County of Los Alamos

1000 Central Avenue
Los Alamos, NM 87544

LOS ALAMOS

Agenda - Final

Board of Public Utilities

Carrie Walker, Chair; Stephen McLin, Vice-chair; Eric Stromberg, Steve Tobin and Cornell Wright Members
Philo Shelton, Ex Officio Member
Harry Burgess, Ex Officio Member
Randall Ryti, Council Liaison

Friday, October 9, 2020 | **12:00 PM** | **Due to COVID-19 concerns, meeting will be conducted remotely. Public can view proceedings at http://losalamos.legistar.com/calendar.aspx or attend via Zoom.**

SPECIAL SESSION - REMOTE ZOOM MEETING

Members of the public wishing to attend may participate and provide public comment via Zoom, by visiting the link below or by calling one of the conference call lines listed below:

Join Zoom Webinar: https://zoom.us/j/91709721715

The webinar ID: 917 0972 1715

Zoom dial in: (for higher quality, dial a number based on your current location)

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+1 646 876 9923 or
+1 301 715 8592 or
+1 312 626 6799

Or iPhone one-tap :
US: +13462487799,,91709721715# or
+14086380968,,91709721715#

Complete Board of Public Utilities agenda packets, past agendas, videos, legislation and minutes can be found online at losalamos.legistar.com. Learn more about the Board of Public Utilities at rebrand.ly/LACBPU.

PUBLIC COMMENTS:

Please submit written comments to the Board at bpu@lacnm.us. Oral public comment is accepted during the two periods identified on the agenda and after initial board discussion on a business item, prior to accepting a main motion on an item. Oral comments should be limited to four minutes per person. Requests to make comments exceeding four minutes should be submitted to the Board in writing prior to the meeting. Individuals representing or making a combined statement for a large group may be allowed additional time at the discretion of the Board. Those making comments are encouraged to submit them in writing either during or after the meeting to be included in the minutes as attachments. Otherwise, oral public comments will be summarized in the minutes to give a brief succinct account of the overall substance of the person's comments.

1. CALL TO ORDER

2. PUBLIC COMMENT

This section of the agenda is reserved for comments from the public on items that are not otherwise included in this agenda.

3. APPROVAL OF AGENDA

4. BUSINESS

4.A 13254-20 Define Conservation Objectives and Strategic Planning for the Department of Public Utilities

Presenters: Philo Shelton, Utilities Manager

PG. 1-39

5. PUBLIC COMMENT

This section of the agenda is reserved for comments from the public on any items.

6. ADJOURNMENT

If you are an individual with a disability who is in need of a reader, amplifier, qualified sign language interpreter, or any other form of auxiliary aid or service to attend or participate in the hearing or meeting, please contact the County Human Resources Division at 662-8040 at least one week prior to the meeting or as soon as possible. Public documents, including the agenda and minutes can be provided in various accessible formats. Please contact the personnel in the Department of Public Utilities (505) 662-8132 if a summary or other type of accessible format is needed.

County of Los Alamos

Staff Report

October 09, 2020

Los Alamos, NM 87544
www.losalamosnm.us

Agenda No.:	4.A
Index (Council Goals):	DPU FY2021 - 1.0 Provide Safe and Reliable Utility Services
Presenters:	Philo Shelton, Utilities Manager
Legislative File:	**13254-20**

Title
Define Conservation Objectives and Strategic Planning for the Department of Public Utilities

Recommended Action
Review DPU's Mission, Vision, Values, Conservation Objectives and current FY2021 Strategic Plan, and provide direction to staff for preparing FY2022 Strategic Plan for BPU's consideration on October 21st, 2020.

Staff Recommendation
None

Body
The Utilities Manager is expected to annually develop strategic objectives and long-term goals and present them to the Board for approval. The Utilities Manager has scheduled a meeting on October 23rd for staff to begin strategic planning for fiscal year 2022. Staff plans to return to the Board at the October 21st regular meeting to present and request approval of any proposed revisions to the Mission, Vision, Values, strategic objectives, and long-term goals. Prior to that, staff would like Board input to incorporate into planning efforts to ensure alignment of focus areas, strategic objectives and goals with Board and County priorities.

A consultant from Human Strategies, LLC will be present to facilitate the meeting and gather feedback. The discussion will also include the development of new electric, water and gas conservation Objectives and alternatives to the Baldrige model for performance excellence.

Alternatives
The Board could choose to provide input or conduct strategic planning in a different way.

Fiscal and Staff Impact
None

Attachments
A - BPU Approved Strategic Objectives & Goals Edited and Prioritized in October 2019
B - Meeting Schedule and Outline
C - Strategic Planning PowerPoint Presentation
D - County Strategic Leadership Plan (For Information)

DEPARTMENT OF PUBLIC UTILITIES
FY2021 STRATEGIC GOALS & OBJECTIVES
WITH BOARD OF PUBLIC UTILITIES SUGGESTED CHANGES & PRIORITIZATION
Board Approved – October 16th, 2019

● ***Priority indicated by number of votes allotted by each member (nominal voting technique)***
-- ***1 member allotted 1 vote equally between 5 objectives.***

FOCUS AREA - OPERATIONS & PERFORMANCE

GOAL - 1.0 Provide safe and reliable utility services.

--	.2	1.1 OBJECTIVE - WATER (WP/NP/DW) - Efficiently deliver safe and reliable water utility services.
--	.2	1.2 OBJECTIVE - GAS - Efficiently deliver safe and reliable gas utility services.
--	.2	1.3 OBJECTIVE - SEWER (WC & WT) - Efficiently deliver safe and reliable sewer utility services.
--	.2	1.4 OBJECTIVE - ELECTRIC (EP) - Efficiently deliver safe and reliable electric production utility services.
--	.2	1.5 OBJECTIVE - ELECTRIC (ED) - Efficiently deliver safe and reliable electric distribution utility services.
●●	2	1.6 OBJECTIVE - BUSINESS SYSTEMS - Efficiently implement and maintain secure and reliable business systems.
●	1	1.7 OBJECTIVE - Utility control and mapping systems and processes are accurate, safe and secure.
●●	2	1.8 OBJECTIVE - Develop a culture of continuous improvement.

FOCUS AREA - FINANCIAL PERFORMANCE

GOAL - 2.0 Achieve and maintain excellence in financial performance.

●●●●	4	2.1 OBJECTIVE - Utilize revenues to provide a high-level of service while keeping rates competitive with similar utilities.
●	1	2.2 OBJECTIVE - Conduct cost of service studies for each utility at least every 5 years.
●	1	2.3 OBJECTIVE - Meet financial plan targets by 2025 (water by 2028).
●	1	2.4 OBJECTIVE – Achieve workplans while operating within budget.

FOCUS AREA - CUSTOMERS & COMMUNITY

GOAL - 3.0 Be a customer service-oriented organization that is communicative, efficient, and transparent.

●●●	3	3.1 OBJECTIVE - Customer service processes and systems are efficient, secure and user-friendly.
●	1	3.2 OBJECTIVE - Stakeholders are engaged in and informed about Utilities operations affecting the community.

FOCUS AREA - WORKFORCE

GOAL - 4.0 Sustain a capable, satisfied, engaged, ethical and safe workforce focused on customer service.

●	1	4.1 OBJECTIVE - Leaders invest in employee training and professional development.
●●	2	4.2 OBJECTIVE - Employees promote a culture of safe and ethical behavior.
●●●	3	4.3 OBJECTIVE - Employees are engaged, satisfied and fairly compensated.

DEPARTMENT OF PUBLIC UTILITIES
FY2021 STRATEGIC GOALS & OBJECTIVES
WITH BOARD OF PUBLIC UTILITIES SUGGESTED CHANGES & PRIORITIZATION
Board Approved – October 16th, 2019

FOCUS AREA - ENVIRONMENTAL SUSTAINABILITY

GOAL - 5.0 Achieve environmental sustainability.

●●●●	4	5.1 OBJECTIVE - ELECTRIC (EP & ED) Be a carbon neutral electric provider by 2040.
●●●●	4	5.2 OBJECTIVE - ~~ELECTRIC (ED) - Electrical efficiency is promoted through targeted energy conservation programs.~~ Electric distribution reduction objective to be defined per the 2020 DPU Conservation Plan revision.
●●	2	5.3 OBJECTIVE - WATER (DW) – ~~Gallons per capita per day (GPCD) potable water use is reduced by 9% by 2030.~~ Potable water reduction objective to be defined per the 2020 DPU Conservation Plan revision.
●●●●	4	5.4 OBJECTIVE - GAS – ~~Customer heating efficiency is improved to reduce gas usage by 3% by 2030.~~ Gas reduction objective to be defined per the 2020 DPU Conservation Plan revision.
●●	2	5.5 OBJECTIVE - SEWER (WT) - Class 1A effluent water is provided in White Rock.

FOCUS AREA - PARTNERSHIPS

GOAL - 6.0 Develop and strengthen partnerships with stakeholders.

●	1	6.1 OBJECTIVE - Communicate with stakeholders to strengthen existing partnerships and identify new potential mutually beneficial partnering opportunities.

October 9, 2020 BPU Meeting Schedule

Times may be adjusted as needed for each exercise.

0. Introduction	Philo/Dawn	12:00
• *Objectives* 1. *Review and set conservation objectives* 2. *What did we learn from Zia and Baldrige* 3. *Baldrige (Zia) alternatives* 4. *Affirm MVV* 5. *Input to and approval of FY2022 Focus Areas and Goals and Objectives* • *Ground Rules; Zoom instructions*		
1. Review/Improve/Set Conservation Goals	**Philo**	**12:20**
• *Philo to present draft goals* • *Dawn to facilitate discussion and changes*		
2. Zia & Baldrige Learning	**TBD**	**1:10**
Dawn *will provide overview of Baldrige benefits, with data and testimonials* ***DPU*** *will share laser message and 3 slides on learning experience*		
3. Baldrige Alternatives	**Philo /Dawn**	**1:30**
• *Philo to cover APWA and J.D. Powers* • *Dawn to cover Shingo and ISO* • *Dawn to present Alternative Assessments from Human Strategies, LLC if desired*		
4. Affirm Mission, Vision, Values	**Board**	**1:50**
• *Review/Affirm current MVV using +/Δ*		
5. FY2022 Focus Areas and Goals	**Philo /Dawn**	**2:10**
• *Review all Focus Areas, Goals & Objectives* • *Suggest changes* • ***PUBLIC COMMENT –*** *If there is any public present who would like to comment on the topic of strategic planning prior to the prioritization exercise, this will be the opportunity to do so. Each individual will be given 4 minutes to speak.* • *Set BPU priorities (8 votes Nominal Group Technique)*		
6. Plus/Delta Meeting Evaluation	**Dawn**	**2:55**

Board of Public Utilities

October 9, 2020

Facilitated by Humans Strategies, LLC

6

Workshop Ground Rules

- Be an angel’s advocate
- Free and open discussion
- There are no bad ideas
- Practice active listening
- Commit to agenda boundaries
- Practice laser messages

7

What is a laser message?

- Clear, concise, focused
- Requires thinking before speaking
- Non-repetitive
- As told on a 3-story elevator ride
- 60 seconds or less

Zoom Instructions

Remain in Mute mode unless you are speaking

When speaking, you can unmute OR just press your space bar while you speak

You can use the Chat feature to provide information to one person privately, or to all

Polling instructions will be given just before they are needed

BPU Meeting Objectives

1. Review and set conservation objectives (50 min)
2. What did we learn from Zia and Baldrige (20 min)
3. Baldrige (Zia) alternatives (20 min)
4. Affirm MVV (20 min)
5. Input to and prioritization of FY2022 Focus Areas and Goals and Objectives(50 min)

1. Review and Set Conservation Objectives: 50 min

- Conservation Committee developed extensive set of initiatives, presented at the July 15th BPU meeting
  - Some initiatives are outside of DPU's control and require coordination and agreement with other LAC departments
- The Conservation Committee recommended 3 conservation goals for BPU's consideration
- BPU will now review the Conservation Committee goals and set BPU's conservation objectives with staff input

  (Jaime will record BPU goal decisions for prioritization activity later today.)

Focus Area – Environmental Sustainability

- Having a Board approved Strategic Goal and Objectives for conservation are necessary at this time for staff to move forward with revisions to the Energy and Water Conservation Plan.
- Next, the Conservation Committee recommendations can be incorporated into the Energy and Water Conservation Plan using BPU's stated objectives to guide staff to evaluate budget and staff resources required, and research how best to achieve those objectives and implement conservation initiatives in a cost effective way.
- The Board reviews strategic goals and objectives annually and the Conservation Plan every five years. If actual costs of conservation initiatives are found to be cost prohibitive when weighed against the benefit, or if it is found that initial recommendations are not achievable, strategic objectives can be adjusted by the Board and the Conservation Plan can be revised. (FER Initiatives may also need to be reviewed and updated.)

Conservation Committee Initiatives

C	COMM	EFFRT	INITIATIVE
EDUCATION	EGW	A	AMI data education
EDUCATION	EG	A	Encourage programmable thermostats & controllers
EDUCATION	EG	A	Publish Standards: thermostat setting & energy savings
EDUCATION	EGW	A	"Conserv. happens" unit costs increase; early adopters save
EDUCATION	EG	A	General Energy Efficiency
EDUCATION	W	A	Reduce outdoor water: xeriscape, rain harvesting
CUS	EGW	$X	Add "Residential Avg" to bills for comparison
RESEARCH	EGW	XT	Pursue grants for appliance rebates & publicize
RESEARCH	W	$XT	Reduce outdoor water use incentives

C=Category
COMM=Commodity (E: Electric, G: Gas, W: Water)
PRTN=Partnership
CUST=Customize/Working w/vendor
EFFRT=Effort to Implement

- $=Additional budget to implement;
- X=Extra or Additional Staff Resources;
- T=Time;
- A=Adequate Staff and Budget to implement.

C	COMM	EFFRT	INITIATIVE
PRTN	EGW	A	Coord. & support LAPS
PRTN	W	X	Free delivery of tumbled glass/mulch when replacing turf
ORDINANCE	W	$XT	Granular tiered rates (100 gal.)
ORDINANCE	W	$XT	Reduce outdoor water use, rates
ORDINANCE	EG	$XT	Convert elec./gas monthly svc charges to minimum charges
ORDINANCE	W	$XT	Eliminate monthly svc. charge for water
ORDINANCE	E	$XT	Accommodate customer PPA hybrid solar
NOT DPU JURSIDICTION	EGW	XT	Waive permit fees bldg improvements that cut utility use (CDD/Council)
NOT DPU JURSIDICTION	E	XT	Eliminate most streetlights (PW/Council)
NOT DPU JURSIDICTION	E	XT	Eliminate fees to set up off-grid solar (State & CDD fees)
NOT DPU JURSIDICTION	E	XT	Solar-ready roofs and siting for new construction (CDD/Council)
NOT DPU JURSIDICTION	G	XT	No natural gas hookups to new bldgs. (CDD/Council)

Natural Gas Conservation Objective

- **FY2020 SP Objective :** Customer heating efficiency is improved to reduce gas usage by 3% by 2030

- **Committee Recommended Goal:** Eliminate use of natural gas.

- **DPU Recommended Objective:** Reduce natural gas usage by 5% per capita by 2030 using a 2020 calendar year-end baseline that is adjusted for the average heating degree day over the last ten years.

Water Conservation Objective

- **FY2020 SP Objective:** Gallons per capita per day potable water use is reduced by 9% by 2030
- **Committee Recommended Goal:** Reduce water use by at least 1/3
- **DPU Recommended Objective:** Reduce potable water use by 12% per capita per day by 2030 using a 2020 calendar year-end baseline.

Electric Conservation Objective

- **FY2020 SP Objective:** Electric efficiency is promoted through targeted electric conservation programs

- **Committee Recommended Goal:** Find ways to accommodate a massive increase in residential and local solar

- **DPU Recommended Objective:** Increase local solar production to 6 MW by 2040. (This is 30% of local solar produced based on LAC load of 18 MW)

2. What Have We Learn From the Zia Application Baldrige Process?

Why Baldrige? Past recipients have seen improvements in:

- Revenue
- Market Share
- Employee involvement and engagement
- Cost/waste/error reductions
- ROA, ROI and ROE
- Product Reliability

"The [Baldrige] Criteria help you link your strategy, your human capital process, your leadership development process, all of your core operations together and help them focus on what your customers actually want." ~ Scott McIntyre, Managing Partner, Price WaterHouse Coopers

2. What Did We Learn From the Baldrige Process? Benefits & Improvements - Jack Richardson

- **Providing a framework for a culture of continuous improvement.** Following the Baldridge methodology for performance excellence has helped us demonstrate our value of being an "organization that encourages continuous learning."
- **Becoming a more data driven organization.** Dashboards and graphics were created to include Key Operating Performance Measures and to measure year-to-year and multi-year comparisons of efficiency, reliability, safety and effectiveness.
- **Improved transparency in planning, budgeting and rate setting.** The presentations of 10-year and 20-year projections for rates, budgets and CIPs were improved by incorporating better visual graphics and creating simple stories to share with leadership, stakeholders and the community.
- **Operating Procedures Committee.** We have a better appreciation for the importance of well documented, easily available and regularly maintained Standard Operating Procedures for the benefit of current staff, but more importantly, for successful staff transitions and succession.

2. What Did We Learn From the Baldrige Process? Benefits & Improvements – Julie Williams-Hill

- **Strategic Planning.** A 2009 OFI flagged an undefined method to plan the future. As such, an annual strategic planning process was developed to align the plans with our MVV and stakeholder feedback and communicate these plans to employees via all-hands meetings, strategic plan posters and quarterly exchange meetings.
- **Deployment, Integration and Learning.** Each feedback report flags new areas where we have developed a procedure but it has not been *deployed* to the employees, *integrated* into our business model and reviewed so that we can *learn and improve*. This ties into the Plan/Do/Study/Act (PDSA) process. For example, we learned that our procedure for maintaining standard operating procedures had been developed, but not yet successfully deployed or integrated.
- **Tracking the right measures.** A 2014 OFI identified that our LA SCORES (measures being tracked and reported to BPU and Council quarterly) did not align to our MVV and strategic objectives. Therefore, they didn't help us to make decisions on the health of our department. Many of the measures have been refined to address this.
- **Monopoly**. The most recent feedback from the 2019 QNM team was that DPU should not be complacent in its position as a monopoly. Customers do have choices (e.g., rooftop solar with batteries, gray water systems, water harvesting, etc.). This has helped us to understand that our business model needs to be flexible and able to adapt.
- **Safety Culture**. The department has implemented several successful safety initiatives as a result of the Baldrige process. These include the creation of a written Safety Culture Vision, the DPU Safety Committee, the Safety Employee of the Quarter program, and regular monthly reporting on accidents and the OSHA incident rates.

2. What Did We Learn From the Baldrige Process? Challenges with Implementation – James Alarid

- **Right fit for DPU?** In the 2019 QNM site visit debrief, the lead examiner said that given DPU's structure and governance, we will never meet the criteria in certain areas.
- **Minimal actionable recommendations**. My observation after presenting the feedback to the Board was, they felt there were minimal actionable recommendations, and they questioned the applicability of a quality management program that does not fit our organization. (Only Customer Service Issues tracking software was budgeted.)
- **Staff effort.** The level of staff time and effort required to continuously track performance against the Baldridge criteria and then apply for recognition is huge. I believe using a consultant to prepare the application is a necessity.
- **Competing priorities**. As contributing member to three applications and supervisor of the DPU QNM lead for ten years, I have observed the needs of our daily work/schedule and quality management initiatives compete.
- **Need QNM Examiners**. To make our best effort on a future QNM application, we should have staff participating as QNM Examiners.
- **Low scores that are difficult to understand.** I felt that the 2019 Zia application was much better than the evaluation team's assessment of 30%-40% out of the 100% in all categories.
- **Management audit Charter requirement.** The next management audit will be due in four years and we need to pick a path now to work towards over the next four years. Recommend deciding now if QNM/Baldridge feedback report satisfies the management audit requirement.

3. Baldrige Alternatives - Philo

- Consider Hiring a Consultant to Perform a Management Audit
  - Charter identifies “at least every five years thereafter, the BPU shall employ a qualified consultant to review, comment and make recommendations as to the operation and condition of the County Utilities.”
  - The Baldrige Zia Application reviewed operations but did not review the condition of the Utilities
  - The last comprehensive condition assessment performed by a qualified consultant was performed in 2000.
  - This Fiscal Year $50,000 was budgeted in each fund for a total of $200,000 to perform a condition assessment by a qualified consultant.
  - A Comprehensive Management Audit by a qualified consultant to review, comment and make recommendations as to the operation and condition of the County Utilities would cost between $300,000 to $400,000.

3. Baldrige Alternatives - Philo

J.D. Powers Customer Service Survey

- Includes Utility benchmarking, performance improvement, and certifications and answers the following questions:
  - 1. How does your customer service organization stand up against others?
  - 2. How are you performing in specific service channels?
  - 3. What can you do to improve?
  - 4. What are top performing call centers doing to excel?
  - 5. What does it take to have a certified customer service program?
- **2020 Utilities Climate Leadership Program and Benchmarks**
- **Customer Service Survey is Budgeted for $50,000 this Fiscal Year**

3. Baldrige Alternatives - Philo

APWA Accreditation Program (Every Four Years)

- Create impetus for organization self-improvement and stimulate general raising of standards
- Offer a voluntary evaluation and education program rather than government-regulated activity
- Recognize good performance and provide motivation to maintain and improve performance
- Improve performance and the provision of services
- Increase professionalism
- Instill pride among agency staff, elected officials and the local community
- Cost is between $10,000 and $15,000 plus staff preparation time over two years on average and comes with a Management Practices Manual to use.

3. Baldrige Alternatives - Dawn

- Shingo
  +Work culture, improvement, sustainability, focused on behaviors
  -No expertise in NM
  - Tuition $45,000, consulting $100k + /year; similar in length to Baldrige
- ISO
  +World-wide standards, better products and services, productivity
  -More process than enterprise & culture oriented
  - $60-80k/year; at least 3-4 year effort
- Human Strategies Alternative Assessment
  +Tailored Baldrige-based assessments, significantly less than Zia in cost and effort
  -No true score or award
  - $25k-50k

4. Affirm Mission, Vision, Values: 20 min

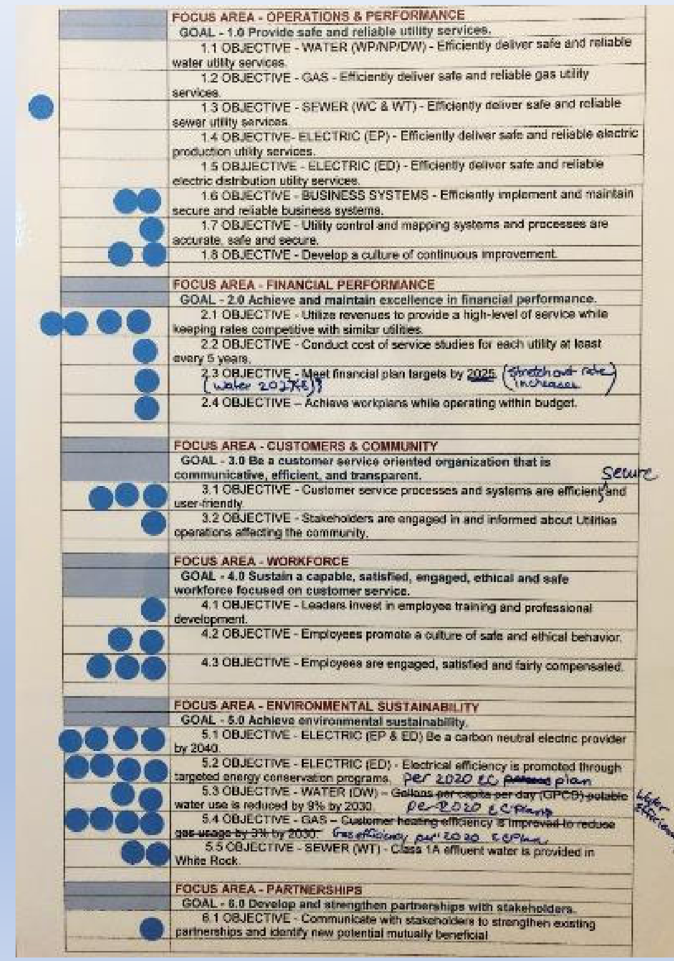
- **Mission**
  - Provide safe & reliable utility services in an economically & environmentally sustainable fashion
- **Vision**
  - Be a high performing utility matched to our community, contributing to its future with diversified & innovative utility solutions

+ What do you LIKE?
Δ What would you CHANGE?

- **We Value:**
  - Customers by being service oriented & fiscally responsible
  - Employees and partners by being safe, ethical & professional organization that encourages continuous learning
  - Natural resources (BPU: Environment) through innovation & progressive solutions
  - Community by being communicative, organized & transparent

5. FY2022 Focus Areas and Goals: 50 min

- Last year we refined Focus Areas & Goals and then prioritized them
- Philo then used your priorities to set and guide daily work at DPU
- We are going to repeat that activity virtually this year
  - Review and update
  - Multivote (Zoom instructions to follow)



FOCUS AREA - OPERATIONS & PERFORMANCE
GOAL - 1.0 Provide safe and reliable utility services.
1.1 OBJECTIVE - WATER (WP/NP/DW) - Efficiently deliver safe and reliable water utility services.
1.2 OBJECTIVE - GAS - Efficiently deliver safe and reliable gas utility services.
1.3 OBJECTIVE - SEWER (WC & WT) - Efficiently deliver safe and reliable sewer utility services.
1.4 OBJECTIVE - ELECTRIC (EP) - Efficiently deliver safe and reliable electric production utility services.
1.5 OBJECTIVE - ELECTRIC (ED) - Efficiently deliver safe and reliable electric distribution utility services.
1.6 OBJECTIVE - BUSINESS SYSTEMS - Efficiently implement and maintain secure and reliable business systems.
1.7 OBJECTIVE - Utility control and mapping systems and processes are accurate, safe and secure.
1.8 OBJECTIVE - Develop a culture of continuous improvement.

FOCUS AREA - FINANCIAL PERFORMANCE
GOAL - 2.0 Achieve and maintain excellence in financial performance.
2.1 OBJECTIVE - Utilize revenues to provide a high-level of service while keeping rates competitive with similar utilities.
2.2 OBJECTIVE - Conduct cost of service studies for each utility at least every 5 years.
2.3 OBJECTIVE - Meet financial plan targets by 2025. (stretch out rate increases) (water 2027?)
2.4 OBJECTIVE – Achieve workplans while operating within budget.

FOCUS AREA - CUSTOMERS & COMMUNITY
GOAL - 3.0 Be a customer service oriented organization that is communicative, efficient, and transparent.
3.1 OBJECTIVE - Customer service processes and systems are efficient, secure and user-friendly.
3.2 OBJECTIVE - Stakeholders are engaged in and informed about Utilities operations affecting the community.

FOCUS AREA - WORKFORCE
GOAL - 4.0 Sustain a capable, satisfied, engaged, ethical and safe workforce focused on customer service.
4.1 OBJECTIVE - Leaders invest in employee training and professional development.
4.2 OBJECTIVE - Employees promote a culture of safe and ethical behavior.
4.3 OBJECTIVE - Employees are engaged, satisfied and fairly compensated.

FOCUS AREA - ENVIRONMENTAL SUSTAINABILITY
GOAL - 5.0 Achieve environmental sustainability.
5.1 OBJECTIVE - ELECTRIC (EP & ED) Be a carbon neutral electric provider by 2040.
5.2 OBJECTIVE - ELECTRIC (ED) - Electrical efficiency is promoted through targeted energy conservation programs. per 2020 EC plan
5.3 OBJECTIVE - WATER (DW) - ~~Gallons per capita per day (GPCD) potable water use is reduced by 9% by 2030.~~ per 2020 EC plan — water efficiency
5.4 OBJECTIVE - GAS – ~~Customer heating efficiency is improved to reduce gas usage by 3% by 2030.~~ Gas efficiency per 2020 EC plan
5.5 OBJECTIVE - SEWER (WT) - Class 1A effluent water is provided in White Rock.

FOCUS AREA - PARTNERSHIPS
GOAL - 6.0 Develop and strengthen partnerships with stakeholders.
6.1 OBJECTIVE - Communicate with stakeholders to strengthen existing partnerships and identify new potential mutually beneficial

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GOAL - 1.0 Provide safe and reliable utility services.

1.1 OBJECTIVE - WATER (WP/NP/DW) - Efficiently deliver safe and reliable water utility services.
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GOAL - 2.0 Achieve and maintain excellence in financial performance.

2.1 OBJECTIVE - Utilize revenues to provide a high-level of service while keeping rates competitive with similar utilities.
2.2 OBJECTIVE - Conduct cost of service studies for each utility at least every 5 years.
2.3 OBJECTIVE - Meet financial plan targets by 2025, water by 2028.
2.4 OBJECTIVE – Achieve workplans while operating within budget.

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3.1 OBJECTIVE - Customer service processes and systems are efficient, secure and user-friendly.
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FOCUS AREA - WORKFORCE

GOAL - 4.0 Sustain a capable, satisfied, engaged, ethical and safe workforce focused on customer service.

4.1 OBJECTIVE - Leaders invest in employee training and professional development.
4.2 OBJECTIVE - Employees promote a culture of safe and ethical behavior.
4.3 OBJECTIVE - Employees are engaged, satisfied and fairly compensated.

FOCUS AREA - ENVIRONMENTAL SUSTAINABILITY

GOAL - 5.0 Achieve environmental sustainability.

5.1 OBJECTIVE - ELECTRIC (EP & ED) Be a carbon neutral electric provider by 2040.
5.2 OBJECTIVE – Achieve Electric Distribution conservation goals to be defined per the 2020 DPU Conservation Plan revision, after considering recommendations from the Conservation Committee.
5.3 OBJECTIVE - WATER (DW) –-Achieve Water conservation goals to be defined per the 2020 DPU Conservation Plan revision, after considering recommendations from the Conservation Committee.
5.4 OBJECTIVE - GAS –-Achieve Gas conservation goals to be defined per the 2020 DPU Conservation Plan revision, after considering recommendations from the Conservation Committee.
5.5 OBJECTIVE - SEWER (WT) - Class 1A effluent water is provided in White Rock.

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FOCUS AREA - PARTNERSHIPS

GOAL - 6.0 Develop and strengthen partnerships with stakeholders.

6.1 OBJECTIVE - Communicate with stakeholders to strengthen existing partnerships and identify new potential mutually beneficial partnering opportunities.

Instructions

- Step 1: Look at the top of your monitor. Select "View Options" next to the green bar.
- Step 2: A dropdown box will open. Select "Annotate"
- Step 3: The Annotate menu bar will open. Select "Stamp"
- Step 4: Select the symbol that you've been assigned.

STAMP ASSIGNMENTS:

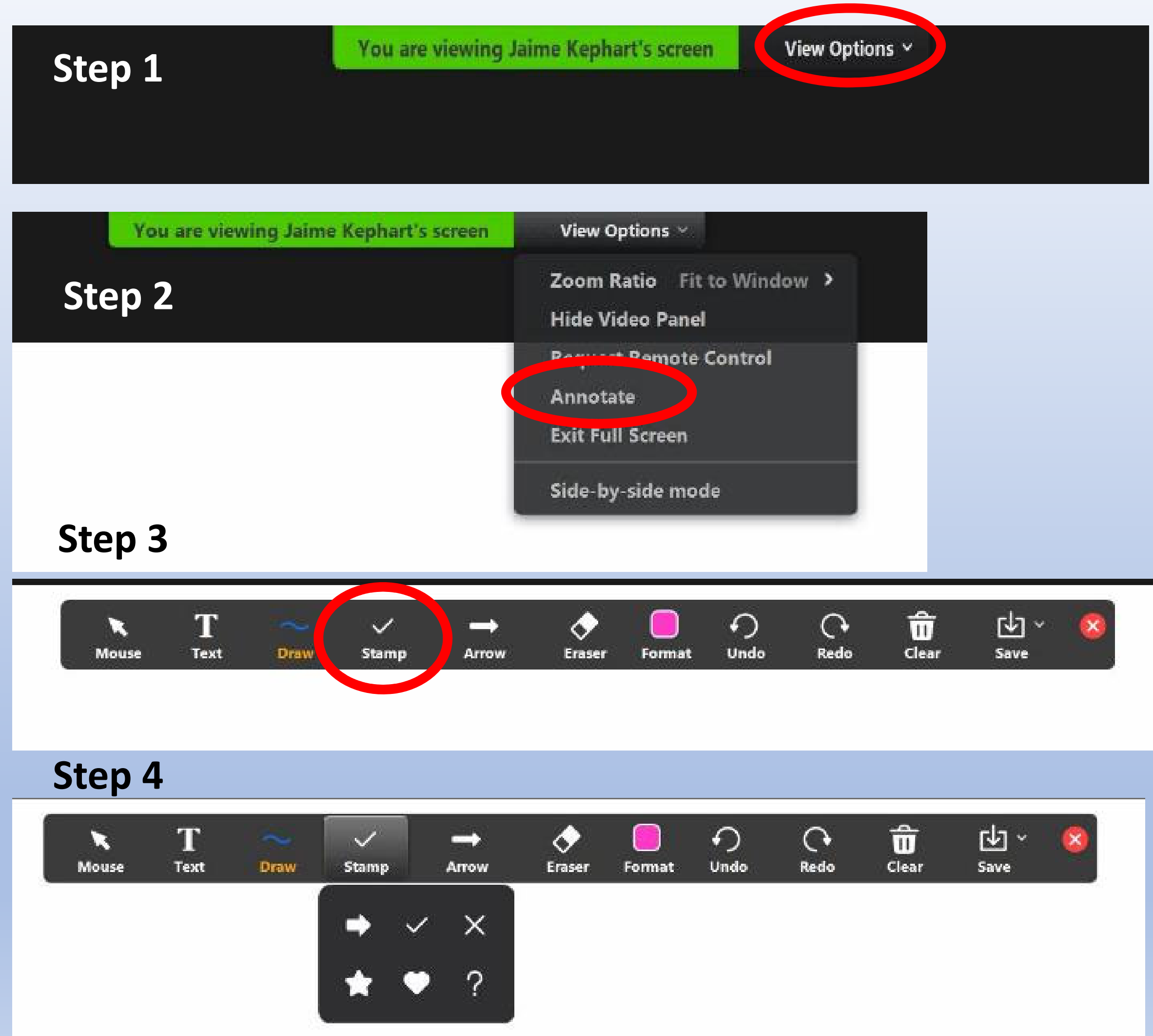
McLin – Arrow

Stromberg – Check

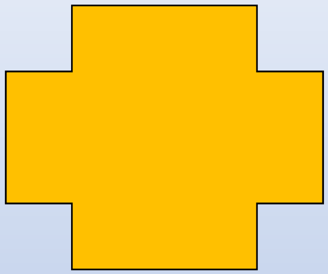
Tobin – X Mark

Walker – Star

Wright - Heart

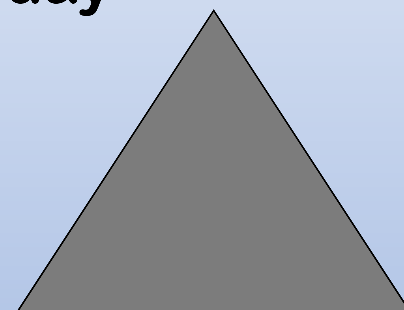


Plus/Delta



Plus: state what you liked about today

Delta: state what you would change about today



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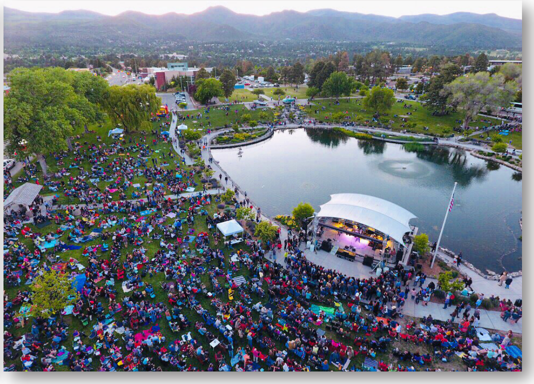
2020

STRATEGIC LEADERSHIP PLAN

LOS ALAMOS

Vision

Los Alamos is a world-renowned community where discovery and innovation are inspired by its dramatic history and magnificent mountain setting. We offer extraordinary educational, recreational, and cultural opportunities in a vibrant small town atmosphere.




Communication and Transparency,
Environmental Sustainability, Operational Excellence,
Coordination and Cooperation with Laboratory,
and Regional and National Partners
Quality of Life
Housing
Local Business
Social Services
Open Space, Recreational, & Cultural Amenities
Transportation & Parking
Vacant Property Utilization
Infrastructure
Economic Vitality
Quality Governance

In January, 2020, the Los Alamos County Council, County staff and community members identified 7 strategic priorities and four cross-cutting goals; these were subsequently adopted on February 25, 2020. These priorities and goals address challenging issues important to the community that Council agrees to make progress on in the coming year; they will support and help enable multiple other initiatives currently underway. This does not mean that the County will only work on and invest in these priorities, they are a tool to help assure that in the context of all of the ongoing County efforts, a focus on a few high-level, important but challenging issues is maintained.

For each of these priorities, concrete actions for addressing them will be identified. Additionally, multiple mechanisms will be used to promote engagement with the community to clearly and more broadly communicate what the priorities are and elicit ideas and creative solutions for making progress. The status of the priorities will be reviewed and reported on regularly; a high-level summary of progress made toward the 2019 strategic priorities is provided in the State of the County Annual Report, January 7, 2020.

Ongoing improvement in communication and transparency, environmental sustainability, planning for appropriate levels of County services and coordination with Los Alamos National Laboratory and regional partners are overarching goals that will be components of all our efforts.

Priority Areas

Increasing the amount and types of housing options.

This includes a variety of housing options for all segments of the community, from affordable to new options for those interested in downsizing or moving closer to central areas of the community. The 2019 Housing Market Needs Analysis identified that needs are distributed among all income ranges but that it is particularly acute for middle- and lower-income households.

Protecting, maintaining and improving our open spaces, recreational, and cultural amenities.

Los Alamos County open spaces and cultural attractions are greatly valued by the community and provide opportunities for recreational and economic growth; appropriately allocating resources to ensure their health and sustainability is important to our citizens.

Enhancing support and opportunities for the local business environment.

This includes appropriate support for existing businesses, growing new businesses, and supporting technology start-ups and spin-offs.

Improve utilization and aesthetics of vacant buildings and properties.

Land availability in Los Alamos County, and in particular in the downtown areas, is limited and there is a desire to work towards better utilization, opportunities for new businesses, and improved aesthetics.

Supporting social services improvement.

Behavioral, mental and physical health and social services are important quality of life components; there are key areas where appropriate types and levels of county support could help address current needs.

Expand transportation and mobility options and address parking challenges.

Work with regional partners and the Laboratory to consider holistic solutions for the needs and challenges facing Los Alamos and White Rock in the context of expanded housing and employment in the County and the desire to create a walk-, ride-, and environmentally-friendly community.

Investing in infrastructure.

Appropriately balancing maintenance of existing infrastructure with new investments in county utilities, roads, facilities and amenities, which will help improve environmental stewardship, sustainability, and quality of life, while allowing for sustainable growth.

As noted, establishing these priorities is intended to help maintain focus on issues important to the community and support and help enable multiple ongoing initiatives important to the future of our community. These initiatives have benefitted from significant public involvement, time, and expertise and it is essential that we continue to work on:

Implementation of the 2016 Comprehensive Plan, including an emphasis on neighborhoods and effectively managing commercial growth.

Implementation of the 2018 Tourism Strategic Plan.

Utilizing the recommendations of the Community Development Advisory Board.

Addressing issues noted in the 2018 State of Health in Los Alamos.

Pursuing key goals described in 2019 Los Alamos County Economic Vitality Plan.

Communication and partnering with Los Alamos Public Schools and the University of New Mexico-Los Alamos, as appropriate, to support the high-quality educational opportunities in the community.

Collaborating with Los Alamos National Laboratory as the area's #1 employer.

Work towards the Department of Public Utilities Strategic Goals and integration of these efforts with activities in support of the County's strategic priorities will be essential for achieving desired outcomes effectively and efficiently; mechanisms for improving this integration are being implemented.