TO:          HONORABLE CITY COUNCIL
FROM:        CITY MANAGER                        DEPARTMENT:  UTILITIES
DATE:        MARCH 7, 2005                     CMR:148:05

SUBJECT:     RECOMMENDATION FROM UTILITIES ADVISORY COMMISSION TO ADOPT REVISIONS TO THE UTILITIES STRATEGIC PLAN

RECOMMENDATION
The Utilities Advisory Commission (UAC) and staff recommend that the City Council approve the Updated Utilities Strategic Plan.

PROJECT DESCRIPTION
On November 13th, 2000 the Palo Alto City Council (Council) approved the Utilities Strategic Plan [CMR 418:00] and directed the City Manager to return to Council with an implementation plan at a future date. On May 21, 2001, Council approved the Utilities Strategic Implementation Plan [CMR:223:01] and directed staff to make periodic progress reports on the performance of CPAU in meeting the objectives of the strategic plan.

In response to changes in the utility industry operating environment, CPAU took the necessary steps to revamp its existing strategic plan to enhance its ability to meet customer expectations by providing stable rates, reliable service, financial support to the City.

BOARD/COMMISSION REVIEW AND RECOMMENDATIONS
Staff presented its Updated Utilities Strategic Plan to the UAC on October 13, 2004. The UAC made some comments and staff incorporated these comments into the final version of the Updated Utilities Strategic Plan and presented it to the UAC on January 12, 2005 (Attachment A).

The UAC unanimously accepted the Updated Utilities Strategic Plan and recommended that the Council approve the Updated Strategic Plan.

RESOURCE IMPACT
This report has no direct resource impact.

POLICY IMPLICATIONS
This recommendation is consistent with Council policies and direction and clarifies core utilities mission and objectives.

**ATTACHMENTS**

A: January 12, 2005  UAC Report  
B: Minutes from UAC Meeting January 12, 2005

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