

**SPU Strategic Business Plan Customer Review Panel
Draft Meeting Summary for June 5, 2013**

Attending:

Panel Members:			
Suzie Burke	✓	Tara Luckie	✓
Bruce Lorig	✓	Noel Miller	✓
Dave Layton	✓	Carl Pierce	✓
Laura Lippman	✓	Walter Reese	✓
David Gault	✓		
Staff and Others¹:			
Ray Hoffman	✓	Craig Stampher	✓
Nancy Ahern	✓	Meg Moorehead	✓
Martin Baker	✓	Karen Reed (facilitator)	✓
Melina Thung	✓	Diane Clausen	✓
Trish Rhay	✓	Joe LePla (consultant)	✓
Tim Croll	✓	Michael Davis	✓
Susan Sánchez	✓		

Welcome and Introductions. Karen Reed welcomed the Panel’s new member, David Gault, who introduced himself. Other attendees introduced themselves as well.

Review and Approval of Agenda. No questions or comments on June 5 agenda; *agenda approved.*

Review and Approval of Meeting 3 Summary. No questions or comments on the May 13 meeting summary; *meeting summary approved.*

Review of “Parking Lot” list and status of information items. Set logistics for Monday field trip to the Water Quality Lab and the Operations Control. Sent around sign-up sheet for possible recycling plant tour. Reviewed updated meeting schedule and agendas for the next several meetings.

Two new ground rules approved: (1) Staff will keep a running list of Panel information requests and the status of response to such requests. The list will be included in each meeting packet; (2) If Panel members have offline discussions on Panel Topics with SPU Staff, SPU staff will provide the Panel a written summary of information shared.

Response to questions at Meeting 3. Tim Croll discussed Seattle’s recycling goals and the solid waste sources and uses of funds chart. Trish Ray discussed the pros and cons of regional stormwater runoff facilities versus on-site mitigation requirements for developers.

Presentation and Discussion: Overview of Corporate Functions. Martin Baker presented SPU’s corporate services overview. An organization chart and pie chart showed the general types

¹ Only those individuals sitting at the head table or give presentations to the Panel are included on this list. A number of other staff and consultants attended the meeting.

and magnitude of corporate functions. These corporate functions are divided into three buckets: basic utility support, value-added services, and customer-focused work. Melina Thung presented the slide on internal controls. Michael Davis presented the slide on service equity. Susan Sanchez described the continuous improvement work recently undertaken in SPU's contact center.

Questions and Answers:

Q: Do you bring in outside consulting advice for projects in excess of \$5M? And do you check to see if you actually get the value you expected from these consultants? **A:** Yes. SPU has begun to use value engineering (VE) firms to raise questions and suggest potential savings opportunities. If SPU can take these savings without corrupting the functional objectives of the project, they will do so. This has saved millions of dollars.

Q: Is SPU consistent in risk assessments project-to-project? **A:** On the capital side, SPU has a standard methodology of assessing risk that accounts for probability and impact, looking at risk mitigation and the cost of such, building these costs into the project if it is high probability and high consequence. SPU economists are involved in these risk calculations and assessments, and provide standardization and quality control on the analysis.

Follow-Up Required: A question was asked regarding thresholds for risks – what is a “large” risk? What is a “small” risk? SPU will follow up. How do you define large and small assets and projects? [this is what I heard as the question—some stuff is BIG and that can be very subjective. Maybe answer both?]

Presentation and Discussion: 2012 Focus group results, employee survey results, customer 2020. Joe LePla, consultant with Green Rubino, presented the results of customer research and focus groups conducted in 2012, and a SPU staff survey conducted in 2013.

Questions and Answers on Customer Information:

Q: Several clarifying questions regarding the customer focus groups: How many people in each focus group? Did each focus group mix customer types? (What was the computer literacy of the groups? What was representation of older population? **A:** Focus groups had 12-14 people in them. Each focus group was a specific customer type (residential; business; Spanish speaking). Excluding the Spanish speaking groups, all participants had access to a computer, and a general theme from the groups is they want additional access to information via computer, with a significant subset preferring access to information via their phones. Focus groups included customers whose age was 70 or above.

Q: Was the ranking of service importance a ranking of highest to lowest among the services, or was it a score assignment for each service, where the scores could be the same? **A:** The latter.

Q: Ability to access in other languages – is it expected to look at providing at access to all different languages? **A:** Definitely a trend for ESL customers hoping to see at least their bills, and some basic web information, in their language, at least for customer groups with significant populations in the service area. How far and how quick we can accommodate this is a question. Spanish

speaking populations are certainly the largest ESL population in the City; but there are many others also. This is a live issue within the City family, not just SPU.

Q: Have focus groups via tablets with questions in different languages? Give people more time and provide detailed feedback? **A:** Open to all ideas for how to best get feedback from customers.

Follow-Up Required: A question was asked regarding how SPU and the consultant selected the focus group participants. SPU agreed to follow up on with an answer to this.

Questions and Answers on Employees and the Employee Survey:

Q: Is there lots of employee turnover? **A:** Mostly stable; average tenure is 14-15 years.

Q: Is this the first time you've done employee outreach? **A:** No, but don't do a broad agency wide survey like this regularly (last time was 2002); and this was the first time employees surveyed for purposes of informing a strategic business plan.

Follow-Up Required:

Q: Do we know survey participation by Branch? Survey participation by labor and management? **A:** We have the information broken out by Branch, and will get that to you.

Q: Can you define what "improved accountability" means? **A:** Can get you verbatims from this question.

Questions and Answers on Customer Personas/Customer 2020:

Question to group: What do you think of the customer personas?

Comments from Panel about whether the "customer persona" they are most familiar with looks accurate:

- Large businesses: Definitely agree on the value-for money side. Also want predictability, transparency and value. Want rate changes over time to be manageable. But, it's hard to imagine that DWW costs can be held to inflation, with the new regulatory requirements. Concerned about high rate of turnover with account representatives.
- Small Business: Concerned about the size of the bill. All want to know the utility is being efficient. The biggest mystery bill is the drainage bill since it is on the property tax statement.
- Low-Income: They're not concerned with flooding. They are concerned about the size of their bill. Low income customers have a hard time paying bi-monthly bills—would prefer to pay monthly. They also want to know what services/products can help them save money and be more efficient. (Meg Moorhead noted that customers can ask for their bill to come on a particular date, which could help with money managing.)

- Residents: Desire from residential perspective to stagger SPU and City light bills better. Monthly bills should be considered.
- Developers: Developers want predictability Hard to imagine how rates can keep in line with inflation given changing federal regulations.
- Lots of discussion of bi-monthly billing. SCL will likely being moving to monthly billing with AMI. SPU is looking to monthly billing even if we don't do monthly meter reading, once we go live with the new billing system in 2015. Noted that PSE provides a bill forecast to customers on their bills. SCL and SPU provide comparative use data year to year.

Presentation and Discussion: SPU Strengths, Weaknesses, Opportunities, Challenges (SWOC). With only 15 minutes left in the meeting, Ray had time to just introduce the SWOC and provide some detail around one example strength, weakness, opportunity, and challenge.

Follow-Up Required: **Q:** Can we get rid of the magnesium in the water? **A:** We will get back to you about that.

Comment: Would like more discussion of continuous improvement, and how SPU can deliver capital projects more consistently and in the most effective manner.

Next meeting (Meeting 5, June 10):

- Continued discussion of SWOC
- Strategic Framework: Promise statements, focus areas, strategic objectives
- Introduction of Decision Lens Instrument for weighting and prioritizing
- Discuss Benchmarking scope

Follow up Items for Staff:

1. A question was asked regarding thresholds for risks – what is a “large” risk? What is a “small” risk? We agreed to follow up with more detail.
2. There is interest in seeing the employee survey results broken out in more detail (by branch; labor-management). Staff will provide the information available (e.g., we know we have Branch information).
3. In the employee survey, there were suggestions to “improved accountability” – what does that mean? SPU agreed to provide the detail of these responses.
4. A question was asked if SPU can get rid of the magnesium in the water, and staff agreed to provide a response.
5. The Panel would like more discussion of continuous improvement, and how SPU can deliver capital projects more consistently and in the most effective manner.

The meeting was adjourned at 4:30.