



County of Los Alamos

Minutes

Board of Public Utilities

1000 Central Avenue
Los Alamos, NM 87544

*Jeff Johnson, Chair; Andrew Fraser, Paul Frederickson, Stephen McLin and Kathleen Taylor,
Members*

*Tim Glasco, Ex Officio Member
Harry Burgess, Ex Officio Member
Susan O'Leary, Council Liaison*

Monday, July 18, 2016

1:00 PM

1000 Central Avenue
Room 110

SPECIAL SESSION

1. CALL TO ORDER

A special meeting of the Incorporated County of Los Alamos Board of Public Utilities was held on Monday, July 18th at 1:00 p.m. at 1000 Central Ave., Room 110. Board Chair, Jeff Johnson, called the meeting to order at 1:00 p.m.

Present 6 - Chair Johnson, Board Member Fraser, Board Member Frederickson, Board Member McLin, Board Member Taylor and Board Member Glasco

Absent 1 - Board Member Burgess

2. PUBLIC COMMENT

Mr. Johnson opened the floor for public comment on items not otherwise included on the agenda. There were no comments.

3. APPROVAL OF AGENDA

Mr. Fraser moved that the agenda be approved. The motion passed by the following vote:

Yes: 5 - Chair Johnson, Board Member Fraser, Board Member Frederickson, Board Member McLin and Board Member Taylor

4. BUSINESS

4.A. [8435-16](#)

Review and Possible Revision of Department of Public Utilities Mission, Vision and Value Statements and Strategic Planning Input

Sponsors: Board of Public Utilities

The goal of this short meeting was to provide input to the Utilities Manager and his senior management team (DPU SMT) as they begin their strategic planning for FY2018. At the staff strategic planning workshop in August, the DPU SMT will review and revise if necessary the previously approved strategic objectives and goals. The strategic objectives and long-term goals will then be presented to the Board for approval at a future Board meeting. At this special meeting, the Board had a facilitated discussion to focus input in two specific areas: affirm or improve the mission, vision and values statements and prioritize the DPU's current strategic objectives.

Ms. Dawn Reed, a consultant from Human Strategies, LLC who has worked with the DPU SMT on strategic planning for several years, was present to facilitate the meeting and collect feedback from the Board. The input received from the Board was compiled, is included as an attachment to the minutes, and will be used during the strategic planning workshop.

The following actions were identified for follow-up:

1) Using the Board's input on the vision and values statements, staff will attempt to revise them and if changes are made, present those to the Board when the statements are brought back for approval after the strategic planning workshop.

5. PUBLIC COMMENT

Mr. Johnson opened the floor for public comment on any items. There were none. Mr. Johnson discussed the following topics during the public comment period:

- 1) Mr. Johnson welcomed Ms. Taylor to her first Board meeting.
- 2) Mr. Glasco sent out a report on New Mexico modular reactors, which included a siting feasibility study. Mr. Johnson encouraged other members to read that.
- 3) Mr. Johnson verified that staff will be present with him at the Council work session on July 19th to present information and answer questions related to the draft utilities financial policies.

6. ADJOURNMENT

The meeting adjourned at 1:49 p.m.

APPROVAL

Board of Public Utilities Chair Name

Board of Public Utilities Chair Signature

Date Approved by the Board

ATTACHMENT
Board of Public Utilities
Strategic Planning Input

**Board of Public Utilities Input for
Department of Public Utilities Strategic Planning for Fiscal Year 2018**

continuous learning; NATURAL RESOURCES through innovative and progressive solutions; and COMMUNITY by being communicative, organized and transparent.

FEEDBACK

- **Mr. Fraser, Mr. Frederickson and Ms. Taylor affirmed the statements as-is.**
 - **Mr. Johnson and Mr. McLin indicated that changes were necessary.**
1. **MCLIN** – Reiterated what he said before with regards to the vision statement. They are not specific enough. For example, “NATURAL RESOURCES through innovative and progressive solutions” is not specific or effective. He doesn’t understand what this means. There is nothing particularly wrong with the statements until you look at the more detailed Department objectives and goals.
 - a. **TAYLOR** – Suggested that it could perhaps be changed to “*promoting* innovative and progressive solutions.”
 - b. **MCLIN** – “Promoting” implies problems and this statement has the DPU identifying solutions before it has identified problems.
 2. **JOHNSON** – In the EMPLOYEES/PARTNERS value, “encourages continuous learning” gives no end point. Employees want to feel like they have a developing career. He would change “continuous learning” to something like “personal and professional growth.”

C. MISSION

Provide safe and reliable utility services in an economically and environmentally sustainable fashion.

FEEDBACK

- **All members unanimously affirmed the statement as-is.**

III. PRIORITIZING CURRENT STRATEGIC OBJECTIVES EXERCISE

For this exercise, Ms. Reed used a Nominal Group Technique (NGT) to obtain consensus to determine the Board’s priority level for each of the strategic objectives. Each member was given four “votes” to place in whichever objectives or single objective they felt were most important. While all of the objectives are important, there may be some areas where the DPU is already exceling and perhaps little or no action is needed in those areas. The Board was asked to specifically select those objectives they felt needed to take priority for action, attention, focus, resources, goal setting and action plan development.

RESULTS

1. Performance – 4 votes
2. Customers – 4 votes
3. Financial – 4 votes
4. Employees – 3 votes
5. Environmental Sustainability – 3 votes
6. Partnerships – 2 votes

**Board of Public Utilities Input for
Department of Public Utilities Strategic Planning for Fiscal Year 2018**

IV. ADDITIONAL COMMENTS TO CONSIDER DURING STRATEGIC PLANNING

Ms. Reed asked the Board to provide any additional considerations for the strategic planning workshop.

1. **MCLIN** – Throughout the meeting, Mr. McLin expressed concern several times about the Department's objectives and goals being too vague, not having an explanation of how they are calculated and not being able to find any sort of cost analysis. Additionally, he has been unable to find results metrics to show benchmarks for how the Department is performing to the long-term goals over time.
2. **MCLIN** – Suggested that the DPU SMT reconsider its goal to conduct cost of service studies for each utility *at least* every 5 years. To account for rapidly fluctuating conditions, he feels the Department should consider doing those more frequently every 3-5 years as recommended in a recent American Public Power Association webinar.

**Board of Public Utilities Input for
Department of Public Utilities Strategic Planning for Fiscal Year 2018**

I. PURPOSE

On July 18th, 2016, the Board of Public Utilities (BPU) held a special meeting to provide input to the Department of Public Utilities Senior Management Team (DPU SMT). This input will be used during their FY2018 strategic planning workshop scheduled for August 2016. Ms. Dawn Reed, a consultant from Human Strategies, LLC, was present to facilitate the meeting and capture the Board's input.

Ms. Reed conducted two exercises to focus input in the following two key areas:

- 1) affirm or approve the current mission, vision and values statements,
- 2) prioritize the DPU's current strategic objectives.

II. MISSION/VISION/VALUES EXERCISE

For this exercise, the Board was asked to give a thumbs-up/thumbs-down vote to indicate whether they affirm the current statement as-is or they feel changes should be made. If members indicated that changes should be made, a discussion was held to get more input.

A. VISION

Be a high-performing utility matched to our community, contributing to its future with diversified and innovative utility solutions.

FEEDBACK

- **Mr. Fraser, Mr. Frederickson and Ms. Taylor affirmed the statements as-is.**
 - **Mr. Johnson and Mr. McLin indicated that changes were necessary.**
1. **MCLIN** - Felt it was ambiguous and vague and doesn't portray clear objectives and a cost vs. benefit type of analysis. The statement doesn't necessarily need to be changed, but there should be follow-up to eliminate the ambiguity.
 2. **JOHNSON** – Felt that “matched to our community” is clunky and would change it to “be a high performing utility contributing to our community's future with diversified [...]”
 - a. **FRASER** – Reminded the Board that this piece was added last year to the vision statement. It takes into consideration that Los Alamos is an unusual community and the DPU should be striving to be a first rate utility that is appropriate for this unique community. He believes the current statement captures what he wants to see in the vision statement, but it's not ideally worded. With that in mind, he would be happy for the staff to come back with a more carefully crafted vision statement or keep it as it stands.
 - b. **FREDERICKSON** – Suggested adding the word “unique” before the word “community's” in Mr. Johnson's edit.

B. VALUES

*We value our: CUSTOMERS by being service oriented and fiscally responsible;
EMPLOYEES/PARTNERS by being a safe, ethical and professional organization that encourages*