

# Customer Review Panel

Q4: Monday, December 13, 2021

3:00 pm – 5:30 pm

WebEx mtg

CRP Panel Members and Facilitator			
Bobby Coleman		Noel Miller	X
Gretchen Glaub	X	Puja Shaw	
Khalid Mohamed		Rodney Schauf	X
Karen Reed, Facilitator	X	Suzie Burke	X
Maria McDaniel	X	Tiffany Sevilla	X
Miki Sodos	X	Thy Pham	

Staff and Guests			
Akshay Iyengar	X	Jeremi Watkins	X
Alex Chen	X	Karl Stickel	X
Andrew Lee	X	Kate Morrison	X
Ben Marre	X	Kathleen Baca	
Brian Goodnight	X	Keri Burchard-Juarez	X
Cathy Thielen	X	Linda Johnson	X
Dani Purnell	X	Maryam Mason	X
Ellen Stewart	X	Natasha Papsoueva	X
Frank Coulter	X	Paula Laschober	X
Idris Beauregard		Sam Stork	X
Jeff Fowler	X	Thuch Mam	X

## 1. Welcome

Andrew opened the meeting by welcoming everyone to the last meeting of 2021.

- Andrew looks forward to continuing his in-person coffee meeting with each panel members.
- Karen Reed's contract as a facilitator ends this month, but she's agreed to stay on a few months longer as SPU transition to a new facilitator.
- Andrew thanked Karen for her many years of services to the Customer Review Panel and SPU.
- Karen thanked SPU and the Panel for allowing her the honor to serve as a facilitator.

## 2. Public Comments

No public comments were received

## 3. Committee Business

### a. [Meeting Minutes](#)

**Q3 meeting summary was approved**

## b. [September Evaluation and Response](#)

- September meeting evaluation results were shared with panel members.
- The link to provide feedback on this meeting can be found towards the bottom of the agenda.
- Panel asked for less presentations and more time for questions and discussions
- Increased focus on community-focused activities and visitors during non-SBP update season.

## c. [Meeting Structure](#)

- Beginning 2022, quarterly meetings will move back by one month to allow staff time to finalize reports.
- Second-half of the new member orientation is on January 25, 2022.
- Ship Canal Water Quality Project field trip is confirmed for March 1 at 1:30 pm.
- Community-Focused meetings will transition to lunch and learn sessions in 2022 to allow time for discussion.

## d. [CRP Overview and Resolution Review](#)

Karen Reed and Brian Goodnight gave an overview on the history of the Customer Review Panel.

- The Customer Review Panel began in 2013 at the directive of the Mayor and Council to provide guidance and input on SPU's 2015-2020 Strategic Business Plan.
  - The Panel consisted of 9 members.
  - The Panel was dissolved in 2014 with the adoption of the 2015-2020 Strategic Business Plan.
  - 2016 the Panel was reconvened to provide guidance and input to the updated Business Plan.
  - The Panel was dissolved upon completion of the updated Business Plan.
- In 2017, legislation was developed to permanent create an SPU Customer Review Panel (Resolution 31760).
  - The purpose of the Panel was "to provide ongoing stakeholder oversight as Seattle Public Utilities implement elements of the Strategic Business Plan Update and conducts future updates."
  - Per the Resolution, the Panel consisted of 9 members serving staggered terms. The mayor's office appointed odd number seats and Council appointed even number seats.
  - In 2018, the Panel composition was expanded from 9 to 11 member for a term service of 23-month or 35-month depending on the position.
  - Each Panel member can be reappointed by one additional 3-year term.
  - The Resolution allows the Panel to establish their rules around attendance, quorum, Panel chair(s), etc.
- The [Customer Review Panel Charter](#) was adopted in 2019

## e. [SBP Performance Overview](#)

Dani Purnell and Natasha Papsoueva presented an overview of the Strategic Business Plan.

- Key elements of the plan: Vision, Mission and CARES principals with 4 Focus Areas consisting of 18 highlighted Initiatives and Investments.
  - The Plan establishes a 3-year rate path and 3-year rate forecast
- Vision: Community Centered, One Water, Zero Waste

- Mission: SPU fosters healthy people, environment, and economy by partnering with our community to equitably manage water and waste resources for today and for future generations.
- CARES Principals are key values that guide our work with a focus on Customers and Community, Affordability and Accountability, Risk and Resilience, Equity and Empowerment, Service and Safety.
- 4 Focus Areas: Each CRP meeting will spotlight a focus area.
  - Delivering Equitable Essential Services
  - Stewarding Environment and Public Health
  - Empowering Our Customers, Community and Employees
  - Strengthening Out Utility's Business Practices
- Business Plan Update Process
  - The Business Plan and adopted rate path are updated on a 3-year cycle.
  - The Business Plan update is to begin in 2022, but we are proposing delaying the update until 2023 since the adoption the 2021-2026 Business Plan had been delays due to COVID.
- 18 Initiatives and Investments
  - These initiatives and investments highlight the Business Plan. The complete list can be found in [Appendix B](#) of the Business Plan.
  - Investments are tangible infrastructure, asset repairs, etc. Investment highlights are reported quarterly. Examples of Investments are
    - ✓ Ship Canal Water Quality Projects
    - ✓ Side Sewer Assistance
  - Initiatives are policy, planning and program work. Initiative highlights are reported annually due to its complexity and evolving nature. Examples of Initiatives are
    - ✓ Climate Justice, Adaptation, and Mitigation for Water and Waste
    - ✓ Risk and Resilience Strategic Plan
- Essential Services
  - Measure and highlight our commitment to providing high quality service through three strategies. These strategies are reported quarterly. Matrix that best highlighted each strategy were selected by that staff.
    - ✓ Strive for best-in class - *Utility Discount Program, Clean City Collection, Sewer Overflow, etc.*
    - ✓ Provide reliable and rewarding experiences - *Water and Drainage and Wastewater Emergency Response, Customer Satisfaction, Missed Waste Pick-up, etc.*
    - ✓ Meet or exceed expectations, requirements, and commitments - *Women and Minority owned Business Enterprise Purchasing, Women and Minority owned Business Enterprise Consultant, Drinking water quality, etc.*

**Question:** To senior Panel members, what part of the Business Plan was the most interesting to you?

**Answers:** Noel Miller – New Panel members should review the letter to City Council because it fully highlights the Panel's position on the Business Plan and our priorities.

Rodney Schauf – Agrees with Noel’s recommendation that the new Panel members should review the letter.

Suzie Burke – The Panel asked a lot of questions, and they were constantly educated by staff subject matter experts. The Panel are representatives of Seattle residence.

Maria McDaniel– Agrees with the recommendations of other members. Maria suggests new Panel Members take advantage of the presentations and don’t be afraid to ask questions.

Gretchen Glaub – No questions or comments

Miki Sodos – No questions or comments.

## 4. Council/Mayor Update

### a. Council Update

Every 2 years, Council goes through a reorganization that includes electing a new Council President and reorganization of its committees. By late January, Council will provide an updated committees list.

Council’s work program, which outlines Council’s priority for SPU, will be available late February/early March.

### b. Mayor’s Office

Akshay gave a brief overview of the budget process. He also shared some staffing changes; Ben Nobel will be stepping down at the end of the year and Julie Dingley will be the Interim Director of Central Budget Office.

## 5. Performance Reporting – Q3

### a. Best In Class

SPU defines Best In Class as staying knowledgeable and operating at the top of our field; demonstrating leadership in cost-effective, equitable and cutting-edge way; and aligning our core values with the focus areas of the Business Plan. An example of Best In Class is the Utility Discount Program. Cathy Thielen gave an update on Utility Discount Program.

**Question:** Many public libraries were closed during this pandemic. Do you know if enrollment decreased because people couldn’t access the Utility Discount Program form?

**Answer:** Staff also mailed hard copy of the Utility Discount Program applications. In April 2020, we received 4000 Utility Discount Program applications for the month even with library closures.

## b. [Essential Service Metrics and Focus Areas Progress](#)

- Delivering Equitable Essential Service Metrics - Strive for Best-in Class continues to meet or exceed all targets while most services within other categories also met their targets. There was a correction to the presentation; the 'expectations' in Q3 Focus Area Performance Summary should be updated to reflect 100% for meeting targets instead of 86% as listed.
- Stewarding Environment and Public Health – Both Ship Canal Water Quality Project and Green Stormwater Infrastructure have met their targets.
- Empowering Our Customers, Community and Employees – Support services for the Unsheltered has continued to surpass their target.
- Strengthen Our Utility's Business Practices – Projects have met or exceeded their targets.

**Question:** There seems to be some delays in the side sewer project. Does this need extra attention to bring its performance up?

**Answer:** SPU recently created a side sewer program which has just launched so we should see improved performance in future reporting.

**Question:** Rodney asked for an update on the atmospheric rivers impact on the combine sewer overflow.

**Answer:** Overall, there has been no significant impact because the system was designed to deal with these weather events.

## c. [Capital Improvement Projects](#)

Frank Coulter gave an update on the capital improvement projects for Q3.

- We spent approximately 65% of the budget at the end of Q3 with an 81% projected spending by the end of the year with the bulk of the spending going to the Ship Canal Water Quality Project.
- Commodity market is very volatile making it very difficult to address inflation.
- Teamster 174 is striking across the city which includes concrete workers. The impact of the strike will eventually impact SPU projects.
- The projects listed under Shared Services and Solid Waste are ongoing and difficult. These projects are SDOT led so we do not control the timeline, and the progress of these projects will be impacted by budget, labor strikes, etc. so SPU must adapt.

**Question:** It seems the accomplishment rate is heavily impacted by the Ship Canal Water Quality Project, how does that correlate with the project completion target?

**Answer:** The Ship Canal project has had some delays, about 4 weeks due to supply chain issues, etc., but the overall project is still on track because a minor delay for a project this size is not substantial. We also have a 6-month buffer so we can report on minor delays, but still report that the overall project is still on track.

## d. [Financial Update](#)

Karl Stickel provided Q3 financial update

Definition: Annual Planned Expenditure is what is budgeted for the year and is indicated in blue. The Annual Spend To Date is what we've spent so far and is also indicated in blue. The variance is the difference between the planned expenditure and the spend to date which is indicated in green.

- Water Fund 2021 Q3
  - O+M is overspent due to a \$79M bond defeasance. Bond defeasance is a refinancing our municipal bonds in order to pay off a capital bond before it is due in order to achieve savings because current rate is lower than the rate of the outstanding bond. Cash on hand was used to buy back or defeas the older bond and that money needed to be held in escrow until the bond is paid off. SPU had to send this funding so we requested additional budget authority, which council approved as part of Q3 supplemental in November.
  - Capital spending is generally on target
  - Revenues has generally increased
- Drainage and Wastewater 2021 Q3
  - Both capital and operating were underspent for the quarter. Both are expected to be on target by year-end.
  - Revenue is generally up in Q3.

**Question:** Since over 60% of the operating costs are attributed to the King County wastewater treatment cost, can that be broken out from the rest of the cost?

**Answer:** Yes, we can do that.

- Solid Waste 2021 Q3
  - O+M is underspent by \$19M, but overspent by \$7M in capital. The O+M underspent was primarily due to project delays and contract payments, but will we expect this to catchup by year-end. The overspent by capital projects are due to the midway landfill costs from 2020 that carried into 2021.
  - Revenue is also up than what was projected.

**Question:** Are the encampment cleanup funded by the General Fund and is budgeted?

**Answer:** Yes, encampment cleanup is budgeted in the General Fund

#### e. Delivering Equitable Essential Services

Jeremi Watkins, Drainage and Wastewater first response crew, shared his experience interacting with customers during emergency service calls, particularly during the pandemic. At the start of pandemic, people became more aggressive so instead of leading with logic, he leads with compassion understanding that people want to be heard. Often, Jeremi is alone when responding to emergency calls so he's very mindful about interacting with customers and how information is delivered.

**Question:** How long have you been doing this job?

**Answer:** I've been with SPU for 5 years.

**Question:** What is the best part of your job?

**Answer:** The best part is knowing that I've solved the issue and if I can't, I have enough connections to have help and support.

**Question:** How has responding to emergency calls changed before COVID to now?

**Answer:** It feels like storms have gotten worse or more frequent during the pandemic and people are more aggressive than before.

**Question:** How much time do you spend on SPU causal calls vs homeowner caused incidents?

**Answer:** Only 50% is SPU but 9 out of 10 priority 9 services calls are homeowners caused/responsible and not SPU.

**Question:** How many first response crews are there?

**Answer:** There are currently 8, but at full staff there would be 10 crews. All crews operate out the South Operating Center, but crews are assigned to different regions.

**Question:** Do you get questions concerns about side sewer?

**Answer:** This is a daily question and concerns from customers. Customers are unaware they are responsible for their side sewers.

**Question:** Do you only respond to priorities 8 and 9 service calls/requests?

**Answer:** We mainly respond to priorities 8 and 9, but we can respond to other priority calls as well.

Andrew gave kudos to frontline crews at Solid Waste, Water, and Drainage and Wastewater for their commitment especially at the start of COVID when we had such little information about safety.

The meeting adjourned at 5:07 pm