Service Equity

Focus Area: **Customer Experience**
Strategic Objective: **Equitable service accessibility**
Owner: **Michael Davis, Service Equity Director; Blair Troutman, Asset Mgmt. Director;**

Summary of proposed action

The goal of this Action Plan is to eliminate current service inequities (defined as disparate access, participation, and impacts to distinct customer segments and communities), and to proactively design and provide equitable services. This initiative expands on current efforts, and hastens the development of:

- o Baseline demographic profiles of who we serve in order to measure change in access and participation
- o Support to SPU Branches and divisions to embed service equity within their strategic work plans
- o Corrective or proactive efforts to meet service equity goals through the use of equity planning tools and techniques, and
- o Neighborhood-based engagement and efficiency plans.

Description of the problem this action solves

Inequity manifests unintentionally through our policies, comprehensive plans, programs, projects and services, in all Lines of Business and across all SPU Branches. Some examples include under reporting of sanitary sewer overflows in low income multi-lingual communities, lack of diverse participation in volunteer programs or response to web based customer feedback surveys, and historic under-utilization or lack of access to consulting opportunities.

More detailed description of the proposed action

SPU staff can better understand and address these issues through an **ongoing commitment to learning,** and they must also:

- Use standardized tools and processes to collect, enter, and analyze demographic data to create customer baselines
- Develop distinct Branch and Division-specific service equity planning goals, objectives, and accountability
- Embed service equity planning tools and practices into longstanding and new work-flow processes
- Allocate funds and time to conduct service equity planning and analysis, WMBE outreach, and culturally relevant community engagement methods to engage more diverse audiences; and
- Use service equity planning tools with other agencies and Departments.

Benefits of the proposed action

As a result of the proposed actions SPU will have a clear understanding of how our regulations and current or planned activities may result in disparate impacts or outcomes, and:

- Customer baselines, including demographic profiles and routine analysis of whom we serve in projects, programs and services, from which we can measure change in access and participation
- Taken corrective or proactive early efforts to build service equity goals and measurements in our policy, planning, prioritization, design, and implementation efforts
- Strengthened SPU's planning processes (e.g. tools that help capture learning and document next steps)
- Proactively identified all who may be interested and impacted in our planning processes, and mitigation of customer backlash due to a lack of proper engagement

Service Equity

- Bolstered reasoning or arguments for *or* against a particular policy, service, or project through the use of customer data regarding disparate experiences or impacts
- Surfaced 'upstream' policy-related issues (e.g. standards on open access to non-critical SPU property)
- Realized cost savings and streamlined outreach efforts through coordinated communications and public engagement plans
- Sustained community or neighborhood-based relationships which can be leveraged to more quickly initiate services
- Improved our knowledge of community issues and dynamics; and
- Improved SPU's ability to routinely garner richer, more accurate, and more meaningful customer feedback.

Implementation plan and timeline

Primary Tasks	2015	2016	2017	2018	2019	2020	Primary Outcomes
Hire additional Service Equity Subject Matter Expert (1 FTE)	X	X	X	X	X	X	Expansion of Equity Planning support and ongoing coverage for all Branches.
Staff training on Community Engagement Techniques and Service Equity Planning, and related items.	X	X	X	X	X	X	Builds skills and provides resources for staff to use equity planning tools and practice new community engagement techniques.
Support the tiered expansion of demographic database utilization, across key LOB programs (as appropriate).			X	X	X	X	LOB demographic baselines in key programs, which then re-directs planning goals to new target audiences and outcomes.
Create participant baselines, with initial analysis/ability to report on findings.					X	X	More accurate reporting capacity on 'who does or does not currently access and participate' to Mayor, Council, staff, and key stakeholders.
Include service equity planning goals and objectives in all SPU Branch and Division Strategic (Work) Plans.		X	X	X	X	X	Branch and Division management accountability to identify and address service equity, and a 'push' downward into projects and programs.
Apply service equity planning tools to master plans, prioritization processes, or programs that do not go through the Stage Gate approval process.				X	X	X	Application of equity planning tools to overall LOB/CIP prioritization processes, O & M funded programs, and key small CIP results in different priorities.
Apply service equity planning tools to multi-agency Capital Improvement Projects and create unified outreach/public engagement plans.				X	X	X	Mitigation of unintended service disparities, coordination of timelines, and creation of unified communications and engagement plans.
Require neighborhood-based staff/project check-ins (across and within LOBs) to coordinate timelines and outreach/public engagement efforts.		X	X	X	X	X	Neighborhood (or basin) based plans, improvement of inter-departmental communication, and cost savings on outreach or engagement efforts.

Service Equity

Budget and FTE Changes (in $000s)

Fund: All Three Funds - DW, DWW, SW

	2015	2016	2017	2018	2019	2020	Total
O&M Labor							$0
O&M Non-Labor							$0
O&M Subtotal	*0*	*0*	*0*	*0*	*0*	*0*	*$0*
CIP							$0
Total O&M and CIP	*$0*	*$0*	*$0*	*$0*	*$0*	*$0*	*$0*
FTE							

Plan for evaluating success or progress

An abridged list of Outcomes

- *Participant demographic baselines for key SPU programs* - Customer Programs; USM LOBs; Communications
- *Service equity planning goals and objectives in all SPU Branch and Division Strategic (Work) Plans* - All SPU Branches
- *Equity planning tools applied to LOB/CIP prioritization processes, O & M funded programs, and key small CIP* - USM LOBs; CAM, EJSE
- *Apply service equity planning tools to multi-agency Capital Improvement Projects and create unified outreach/public engagement plans* - USM LOBs; CAM; Communications, EJSE
- *Utility-wide neighborhood (or basin) plans* - USM LOBs; CAM, EJSE

All Outcomes should be incorporated into SPU's annual Key Performance Indicators worksheet (in accordance with the proposed timeline), SPU's annual Race and Social Justice Work Plan, and annual Executive and Manager Accountability Agreements.

Web Presence

Focus Area: **Customer Experience**
Strategic Objective: **Minimum customer effort**
Owner: **Corinne Brown, Web Manager**

Summary of proposed action

SPU has external and internal websites, and we want them to be effortless to use when asking a question, paying a bill, or researching an issue. In the baseline, there are four permanent web staff, plus two college interns dedicated to the web. This initiative funds an additional 2.5 FTE plus temporary staffing to do the following:

- o Improve web text and multimedia content
- o Offer a more seamless user experience between all online services
- o Engage in usability research and web analytics
- o Proactively build easy-to-use, efficient, desirable and useful web content and tools

Description of the problem this action solves

Current gap areas include:

- o It is difficult for customers and employees (users) to transact their business online. Transactions aren't performed in real time but our users expect that they are. Users expect they can request information sent to them via the method of their choice (online only, email, text, phone). They expect a seamless experience when accessing any of our third party/vendor applications and our own internally built applications. They expect an engaging and efficient experience regardless of which device they use. We fail to meet these online transaction expectations.
- o Functionally, our websites have slow download speeds, sub-optimal search engines and aren't designed to work well on mobile devices.
- o Our external website is missing opportunities to support the Contact Center, which in turn could help our customers get their questions answered.
- o Content management on the website is suboptimal. We are missing valuable and desired content, and the content that is there is difficult to find.
- o The internal website does not adequately meet employees' and business needs.

More detailed description of the proposed action

The Web Team currently has four dedicated FTE, plus two college interns. With the addition of the 2.5 FTE and some consultant dollars, the Web Team will:

- o Work with the business to create additional site content to support business objectives
- o Evaluate user goals and create additional site content to support user expectations
- o Assess and clean up the existing websites
- o Design and develop new and improved websites
- o Implement new and improved websites
- o Engage in usability research and web analytics

Benefits of the proposed action

Benefits of this Action Plan are:

- o Improved text and multi-media content on our website, allowing customers and employees to find and understand core information quickly
- o A more seamless user-experience between all online services, regardless of development platform or user device

Web Presence

- o Through usability research and web analytics, acquire a clearer understanding of how our online customers currently use the web, and how they expect the websites to perform
- o Proactively build easy-to-use, efficient, desirable and useful web content and tools to enhance the customer's and employee's experience with our services

Implementation plan and timeline

In 2015-2016, with consultant support, SPU will clean up the existing websites and assess, design, and develop an implementation plan for the new websites. The new websites would then be implemented in 2017, with ongoing research and assessment from 2017 onward.

	2015	2016	2017	2018	2019	2020
Assessment and cleanup	x	x				
Design and new development		x				
Implement new sites			x	x	x	x
Engage in user research and analytics	x	x	x	x	x	x

Budget and FTE Changes (in $000s)

Fund: All Three Funds - DW, DWW, SW

	2015	2016	2017	2018	2019	2020	Total
O&M Labor	-	150	250	250	250	250	$1,150
O&M Non-Labor	200	200	200	-	-	-	$600
O&M Subtotal	200	350	450	250	250	250	$1,750
CIP	-	-	-	-	-	-	$0
Total O&M and CIP	$200	$350	$450	$250	$250	$250	$1,750
FTE	0.00	1.50	2.50	2.50	2.50	2.50	

Plan for evaluating success or progress

- o Work with the business to identify target tasks and content and to establish estimated value as KPIs for both websites
- o Use web analytics to evaluate site traffic improvements to the destination site content KPIs
- o Perform usability-testing to evaluate before-after performance and customer satisfaction with both websites

Managing Data & Information

Focus Area: **Operational Excellence**
Strategic Objective: **Effectiveness & Efficiency**
Owner: **Vicki Evans, Tom Nolan**

Summary of proposed action

This Action Plan proposes creating an enterprise information management (EIM) program and a quality assurance (QA) program to address the rising costs of SPU's vast, disorganized store of information, so that SPU's employees can easily access the enterprise knowledge base, and the organization can successfully move from being data rich to being knowledge rich.

Description of the problem this action solves

SPU's fragmented and disorganized information environment limits employees' access to the enterprise knowledge base, and the rich store of information it contains. Examples of data requiring quick, easy access by SPU employees includes: operating manuals, engineering plans and drawings, maps, asset condition reports, photos, spreadsheets, and regulatory reporting.

An EIM Program will manage information as an asset, based on the application of asset management principles including transparency, governance, risk management, collaboration, and deliberate decision-making. With a goal of optimizing the long-term value of our information assets, the EIM Program will be rooted in a shared vision, supported by a coherent strategy, and guided by a set of roadmaps detailing the activities necessary to mature SPU's information practices and environment. The key success factors for an EIM Program are culture and change management, not technology.

More detailed description of the proposed action

A successful EIM Program will be a grass roots, iterative process carried out over several years, and will deliver improvements and benefits incrementally, beginning as early as 2015. Essential components of the Program include:

- o Creating an Information Governance Board to establish and oversee leading information management practices
- o Developing enterprise information architecture to provide a framework for decisions and operations
- o Developing policies and standards for documents, records, and data to support all employees
- o Developing suitable platforms and technologies to organize update, preserve, search for, share, and dispose of information in order to optimize and extend the value of our information assets.

An EIM Program will address both structured data (information generally stored in electronic databases) and unstructured content (information continued in documents, images, maps, plans, blogs, etc.). The Program will develop and sustain an enterprise strategy, information architecture and an operational framework to effectively and securely move different kinds of information assets through their respective life cycles.

This Action Plan requests funding for a new position (Information Architect) that is key to the success of the EIM Program. The newly established role of Information Architect will create and maintain a structured, repeatable set of organizing guidelines, business rules, and practices, security and permissions protocols, needed to ensure that information is consistently defined, tagged, and stored so that employees can quickly and easily search for, navigate to, and retrieve the information they need. With these goals in mind, several

Managing Data & Information

projects funded within the Technology CIP baseline are anticipated in the following areas (no additional CIP funding is being requested):

- <u>Workflow applications</u> to support the flow of documents for review and approval through the organization e.g. Development Services Office intake and sales
- <u>Intranet Redesign</u> that will utilize portal technologies to make corporate information easier to find on SPU's internal work group web sites e.g. SharePoint 2013, Enterprise Search Tools
- <u>Digital Asset Management Systems</u> that allow employees to easily store, find, retrieve and share digital graphics such as maps, engineering plans, operating manuals and training videos.
- <u>Online Collaboration Tools</u> to streamline communication and information sharing between employees and work groups throughout the City e.g. deployment of *Microsoft Lync* and *SharePoint MySites*
- <u>Records Management Systems</u> including the update of existing records retention policies and guildelines. e.g. Regulatory Compliance Tracking Repository

Maintaining the quality, reliability, and availability of the information will be a primary goal of all projects.

Benefits of the proposed action

- o Controlled processes to acquire, organize, store, disseminate and dispose of information in accordance with the rules and guidelines established by governance to provide the underpinning for a significant reduction of risk and cost through greater workforce productivity and reliability of the information we use to deliver services.
- o Information stewardship practices to ensure solid foundation for adequate quality standards that are are also flexible as needs and priorities change.
- o Easy-to-use tools, including searchable document and records repositories, dashboards, and online information portals designed to quickly and efficiently put the right information into the hands of SPU employees and customers.
- o Improved information governance and management practices, particularly records management, will reduce costs associated with the creating, retention, and dissemination of vast amounts of data and documents needed to support and comply with multiple cross-jurisdictional regulatory and reporting requirements.

Implementation plan and timeline

	2015	2016	2017	2018	2019	2020
Establish Information Governance Board	x					
Hire Information Architect		x	x	x	x	x
Deliver/maintain enterprise information architecture		x	x	x	x	x
Sequence and deliver suite of related capital projects	x	x	x	x	x	x

Managing Data & Information

Budget and FTE Changes (in $000s)

Fund: All Three Funds

	2015	2016	2017	2018	2019	2020	Total
O&M Labor		155	155	155	155	155	$775
O&M Non-Labor		-	-	-	-	-	$0
O&M Subtotal	*0*	*155*	*155*	*155*	*155*	*155*	*$775*
CIP	-	-	-	-	-	-	$0
Total O&M and CIP	*$0*	*$155*	*$155*	*$155*	*$155*	*$155*	*$775*
FTE		1.00	1.00	1.00	1.00	1.00	

Plan for evaluating success or progress

The Information Governance Board will be the primary oversight body for the Program. The charter of the group will include developing program performance indicators such as:

1. Monitor and meaure adherence to information-related business rules and procedures (e.g. document management guidelines, records retention)
2. Monitor and measure user adoption of new technologies, including SPU Intranet and other technology-driven information portals (e.g. SharePoint)
3. Monitor and measure data quality within several specific domains (e.g. assets, customer data, regulatory) using industry –standard metrics and methodologies.

Billing Meters

Focus Area: **Operational Excellence**
Strategic Objective: **Fiscal Strength & Integrity**
Owner: **Dave Hilmoe, Shari Akramoff, Tony Blackwell**

Summary of proposed action

This initiative proposes centralizing the various meter activities within SPU, and funds three additional staff for the following purposes:

- o Create, coordinate, and administer a meter testing and replacement plan and program (1 FTE)
- o Perform additional meter testing, exchange, and repair (2 FTE)

The increased focus on accurate metering is expected to generate at least $500,000 per year in additional revenues from customers with currently under-registering meters.

Description of the problem this action solves

SPU's billing meters are the basis for collecting water and wastewater revenues. At present, there is no single person in SPU accountable for the meter program, which consists of reading, testing, maintenance, reinvestment in meters, and billing. As a result, there is little consistency in priorities or goals within the program, leading to uneven and inadequate response to meter accuracy and malfunction issues, meter replacement and purchasing decisions, and customer response. In addition, metering technology is undergoing a period of rapid change requiring a focused program to best leverage and transition to new technologies.

More detailed description of the proposed action

There are currently 5 FTE assigned to meter testing; however, two of these positions are vacant. This action plan adds one team (two employees) for testing, exchange, and repair of SPU's billing meters. In addition, a position would be added to create and coordinate a meter testing and replacement plan, and to administer the program.

With vacancies and changing priorities as well as changes in regulations, only approximately 200 retail meters have been tested over the past year (this is in addition to the meter testing and repair for wholesale meters). If this action plan is approved, it is anticipated that the new program manager position would update and create a testing plan which when implemented would meet industry standards for testing and replacement of all meters based on size.

Current staffing allowed us to test and replace about 200 retail meters last year. Filling existing vacancies, plus adding the new two-person crew, will allow us to test 600 retail meters each year. This means that we will be able to test all 1855 of our meters that are 3" and larger every three years. Smaller meters will be on a run-to-failure plan. This general approach will be truth-tested as we develop our billing meter asset management plan this year, but is expected to be cost effective and to meet AWWA standards for meter testing frequency.

In addition, this action plan adds $68,000 per year in CIP expenditures for buying and replacing additional meters anticipated due to increased testing .

Billing Meters

Benefits of the proposed action

SPU expects that the costs related to this initiative would be consistently recovered year after year by improved meter accuracy over the baseline. This translates into lower rates for all customers, and a more equitable distribution of costs among customers.

Implementation plan and timeline

	2015	2016	2017	2018	2019	2020
Add meter testing, exchange, repair crew	x	x	x	x	x	x
Add position to create and coordinate the program	x	x	x	x	x	x

Budget and FTE Changes (in $000s)

Fund: Drainage & Wastewater AND Water

	2015	2016	2017	2018	2019	2020	Total
O&M Labor	274	274	274	274	274	274	$1,644
O&M Non-Labor	-	-	-	-	-	-	$0
O&M Subtotal	274	274	274	274	274	274	$1,644
CIP	68	68	68	68	68	68	$408
Total O&M and CIP	$342	$342	$342	$342	$342	$342	$2,052
FTE	3.00	3.00	3.00	3.00	3.00	3.00	

Plan for evaluating success or progress

A successful outcome of this action plan would be one that:
- o Creates a meter testing and replacement plan within the first year
- o Implement the plan by testing every meter over a three year cycle to set a baseline
- o Increase revenues for water consumption for both wholesale and retail customers by 1% each year over the first three years and by .5% thereafter.

Revenue Recovery

Focus Area: **Operational Excellence**
Strategic Objective: **Fiscal Strength & Integrity**
Owner: **Sherri Crawford**

Summary of proposed action

SPU's current method of assessing and collecting non-rate revenue is decentralized and inconsistent. This initiative proposes a more structured and comprehensive approach to ensure SPU maximizes revenue recovery while enhancing internal controls and providing transparency and predictability for the customers and employees. Implementing this plan will reduce the risk of fraud and waste, and will likely increase non-rate revenues, thereby lessening the burden on ratepayers.

Description of the problem this action solves

SPU's revenue is primarily generated via utility bills (rate revenue) and secondarily via non-rate revenue, such as standard charges that are assessed on specific services. In 2012, SPU's rate revenue for all lines of business was $655 million; non-rate revenue was $37 million. Currently, SPU's method of assessing and collecting non-rate revenue is decentralized and inconsistent. Several work units outside the Finance Division calculate and apply standard charges and ad-hoc fees to services they provide to customers, with little to no coordination with Finance. As a result, in some cases revenue may not cover the cost of service, charges are unpredictable and not transparent to customers, the administrative costs to manage some charges is high, and SPU's ability to forecast the non-rate revenue stream is constrained. In addition, although SPU has policies in place for credit and collection of rate revenue, we are not uniformly imposing these policies.

More detailed description of the proposed action

This Action Plan proposes to take a structured and comprehensive approach to ensuring SPU maximizes revenue recovery. Some key elements to this include:

o Develop appropriate policies, procedures, and internal financial controls on non-rate revenue
o Place ultimate accountability for setting rates, fees, and other charges within the Finance Division, understanding that the customer transactions associated with these rates, fees, and charges may occur in other divisions. Finance will collaborate with business operations experts to determine the following:

- Which services SPU sells/offers
- The method by which we charge for these services (e.g., embedded in rates, standard charge, or time and materials)
- The amount of the charges (e.g., full cost recovery or subside)
- Who collects the revenue (e.g., SPU or FAS Treasury)
- The cycle for reviewing and updating rates, fees and charges
- The method of tracking inventory, anticipated and actual revenue, expenditures and transactions
- The technical and other systems needed to support this program
- The process of recovering delinquencies and writing off bad debt

No additional resources are being requested in this Action Plan; any costs associated with implementing these activities will be absorbed in the baseline.

Revenue Recovery

Benefits of the proposed action

This action is expected to generate more revenue and in a more efficient, effective, and equitable manner; however there is not yet an estimation of how much more revenue will be generated. This action will also lead to greater financial strength, improved ability to forecast revenues, and improved financial internal controls. In addition, this action will improve transparency by clearly showing customers and employees what makes up separate fees and charges. And it should reduce some administrative costs by embedding some costs in rates rather than charging separate fees.

Implementation plan and timeline

	2015	2016	2017	2018	2019	2020
Identify and prioritize the list of services SPU provides which generates non-rate revenue; determine which ones should be embedded in rates	x					
Develop policies, procedures and internal controls based on the prioritized list	x	x	x			
Develop new fee structures based on the prioritized list and cost of service	x	x	x			
Implement the new policies, procedures, fees and business practices and track the program's progress	x	x	x	x	x	x

Budget and FTE Changes (in $000s)

Fund: No additional resources requested.

	2015	2016	2017	2018	2019	2020	Total
O&M Labor	-	-	-	-	-	-	$0
O&M Non-Labor	-	-	-	-	-	-	$0
O&M Subtotal	0	0	0	0	0	0	$0
CIP	-	-	-	-	-	-	$0
Total O&M and CIP	$0	$0	$0	$0	$0	$0	$0
FTE	0.00	0.00	0.00	0.00	0.00	0.00	

Plan for evaluating success or progress

- SPU has a consistent and transparent approach for for determining when and how to set fees versus when to embed in rates; employees and customers understand our fee structures
- SPU knows how much each service costs and the fees and standard charges cover the cost of service
- SPU is able to forecast and effective track and monitor non-rate revenues