



Water System Communication

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Session Overview

- Explore ways that boards communicate with customers
- Discuss strategies to improve board and staff communication



Communicating with Customers

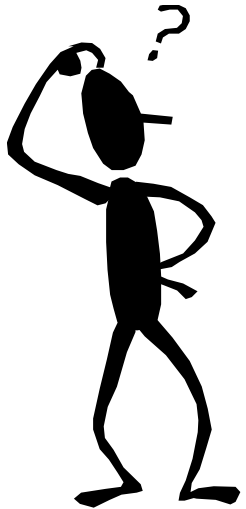


Rates are the primary way that we as water systems “communicate” with our customers

Here’s a question we hear often...



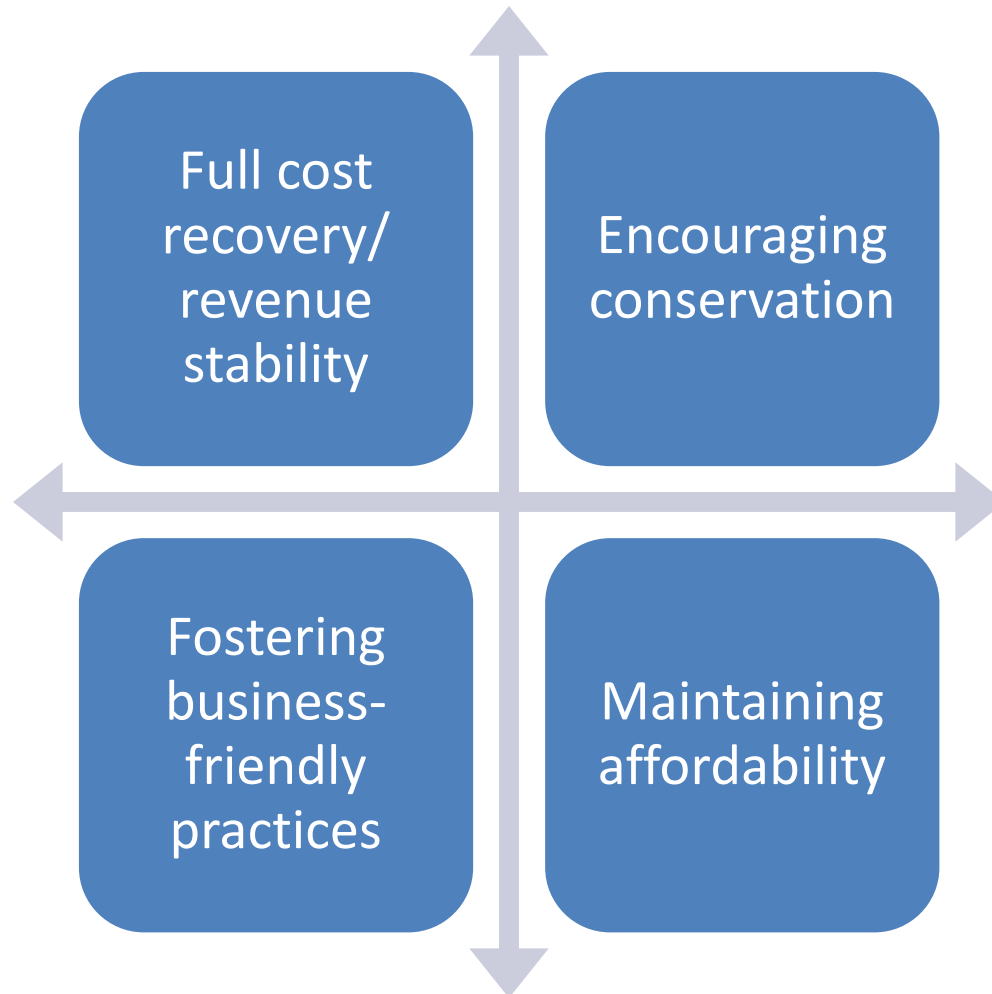
Are our
rates right?



It depends...



Rate Setting Objectives





Mission Statements

Do you have a mission statement? Do you know what it is?





What makes a good mission statement?

The Good and the Bad

| A Good Statement... | | A Bad Statement... |
|--------------------------------------|---|--|
| Uses language your constituents use. | ↔ | Uses jargon, doesn't understand your audience. |
| Is emotionally stirring. | ↔ | Is logical and cold. |
| Communicates the "why." | ↔ | Communicates only the "what" or "how." |
| Is concise. | ↔ | Is really long. |
| Is a single, powerful sentence. | ↔ | Is a rambling paragraph. |
| Sounds good spoken out loud. | ↔ | Is full of clauses and hard to say. |
| Is memorable. | ↔ | Is forgettable. |
| Surprises. | ↔ | Is dull. |
| Is actionable. | ↔ | Can't be quantified. |
| Is specific. | ↔ | Is vague. |



NASA

- To improve life **here**,
- to extend life to **there**,
- to find life **beyond**.

“ **Google** mission is to organize the world's information and make it universally accessible and useful”

– **Google**



- To refresh the world
- To inspire moments of optimism and happiness
- To create value and make a difference

TED

Ideas worth spreading



Water Mission Statements

WaterOne

Water District No. 1 of Johnson County

We provide a safe, reliable, high-quality water supply with superior service and value.



Water Mission Statements



The Water Utilities Department will develop and maintain a competent team of professionals who strive continuously to improve the level of service to our customers through accurate utility billing, increased technological enhancements, and a greater emphasis on customer solutions, while planning for future needs of a growing and diverse community.



Water Mission Statements



To assure responsive customers service; provide reliable, high quality, affordable and sustainable water supply, wastewater collection and treatment and reuse systems; and support a healthy, environmentally sustainable and economically-viable community.



Do Mission Statements Matter?

- Everyone needs to know where the organization is headed & everyone needs to be on the same page
- Some goals are contradictory; which one matters most?
- Board needs to provide support for the things it cares about



Board/Staff Communication



Communicating a Rate Case: 2014 Survey on Water system Rate Communication

ICMA

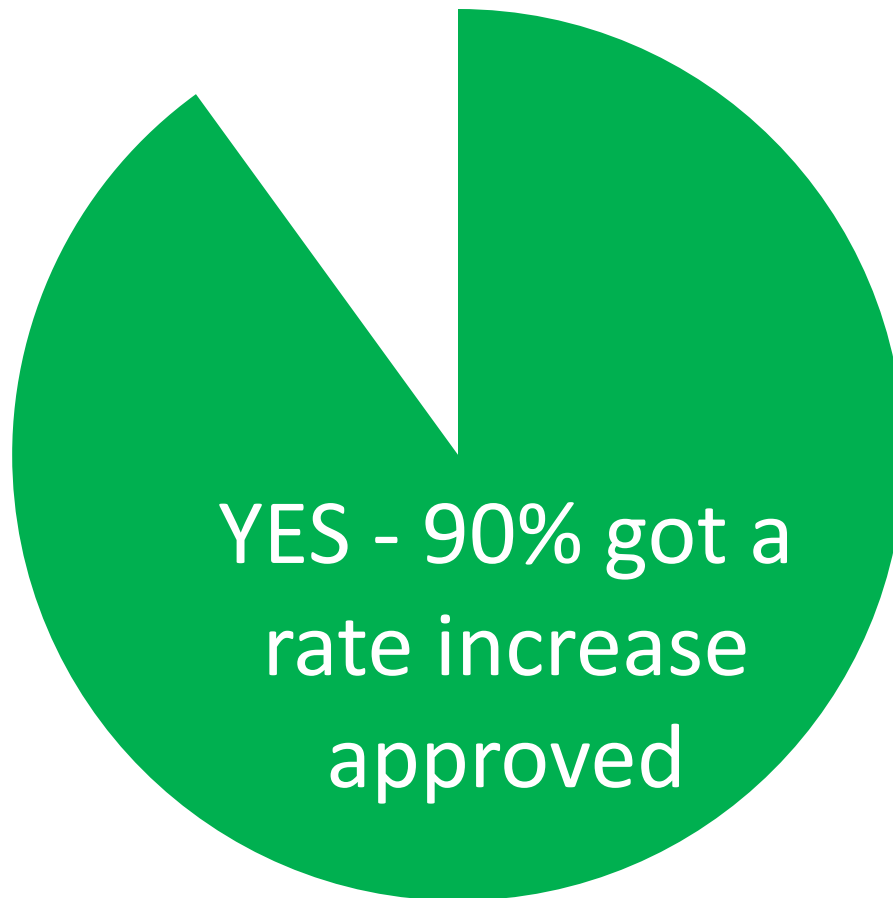
Leaders at the Core of Better Communities



UNC

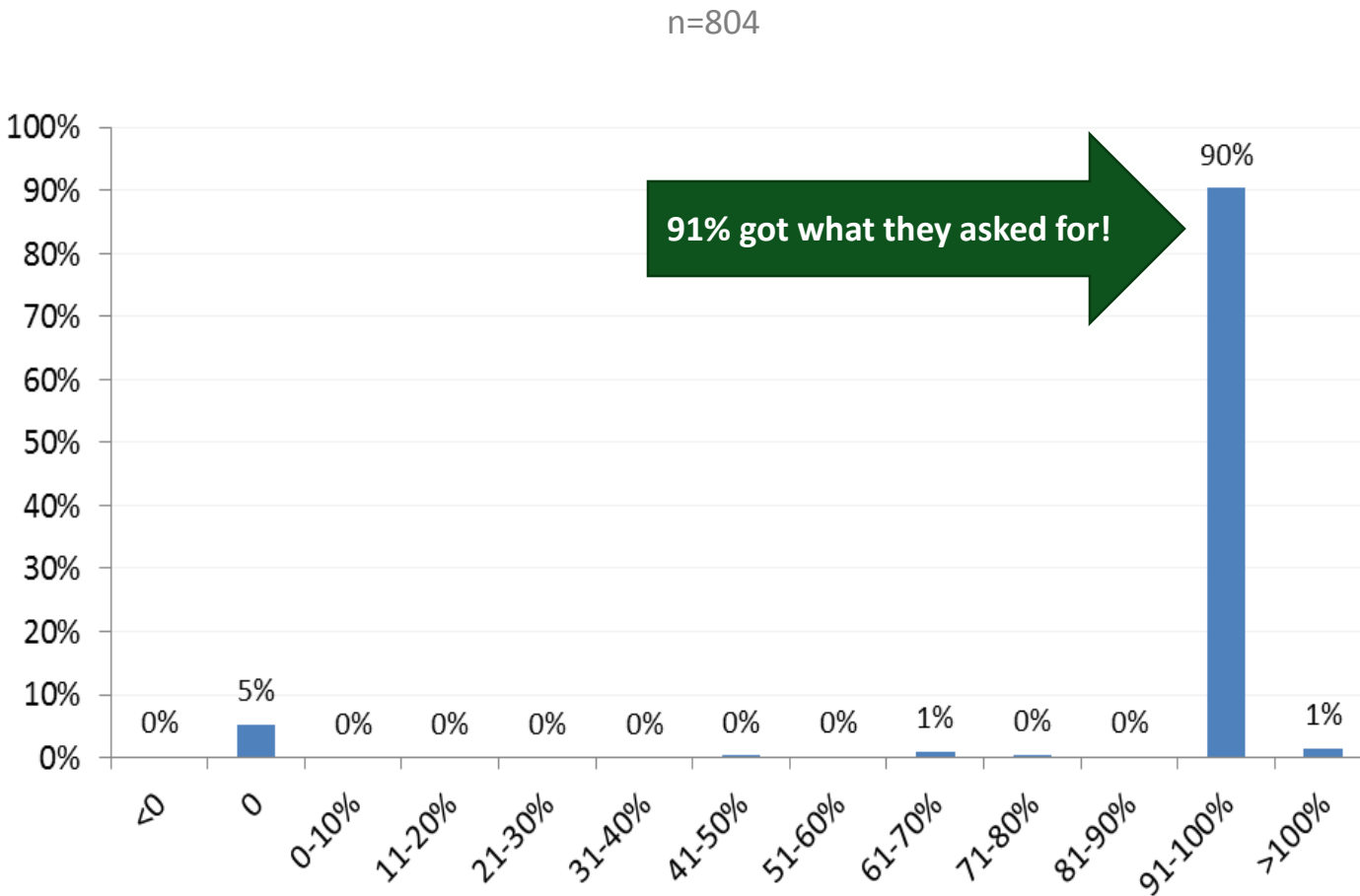
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Are rates getting approved?



n=1,330

What was approved versus what was requested?



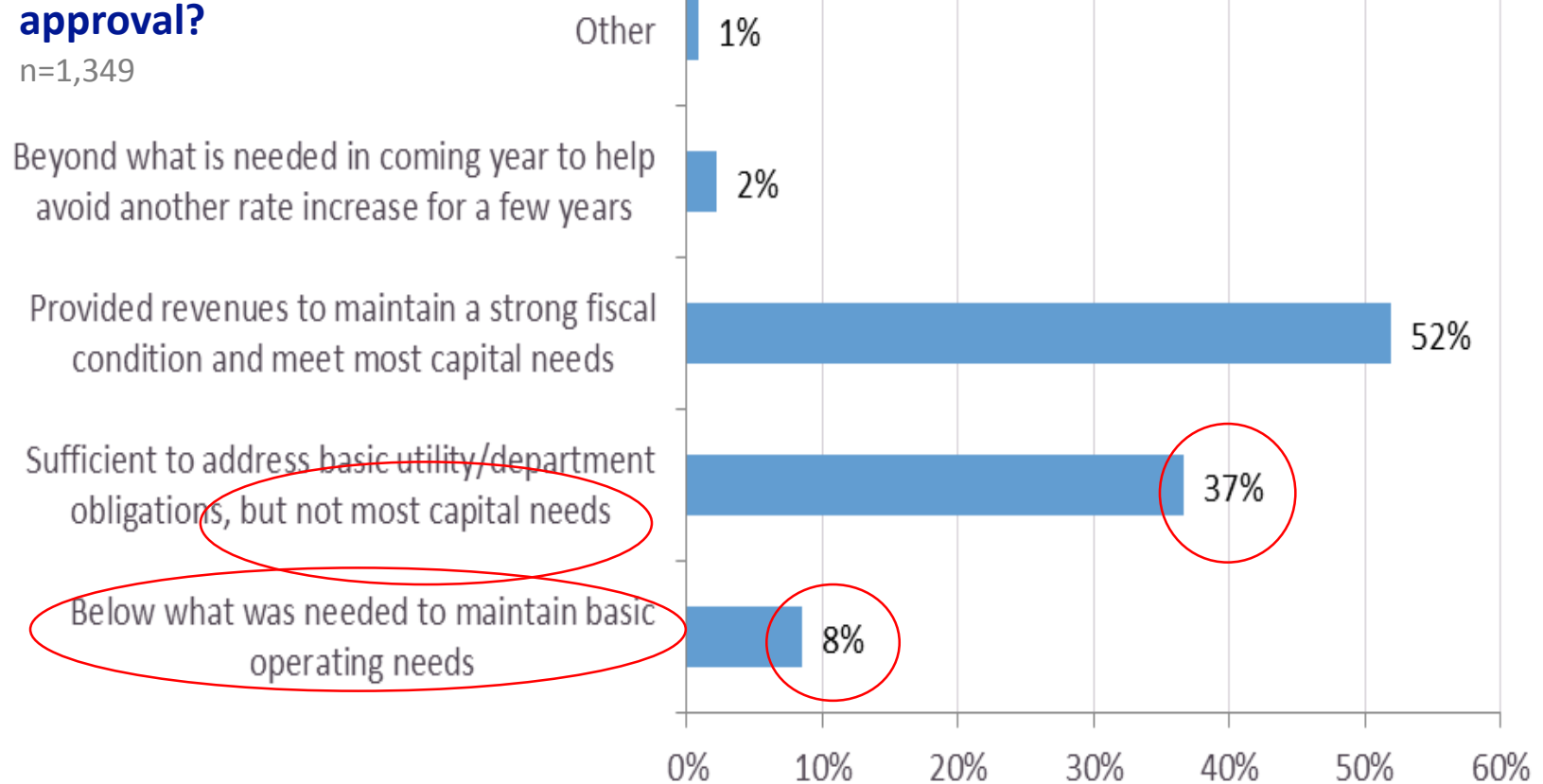
When single request was made (n=806)

*Summary Statistics

But did they ask for enough?

In your professional opinion, which statement below best describes the water rate increase that was proposed to the local government governing body for approval?

n=1,349





Some Key Factors

- Trust
- Information conveyed
- Public Involvement



Trust (Working Relationship)

- According to elected officials, **more frequent communication** and **effective communication** are directly related to a good working relationship



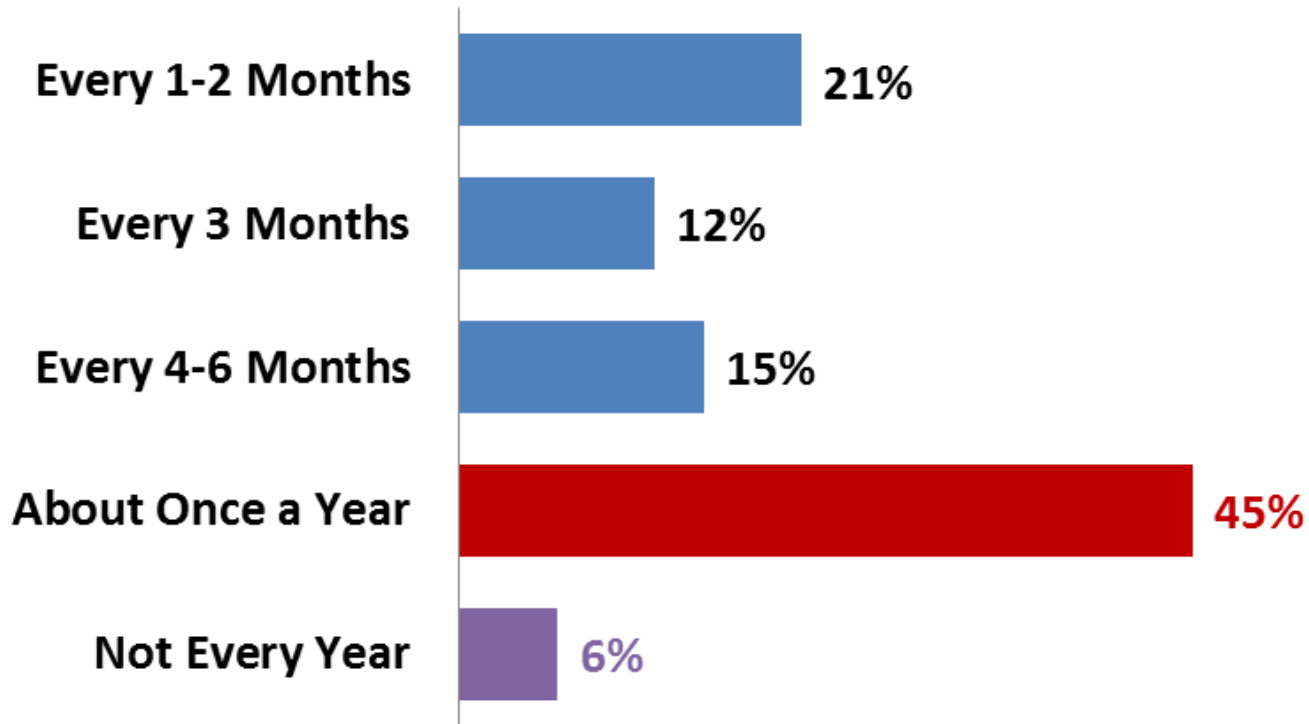
Trust (Working Relationship)

Administrative officers with better working relationships with the governing board were:

- More likely to request higher rate increases
- More likely to request full-cost-recovery rate increases



The full governing body typically meets with staff **once a year** or less



Information Provided to Governing Boards

| Description | Utility Interviewed | | | | | | | | | |
|---|---------------------|---|---|---|---|---|---|---|---|----|
| | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 |
| 1. How much the average bill would change | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| 2. How changing circumstances affects finances | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | |
| 3. Anticipated capital expenses | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| 4. The financial condition of the water utility | ✓ | ✓ | ✓ | ✓ | ✓ | | ✓ | ✓ | ✓ | ✓ |
| 5. The physical condition of the water utility | ✓ | | | | ✓ | | | ✓ | ✓ | |
| 6. How proposed rates compare to customer incomes | ✓ | | | | | | | ✓ | | ✓ |
| 7. Comparisons of rates with other utilities | ✓ | ✓ | ✓ | ✓ | ✓ | | ✓ | ✓ | | |
| 8. Bond covenants | ✓ | ✓ | ✓ | ✓ | ✓ | | | ✓ | ✓ | |
| 9. Multiple rate scenarios | | | | ✓ | | | ✓ | | | ✓ |
| 10. Projected impact of rate adjustments on demand | | | | | | | ✓ | | ✓ | |
| 11. Previous history of water rate adjustments | ✓ | ✓ | | | ✓ | | | | ✓ | |
| 12. Rate adjustments needed in the next few years | ✓ | ✓ | | | ✓ | | ✓ | | ✓ | ✓ |
| 13. Comparisons of rate adjustments with other services | ✓ | | | ✓ | | | ✓ | | | |
| 14. Initiatives that improve efficiency | | | | ✓ | | | ✓ | ✓ | ✓ | ✓ |
| 15. Customer satisfaction surveys | | | | | ✓ | | | ✓ | | ✓ |

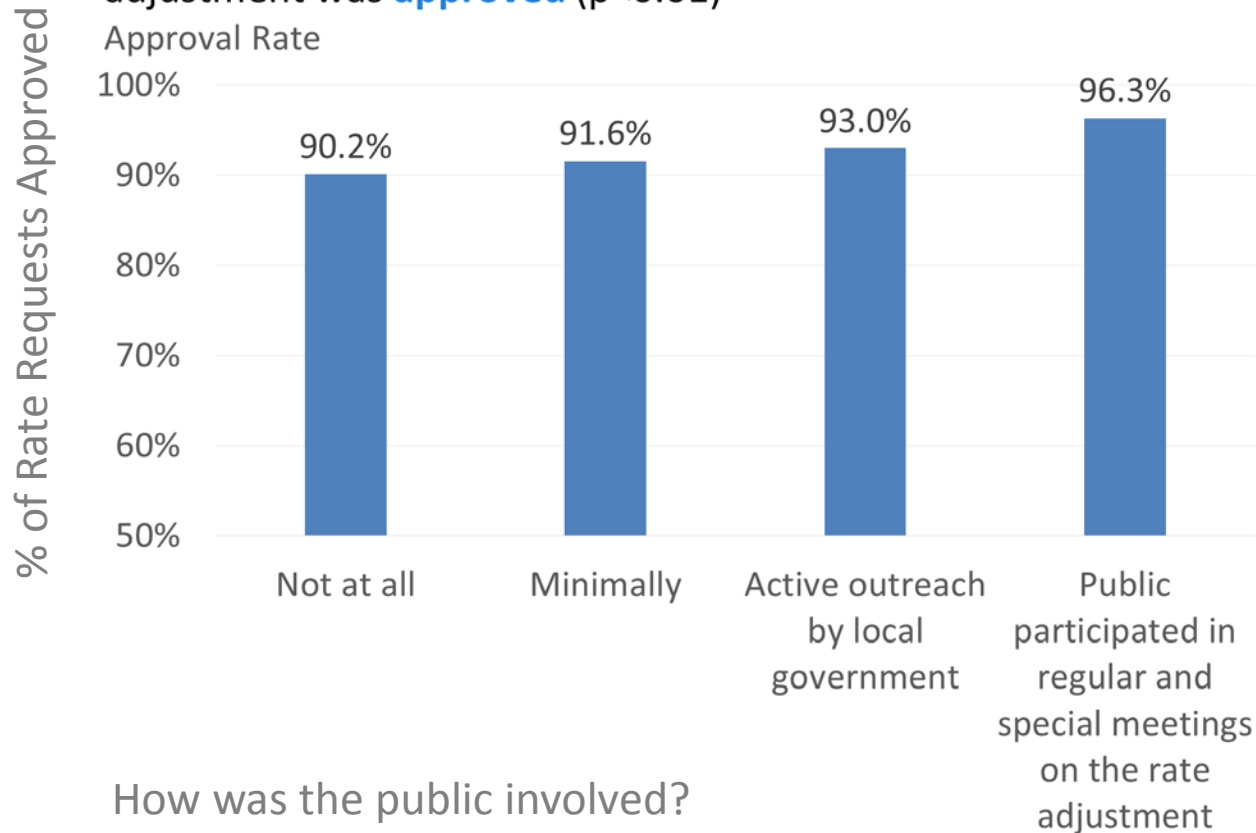
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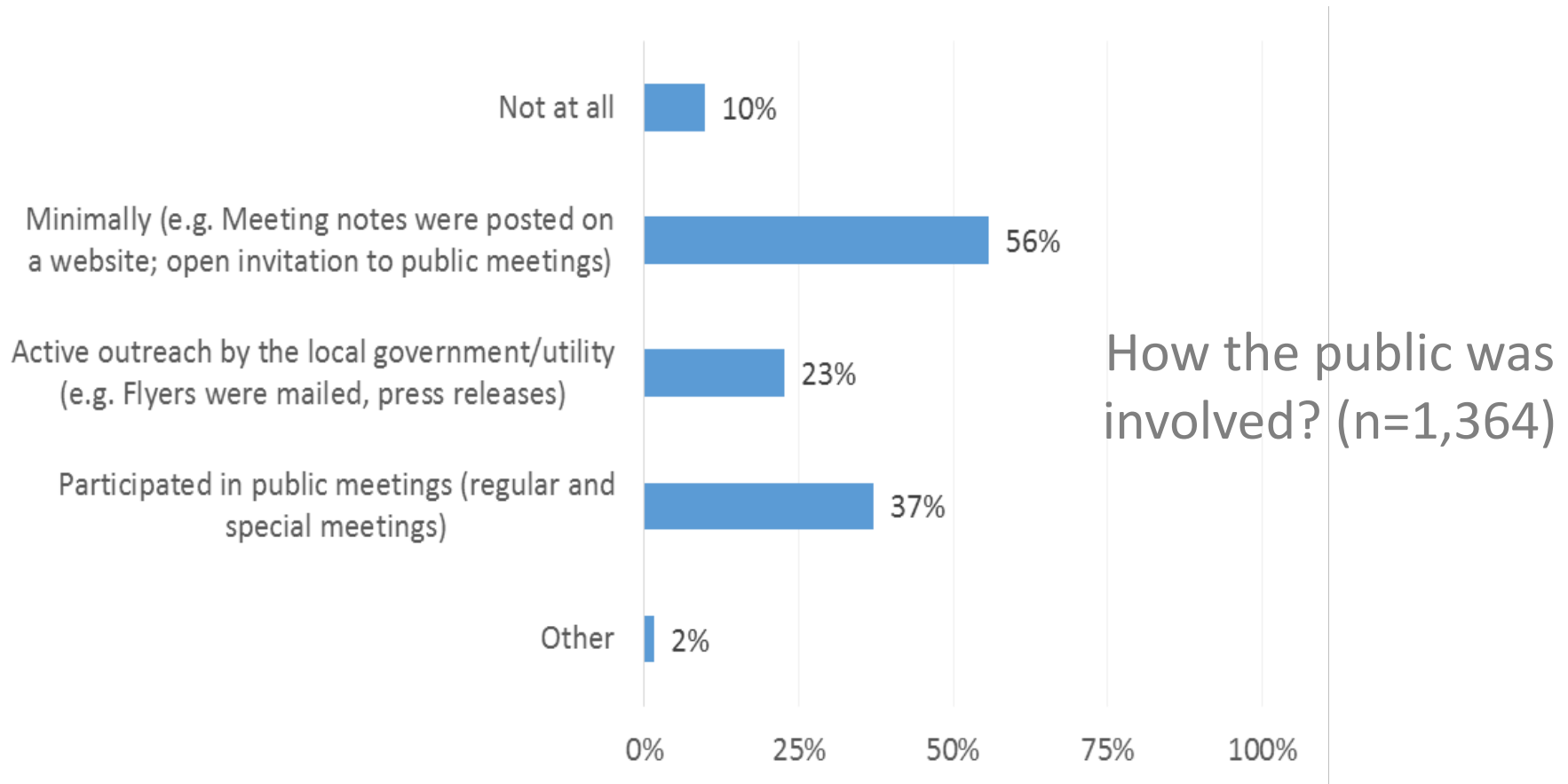
Highlighted were reported by Governing Boards as most helpful.

Public Involvement

The **more the public was involved**, the more likely the rate adjustment was **approved** ($p < 0.01$)



Public Involvement



When the public was involved, the system was 20% more likely to request a higher rate increase



Board & Staff Communication

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