

BOARD OF PUBLIC UTILITIES SELF-EVALUATION

CALENDAR YEAR 2019

Approved January 15, 2020

In accordance with Section 3.9 of the BPU's Procedures Manual, during November and December, the BPU will perform an annual self-evaluation of its own performance.

QUESTION	SCORE	COMMENTS
I. GENERAL BOARD AREAS		
A. Is there a Board policy manual addressing meeting procedures, committee roles and structure, election and term of officers, new member orientation, and related matters?	5.0	
B. Do all Board members participate in a formal orientation?	4.3	
C. Are Board procedures adhered to regarding bylaws, open meeting requirements, compliance with legal regulations, etc.?	5.0	
D. Are meeting packets complete and distributed prior to meetings?	4.8	
E. Is the length of Board meetings appropriate?	4.0	Some members noted that, while having brief/efficient meetings is desirable, skipping background information may be confusing for the public. An interest was expressed in making materials more easily available, in particular through the county website. The chair took the action item to research this possibility.
F. Is there an annual Board calendar?	5.0	
G. Does the Board receive sufficient information to make good decisions?	3.5	Several members noted that DPU was responsive to requests for additional information.
H. Are decisions made in a timely manner?	4.3	
II. BOARD POLICY AREAS		
A. Accountability		
1. Does the Board understand its obligation to see the organization acts	5.0	

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in the best interests of DPU customer and citizens of the county?		
2. Does the Board act with diligence and objectivity on behalf of DPU customers and the County?	5.0	
B. Responsibility		
1. Do Board members understand their roles?	4.8	
2. Do Board members understand the difference between their policy role and management's administrative role?	4.3	
3. Do Board members actions reflect this understanding?	4.5	
C. Policy Direction		
1. Do Board members understand the mission, goals and strategies of the organization?	4.5	
2. Does the Board give clear directions to management on the mission and goals of the organization?	4.5	
3. Does the Board spend appropriate time on policy consideration and direction versus operational issues?	4.5	
D. Monitoring		
1. Does the Board have a system for receiving and monitoring information about the DPU's organizational performance?	4.0	The board expressed interest in exploring how to better monitor customer service (e.g. numbers and types of complaints.) The board requested a discussion of this topic in the coming months.
2. Are there systems for corrective action where performance is below standard or reward when performance is above standard?	3.0	The board noted the DPU management audit has provided a framework for ensuring continuous improvement in operations. The board felt this question should be revised for clarity in future evaluations.

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3. Are organizational goal setting and achievements taken into account during the DPU Manager's evaluation?	4.8	
E. Other Communication and Advocacy		
1. Does the Board represent the community interests it serves?	4.5	Members felt several questions in this section could be consolidated during future evaluations.
2. Does the Board communicate the value of the organizations to its stakeholders?	3.5	Members noted that the board relies heavily on the DPU for much communication with the public.
3. Does the Board seek input and involve its stakeholders in policy considerations and decisions?	3.3	Some members noted members of the public often send comments to Council rather than the BPU. The Council liaison and the subcommittee may be helpful avenues for hearing more community feedback.
4. Do Board members support the organization publicly?	3.8	Some members noted this question felt repetitive.
5. Does the Board communicate effectively with the County Council?	4.5	Members noted this has improved, and noted the work of the Council/BPU subcommittee.
III. BOARD RESPONSIBILITY AREAS		
A. Legal		
1. Does the Board act within the guidelines set by the county charter and policies and procedures document?	4.5	
2. Are there written policies on Board ethics and conflicts of interest?	4.8	Annual disclosures are signed by each member.
B. Financial		
1. Does the Board approve annual operating and capital budgets and receive periodic (at least quarterly) progress reports?	4.5	Several board members felt many of the questions in this second were interrelated, and that the board and department have made great improvement in these areas over the last several years.
2. Does the Board review a financial plan for the organization and receive	4.5	

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sufficient information to monitor its financial strength and performance?		
3. Are financial goals and comparative ratios established and does the Board receive tracking information?	4.8	
4. Are the requirements for an annual audit met and does the Board receive a report on the results?	4.0	Several board members requested that more information on the annual audit results be distributed.
5. Are the organizations and the Board indemnified sufficiently against insurable risk?	5.0	
6. Is the Board proactive in pushing for rate increases with the County Council when these increases are necessary for the financial health of the DPU?	4.5	
C. Planning		
1. Is the Board informed about the business environment in which the organization is operating?	4.0	
2. Does the Board review and approve the organization's mission, goals, and major strategic initiatives?	5.0	Members noted the board's engagement with DPU strategic planning was more in depth this year.
3. Do Board members usually attend annual DPU strategy and planning meetings?	5.0	
D. Board/Management Relations		
1. Is there a written job description and/or employment contract for the DPU Manager?	5.0	
2. Does the Board conduct a formal, annual performance review of the DPU Manager?	5.0	
3. Is the DPU Manager's compensation linked to the results of this review?	4.3	The board noted that this is not fully within its own control.

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4. Does the Board make resources available for the DPU Manager's continued professional development?	4.5	The DPU manager commented that resources were readily available.
5. Is there a succession plan for the DPU Manager, with exposure to the Board of possible successors?	4.3	
6. Has the Board established an effective working relationship with the DPU Manager?	4.8	The board gave positive feedback on the relationship with the new manager.
7. Is there Board/management cooperation on determining the future direction of the organization?	4.8	
8. Are Board/DPU Manager roles clearly defined so the Board focuses on its policy role and avoids micro-management?	4.5	
9. Does the Board provide overall staffing direction to the DPU Manager without becoming involved in specific personnel matters?	4.5	
10. Is the Board explicit about the information it needs from the DPU Manager to fulfill its governance function?	4.5	
F. Education and Development		
1. Do Board members participate in educational opportunities recommended and offered by the DPU or other entities that enhance their effectiveness as a board member?	3.5	Members felt many opportunities are given, and expressed interest that those continue to be suggested and made available. Members encouraged each other to take advantage of these opportunities when possible.

FINAL - APPROVED

Free Power Project (CFPP) as an option for meeting a portion of the County's power demands. The CFPP was considered as a potential resource for replacing the County's coal generation assets and to meet a Board-approved goal for the DPU to be a carbon-neutral electrical energy provider by 2040. On April 10, 2018 the Board and the County Council approved a resolution authorizing and approving the Power Sales Contract with an Amended and Restated Initial Budget and Plan of Finance for the first phase of the CFPP. The Budget and Plan of Finance broke the project into phases allowing the project participants an option to exit the project at the end of each phase if they determine the project is no longer the preferred option. The first phase has a decision point and off-ramp at the \$6 million spend point, which is 100% reimbursable by DOE and NuScale if the Utah Associated Municipal Power Systems (UAMPS) terminates the project for any reason. The PMC anticipated exhausting the \$6 million by November 2019, at which time the PMC and the individual participants reached a decision point. At this time, the UAMPS Project Management Committee is recommending increasing the budget for the CFPP participants by \$976k, (approx. \$52,500 for LAC, non-reimbursable), to keep the project moving forward from December 2019 through March 31, 2020. The participants are still eligible for 100% reimbursement of the \$6 million if UAMPS terminates the project in the spring or summer of 2020. If the project terminates in spring 2020, LAC will have a sunk cost of approximately \$82k. If LAC unilaterally takes the off-ramp in spring of 2020, the total sunk cost will be approximately \$162k, not including staff time since 2015.

The Board discussed this item and requested clarification where necessary.

Ms. Walker opened the floor for public comments. Members of the public gave the following summarized comments:

1) Mr. Michael Dempsey, 300 Connie Ave. - Mr. Dempsey provided a written statement, which is included in the minutes as an attachment. Additionally, Mr. Dempsey noted that the County spent a lot more money on building the Smart House than what is being requested here and believes this is a more worthwhile expenditure when comparing costs. He also discussed the possibility of the project gaining more subscribers once the coal-fired power plant outside Delta Utah shuts down in 2025 after losing its Southern California customer base.

2) Mr. Steve Silva, 101 Lacinda Rd. - Mr. Silva noted that it would be ironic if the Board and Council do not invest in nuclear power given that Los Alamos has a legacy of being the "Atomic City."

Ms. Taylor moved that the Board of Public Utilities authorize a budget amendment of \$52,500.00 with a 20% contingency of \$10,500 for the continued participation in the Carbon Free Power Project and authorize the Utilities Manager to execute an amendment to budget and plan of finance with the Utah Associated Municipal Power Systems (UAMPS), and forward to Council for their consideration. The motion passed by the following vote:

Yes: 4 - Board Member Walker, Board Member Tobin, Board Member McLin and Board Member Taylor

Absent: 1 - Board Member Johnson

FINAL - APPROVED

Board of Public Utilities

Minutes

December 6, 2019

Presenters: Carrie Walker

Ms. Walker presented this item. The following is the substance of the item being considered.

The Board conducted its annual self-evaluation using the questionnaire that was slightly modified after the 2018 evaluation. The Board scored each question, provided comments and identified action items for improvement.

Mr. Tobin left the meeting at 1:38 p.m.

The following actions were identified for follow-up:

1) Ms. Walker will compile the scores comments and action items on a spreadsheet that will be presented to the Board at the December regular meeting for approval. The final evaluation will be included in those minutes as an attachment.

5. PUBLIC COMMENT

Ms. Walker opened the floor for public comment on any items. There were no comments.

6. ADJOURNMENT

The meeting adjourned at 2:04 p.m.

APPROVAL

Carrie Walker
Board of Public Utilities Chair Name

Carrie Walker
Board of Public Utilities Chair Signature

January 15, 2020
Date Approved by the Board

4.G.6 [12675-20](#) Approval of Meeting Agenda Outline for 2020

Presenters: Carrie Walker

Section 3.3 of the Board of Public Utilities Procedures Manual outlines an annual calendar of BPU activities. Annually at the January meeting, the Board is to review and approve the standard meeting agenda outline in section 3.4 of the manual.

Mr. Johnson moved that the Board of Public Utilities approve the meeting agenda outline for 2020 as presented. The motion passed by the following vote:

4.G.7 [12679-20](#) Complete and Approve 2019 Board of Public Utilities Annual Self-evaluation

Presenters: Carrie Walker

The Board conducted its annual self-evaluation at a special meeting on December 6th, 2019. Each item was scored and comments or possible actions noted. Ms. Walker finalized the evaluation and presented it to the Board for final approval at this meeting.

Ms. Taylor moved that the Board of Public Utilities approve the 2019 Self-evaluation as presented. The motion passed by the following vote:

Yes: 4 - Board Member Walker, Board Member Johnson, Board Member Tobin and Board Member Taylor

Absent: 1 - Board Member McLin

4.G.8 [12632-19](#) Quarterly Update on Utility System - Water System

Presenters: Jack Richardson

Deputy Utilities Manager for Gas, Water and Sewer Mr. Jack Richardson presented this item. The following is the substance of the item being considered.

The Board requested a quarterly system assessment on a different utility each quarter. This quarter, Mr. Richardson presented an update on the Water system.

The Board discussed this item and requested clarification where necessary.

4.H. **Approval of Board Expenses**

There were no expenses.

4.I. **Preview of Upcoming Agenda Items**

4.I.1 [12685-20](#) Tickler File for the Next 3 Months

Presenters: Board of Public Utilities

In addition to the items already listed in the tickler provided in the agenda packet, the following items were identified for the tickler for upcoming meetings: