

### Programmatic Reductions as of April 4, 2014

Programmatic reductions are defined as decreases to baseline expenditure levels that reduce or eliminate lower priority services or programs, and/or reduce contingency funds and staff capacity to respond to emergent needs. After evaluating and prioritizing the entire O&M and CIP baseline budgets in each of the lines of business, SPU recommends reducing the baseline by \$3.7M annually in the O&M budget, and \$70M over the six-year period in the CIP budget. These reductions will have minimal impact on SPU's core service delivery. The actions that will have direct customer service impacts include reductions for: waste prevention outreach and customer engagement; water quality education; localized flood control; and culvert repair.

Focus Area	LOB	Action	Annual O&M	6-yr CIP*
Customer Experience	Corporate	Corp - Customer Account Services - Productivity improvements in field collection of past due accounts (-1 FTE) -- begin in 2016	(\$87)	
Customer Experience	DWW	DWW - Reduce Water Quality education and outreach	(\$9)	
Environment & Public Health	DWW	DWW - Update CIP estimates for CSO Projects & WQ/Flow Improvement Projects		(\$45,000)
Environment & Public Health	DWW	DWW - Update Program Management cost estimate for Combined Sewer Overflow projects and the Green Stormwater Infrastructure Program		(\$6,400)
Environment & Public Health	DWW	DWW - Reduce outside support for regulatory compliance & policy	(\$37)	
Environment & Public Health	DWW	DWW Source Control - Reduce wastewater behavior change campaign by 25%.	(\$21)	
Environment & Public Health	Solid Waste	SWF - Reduce waste prevention work	(\$229)	
Environment & Public Health	Solid Waste	SWF - Historic landfills. Align budget to actual expenses.	(\$80)	
OpEx	Corporate	Corp - Reduce equipment purchases, consultant contracts, software, etc. in several divisions	(\$491)	
OpEx	Corporate	Corp - IT large projects. Reduce tech CIP planning, specialized work (E#s)	(\$50)	
OpEx	Corporate	Corp - Security, Emerg Mgmt, Safety - Reduce Emergency Management equip replacements	(\$50)	
OpEx	Corporate	Corp - Reduce funds used for special projects and/or contracts requested by the Mayor, Council or SPU Director	(\$32)	
OpEx	Corporate	Corp - Eliminate 30 desk phones for IT employees	(\$30)	
OpEx	Corporate	Corp - IT Ops - Reduce specialized hardware/PC replacement	(\$25)	
OpEx	DWW	DWW - Update CIP estimates for Localized flood control program		(\$6,100)
OpEx	DWW	DWW - Update CIP estimates for Culvert replacement program		(\$5,000)
OpEx	DWW	DWW - Reduce technical, specialized studies in support of Capital Planning (E#s)	(\$360)	
OpEx	DWW	DWW management -- Reduce funds in FOM Branch to address emergent DWW issues	(\$120)	
OpEx	DWW	DWW management - Reduce consultant funds in USM Branch to address emergent DWW issues	(\$84)	
OpEx	DWW	DWW - Reduce funds to standardize processes for capital projects development and for consultants to evaluate aging WPA drains	(\$63)	
OpEx	Solid Waste	SWF - Update CIP estimates for South Park Development		(\$6,500)
OpEx	Solid Waste	SWF - Update CIP estimates for South Hazshed relocation		(\$1,600)
OpEx	Solid Waste	SW - Update O&M costs for transfer station operations	(\$1,000)	
OpEx	Water	WF - HCP non-labor cuts (watershed forest resiliency studies; research and inventory work)	(\$192)	
OpEx	Water	Water - Less budget for technical, specialized studies in support of capital planning	(\$450)	
OpEx	Water	Water - Eliminate or reallocate 2 water LOB positions (TBD)	(\$315)	
		<b>FTE Total = -3</b>	<b>(\$3,725)</b>	<b>(\$70,600)</b>

\*CIP numbers under review.