

INTEROFFICE MEMORANDUM

June 4, 2012

MEMO TO: J. Russell Allen
City Manager

FROM: Amber Smith, Budget & Management Analyst

SUBJECT: Budget Note 10 – Operational Efficiencies Summary

The following list details operational efficiency initiatives implemented with the FY13 budget and initiatives implemented during FY12 with savings realized in FY13.

Solid Waste Services' Automated Recycling Program

The implementation of Phase 3 (out of 4) of the automated recycling collection program, approved by Council during FY10, continues to increase the efficiency of the collection of recycling materials and address service area growth without increasing personnel. Six positions are being eliminated as a result. One additional custodian position was eliminated with the FY13 budget; custodial services will be provided by contract.

Planning and Development Reorganization

The FY13 budget reflects the continued implementation of the City Manager's plan to merge Planning, Development Services, Inspections, Transportation Planning and Economic Development into a unified cluster of business services. The coordination of these departments will support a higher level of customer service, improve neighborhood quality, increase the focus on capital projects and growth strategies, as well as address environmental initiatives. One vacant Staff Support Specialist is eliminated due to efficiencies gained through this reorganization.

Public Utilities Department Strategic Plan and Reorganization

The Public Utilities Department is developing a strategic plan, which will take several years to fully implement. The department is facing a growing service area, aging infrastructure and evolving regulatory requirements -- during a significant economic downturn that greatly affected customers and staff. Following retirements of key staff, interim organizational modifications have taken place where it is both logical and in keeping with the strategic plan. Potable water core functions have been combined under one supervisor, as have wastewater collection and treatment core functions under another. Public Utilities will continue with business process evaluations necessary to finalize the new department structure. The strategic plan, and associated future reorganization and job reclassifications, will focus on customer service, employee and leadership development, environmental stewardship, financial viability, operational optimization, reliability, resource management and stakeholder outreach.

Mail Services Moves to Public Affairs

The city's mail services program, previously housed in the Finance Department, will move to Public Affairs with the FY13 budget. This move will increase efficiency by linking the design and printing of documents and mailing those documents in conformance with USPS discount postage requirements. Public Affairs will also be able to work with departments to help determine if a less expensive communication option is a better choice than a mailing.

Technology Efficiency Initiatives

- **E-procurement Software** – Staff anticipate this project will improve our marketplace procurement options and capabilities, improving our negotiated contract pricing.
- **Work Order Management** – Implementing the enterprise work order management system will provide functionality to automate business processes related to service requests for efficient work order creation, assignment, dispatch, resolution tracking and reporting.
- **Accounts Receivable** – Billing and collection processes have been reviewed and several operational efficiencies have been identified and are being pursued to increase collection rates of existing revenue streams. These efficiencies include the following:
 - o Expanded use of the NC Tax Refund Debt Set-Off program to collect delinquent parking tickets and other City receivables
 - o Initiation of privilege license revenue audit to identify unlicensed businesses
 - o Using of Wake County Magistrate's Worthless Check program and civil action cases to collect checks returned for non-sufficient funds
 - o Implementation of an accounts receivable module that will enhance collections and reduce work efforts of the multiple departments now performing these duties.
- **Enterprise Content Management** – This project will enable staff to electronically capture, manage and retrieve organizational content such as documents, plans and other media in a centralized repository and automate workflow. It will provide a long-term, comprehensive approach to records retention and document workflow.
- **Candidate Gateway/Talent Acquisition Manager** – This software enhancement will allow departments to better manage their human resources efforts. It will also enable interested candidates to apply online for advertised city positions.

Parks and Recreation's Facilities & Operations Energy Efficiency Initiatives

Initiatives are in place to provide energy, sustainability, and cost-effectiveness to City of Raleigh facilities, whether they are in the design, build, or maintain stage of their lifecycle. The implementation of projects such as these has allowed the city to absorb unanticipated costs and rate increases without increasing the operating budget.

- **Utilize Progress Energy's Energy Efficiency for Business Program** at various city facilities to receive incentive funding for energy efficiency improvements for new construction, renovation / retrofit, and technical assistance in the areas of HVAC, lighting, and motors. Facilities include fire stations, community centers, operations centers and parks.

- **Interior lighting retrofits** at all existing aquatic facilities. Energy savings of up to 30% are feasible with lighting upgrades.
- Staff analysis identified savings of approximately \$40,000 to help offset unanticipated costs to the electric account and natural gas account through citywide rate analysis.
- **Expansion of Energy Management and Climate Control Software** to 60 city facilities to allow for better controlling, measuring, trending and monitoring of energy usage. The Periscope Energy Management system also incorporates the city's 18 Electric Vehicle Charging Station locations including parks, parking decks, and various street locations.
- **Installation of various open source systems** to assist with compliance of the City Council LEED mandate, including automation and control system upgrades, pulse meters, security cameras and systems, aerators and reduced flow showerheads and various lighting upgrades. These systems will be utilized in all city facilities designed to LEED standards and those anticipated receiving LEED certification.
- **Completion of ARRA – EECBG grant funded projects** in various city facilities totaling \$1.65 million. Projects included mechanical conversions, lighting upgrades, solar thermal installation, and other energy efficiency improvements.
- **Conversion of electric bill to electronic data interchange (EDI)** for all City of Raleigh Progress Energy accounts. Information Technology and Finance partnered on this project to electronically receive bills in the PeopleSoft financial system and route them to Energy Management software for monitoring and reporting. This will allow staff to reduce data entry time and provide greater capacity to analyze utility billing information.
- **Installation of roof-mounted PV Solar system, exterior LED lighting and solar thermal collectors** at various city facilities to reduce energy costs, dependence on fossil fuels and carbon footprint. Facilities include fire stations, community centers, operations centers and parks. The Periscope Energy Management system incorporates the energy production from the PV solar systems and solar thermal collectors.