
OFFICE OF THE INDEPENDENT BUDGET ANALYST REPORT

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Water Department Business Process Re-Engineering

The Water Department Business Process Re-Engineering (BPR) is limited in scope, focusing solely on the administrative Water Policy and Strategic Planning and Business and Support Services Divisions. As described in the staff report and the Final BPR Report, the Water Operations and Customer Support Divisions – which account for the vast majority of the Department’s budgeted positions – are already operating under the Bid-to-Goal Program. In addition, the Engineering and CIP Management Division and the Department’s human resources and information technology functions have already been covered through other citywide BPR efforts. As a result, these divisions and functions were not subject to the Water Department’s BPR efforts.

The Office of the IBA has reviewed the Department’s BPR and the associated finding recommendations, and we believe that the proposed efficiencies are largely internal and administrative in nature. Examples of these proposed changes include automating the accounts payable process including built-in field checks to ensure accuracy; coordinating with the Development Services Department to simplify and streamline the Initial Recycled Water Cross Connection process; and streamlining of the training process through consolidation of scheduling and development, elimination of redundant classes, and the employment of training management software.

While the BPR recommendations are administrative in nature, there are two things we wish to point out. First, one of the BPR recommendations is to bolster the Department’s legislative review process in order to enhance and strengthen the City’s legislative presence in regard to water issues. As stated in the BPR Report, an effective legislative program requires clear policy direction. To that end, we would expect all legislative issues related to water to be included in and follow the established procedure for the City’s Legislative Program such that Council input and policy direction can be incorporated.

Secondly, another BPR recommendation is to conduct a complete review and update of the Water Department's Strategic Business Plan (SBP), and provide for annual updates. While we support this recommendation, the BPR report indicates that the SBP must incorporate policy direction from the Mayor (pg. 24). While this is certainly true, the SBP must also incorporate policy direction from the City Council.

Finally, as stated in the staff report, the recommendations in the Water Department's BPR are not expected to significantly reduce costs, but rather, to increase efficiency and eliminate duplicative or unnecessary processes. In fact, several of the recommendations contemplate the need for additional resources in the future, including new positions. While it is indicated that requests for additional resources may be made as part of future annual budget processes, the precise impacts are not known at this time.

[SIGNED]

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