

2021 PERMITTING BEST PRACTICES AUDIT			
Action Item Owner	Ref #	Summary of Recommendation	Updates/Notes
Community Projects Review Unit (CPRU)	2	The CPRU Manager should complete standardization of permit review policies, practices, roles, and responsibilities.	<p><u>Management Response:</u>  Management agrees with the recommendation. CPRU will update and complete the existing permit review policies, practices, and instruction guidance for various types of transactions to bring consistency in the review of projects.  Target Implementation Date: June 2022</p> <p><u>Auditor Response:</u>  Management's response generally addresses the recommendation. A follow-up audit to assess CRPU's efforts to implement this recommendation should be included in the annual audit work plan for 2023.</p> <p>Status 05/2025: Ongoing  On April 14, 2025, the Board Policy and Monitoring Committee (BPMC) approved the staff recommendation to bring the updated Fee Rate Schedule to the full Board for consideration. The BPMC also considered the proposed changes to the Water Resources Protection Ordinance (WRPO) on April 14, 2025, but the BPMC recommended that the item be brought back to the BPMC when all three members are present to discuss. Updates to the Water Resources Protection Manual (WRPM) are underway with the assistance of contract staff. For IT-based improvements, see Recommendation 6.</p> <p><b>Status update 05/2026: Ongoing</b>  <b>The Board approved the new Fee Rate Schedule on June 24, 2025 and the new WRPO on August 12, 2025. The Water Resources Protection Manual update is not anticipated to be completed until December 2026.</b></p> <p><b>Revised Target Implementation Date: December 2026</b></p>
Community Projects Review Unit (CPRU)	5	The CPRU Manager should assign customer liaison responsibilities (to one or two individuals) to ensure consistent and timely communication on permit applications to help meet customer expectations.	<p><u>Management Response:</u>  Management partially agrees with the recommendation. In general, the assignment of liaison responsibilities will increase confusion and will take more time of the staff reviewing the permit to provide and explain the details of customer's request to the liaison. CPRU Manager will explore the role of a liaison where this may increase efficiency and coordinate with IT to explore other tools to integrate with the database (See response to Recommendation 6).  CPRU Manager will request additional resources from Management. Use of additional technicians to assist in background research for projects and review of routine, low-risk tasks will free up time to allow engineers to ensure consistent and timely communication on permit applications.  Target Implementation Date: October 2022</p> <p><u>Auditor Response:</u>  Management's response generally addresses the recommendation. The use of additional resources – either a liaison or technician(s) – to perform provide customer service, would allow engineers more time to perform the technical reviews of permit applications and help to reduce review times. These additional resources may be critical to meeting customer's expectations while Valley Water's planned implementation of a new information systems for customer resource management (CRM) is undertaken that will also interface with another new information system that is planned to replace the current CPRU database. A follow-up audit to assess CRPU's efforts to implement this recommendation should be included in the annual audit work plan for 2023.</p> <p>Status 05/2025: Ongoing.  Since April 2024, VW executed an agreement with Timmons Group for implementation services for the Cityworks Software. CPRU and IT have been working with the Timmons Group on the design requirements for Cityworks as a replacement for the current CPRU database. For IT-based improvements, see Recommendation 6.</p> <p><b>Status update 05/2026: Ongoing</b>  <b>CPRU, IT and the Timmons Group are still undertaking discovery and feedback of CPRU work processes, obtaining necessary procurement and agreements to implement IT integrations for plan review (DigEplan), document storage (OnBase) and Cityworks upgrade to Unity. The current estimated Go Live for Cityworks is December 2026.</b></p> <p><b>Revised Target Implementation Date: Recommendation 6--December 2026</b></p>

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Community Projects Review Unit (CPRU)	6	<p>The CPRU Manager, in collaboration with Valley Water Information Technology Unit, should continue efforts to identify and implement the solutions for desired functionality needed to strengthen permit processing, which include:</p> <p>a. Electronic submission of permit applications and supporting documents that automatically creates an electronic permit review file.</p> <p>b. Expanded search function for researching past projects and permits.</p> <p>c. Customizable dashboards and/or reports that facilitate management oversight of permit processing timeliness, invoice aging, and other measures of performance.</p> <p>d. Tools, such as a request form or ticketing system, to help CPRU track requests for services in addition to permit reviews received from internal and external stakeholders.</p> <p>e. Ability for customers to self-check the status of their applications and other service requests through interface of the new customer resource management system with the new document management system.</p> <p>f. Minimize the administrative burden of tracking and reporting time spent on permit review and other asset protection services by CPRU and other Valley Water units.</p>	<p><u>Management Response:</u>                      Management agrees and will approach the implementation of this recommendation in phases:                      1. Modernize processes, support submission of permit applications, track requests, complete reviews, facilitate online reporting for customers and reduce administrative burden of tracking and reporting through the selection and implementation of a new CPRU online portal. Management will consider options to include this functionality within other active projects such as the Wells Management System Upgrade and Access Valley Water. (6a, d, e, f)                      2. Expand search/research functions and reduce administrative burden via the implementation of the Data Consolidation Capital Project Proof of Concept currently underway and scheduled for completion in October 2022. (6b, f)                      3. Create Dashboards and reports via the implementation of the Data Consolidation Capital Project Proof of Concept currently underway and scheduled for completion in October 2022, the ERP Capital Project currently underway. (6c)                      Target Implementation Date: Varies</p> <p><u>Auditor Response:</u>                      Management's response generally addresses the recommendation. A target date to complete all activities should be established and a follow-up audit to assess CPRU's efforts to implement this recommendation should be included in the annual audit work plan for 2023.</p> <p>Status 05/2025: Ongoing.                      1. Ongoing. Work with the Timmons Group to implement Cityworks is underway. Timmons currently estimates that the new online portal will take approximately 1 year to implement. Cityworks will include all the functionality recommended by the audit items a thru e. Cityworks will reduce staff labor answering questions from customers on project status, allow for automated customer guidance on how to submit a complete application, and allow for dashboards to monitor and track customer submittals and timelines which the current database cannot do.                      2. Ongoing. CPRU has specified that its online customer service portal must have expanded and agile search capabilities.                      3. Ongoing. CPRU has specified that its online customer service portal must have configurable dashboards for management.</p> <p><b>Status update 05/2026: Ongoing.</b>                      1. Ongoing. Work with the Timmons Group to implement Cityworks is underway. Timmons currently estimates that the new online portal will Go Live by December 2026. Cityworks will include all the functionality recommended by the audit items a thru e. Cityworks will reduce staff labor answering questions from customers on project status, allow for automated customer guidance on how to submit a complete application, and allow for dashboards to monitor and track customer submittals and timelines which the current database cannot do.                      2. Ongoing. CPRU has specified that its online customer service portal must have expanded and agile search capabilities.                      3. Ongoing. CPRU has specified that its online customer service portal must have configurable dashboards for management.</p>
Community Projects Review Unit (CPRU)	10	<p>Valley Water's CEO, with approval of the Board, should consider setting a goal for cost recovery from fees charged for permit services.</p>	<p><u>Management Response:</u>                      Management agrees and will engage a consultant to assist with updating the fee schedule for Board approval, which incorporates an analysis of a target cost recovery goal.                      Target Implementation Date: August 2022</p> <p><u>Auditor Response:</u>                      Management's response generally addresses the recommendation. A follow-up audit to assess CPRU's efforts to implement this recommendation should be included in the annual audit work plan for 2023.</p> <p>Status 05/2025: Ongoing                      On April 14, 2025, the Board Policy and Monitoring Committee (BPMC) approved the staff recommendation to bring the updated Fee Rate Schedule to the full Board for consideration.</p> <p><b>Status update 05/2026: Complete. The Board adopted the updated Fee Rate Schedule on June 24, 2025.</b></p>

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Community Projects Review Unit (CPRU)	11	The CPRU Manager, in coordination with the Valley Water Chief Financial Officer, should update the current fee schedule based on the results of a fee study. The study should evaluate charging an hourly rate for inspections completed versus the current flat inspection fee.	<p><u>Management Response:</u> Management agrees and will engage a consultant to assist with updating the fee schedule for Board approval, which incorporates an analysis of a target cost recovery goal. Target Implementation Date: August 2022</p> <p><u>Auditor Response:</u> Management's response generally addresses the recommendation. A follow-up audit to assess CRPU's efforts to implement this recommendation should be included in the annual audit work plan for 2023.</p> <p>Status 05/2025: Ongoing On April 14, 2025, the Board Policy and Monitoring Committee (BPMC) approved the staff recommendation to bring the updated Fee Rate Schedule to the full Board for consideration.</p> <p><b>Status update 05/2026: Complete. The Board adopted the updated Fee Rate Schedule on June 24, 2025.</b></p>
Community Projects Review Unit (CPRU)	12	The CPRU Manager should adopt a risk-based permit review strategy to reduce processing time for low-risk, repetitive types of permit applications. Clarify in the strategy how time spent on the review of permit applications and other processing tasks should be tracked and invoiced.	<p><u>Management Response:</u> Management agrees with this recommendation. a. CPRU Manger will consider strategies to reduce processing time for low-risk, repetitive types of permit applications. CPRU Manager and experienced staff, through permit guidance instructions will add further clarity for new and less experienced staff and reduce ambiguity in the process. (Target Date: June 2022) b. Implementation of Recommendation 6 via the implementation of the Data Consolidation Capital Project Proof of Concept and the ERP Capital Project and the results of the fee study with the implementation of Recommendation 11, and results from Recommendation 13 will provide better information and insight to strategize the tracking and invoicing of permit applications and other processing tasks. (Target Date: June 2023 depending on the research outcome in Recommendation 13) Target Implementation Date: Varies</p> <p><u>Auditor Response:</u> Management's response generally satisfies the recommendation. A follow-up audit to assess CRPU's efforts to implement this recommendation should be included in the annual audit work plan for 2023.</p> <p>Status 05/2025: a. Complete b. Ongoing. See Recommendations 6, 10, and 11.</p> <p><b>Status update 05/2026:</b> <b>a. Complete</b> <b>b. Ongoing. See Recommendation 6.</b></p> <p><b>Revised Target Implementation Date: Recommendation 6—December 2026.</b></p>
Community Projects Review Unit (CPRU)	13	The CPRU Manager and the Chief Financial Officer should seek to identify an IT solution to ensure timely and accurate recording of invoices, payments, and deposits. One option to consider is to use Valley Water's core financial management information system.	<p><u>Management Response:</u> Management agrees and will engage in the research, specification, selection, procurement, and implementation of a comprehensive tool capable of ensuring accurate recording of invoices, payments, and deposits. Target Implementation Date: June 2023 depending on research outcome.</p> <p><u>Auditor Response:</u> Management's response generally addresses the recommendation. A follow-up audit to assess CRPU's efforts to implement this recommendation should be included in the annual audit work plan for 2023.</p> <p>Status 05/2025: Ongoing. See Recommendation 6 for IT upgrade status. CPRU has specified that its online customer service portal must have an ability to integrate invoicing.</p> <p><b>Status update 05/2026: Ongoing</b> <b>See Recommendation 6 for IT upgrade status. CPRU has specified that its online customer service portal must have an ability to integrate invoicing.</b></p> <p><b>Revised Target Implementation Date: Recommendation 6—December 2026</b></p>

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Community Projects Review Unit (CPRU)	14	The CPRU Manager, in coordination with the Chief Financial Officer, should establish processes for invoicing and collection of payments that includes a robust framework of financial management internal controls, in particular the segregation of duties for billing and collections; cash management; monitoring of aging receivables; and reconciliation.	<p><u>Management Response:</u>                      Management agrees and will approach the implementation of this recommendation in phases:                      a. Implement the suggested financial management internal controls under the current CPRU data base system, (Target date – July 2021).                      b. Engage a consultant to assist in the development of a billing and revenue collection policy that incorporates best practices (Target date – March 2022).                      c. Implement an IT solution for invoicing that is linked to Valley Water’s core financial system and aligns with Valley Water’s billing and revenue collection policy (Target date – June 2023 depending on the research outcome (R13)                      Target Implementation Date: Varies.</p> <p><u>Auditor Response:</u>                      Management’s response generally addresses the recommendation. A follow-up audit to assess CPRU’s efforts to implement this recommendation should be included in the annual audit work plan for 2023.</p> <p>Status 5/2025:                      a. Complete.                      b. Complete.                      c. Ongoing. See Recommendation 6 for IT upgrade status. CPRU has specified that its online customer service portal must have an ability to integrate invoicing. Currently CPRU has to create invoices in Oracle and MuniBilling which created additional work to address the recommendation in the interim.</p> <p><b>Status update 5/2026:</b>                      a. Complete.                      b. Complete.                      c. Ongoing. See Recommendation 6 for IT upgrade status. CPRU has specified that its online customer service portal must have an ability to integrate invoicing. Currently CPRU has to create invoices in Oracle and MuniBilling which created additional work to address the recommendation in the interim.</p> <p>Revised Target Implementation Date: Recommendation 6--December 2026</p>