
BUSINESS TECHNOLOGY

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

PROGRAMS

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

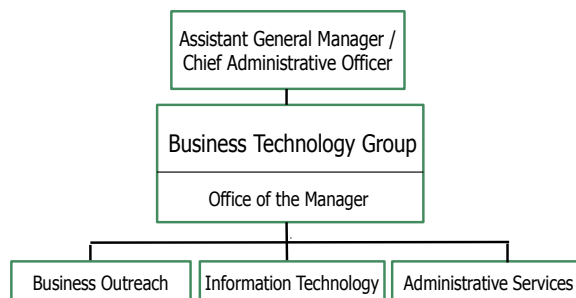
Office of the Manager oversees Metropolitan's annexation functions along with the group's business planning, budget development, performance management, strategic initiatives, and workforce development.

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

Information Technology delivers comprehensive technology services and solutions in water systems and business applications (e.g., laboratory information management system, financial and human resource systems, maintenance management system, etc.), geographic information systems,

telecommunications/networks, SCADA, programming, network communications, 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 2016/17 and FY 2017/18, BTG will focus on the following key issues:

Business Technology & Process Enhancement

Implement projects in support of the Information Strategic Plan (ITSP) update. Expected initiatives include additional migration to mobile technology and implementation of cloud solutions to enhance productivity and streamline business processes, mitigate cost or cost avoidance.

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.

Continue to promote procurement training methods including online training for credit card use and agreement administration to further the customer's knowledge of available procurement tools and value added opportunities for Metropolitan.

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

Partner with the Engineering Services and Water Systems Operations groups to begin deployment of a Water Systems Asset Information Program that will support ongoing and future planning, engineering, operations, maintenance, and asset management.

Initiate the design phase of the Enterprise Content Management (ECM) system to satisfy existing and future compliance of physical and electronic records in line with fiscal, legal, and regulatory requirements. As part of a strong ECM strategy and design, the system will provide a framework for collaboration and automation while protecting Metropolitan by reducing risk of exposure in litigation, enhancing efficiency of core business

processes, and supporting the enterprise business continuity plan.

Information Systems Upgrades and Projects

Complete upgrade for Enterprise Learning Management.

Initiate project to replace the critical data storage devices at Metropolitan Headquarters datacenter to provide sufficient computing power and modernize the datacenter to meet current and future needs.

Deploy phase one of a three-phase project to improve the reliability, performance, and capacity of Metropolitan's wireless network infrastructure comprising of microwave radio wide-area networks (WANs) and wireless access point local-area-networks (LANs).

Begin the first phase of the project to implement power, grounding, and HVAC upgrades to computer rooms and communications facilities to ensure that critical IT, WSO, and business systems remain operational for required emergency durations in the event of a temporary electrical power outage.

Deploy the upgrade of audio, video and information technology-related equipment in the main board room and all committee rooms in Metropolitan's headquarters building.

Complete final design and seek Board approval for a construction contract to upgrade the control and electrical protection systems at the Wadsworth Pumping Plant to ensure continued reliability of the facility.

Continue enhancements to Metropolitan's cyber security capabilities 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.

Initiate an infrastructure upgrade at Metropolitan's IT Disaster Recovery Facility (DRF) in Riverside County. The upgrade will equip the

facility with necessary upgrades to hardware and software to recover critical IT systems at a desired performance level and reduce risk of disruption of these business systems.

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 25% or better for contracting dollars to small business.

Continue to participate as a host of the Annual California Construction Expo where Metropolitan and other state agencies present public works construction opportunities to contractors and suppliers.

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 advance public water agencies’ role in the development of water and power related technologies.

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.

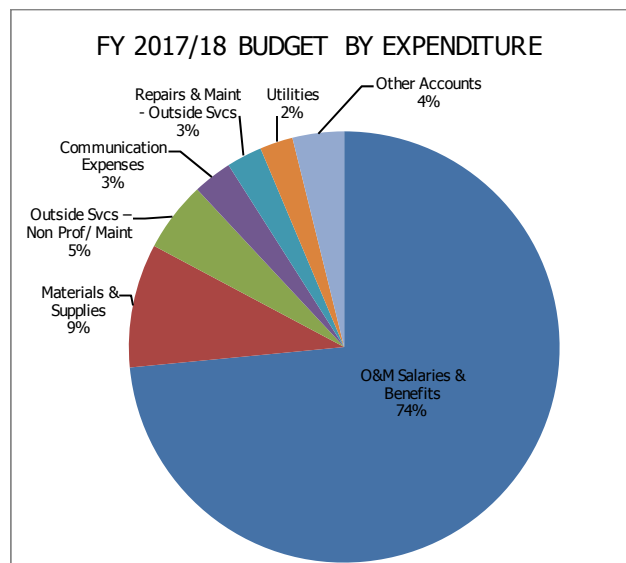
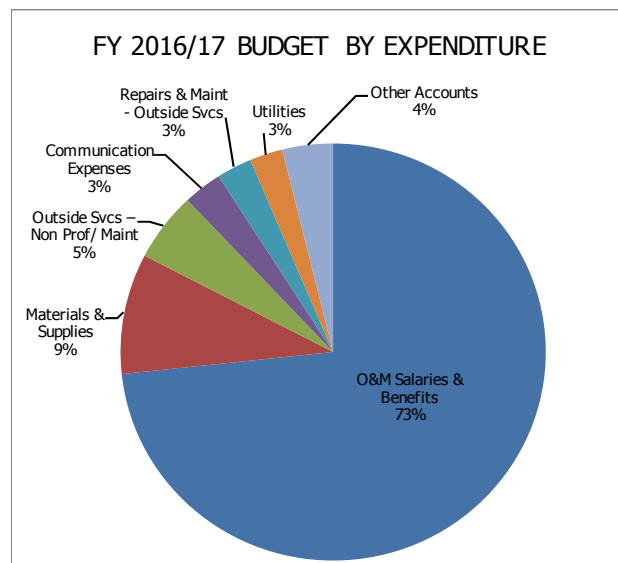
Continue to partner with Real Property Development and Management to effectively utilize space and to support leasing space for revenue generation.

Manage critical rehabilitation projects of Union Station Headquarters as the facility ages beyond 17 years old; repairing and replacing equipment only as required.

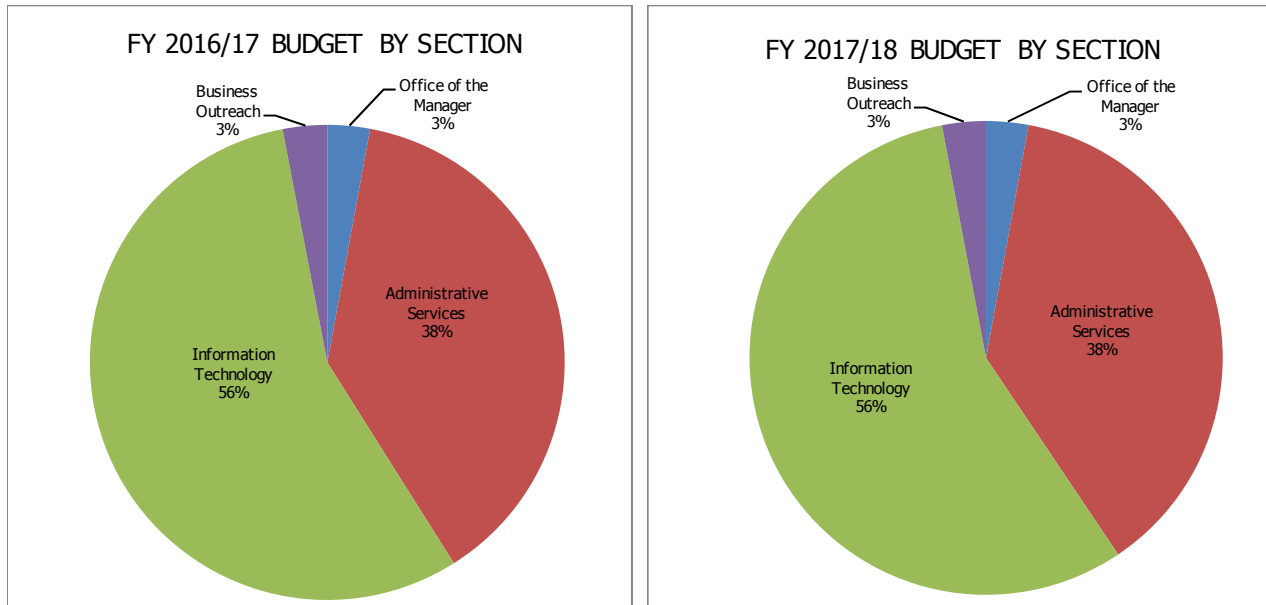
O&M FINANCIAL SUMMARY

	2014/15 Actual	2015/16 Budget	2016/17 Proposed	Change from 2015/16	2017/18 Proposed	Change from 2016/17
Total Salaries and Benefits	40,428,100	43,838,800	40,121,200	(3,717,600)	40,736,600	615,400
<i>Direct Charges to Capital</i>	<i>(1,307,200)</i>	<i>(966,100)</i>	<i>(1,309,200)</i>	<i>(343,100)</i>	<i>(1,319,300)</i>	<i>(10,100)</i>
O&M Salaries and Benefits	39,120,900	42,872,700	38,812,000	(4,060,700)	39,417,300	605,300
% Change		9.6%		(9.5%)		1.6%
Professional Services	493,100	452,700	524,500	71,800	540,700	16,200
Communication Expenses	1,550,800	1,571,300	1,574,200	2,900	1,574,200	—
Materials and Supplies	5,106,700	5,357,500	4,943,800	(413,700)	4,979,200	35,400
Outside Services - Non Professional / Maintenance	2,446,200	2,867,100	2,822,600	(44,500)	2,827,900	5,300
Rent & Leases	696,500	818,600	704,500	(114,100)	729,500	25,000
Repairs & Maintenance - Outside Services	998,800	1,511,800	1,420,600	(91,200)	1,427,600	7,000
Utilities Charges	1,093,900	1,461,400	1,332,600	(128,800)	1,332,600	—
Other Accounts	1,000,800	863,600	807,600	(56,000)	808,600	1,000
Total O&M	52,507,700	57,776,700	52,942,400	(4,834,300)	53,637,600	695,200
% Change		10.0%		(8.4%)		1.3%
Operating Equipment	936,200	764,000	698,700	(65,300)	627,800	(70,900)
Total O&M and Operating Equipment	55,443,900	58,540,700	53,641,100	(4,899,600)	54,265,400	624,300
% Change		9.5%		(8.4%)		1.2%

Note – Totals may not foot due to rounding.



O&M BUDGET BY SECTION



	2015/16	2016/17	Change from	2017/18	Change from	Personnel Budget		
	Budget	Proposed	2015/16	Proposed	2016/17	15/16	16/17	17/18
Office of the Manager	1,660,200	—	(1,660,200)	—	—	7	—	—
Administrative Services	21,777,700	20,784,000	(993,700)	21,049,200	265,100	98	102	102
Information Technology	32,608,500	30,375,500	(2,233,000)	30,794,000	418,500	124	123	123
Business Outreach	1,730,300	1,782,800	52,500	1,794,400	11,600	7	7	7
Total O&M	57,776,700	52,942,400	(4,834,300)	53,637,600	695,200	236	232	232

Note - Totals may not foot due to rounding.

PERSONNEL SUMMARY

		2014/15	2015/16	2016/17	Change from	2017/18	Change from
		Actual	Budget	Proposed	2015/16	Proposed	2016/17
Regular		223	241	239	(2)	239	—
	O&M	217	236	232	(4)	232	—
	Capital	5	5	7	2	7	—
Temporary		3	—	2	2	1	(1)
	O&M	3	—	—	—	—	—
	Capital	—	—	2	2	1	(1)
Total Personnel		226	241	241	—	240	(1)
	O&M	220	236	232	(4)	232	—
	Capital	6	5	9	4	8	(1)

Note - Totals may not foot due to rounding.

BUDGET HIGHLIGHTS

Business Technology's biennial O&M and Operating Equipment budget is \$53.6 million in FY 2016/17 and \$54.3 million in FY 2017/18 or a decrease of 8.4% and a slight increase of 1.2%, respectively from the prior budget years. The decrease is due to the following factors:

- The primary factor, Salary and Benefits, has been reduced as a result of the elimination of a position, the unfunding of nine positions and the anticipated vacancies from retirements and position movements. In addition, resources are anticipated to be shifted to Capital Projects in lieu of the use of consultants. BTG is preparing its customers for O&M service delays over this biennium period as workload will be tightly managed and prioritized in order to meet budget reductions.
- Software maintenance costs were eliminated for any new corporate/business applications that have not come online with some costs passed back to the user.
- Lower outside service maintenance costs are expected for IT servers as a result of new servers installed over the past biennium that are under warranty.
- Additional maintenance reductions/deferrals for Union Station Headquarters and DVL Facilities are also planned.

The following are the significant changes by budget year.

FY 2016/17

Personnel-related issues

Total personnel count remains flat with the FY 2015/16 budget.

Salaries and Benefits budget reflects the elimination of one regular position, a transfer of a regular position to Human Resources, nine unfunded positions, and planned vacancies that will negatively impact service levels in the areas of Union Station HQ and DVL Facility Maintenance, Records Management, and Warehouse systems. In the areas of information technology, service level delays and/or reductions are planned for the areas of new mobile technology, software compliance monitoring, database administration for Oracle Financials, and desktop/helpdesk support.

Capital labor budget reflects an increase in scheduled demands for ongoing 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, Cyber Security Enhancements and the Communications Infrastructure Upgrade.

Professional Services

The budget reflects additional IT support in the areas of video streaming for board and committee rooms and initiatives associated with the ITSP.

Materials and Supplies

The budget reflects reduced levels of software licensing/support agreements as a result of deferred capital projects associated with capital reporting, Enterprise Content Management, and Emergency Radio Communications. Any contractual cost increases of existing software maintenance and licensing will be absorbed. The budget also reflects reductions in janitorial and building maintenance supplies due to deferring building maintenance at Union Station and DVL facilities.

Outside Services – Non Professional and Repairs/Maintenance

The budget reflects a decrease due to deferral/delays for Union Station and DVL visitor building maintenance and services for maintenance of IT Servers and equipment.

Other

The utilities budget reflects a decrease to align with current usage at Union Station and DVL Facilities along with the assumption of a zero-percent change to utility rates. The rents and leases budget reflects the current costs for rideshare vehicles and reprographic equipment.

FY 2017/18

Personnel-related issues

Total regular personnel count for both O&M and capital work remains flat from the FY 2016/17 budget. The slight increase of 1.6% in the Salaries

and benefits budget is due to merit increases for qualified employees and an increase in retirement-related benefit costs.

Operating Equipment – FY 2016/17 and FY 2017/18

The operating equipment budget reflects the critical 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 2016/17 and FY 2017/18 primarily as a result of fewer IT equipment replacements.