

RECLAMATION

Managing Water in the West

Meeting Summary

Reclamation Public Meeting on

Managing for Excellence

Las Vegas, NV
February 29, 2008



MISSION STATEMENTS

The mission of the Department of the Interior is to protect and provide access to our Nation's natural and cultural heritage and honor our trust responsibilities to Indian tribes and our commitments to island communities.

The mission of the Bureau of Reclamation is to manage, develop, and protect water and related resources in an environmentally and economically sound manner in the interest of the American public.

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Introduction

On February 29, 2008, the Bureau of Reclamation held the eighth and final public meeting on the *Managing for Excellence* initiative. This meeting was announced in the Federal Register on February 8, 2008, and drew attendees from water and power, as well as individual water districts. Federal representatives in attendance included Commissioner Bob Johnson; Deputy Commissioner, Policy Administration and Budget, Larry Todd; Deputy Commissioner, Operations, Karl Wirkus; Director, Program and Policy Services, Roseann Gonzales; and Regional Director, Great Plains Region, Michael J. Ryan.

This document summarizes the presentation and captures the comments made and questions raised during the meeting. Reclamation responses are included in instances where responses were provided. Copies of the presentations can be accessed on the internet at <http://www.usbr.gov/excellence/lvpw2.html>.

Comments received at the meeting are bulleted and Reclamation's responses are italicized. The information in this document is not a transcript of the comments and responses made during the meeting, but derived from notes taken during the meeting. Where appropriate, the comments will be forwarded to the responsible parties for additional follow-up. Information added after the meeting is identified in brackets [].

To submit additional comments on the *Managing for Excellence* initiative, *Managing for Excellence* Public Meetings, or the implementation of the action items you can use the internet at address <http://www.usbr.gov/excellence/comment/index.cfm>, or email: excellence@usbr.gov, or call (303) 445-2849.

Registered attendee organizations

CDM
Central Valley Project Water Association
Colorado River Commission of Nevada
Elephant Butte Irrigation District
Family Farm Alliance
Friant Water Authority
Garrison Diversion Conservancy District
Heart Mountain Irrigation District
Idaho Water Users Association
Klamath Project
Northeast Water
Salt River Project

**San Juan Water Commission
St. Mary's Rehabilitation Working Group
Southeastern Colorado Water Conservancy District
Southern Nevada Water Authority
Trout Unlimited
Truckee Carson Irrigation District
Water Consult
Wampaa Meridian Irrigation District
Weber Basin Water Conservancy District**

Executive Summary

The focus of the public was a *Managing for Excellence* wrap-up and outline of implementation plans.

The presentations also addressed how the *Managing for Excellence (M4E)* action items address the 11 customer objectives by which stakeholders will determine the success of *Managing for Excellence*. Larry Todd addressed each of the objectives and how those objectives were met by the Team's report, or by other *Managing for Excellence* teams.

General Session

Welcome and Opening Remarks

Robert W. Johnson, Commissioner of Reclamation, gave opening remarks. He pointed out that Reclamation is going to be a better organization for the effort put into *Managing for Excellence*. It has been a tremendous amount of work. Senior executives who make up the Reclamation Leadership Team (RLT) get together every quarter and 80% of that time has been spent on *M4E*. It has been the focus of three manager's meetings including one February 4, 2008. Reclamation has worked hard on this, taken it seriously, and we are very close to making all of the final decisions regarding what we are going to do. Now we have to move into implementation. Implementation will mean working with customers about how to implement, how we do our work and how we track our progress. "If you don't see a difference we haven't been successful," Bob Johnson said. He introduced Deputy Commissioner, Operations, Karl Wirkus. It is Karl Wirkus's task to take the torch, he will be responsible for implementation. Karl Wirkus worked on Team 12 and will work to carry out the decisions coming from that team's recommendations. He thanked the customers for their tremendous support and hard work.

Status Report on Completion of Managing for Excellence Action Items and the Final *M4E* Report

Presenter: Larry Todd; Deputy Commissioner, Operations

This is the final *M4E* public meeting. Registrants of the meeting were emailed the *Managing for Excellence* draft final report, which included an appendix regarding the customer objectives and how the *M4E* action items address those objectives. Forty of the 41 action items are final, so the focus of this meeting is moving *M4E* off the table and moving on to implementation. In the two years of the *Managing for Excellence* initiative, there has been a lot of spirited discussions trying to get Reclamation to the right spot. He thanked the participants for their help and recognized Reclamation's senior management team, those responsible for implementing the decisions. Bill McDonald was thanked in particular for his work on Team 12: Right-sizing, and Director of Program and Policy Services, Roseann Gonzales and her staff who have worked tirelessly on the overall effort, as well as other Reclamation staff who provided a lot of comments just as the public has provided many comments.

Reclamation held eight public meetings, at least one in each region, and tried to make it possible for all interested parties to attend. There were four Manager's Meetings internally, three meetings in Denver and one in Albuquerque. Some customers we invited to be part of a panel to offer their views at some of the larger meetings. The managers at those meetings are responsible for implementing *M4E* and it helps to give them the customer perspective.

There were 35 teams, 33 decision memos, and over 100 recommendations. We estimated \$10 million would be spent on this effort and as of Feb. 15, 2008 \$4.65 million has been spent.

What has Reclamation learned? Collaboration. This cannot be emphasized enough. How customers can be involved and the depth of that involvement is what *M4E* is about. Customers and stakeholders are going to see it. They now have access to Reclamation Manual policies, Directives and Standards (D&S) they didn't have before. Reclamation has committed to putting draft policies online for comment. That never happened before. This is access and transparency.

Team 12: Right-sizing, has a big collaboration piece and the D&S will specify where collaboration is to occur, that business practice is how we get work done and how customers and stakeholders get involved. Team 12 recommended implementing Alternative 2, which is about area managers collaborating with customers and making a decision about where work will be done. If there is conflict with Technical Services Center (TSC) needing to do the work to maintain technical capability, that could

override. If it is not acceptable for the TSC to do the work, the area manager or customer could appeal to the Deputy Commissioner of Operations. So the decision is at the area manager level unless TSC needs the work OR 40% contracting has not been met.

Policy and procedures for design and construction estimate oversight is complete; it's on the website. It is an internal audit process to determine if estimates are accurate.

Engineering standards, Team 16, was a big team. There are lots of standards. Standards are higher on issues of public risk.

Major repair challenges, the functional area included loan guarantee. We are trying to get that into place but it is a struggle.

Project management is part of the efficiency, transparency and accountability. It requires planning what it will take to do the job. This has been implemented to a degree, we should be doing it but we will do more and we have a draft policy.

The functional area "asset sustainment" had many teams including financial status reporting. How customers get bills and the financial position of the projects and the allocation for payment will eventually be on the web so everyone can understand the nature of these public works. Breaking out costs is part of the transparency. Title transfer is also extremely important. Big projects have been transferred in the past, but it was not a friendly process. We are trying to separate the projects that can be done quickly and get them moved through a simplified process.

- Title Transfer was an *M4E* team, but wasn't there an earlier document that addressed title transfer?

Response: There was something in 2003 or 2004 that was recently updated and finalized and sent to Congress. What we did in M4E was draft legislation to do three levels of title transfer: simple: 100% one function, no ESA or NEPA issues, and no congressional action. The second level projects would have minor issues, would require a finding of "no significant impact" to transfer those. Third level projects would require working with congress and would entail long, protracted processes.

Under the functional area of research and laboratory services we looked at efficiencies. Most labs are construction or maintaining, but some Denver labs were combined for efficiency.

Human Resources was also an important functional area in the *M4E* effort. The big issues are collaborative competencies and succession planning. We now have collaborative competencies in every employee's job description and training for every level. We went through quite an effort with succession planning.

The eleven customer objectives and how they were addressed by *M4E* is available as an appendix to the final report, available in draft form for review until March 31, 2008 at

<http://www.usbr.gov/excellence/draftproducts.html>. All of the action items touch on some of these customer objectives, and some action items address multiple customer objectives. With regard to the customer objective that proposes customers who pay 50% or more should be able to do the work, we cannot do that. We will collaborate with everyone no matter what percent they pay. And with regard to out-sourcing, risk assessment is needed there.

Ensuring the *M4E* culture spreads throughout Reclamation is something we are working on. From the first Manager's meeting to the most recent related to *M4E*, the managers have come along ways and the buy-in is much greater and we know what we have to do to drive this through the organization.

Financial assistance on failing western water infrastructure is difficult because of Reclamation's limiting authorities. There was a request to do the Rehabilitation and Betterment (R&B) loan program, but we won't be able to do that. However, we hope to get the loan guarantee going. There is history behind R&B. There was a buyout of those loans and although the authority is still on the books there was a commitment that we would not use the authority. OMB doesn't want to be a bank and will resist any attempts to resurrect that program, and there are issues on the congressional side of things.

- Please explain. If the authority is there, maybe we could get something like that going.

Response: If it came from Reclamation it would be "dead on arrival." It must come from somebody else.

All decisions related to the *M4E* teams are final except Team 13: alternative funding for TSC. This has been held back because it was not put out for a draft review. It's going to go through the process. It'll be the last *M4E* decision. *M4E* is done, we have moved into implementation and many decisions have already been implemented.

- Is this report a draft that is open to input?
Response: Yes and yes.
- I have a couple of things. First, this has been great, it's been a true partnership. Personally, I have developed a friendship with many of you but I agree with a comment about the concern this will not trickle down from the executive level. It seems like the area offices are getting it and we're starting to see that. I am glad this report is in draft form. I like the matrix with customer objectives and matching those with the action items. The check boxes are useful but I would like the exact line items. I would like to get a uniform response, but the matrix is encouraging, insert the slides from today's presentation where those check boxes are and get this slide show on the web so we can see that.
- I agree. This is what we were looking for, you just need to change the format so all those interested can understand. We'll be watching, helping and collaborating to make sure Reclamation is successful.

- We want to recognize Larry Todd, not because it's his last day but to thank you for shepherding the process and keeping us involved. This process has been helpful and effective. It started in Las Vegas ended in Las Vegas. Power users impact the process. Has Reclamation done outreach to those entities that are effected?

Response: I think we have those examples around but I don't think we have done anything to the extent you are thinking. We have a position in power in Denver to coordinate power issues and that position was supposed to work with other agencies on big-picture coordination and that has not happened to the extent it should.

- Thank you for all your work. My question is, we made some strides-how do we keep the momentum going? How do we keep the dialogue in place and ensure collaboration continues without public meetings? What is the future going to look like? How do we maintain and build on what we have created?

Response: That is an excellent segue to the next presentation by Karl Wirkus.

Implementation of M4E Decisions – The Big Picture

Presenter: Deputy Commissioner, Operations, Karl Wirkus

It is important that we don't lose the momentum. Everyone is familiar with doing a study and sending it to Denver, DC or putting it on a shelf, but we have authority to implement the findings of this study and I get to be the manager. It's like a lot of projects and we will never be complete but that's ok if we are always working towards excellence.

He identified the over-arching goals of *M4E* as: Improve efficiency and cost effectiveness, increase transparency, hold ourselves accountable, and collaborate with customers. Cost effectiveness doesn't mean cheapest, it means the right product in the right time for the right amount of money. "We need to build a scorecard together to see how we are doing," he told attendees.

Types of M4E decisions include: prepare specific products, implement defined process, and convert broad models to practice. An example of converting broad models to practice is the Team 12 business model.

Customer involvement means we need to have a plan for communicating to continue the dialogue that has been so helpful. If we publish a draft policy and no one comments, that doesn't mean it's good. We don't have something to propose but we need to have the conversation. We need to customize communication to meet local needs and in those places where they want to protect current practices we should check to see if it is still good enough.

The best way to track our progress is through the website. You can find timelines for implementation and opportunities for public involvement. Visit <http://www.usbr.gov/excellence/Implementation/Docs/Status.pdf>.

Establishing an ongoing dialogue is the trickiest part to implement on a Reclamation-wide basis. I welcome any comments on how to accomplish that.

- Most of us can't commit resources to check the website regularly, can you use a master email list to send periodic updates about what is happening?
Response: Great idea. We have a list serve mailer to send notifications at critical junctures. We can continue to do that.
- I think it might be valuable to come to national organization meetings, and set aside some time at any forum to talk about excellence and how we are doing, what we ought to do next.
- I mentioned it at the Area Managers conference, but I think it is good for that larger group to hear from the customers when they come together so invite stakeholders to your meetings, have a rotating cast of customer panels from across regions to talk about what is important to them and how Reclamation can improve. I saw a big difference in Managers at Denver since Albuquerque and their focus on collaboration was marked. It's important for you all to find opportunities and allow some networking time with some folks to get to know each other.
Response: It was great and they appreciated it. We were affected by how M4E had caught on, the buy-in was incredible, folks accepted and understand the value of M4E and how interaction with customers is important.