



Operational Improvements and Efficiencies

Public Utilities Department

Board of Public Utilities
April 23, 2018

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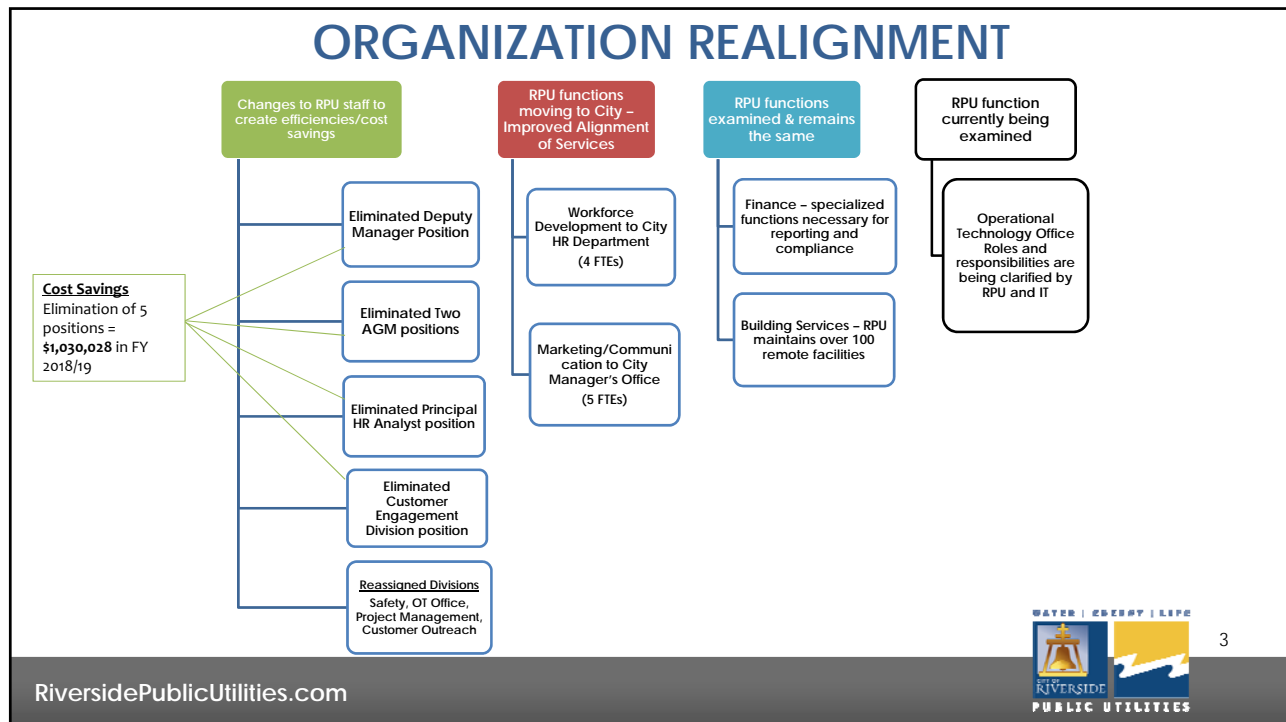
DISCUSSION

1. RPU's electric and water rate increase proposal reflects:
 - a. Maximizing non-ratepayer revenue for savings of \$4.5 million in Fiscal Year 2018/19 (\$32.4 million over five years)
 - b. Financial savings of \$4.1 million in Fiscal Year 2018/19 (\$17.8 million over five years)
 - c. Operational efficiencies
 - 1) Staffing levels
 - 2) Alignment of non-core RPU services with other City Departments
 - 3) Operational efficiencies and overtime reduction

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COORDINATION OF CITY/RPU EFFORTS

1. 311 Call Center Coordination
 - a. 311 Call Center provides interface between constituents and operations
 - b. Opportunity to improve flow of information to reduce staff time for response and improve customer experience
2. Public Works Coordination
 - a. Coordinate projects
 - b. Utilize City (paving)
 - c. Streamline Riverside
 - d. Build Riverside

STAFFING LEVELS & EMPLOYEE OVERTIME

1. RPU's process improvements to address and monitor overtime (OT) :
 - a. Proper staffing levels for 24/7/365 operations
 - b. Improved OT reporting for managers
 - c. Monitoring of work groups with higher OT levels
 - d. Improved benchmarking of OT budgets moving forward

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STAFFING LEVELS AND EMPLOYEE OVERTIME (cont.)

2. Results from improved processes:
 - a. 35% reduction of OT hours (2/17-2/18)
 - b. Projected savings from FY 2016/17 compared to FY 2018/19 = \$679,000
 - c. OT savings is partially offset by new positions and filling vacancies
3. Overtime is necessary, but will be managed
 - a. 24/7/365 operation
 - b. Emergencies
 - c. High level of service

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RATE SETTING & BUDGET PROCESS

1. RPU Divisions were tasked with reviewing budgeted operating expenditures (non-personnel related):
 - a) Find savings to cover inflationary costs
 - b) Reduce discretionary costs where possible

<u>Fund</u>	<u>FY 2018/19 Savings</u>	<u>Five-Year Non-Personnel Savings</u>
Electric	\$2,715,304	\$11,710,276
Water	\$411,000	\$671,000
TOTAL	\$3,126,304	\$12,381,276



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Recommendation

That the Riverside Public Utilities Board recommend that the City Council receive this report on the operational improvements and efficiencies that Riverside Public Utilities has implemented in the last twelve months.



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