p>Agree Since April 2020 a rotation in UB management staff has improved communication and transparency with an outward facing dashboard, cross-communication within UB for streamlined responses to customers. For example, staff has created a process for identifying and communicating high consumption billing, and. Moreover, recruiting staff that are part of the Enterprise system to contribute to the upcoming new image for Pearland water. Looking forward, transitioning Meter Services to UB will enable leadership to continue with direct resources aiding revamping the culture.</p>

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2	Establish formal performance measures to track service delivery.	<p>Agree The Raftelis report provided a good list of Key Performance Indicators (KPI's) for staff use. Using these suggestions, staff have developed external facing dashboards that include some of these measures and have additional KPI's in development to be added.</p>	<p>Agree Offers additional measures to track based on observations which include number of meter read upload errors identified; the number of negative consumption reads, number of days between meter read date, when its sent to Meter Services, and when verification is complete; and number of zero consumption reads that are not validated.</p>	<p>Agree UB continues tracking metrics for the Call Center and customer-centric communications. From UB 4th Quarter Review, Staff consistently and successfully processed an average over 3,600 phone calls monthly since September 2020.</p> <p>Moreover, Staff's average time per call is 4:52, less than the AWWA industry standard of 6:10. In addition to phone calls, Staff efficiently processes over 600 emails monthly. With the transition of Meter Services to UB, the team will focus solely on UB workload and on a more timely basis.</p> <p>Zero consumption reads made up 3% of all accounts in July. These are primarily due to damaged meter part and have been tracked and identified since June 2021. There is not an ongoing substantive issue with zero consumption reads.</p>
3	Review and update written standard operating procedures (SOPs) regularly.	<p>Agree 32 SOP's were reviewed and updated by UB staff starting in November 2020 in addition to the creation of a Knowledge Center for UB staff to reference. Monthly department meetings take place to promote camaraderie, new ideas, and provide training. Standard scripts and emails for staff have been developed for utilization when speaking with customers via phone or email.</p>	<p>Agree Identifies this as an area still needing improvement; cites the Cycle 11 February 2021 meter read issue as a recent example of the ongoing need.</p>	<p>Agree SOPs are updated with current processes, next review of SOPs scheduled for September.</p> <p>No SOPs could have been predicted for the unusual February ice storm and the resulting cascade of unique read issues. Since that time, SOPs have been created for weather events.</p> <p>Staff recognizes the need to strengthen reporting and alerts when there are variances and departures from norms to understand consequences of reactions as best possible.</p>

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4	Develop an enhanced training program.	<p>Agree Staff have started cross-training efforts. Additional opportunities for process improvements were identified between Meter Services and Utility Billing (Finance) staff.</p>	<p>Agree Encourages staff to consider outside sources to help develop the training program. Says that process improvements are not the same as a training program.</p>	<p>Agree Based on availability and budget, outside source training will be considered, especially the annual software conference. Since the Raftelis Report, there have been monthly refresher trainings, bi-monthly UB/PW meetings and weekly UB leadership huddles, even with Professional Development reduced during Budget FY21.</p>
5	Improve external communications plans for meter-to-cash activities.	<p>Agree, with caveats Several activities that City staff had already undertaken were not included in the report. Rogue Water was selected as a third-party to support and develop a water billing specific communication strategy.</p>	<p>Agree (gives rec) Identifies this as an area that still needs work. Offered four specific examples that highlight the ongoing need for improved external communications plans. These include Cycle 11 February 2021 meter read issue; two examples with information presented on the 32/30 plan website; and development of a permanent utility billing advisory board and committee.</p>	<p>Agree, with caveats Staff is working with Rogue Water, and additionally been updating UB website to provide consistent communication; along with bill inserts, bill messages for known 32/30 Cycle 14 2nd bill in same month; interactive map of switched AMI meters, availability of True Up and WaterSmart customer portal</p>
6	Consider alternative options to the 32/20 plan.	<p>No opinion 3 options provided:</p> <ul style="list-style-type: none"> • Disregard unbilled consumption. • Translate unbilled consumption into arrears and bill percentage overtime (Raftelis has not confirmed the feasibility of this option in New World or adequate detailed steps to complete this approach). • Bill full catch-up amounts. 	<p>Cease 32/30 Critical area that needs immediate attention. Six specific points were highlighted by the committee:</p> <ul style="list-style-type: none"> • Inability to validate data related to negative consumption or zero-meter reads. • Top 50 highest percentage increase pro-active approach by UB staff is not inclusive of all customers. • Enterprise fund suffers financial harm. • Enterprise fund will experience an increase in cash flow by getting caught up sooner. • Move out accounts on the 32/30 plan when AMI is implemented. 	<p>The 32/30 Plan has been successfully implemented and billed after alternatives presented and Council decided to proceed. Current arrearage has decreased 39% from the original 71 days to 43 days, steadily decreasing 2 days per month since August 2020. Responding to Ad hoc Committee specific points:</p> <ul style="list-style-type: none"> • Since June 2021, Staff has had the ability to identify zero-consumption. Negative consumption is addressed at time of billing; both addressed in #2.

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			<ul style="list-style-type: none"> • Question on whether or not 13 or 14 monthly charges occurred in the past. 	<ul style="list-style-type: none"> • Staff continues to address the need to identify and contact the high consumption users based on the customer's previous month's usage. As of March 2021, Staff has increased the identified number from 25 to 50. • If a larger true-up is adopted, the Enterprise fund will not see an increase in cash flow, but rather a decrease in liabilities. • AMI project is progressing. Staff has switched over 2,800 meters from AMR drive-by to AMI network reading. With a switched AMI meter, the customer can True-up and place their account in a current billing status, 10 to 15 between read date and bill date. • From 2018 to current each billing cycle has been billed 12 bills a year, with the upcoming known exceptions of two cycles due to the 32/30 Plan. With the 32/30 Plan, Council is aware of (4) known issues since its inception: 2 cycles with 2 due dates in the same month and 2 cycles with 2 bill dates in the same month. The 2 cycles with 2 bill dates will have 13 bills in the year; however, these bills will be assessed base charges and the monthly contractual fees of MUD and garbage only to the first bill date billings for the same month.

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7	Synchronize meter reading and billing cycles.	Agree Once billing is caught up, this is the next step.	Agree Concur with Raftelis that this opportunity is ripe for implementation as the City's AMI system comes online.	Agree Upon completion of 32/30 Plan, the billing cycles will be synchronized with specific bill dates and reading periods to account for a total of 365 days/year, to prevent billing lapses. With AMI phasing in by meter, accounts will be able at the customer's choice to "true-up" their unbilled amount and be placed into a separate billing cycle to bill currently, 10 to 15 days after read date.
8	Implement a streamlined meter-to-cash process.	Agree, with caveats Agree with the recommendation but the specific process mapping should be further reviewed considering the Asset Management software.	Agree (gives rec) Refers to specific recommendations from the Meter subcommittee for specific critical items that should be addressed.	Agree With Meter Services workload specifically for UB, along with meters switched from AMR to AMI, Ad hoc recommendations can be incrementally addressed as the transition progresses over the upcoming FY
9	Reorder billing cycles.	No opinion More discussion is needed before considering implementation. We are currently undergoing change by introducing the new metering system and catching up the billing arrearage. Making the change now would lead to an increase in customer inquiries.	No comment	
10	Enhance delinquent account notifications.	Disagree Making additional calls to customers from staff (not utilizing the automated system) would be time consuming and slow down the time to handle each incoming call. The recommendation of a door hanger for delinquencies is not supported by Staff; it would physically identify non-paying customers to neighbors, bringing additional concerns.	Agree	Making additional calls is not possible when reducing the lag time in billing as we are with the 32/30 Plan. Door hangers for delinquencies would identify non-paying customers to neighbors and is not customer-centric.

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11	Create designated morning and afternoon call-takers to streamline CSR workload.	Agree, with caveats Staff agrees that call center staffing should be optimized through rotating employees who are on the phone and those who are doing other tasks to avoid interruptions and maximize customer service. Exploring options with Selectron to better route calls depending on the topic.	No comment	Since Sept 2020, Customer Service Team has successfully responded to over 3,000 phone calls in an average of 4:52; less than AWWA Call Center Industry standard of 6:10; monthly call center metrics allows leadership staff to monitor and evaluate/train staff. Customer Service Team also responds to customer emails from new accounts to questions regarding consumption. In July, Staff responded to over 1,000 emails.
12	Transition to a centralized staffing structure over time.	No opinion Current staffing structure is in line with other model cities.	Agree Recommends that City Council evaluate structure for performance and cost considering other benchmark organizations. Also suggests considering other options for the service.	Agree with caveats Meter Services is transitioning to UB. AMI will significantly reduce drive-by meter reading; however, maintenance and monitoring of the AMI system will increase. This is due to replacing meter parts due to customer damage (i.e. lawnmowers damaging the meter's antenna on meter lid), monitoring alerts and connectivity of the meters' endpoints.
13	Adjust staffing to reflect short-term needs and prepare for AMI implementation.	Agree This is being planned through the AMI implementation process.	Agree Recommends that this be evaluated at the same time as #12.	
14	Pilot a 4-10 schedule for meter-to-cash staff.	Disagree Staff currently works on 9/80 schedules, which provides 30 minutes before and after hours.	No comment	
15	Create an inclusive AMI Implementation Team.	Agree Utility billing has been involved in the project since inception. The previous focus has been equipment installation and is now pivoting towards a more UB-centric team.	Agree Identifies this as a work in progress.	

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16	Continue engaging Tyler Technologies to resolve inefficiencies and errors in New World.	<p>Agree Billing software is regularly upgraded. Staff currently has and utilizes a bank of training hours to stay current on functionality (48 hours remaining). Staff to attend billing software training events to refresh and learn new features and network with other cities on the same software.</p>	<p>Agree Notes that some of the errors identified may not have been New World errors.</p>	