

RIVERSIDE PUBLIC UTILITIES

Board Memorandum

BOARD OF PUBLIC UTILITIES

DATE: JULY 23, 2018

ITEM NO: 6

SUBJECT: CUSTOMER RELATIONS/FINANCE COMMITTEE RECOMMENDATION TO BOARD OF PUBLIC UTILITIES REGARDING CITY OF RIVERSIDE PUBLIC UTILITIES DEPARTMENT OPERATIONAL IMPROVEMENTS AND EFFICIENCIES

ISSUE:

Receive report from staff on recommendations from the Customer Relations/Finance Committee regarding the transfer of positions to the City Manager's Office – Office of Communications and Human Resources Department, in addition to the removal of five positions from the FY 2018-2020 Budget included in the City of Riverside Public Utilities Department Operational Improvements and Efficiencies Report previously presented on April 23, 2018.

RECOMMENDATION:

That the Board of Public Utilities receive report on operational improvements and efficiencies relating to the transfer of positions to the City Manager's Office – Office of Communications and Human Resources Department, in addition to the removal of five positions from the FY 2018 -2020 budget.

CUSTOMER RELATIONS/FINANCE COMMITTEE RECOMMENDATION:

The Customer Relations/Finance Committee unanimously recommended that the Board of Public Utilities receive and file this report, with three additional requests as noted, at their Special Meeting on June 8, 2018.

BACKGROUND:

On April 23, 2018, the Board of Public Utilities (Board) received a report on the operational improvements and efficiencies that the Public Utilities Department (RPU) has evaluated over the last twelve months and were incorporated into the proposed two-year budget for FY 2018-2020. The Board asked many questions and expressed the importance of maintaining focus on the Utility 2.0 Strategic Plan approved by the Board and City Council in conjunction with any changes in the staffing proposals.

After discussion, the Board referred this item to the Customer Relations/Finance Committee (Committee) for review of the removal of five positions (Deputy General Manager, two Assistant General Managers, Principal Management Analyst, and Customer Communication Specialist) and the transfer and funding of four full-time RPU Workforce Development positions to the Human Resources Department and six full-time marketing /communication positions to the City Manager's Office – Office of Communications (Communications Department). The Board requested that staff from the Human Resources Department and City Manager's Office – Office of Communications brief the Finance/Customer Relations Committee as to the services that will be provided to RPU while still maintaining and supporting the goals and objectives of Utility 2.0.

DISCUSSION:

On June 8, 2018, staff from RPU, Communications and Human Resources Departments provided an overview of the proposed transfers/funding of RPU staff and removal of positions resulting in \$1,267,000 in annual savings.

After discussion, the Committee received the briefing and recommended that the Board receive the report on operational improvements and efficiencies of the Public Utilities Department, including the transfer of positions to the Communications and Human Resources Departments, in addition to the removal of five positions from the FY 2018-2020 budget. The Committee made three additional requests, given below, along with responses from staff:

- 1) Request that Service Level Agreements be instituted between the RPU and the Communications and Human Resources Departments in conjunction with the follow-up report to the Board.

Staff response: Attached to this report are the Scope of Services Memos outlining the services to be provided and key performance indicator tracking required by the Communications and Human Resources Departments, agreed and signed by both Department Heads.

- 2) Request not to eliminate the positions of Deputy General Manager, Assistant General Manager/Operations Technology, Assistant General Manager/Customer Relations, Principal Analyst, and Utilities Customer Communication Specialist.

Staff response: The positions will not be eliminated and will remain as specific job classifications. Should funding become available, the City Manager has the authority to add the positions back to the budget.

- 3) Request that the five positions listed in Item No. 2 above remain unfunded in the FY 2018-19 and 2019-20 budget.

Staff response: Two-year FY 2018-2020 budget approved by the City Council on June 12, 2018, included no funding for these five positions.

FISCAL IMPACT:

There is no fiscal impact with the receipt of this report. Savings from the personnel efficiencies outlined will save RPU \$1,267,000 per year. These savings were incorporated into the Electric and Water Rate Increases and Fiscal Year 2018-2020 Budget approved by the City Council on May 22, 2018 and June 12, 2018, respectively.

Prepared by: Todd L. Jorgenson, Interim Utilities General Manager
Approved by: Al Zelinka, FAICP, City Manager
Approved as to form: Gary G. Geuss, City Attorney

Certifies

availability of funds: Laura M. Nomura, Utilities Assistant General Manager/Finance & Administration

Attachments:

1. Scope of Services Memo – City Manager’s Office – Office of Communications
2. Scope of Services Memo – Human Resources Department
3. Presentation
4. Minutes of June 8, 2018 meeting of Customer Relations/Finance Special Meeting