

---

# BUSINESS TECHNOLOGY

Business Technology group (BTG) provides outstanding value to its customers for a wide range of administrative and technical services.

---

## PROGRAMS

Business Technology accomplishes its mission through the following programs or sections:

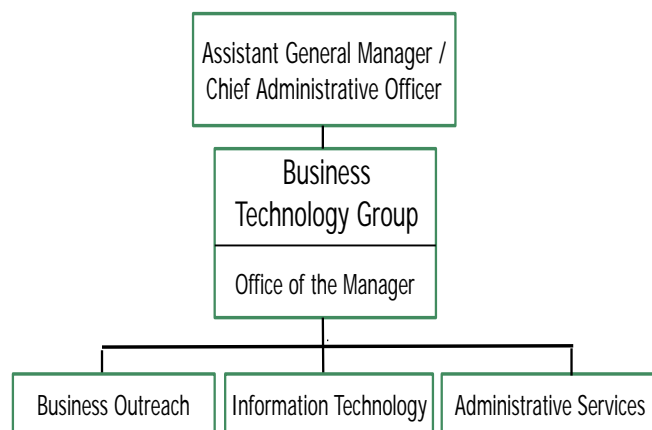
**Office of the Manager** oversees Metropolitan's Grant Management program and annexation functions along with the group's business planning, budget development, performance management, strategic initiatives, and workforce development.

**Administrative Services** provides a range of services including contracting, procurement, inventory management, warehousing, graphics, videography and photography, technical writing, records management, facilities management for Union Station and the DVL Visitor Center, and administration of Metropolitan's Rideshare programs.

**Information Technology** delivers comprehensive technology services and solutions in business applications (e.g., laboratory information management system, financial and human resource systems, maintenance management system, etc.), geographic information systems, telecommunications/networks, SCADA, programming, and computer hardware and software.

**Business Outreach** seeks to advance Metropolitan's policy to actively encourage participation in the solicitation and procurement of all construction contracts, professional service contracts, equipment, and other materials and supplies by all individuals and businesses, including but not limited to small, local owned,

women-owned, minority-owned, and veteran and economically disadvantaged business enterprises.



## GOALS AND OBJECTIVES

In FY 2014/15 and FY 2015/16, BTG will focus on the following key issues:

### Sustainability Efforts

Continue with innovative sustainability efforts in business practices and employee education by hosting Metropolitan's Annual Spring Green Expo and Innovators Showcase, Metropolitan's Rideshare Program to reduce travel emission, and the Our Legacy e-Newsletter for employees.

### Facility & Energy Management

Continue to optimize the cost of maintaining Metropolitan's headquarters building and DVL Visitors Center while supporting Metropolitan's sustainability initiatives and the guidelines and benchmarks established by the Building Owners and Managers Association.

Begin implementation of findings from an energy management/usage audit of Union Station designed to reduce energy costs and improve operational efficiency.

Continue to partner with Real Property Development and Management to effectively utilize space and to support leasing space for revenue generation.

Continue with rehabilitation of Union Station Headquarters as the facility ages beyond 15 years old. Carpet replacement will continue in common areas, equipment replacement in the cafeteria will commence, and repainting will occur.

### Business Technology & Process Enhancement

Implement projects in support of the Information Strategic Plan update. Expected initiatives include additional migration to mobile technology for transactions and implementation of cloud solutions to reduce costs.

Continue with the development of the Water System Control Master Plan to fully coordinate and further protect the operational and business investments of Metropolitan's SCADA systems.

Continue to evaluate emerging technology advancements in the business environment to determine their application for Metropolitan. Completion of mobile approval applications for Worktech timekeeping, Oracle requisitions and MWD e-forms are planned during the biennium.

Implement where appropriate novel procurement strategies to lower cost and improve turnaround times such as Reverse Auction Procurement strategy.

Implement a managed print/copier environment based on the results of a study to reduce costs associated with printing/copying/faxing and scanning.

Partner with Engineering Services group to expand the current use of the digital signature process for engineering design drawings to the procurement contract process with the goal of reducing purchase order life cycle costs.

Continue to monitor and participate in local and national efforts aimed at enhancing security capabilities for water utilities.

Partner with Engineering Services and WSO to begin deployment of a Water Systems Asset Information Program that will effectively support ongoing and future planning, engineering, operations, maintenance and asset management. The program will leverage and consolidate several different and separate computer applications currently in use for water systems operations.

Initiate an Enterprise Content Management system to satisfy existing and future compliance of electronic records information. Currently, Metropolitan has a fully developed model for physical records. However, a model is required to capture, classify, and dispose of electronic records according to fiscal, legal, and regulatory requirements.

### Information Systems Upgrades and Projects

Complete upgrades of Business Applications for Oracle eBusiness Suite and A/P Imaging and for PeopleSoft HR, Payroll, and Enterprise Learning

Management. These upgrades are necessary to improve performance and continue vendor support.

Complete replacement of large Hewlett-Packard enterprise servers that run UNIX operating systems and Oracle database management systems that have reached the end of their life cycle.

Complete final design and commence upgrading the control and electrical protection systems at the Wadsworth Pumping Plant to ensure continued reliability of the facility.

Complete board authorized SCADA cyber security upgrades and enhancements to ensure protection against evolving cyber threats.

Complete deployment of the emergency two-way radio system to improve its coverage, reliability, ease of use and durability during emergencies.

## Business Outreach

Continue to maintain an effective Business Outreach Program for regional, small businesses, and veterans to ensure broad participation and competitive costs while achieving board-adopted goals of 18% or better for contracting dollars to small business.

Continue to participate as a host of the 9<sup>th</sup> Annual California Construction Expo 2014 where Metropolitan and other state agencies present the increasing public works construction opportunities to contractors and suppliers in the construction industry.

Continue to partner with the Water Resource Management Group to promote best business practices including sustainable business development strategies to achieve goals identified in Metropolitan's Long-Term Conservation Plan.

Continue to partner with member agencies in hosting "Connect 2 Met" business opportunity forums in order to educate local business on how to conduct business with public agencies and their purchasing departments.

Continue collaboration with member agencies, water agencies and Isle Utilities to maintain a

Technology Approval Group to identify, develop, and commercialize emerging water technologies. The goal is to better connect start-up companies with end-users and investors in the water utility sector.

## Workforce Development & Succession Planning

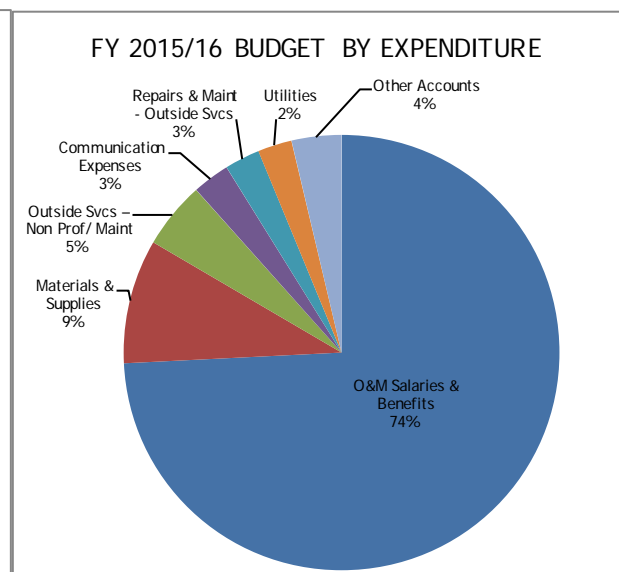
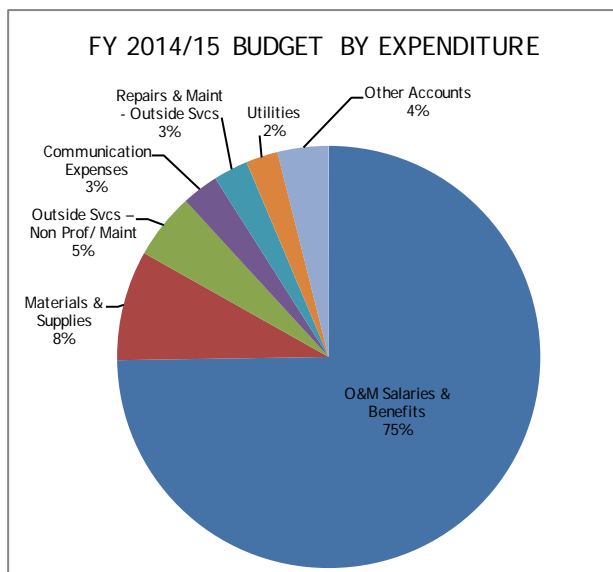
Continue to conduct leadership forums to provide managers with up-to-date information regarding Metropolitan-wide issues and initiatives and to develop plans and programs for performance improvements.

Continue to reassess and update the group's comprehensive succession planning efforts including identification of key positions, skillset needs, and strategies for filling skill gaps in the near and long term.

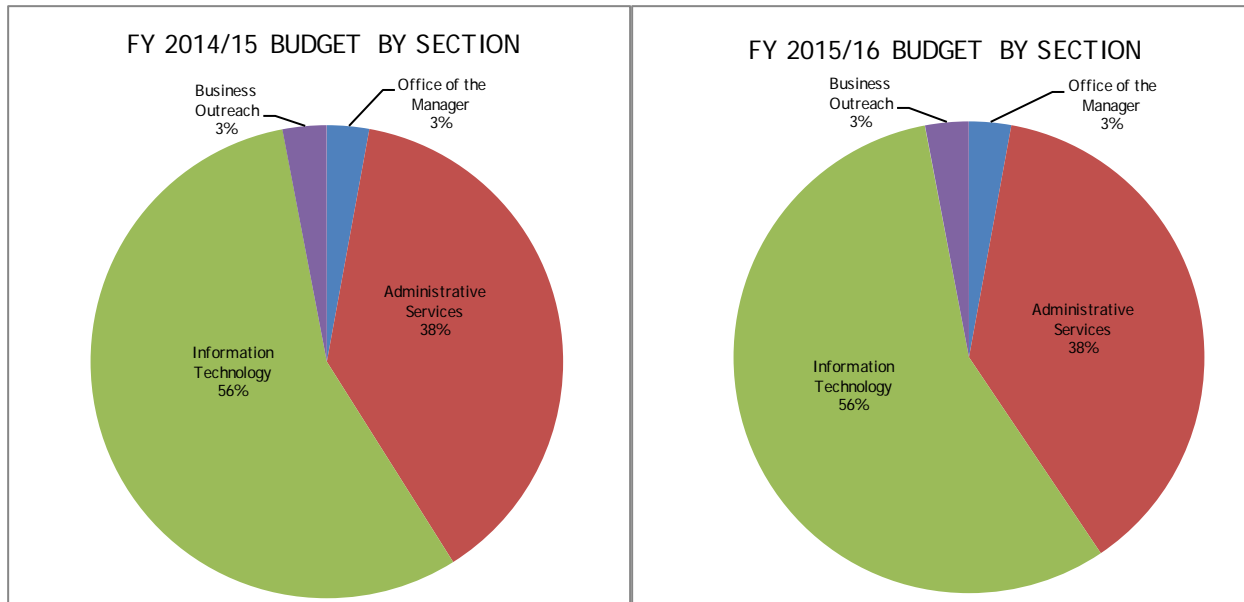
## O&M Financial Summary

	2012/13 Actual	2013/14 Budget	2014/15 Budget	Change from 2013/14	2015/16 Budget	Change from 2014/15
Total Salaries and Benefits	35,708,800	40,990,000	43,471,800	2,539,200	43,838,800	376,200
Direct charges to Capital	(485,600)	(1,032,700)	(975,300)	57,400	(966,100)	9,200
<b>O&amp;M Salaries &amp; Benefits</b>	<b>35,223,200</b>	<b>39,957,300</b>	<b>42,496,500</b>	<b>2,539,200</b>	<b>42,872,700</b>	<b>376,200</b>
% Change		13.4%		6.4%		0.9%
Professional Services	234,500	336,100	503,200	167,100	452,700	(50,500)
Materials & Supplies	4,560,700	4,615,600	4,783,300	167,700	5,334,600	551,300
Outside Services – Non Professional/Maintenance	2,600,600	2,603,100	2,871,200	268,100	2,867,100	(4,100)
Communication Expenses	1,351,300	1,583,300	1,591,100	7,800	1,594,200	3,100
Repairs & Maintenance - Outside Services	1,203,500	1,257,300	1,500,500	243,200	1,511,800	11,300
Utilities Charges	1,199,500	1,319,800	1,388,600	68,800	1,461,400	72,800
Rent & Leases	617,400	770,300	810,100	39,800	818,600	8,500
Other Accounts	704,600	725,200	903,700	178,500	863,600	(40,100)
<b>Total O&amp;M</b>	<b>47,695,300</b>	<b>53,168,000</b>	<b>56,848,200</b>	<b>3,680,200</b>	<b>57,776,700</b>	<b>928,500</b>
% Change		11.5%		6.9%		1.6%
Operating Equipment	561,100	773,400	1,103,200	329,800	764,000	(339,200)
<b>Total O&amp;M and Operating Equipment</b>	<b>48,256,400</b>	<b>53,941,400</b>	<b>57,951,400</b>	<b>4,010,000</b>	<b>58,540,700</b>	<b>589,300</b>
% Change		11.8%		7.4%		1.0%

Note – Totals may not foot due to rounding.



## O&M BUDGET BY SECTION



	2013/14 Budget	2014/15 Budget	Change from 2013/14	2015/16 Budget	Change from 2014/15	Personnel Budget		
						13/14	14/15	15/16
Office of the Manager	1,216,300	1,644,800	428,500	1,660,200	15,400	5	7	7
Administrative Services	21,244,300	21,686,600	442,300	21,777,800	91,200	101	98	98
Information Technology	29,079,400	31,801,400	2,722,000	32,608,500	807,100	124	124	124
Business Outreach	1,627,800	1,715,500	87,700	1,730,300	14,800	7	7	7
<b>Total O&amp;M</b>	<b>53,168,000</b>	<b>56,848,200</b>	<b>3,680,200</b>	<b>57,776,700</b>	<b>928,500</b>	<b>237</b>	<b>236</b>	<b>236</b>

Note - Totals may not foot due to rounding.

## Personnel Summary

	2012/13 Actual	2013/14 Budget	2014/15 Budget	Change from 2013/14	2015/16 Budget	Change from 2014/15
Regular	222	242	241	(1)	241	0
O&M	219	237	236	(1)	236	0
Capital	2	5	5	0	5	0
Temporary	1	0	0	0	0	0
O&M	1	0	0	0	0	0
Capital	0	0	0	0	0	0
<b>Total Personnel</b>	<b>223</b>	<b>242</b>	<b>241</b>	<b>(1)</b>	<b>241</b>	<b>0</b>
O&M	220	237	236	(1)	236	0
Capital	2	5	5	0	5	0

Note - Totals may not foot due to rounding.

## SIGNIFICANT BUDGET ISSUES

Business Technology's biennial budget is \$57.9 million in FY 2014/15 and \$58.5 million in FY 2015/16 or an increase of 7.4% and 1.0% respectively from the prior budget years. The increase is due primarily to three factors.

- Salaries and Benefits costs related to merit increases for qualified employees and an increase in retirement-related benefits costs is the primary factor.
- New software licensing/support agreements covering Accounts Payable Imaging, Microsoft Enterprise Cloud software, Info Security and Board Document Management System, and CIP Project Controls and Corporate Reporting.
- Contractual increases for Union Station and DVL Visitor Center service contracts and replacement of carpeting in Union Station headquarters common areas.

The following are the significant changes by budget year.

### FY 2014/15

#### Personnel-related issues

The increase in Salaries and Benefits is partially offset by the elimination of one regular position.

The budget reflects an overall increase in budgeted capital labor for needed rehabilitation and upgrades of IT facilities in support of the Water System Operations and Engineering Services groups. These include upgrades to the DVL Controls at the Wadsworth Pumping Plant, the Emergency Two-way Radio system, the Water Asset Information System, Water Systems Control Master Plan and the Communications Infrastructure Upgrade.

#### Professional Services

The budget reflects increases for IT support in the areas of the mwdh2o.com website, GIS infrastructure, Board Document Management System, and the upgrades for on-line Contract Administrator training modules used district-wide.

#### Materials & Supplies

The budget reflects new software licensing/support agreements discussed above.

#### Repairs & Maintenance – Outside Services

The budget reflects increases for Union Station and DVL visitor building maintenance in addition to new maintenance agreements covering IT Servers and equipment coming off 3-year warranty periods.

#### Other

Utilities budget reflects higher anticipated electricity rates for Union Station and DVL Visitor Center. Other increases include lease costs for new reprographic equipment that reached end of life, and additional training costs in support of workforce succession planning.

### FY 2015/16

#### Personnel-related issues

Overall personnel count for both O&M and capital work remains flat from the FY 2014/15 budget.

The budget reflects overall capital labor spending that will increase with the start or continuation of several major programs including the Weymouth ozone retrofit program, the PCCP replacement program, and the Diemer Water Treatment Plant Improvement Program.

#### Materials & Supplies

The budget reflects new software licensing/support agreements for CIP Project Controls and Corporate Reporting.

## Other

Utilities budget reflects higher anticipated electricity rates for Union Station and DVL Visitor Center.

## Operating Equipment – FY 2014/15 and FY 2015/16

The operating equipment budget reflects the critical replacement needs of vehicles identified by Fleet Administration as requiring replacement for reasons of reliability or safety; replacement of IT servers, routers, and storage devices used for Metropolitan applications; and replacement of Union Station headquarters equipment at end of life.

The operating equipment budget is decreasing slightly between budget years FY 2014/15 and FY 2015/16 primarily as a result of fewer replacements of vehicles.