



FALLBROOK PUBLIC UTILITY DISTRICT
MEETING OF THE FISCAL POLICY AND INSURANCE
COMMITTEE

A G E N D A

MONDAY, JANUARY 9, 2017
4:00 P.M.

FALLBROOK PUBLIC UTILITY DISTRICT
990 E. MISSION RD., FALLBROOK, CA 92028
PHONE: (760) 728-1125

If you have a disability and need an accommodation to participate in the meeting, please call the Secretary at (760) 728-1125 for assistance so the necessary arrangements can be made.

Writings that are public records and are distributed during a public meeting are available for public inspection at the meeting if prepared by the local agency or a member of its legislative body or after the meeting if prepared by some other person.

I. PRELIMINARY FUNCTIONS

CALL TO ORDER / ROLL CALL

PUBLIC COMMENT (*limit 3 minutes*)

II. ACTION / DISCUSSION

A. DEVELOPING PLAN FOR INTEGRATION OF BUSINESS SYSTEMS

B. SRF RESOLUTIONS

III. ADJOURNMENT OF MEETING

* * * * *

DECLARATION OF POSTING

I, Mary Lou Boultinghouse, Secretary of the Board of Directors of the Fallbrook Public Utility District, do hereby declare that I posted a copy of the foregoing agenda in the glass case at the entrance of the District Office located at 990 East Mission Road, Fallbrook, California, at least 72 hours prior to the meeting in accordance with Government Code § 54954.2(a).

I, Mary Lou Boultinghouse, further declare under penalty of perjury and under the laws of the State of California that the foregoing is true and correct.

January 5, 2017
Dated / Fallbrook, CA

Mary Lou Boultinghouse
Secretary, Board of Directors

Presentation

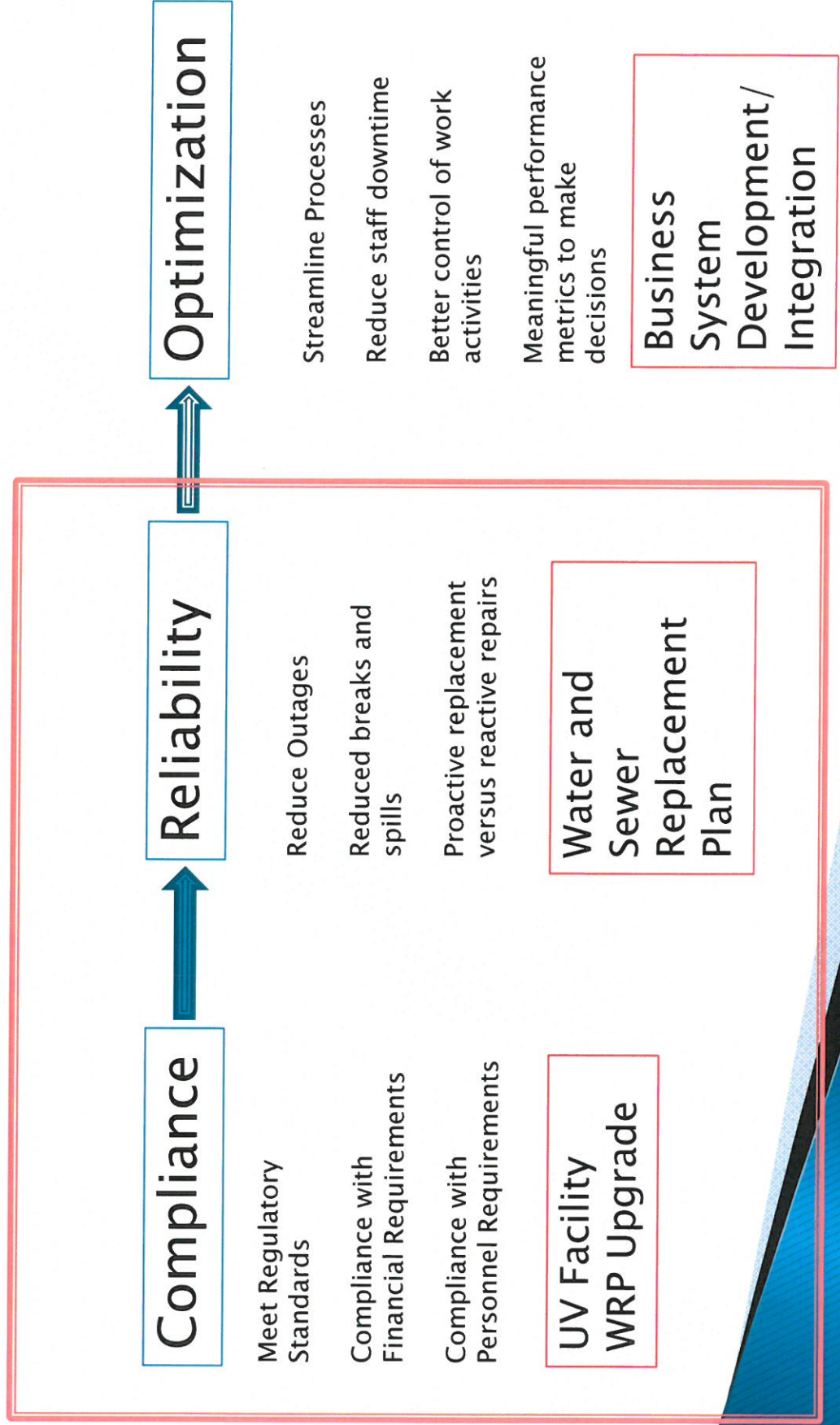
Business Systems Long Term Goals



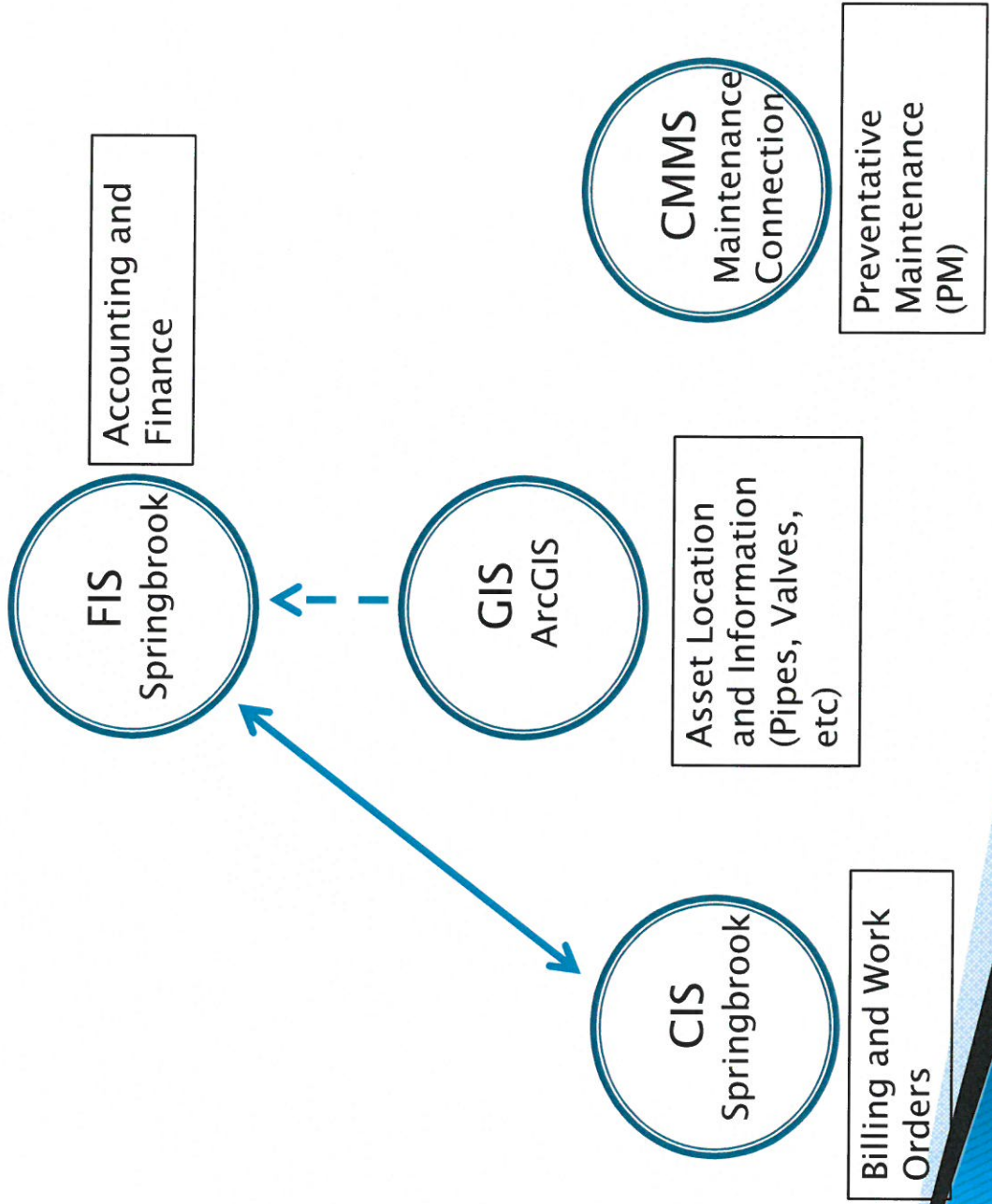
Business Systems Long Term Goals

Finance Committee Meeting January 9, 2017

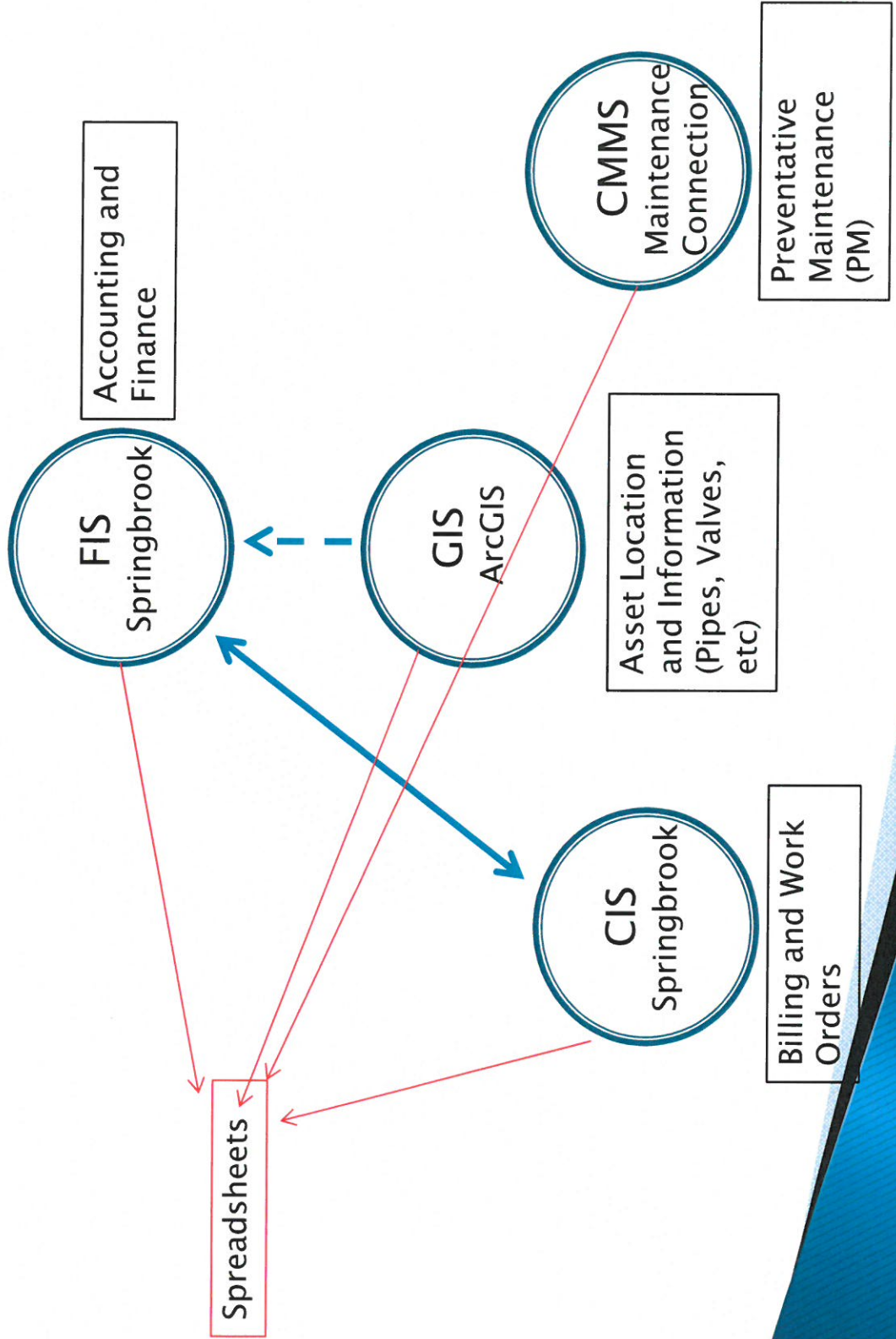
Overall District Progress



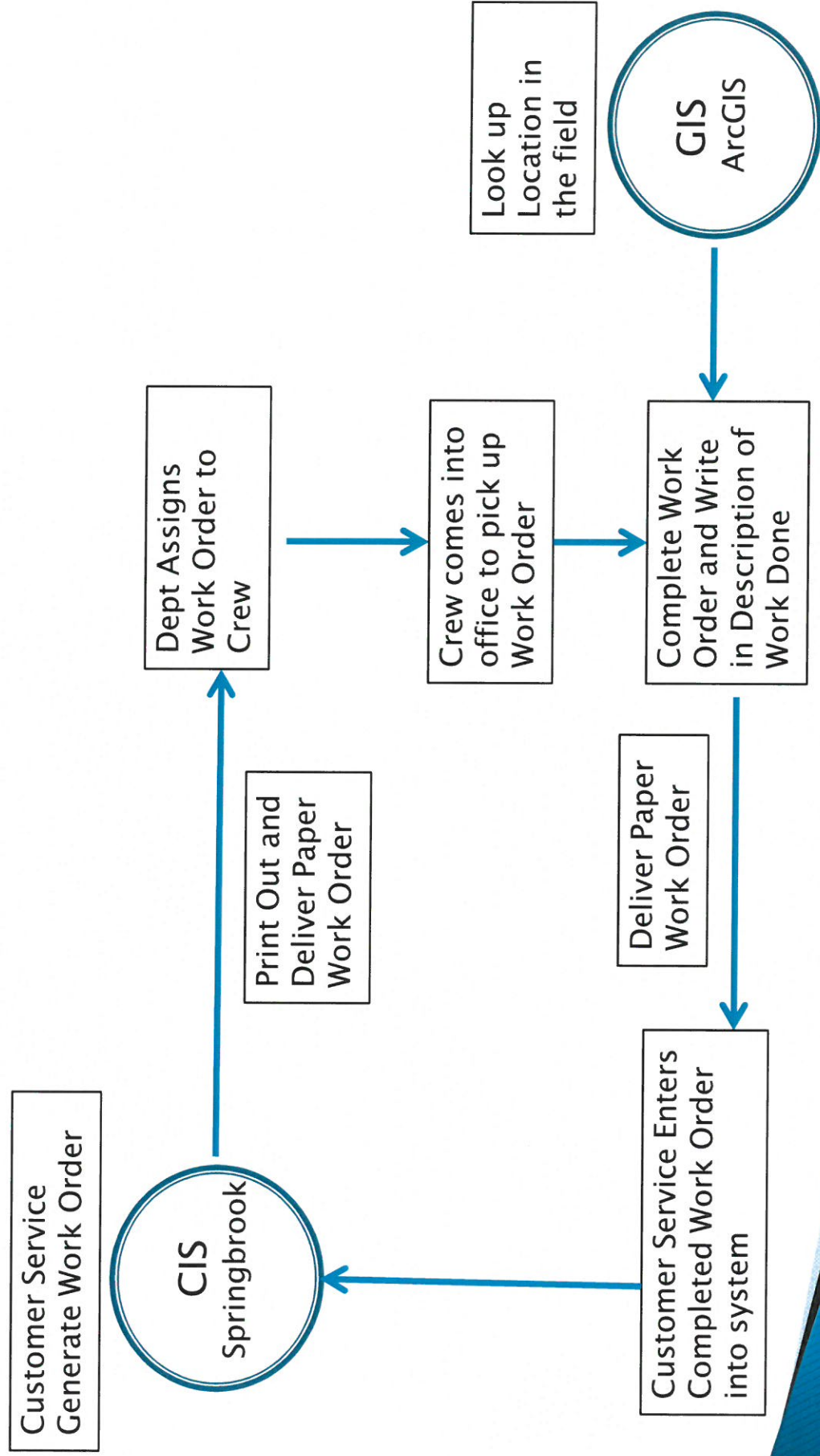
Current Systems



Current Reports

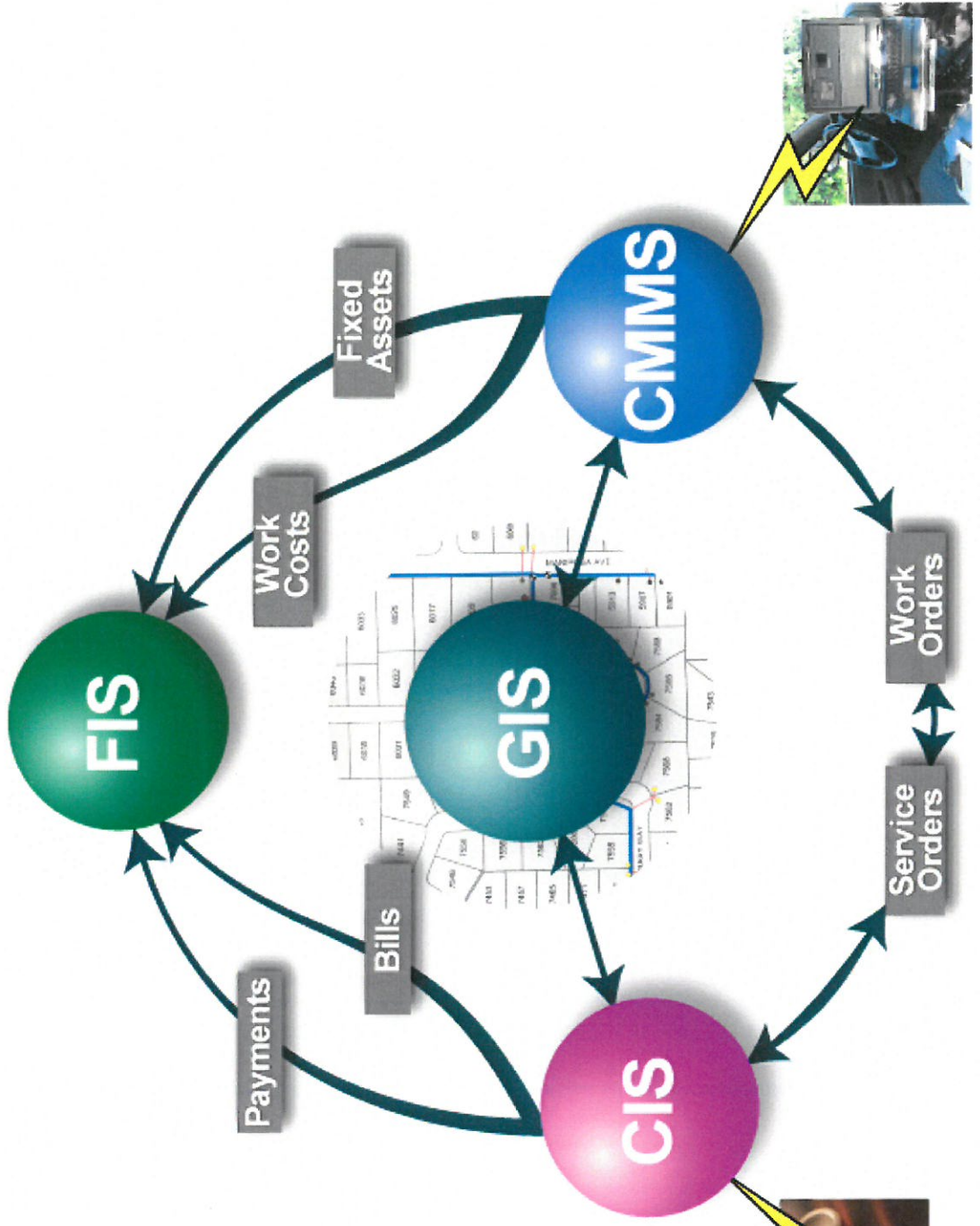


Example Current Process



The Integrated Utility

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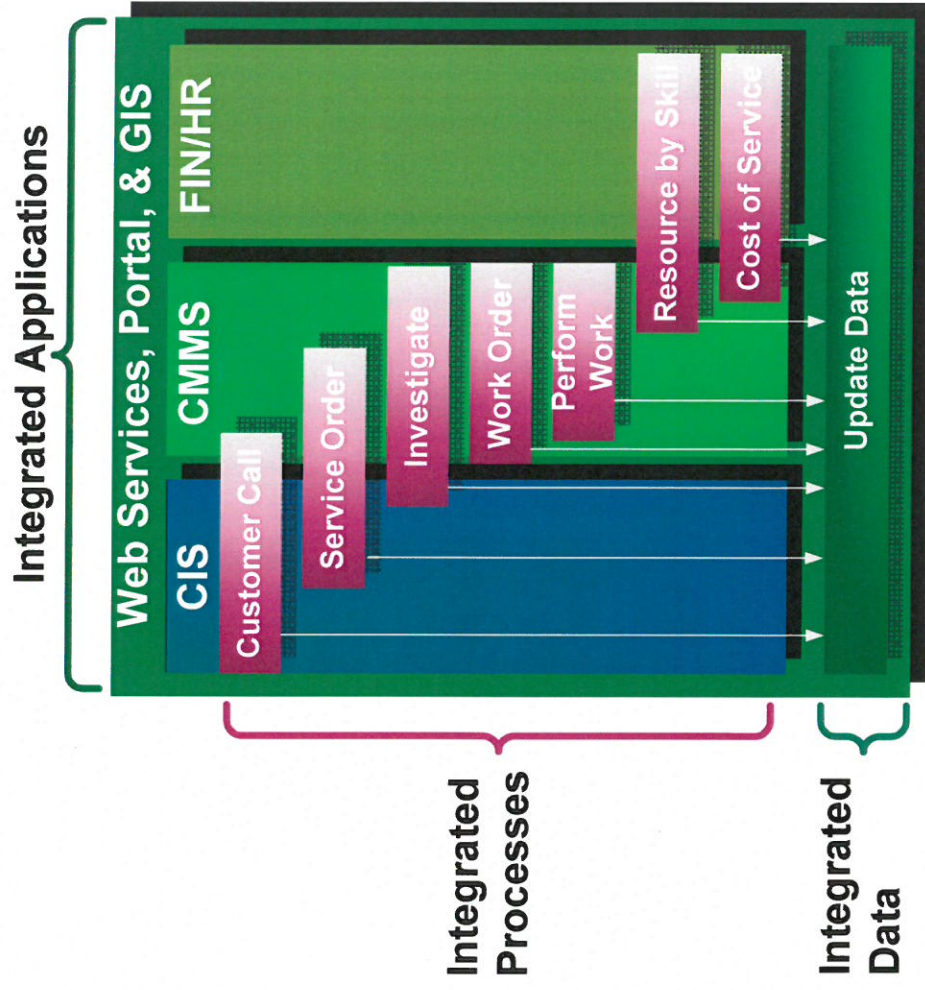


The Integrated Utility

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Enhanced Customer Service through:

- ❖ Customer call logged into CIS
- ❖ Service Order generated via mobile for field investigation
- ❖ Work Order may be auto generated with all pertinent information
- ❖ All performed work and materials captured in CMMS via mobile
- ❖ Total cost of repairs captured



Board Member Level Improvements

- ▶ Improved transparency of the District's actual Level of Service to its customers.
- ▶ Improved reporting of the District's actual performance and cost of service for major business processes / activities.
- ▶ Increased workforce efficiency through streamlined business processes, reduced paperwork, reduced windshield time and automated performance reporting.
- ▶ More accurate data for future comparisons against utility industry benchmarks.

Manager Level Improvements

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- ▶ Improved customer service response times, automated reporting, and streamlined maintenance processes
- ▶ Office and field personnel have the same information and provide the same answer to the customer's request
- ▶ Improved work process efficiency due to integration
- ▶ Detailed, current, asset information readily available to all staff
- ▶ Service requests, work orders and electronic maps available in the field via wireless laptops
- ▶ Ease of management trending and analysis
- ▶ Better control and monitoring of work activities and projects
- ▶ Substantial reduction in use of paper

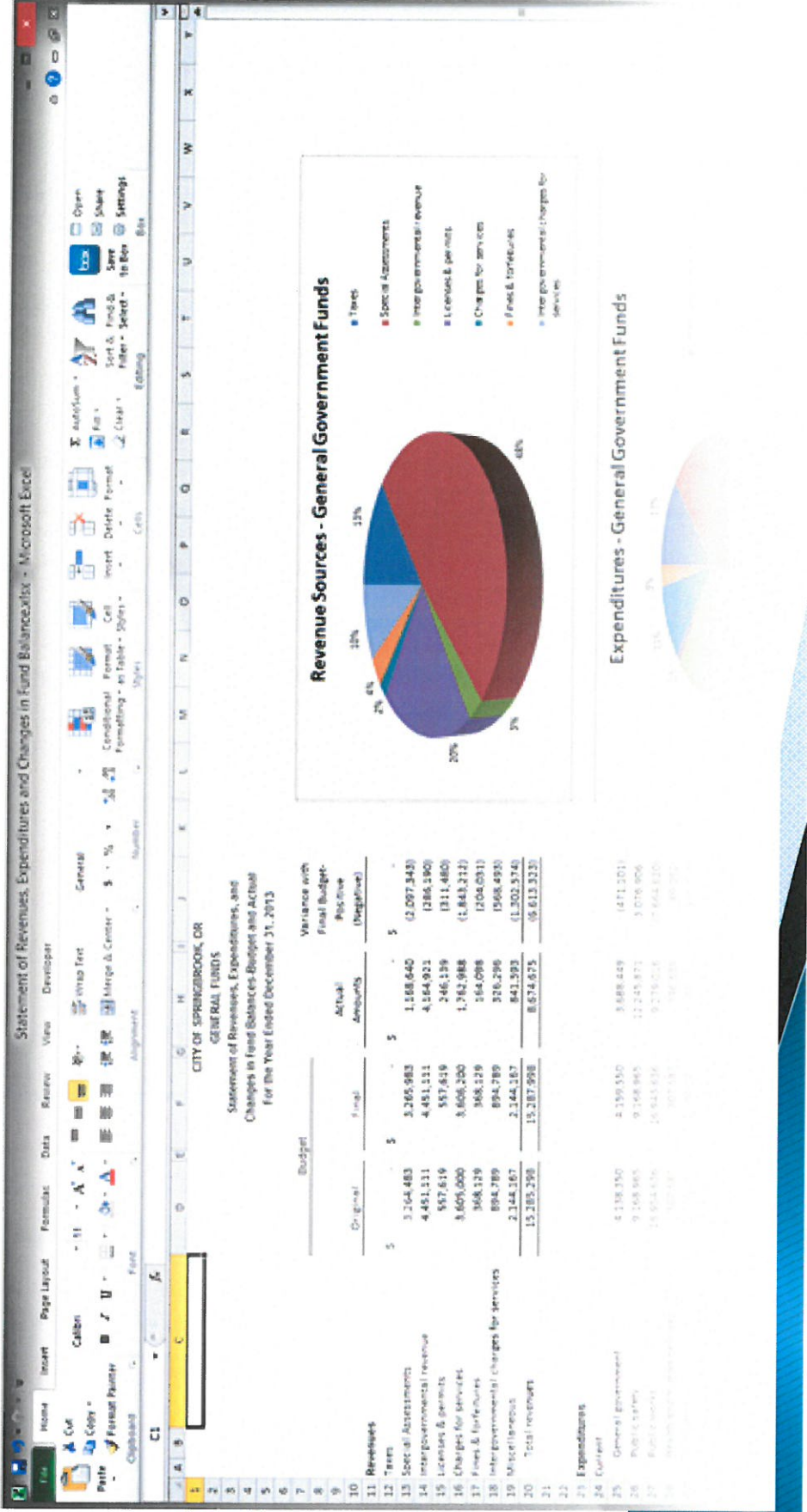
Staff Level Improvements

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- ▶ Ease of remote access to customer, premise, equipment, facilities, scheduling, and labor information
- ▶ Viewing same information – from any position in the utility (i.e., call center personnel view same service/work order status as field technicians)
- ▶ Ease of data access through Information Portal and GIS-enabled views
- ▶ Able to readily view and self-administer personnel profile
- ▶ Substantial reduction in use of paper

Performance Management Improvements

Springbrook Reporting Capabilities



Questions



Spreadsheet

Costs to Assess, Develop, and Plan

Activity	Doug		Albair		Denise		Labor	ODCs	Total Fees
	\$	250	\$	250	\$	150			
Task 1 – Assess Current Conditions for Finance and Customer Service									
Project Management		4		2	4		\$ 2,100	\$ -	\$ 2,100
Project Kickoff Meeting		4		4	4		\$ 2,600	\$ 1,200	\$ 3,800
Document Request and Review		3		3	4		\$ 2,100	\$ -	\$ 2,100
KPI Interviews (6 @ 1 hour each)		8			8		\$ 3,200	\$ 1,000	\$ 4,200
Springbrook Interviews (6 @ 1 hour each)		2		9	9		\$ 4,100	\$ 1,000	\$ 5,100
Springbrook System Evaluation				40			\$ 10,000	\$ -	\$ 10,000
Combined SWOT Workshop		8		8	4		\$ 4,600	\$ 1,200	\$ 5,800
Develop Springbrook Action Plan		2		32			\$ 8,500	\$ -	\$ 8,500
Draft Assessment Report		24		8	5		\$ 8,750	\$ 1,200	\$ 9,950
Final Assessment Report		3		3			\$ 1,500	\$ -	\$ 1,500
Subtotal Hours		58		109	38		\$ 47,450	\$ 5,600	\$ 53,050
Task 2 – Develop Initial KPIs for Finance and Customer Service									
Performance Measurement Best Practices Workshop		3					\$ 750	\$ -	\$ 750
Performance Area Workshops (4 at 2 hours each)		10			10		\$ 4,000	\$ 600	\$ 4,600
Subtotal Hours		13		0	10		\$ 4,750	\$ 600	\$ 5,350
Task 3 – KPI Development and KPI Implementation Plan									
Measure Refinement Workshops (4 at 2 hours each)		12			12		\$ 4,800	\$ -	\$ 4,800
Implementation Plan Development		14		3			\$ 4,250	\$ -	\$ 4,250
Integrated Measures Workshop and Program Roll-Out		14			10		\$ 5,000	\$ -	\$ 5,000
Draft Performance Management Program Report		12		3			\$ 3,750	\$ -	\$ 3,750
Final Performance Management Program Report		4					\$ 1,000	\$ -	\$ 1,000
Board Presentation				3			\$ 750	\$ 100	\$ 850
Subtotal Hours		56		9	22		\$ 19,550	\$ 100	\$ 19,650
Total Cost									\$ 78,050

Finance / Customer Management Performance Metrics and
Springbrook Optimization Plan

Finance / Customer Management Performance Metrics and Springbrook Optimization Plan

Westin's approach will help the District develop its Finance and Customer Management metrics with a clear set of performance goals and meaningful indicators. We will utilize industry standard metrics where appropriate so the District is able to both objectively measure its performance over time, and versus its peer organizations. We will concurrently develop a Springbrook Optimization Plan with strategies and actions for enhancing its current use. The resulting program will provide objective-based evidence that is both visible and transparent, thereby avoiding future subjective performance opinions.

This effort will be combined with the on-going performance management effort within the Engineering and Operations Departments for maximum cost savings to the District.

Task 1| Assess Current Conditions for Finance and Customer Management:

Project Management | Westin's Project Management approach ensures on-time, on-budget and on-target engagements. Westin's Project Manager will facilitate monthly progress meetings with the District's Project Champion to review progress, discuss upcoming logistics, and note any items requiring further discussion. Our QA/QC Manager will independently review all deliverables for completeness.

Project Kickoff Meeting | Westin will facilitate a Project Kickoff Meeting with the District's Project Champions to establish key project milestones, clarify expectations and develop a unified project vision. We will jointly determine the key interviewees, schedule all foreseeable on-site activities, and discuss any preliminary areas of concern. Additionally, Westin would like to discuss the following items:

- What are the current metrics that are periodically reported on?
- What are the current strengths and challenges with Springbrook?

Westin will summarize the results of the Project Kickoff Meeting in a brief *Technical Memorandum*.

Document Request and Review | At the Project Kickoff Meeting, Westin will request an initial set of documents for review (written plans, new initiatives, prior assessments, etc.). Westin will review each document prior to beginning our on-site activities.

Individual KPI Interviews | Westin will facilitate up to *6 one-on-one interviews* with District employees from the participating Departments to gather the following information:

- What are each Department's top level strategies?
- What are the most important work processes within each Department?
- What Department reports are currently being generated and how?

These Interviews will be specifically designed to efficiently gather the requisite information to understand the culture, strategies, inter-departmental communications, and how metrics are currently tracked. Westin's stringent policy of strict confidentiality allows for open and honest discussions.

Individual Springbrook Interviews | Westin will facilitate up to *6 one-on-one interviews* with District employees that actively use Springbrook for finance and customer service activities to gather the following information:

- What is working well with Springbrook?
- What is not working well with Springbrook?
- Where are the major areas for improvement?

These Interviews will be specifically designed to efficiently gather the requisite information to understand the initial configuration of Springbrook and begin to understand the system's effectiveness and its gaps as compared to industry best practices. Westin's stringent policy of strict confidentiality allows for open and honest discussions.

Springbrook System Evaluation | During this task, Westin will further evaluate the configuration and

effectiveness of Springbrook in these following areas:

- Payroll
- Utility Billing
- Human Resources
- Fixed Assets
- General Ledger
- Procurement
- Inventory
- Invoicing
- Reporting

Combined SWOT Workshop | To maximize organizational buy-in, Westin will facilitate a 3-hour Strengths, Weaknesses, Opportunities and Threats (SWOT) Workshop with select management and staff to discuss both the baseline level of performance reporting, as well as the overall effectiveness of Springbrook.

Springbrook Action Plan | Based on the findings within the tasks above, Westin will develop a practical Action Plan for the future enhancement and optimization of Springbrook. The Action Plan will recommend a prioritized list of actions with budget level schedules and resource needs.

Draft Assessment Report | Westin will document the findings, observations, foreseeable barriers and initial recommendations in a *Draft Assessment Report*. The Draft Assessment Report will document the baseline condition of the District against industry best practices, as well as prioritize areas that could most benefit from new goal setting and/or associated metrics.

Final Assessment Report | Westin will then facilitate a *Validation Meeting* with the District's Project Champion to discuss and review the findings and observations for accuracy. All significant input from this meeting will be included in Westin's *Final Assessment Report*.

Task 2 | Develop Initial KPIs for Finance and Customer Management

The objective of this Task is to guide the initial development of a set of appropriate metrics to support governance, informed decision-making and resource prioritization.

Performance Measurement Best Practices Workshop | Westin will facilitate a Best Practices Workshop with all of the participating departments' management team. We will openly discuss the pros and cons of all metrics and performance reports currently in use, as well their appropriateness and relative use in the industry. Westin will introduce its proven *Performance Management Scorecard Template* and present the requisite elements for a sustainable Performance Management Program. This will include the proper selection and use of business intelligence tools.

Performance Area Workshops | Westin will conduct a series of Performance Area Workshops to reach agreement on the top-level goals of each Department. This effort is critical to identify which goals, outcomes and processes need to be measured.

- What issues are likely to have the greatest impact on performance?
- What appears to be the factors causing this to be an issue for the organization?

Metric Development Workshops | Westin will facilitate follow-up meetings with each of the participating departments to present recommended measures for each prioritized area. Westin will discuss the rationale for the initial measures and begin to identify the appropriate data sources. Westin will provide examples from what other similar agencies are doing and measuring in each of these areas.

Task 3 | KPI Development and KPI Implementation Plan for Engineering and Operations

Measure Refinement Workshops | Westin will work with each department to finalize the set of metrics:

- Identify the metrics that can be implemented immediately and those that require additional effort;
- Define each metric's description, accountability, numerator, denominator, and reporting frequency;
- Work with the District to gather historical performance data for the past 3 years for each metric;
- Fill in the Performance Scorecard Templates including a graph with an initial performance target.

Implementation Plan Development | This effort includes the requisite data gathering and reporting tools and procedures for effective and efficient performance management program rollout including recommendations for a

future BI reporting tool and software interfaces with other District systems, including Maintenance Connection, Springbrook, and SCADA. The Implementation Plan will include a process for effective reporting, an overall schedule, planning level budget, District resource needs, estimated level of use of outside support, and data quality control processes. Westin will include all relevant District comments in the Final Implementation Plan.

Integrated Measures Workshop and Program Roll-Out | To gain final buy-in, Westin will facilitate a workshop with the District's participants to present the suite of measures from each department demonstrating a logical connection to the desired outcomes. Westin will also present the details of the Implementation Plan and the logical next steps for effective and efficient program roll-out.

Draft and Final Performance Management Program Report | Westin will prepare a draft report including the approach to develop the metrics, the completed Performance Scorecards for each metric and the Implementation Plan for the development and utilization of future metrics. Westin will include all pertinent District comments in a Final Performance Management Program Report.

Board Presentation | If needed, Westin will prepare a presentation for the District's Board of Directors to outline the process, present the Implementation Plan and discuss the overall benefits of the program.