

## Customer Review Panel

Q3: Monday, September 13, 2021

3:00 pm – 5:30 pm

WebEx mtg

CRP Panel Members and Facilitator			
Bobby Coleman	X	Noel Miller	X
Gretchen Glaub	X	Puja Shaw	X
Khalid Mohamed	X	Rodney Shauf	X
Karen Reed, Facilitator	X	Suzie Burke	
Maria McDaniel	X	Tiffany Sevilla	X
Miki Sodos	X	Thy Pham	X
Staff and Guests			
Mami Hara	X	Kathleen Baca	X
Akshay Iyengar	X	Keri Burchard-Juarez	X
Ann Grodnik-Nagle	X	Leslie Webster	X
Alex Chen	X	Ming-Ming Tung-Edelman	X
Andrew Lee	X	Moji Igun	X
Brian Goodnight	X	Natasha Papsoueva	X
Dani Purnell	X	Paula Laschober	X
Jeff Fowler	X	Sam Stork	X
Idris Beauregard	X	ShaQuina Davis	
Kahreen Tebeau	X	Thuch Mam	X
Karl Stickel	X	Tracy Tackett	X
Kate Morrison	X	Veronica Fincher	X

**Underlined text** indicates action items. ***Bold italicized text*** indicates follow-up items.

### 1. Welcome and SPU Update

Mami welcomed everyone and extended a warm welcome to new and returning panel members.

- Mami will be leaving SPU mid-October.
- We are awaiting the appointment of an interim general manager by the Mayor.
- We have a fully designed Strategic Business Plan.
- We expect the return to office will be extended through 2021, but we're waiting for official word from the Mayor's office.

### 2. Public Comment

No public comments were received for this meeting.

### 3. Committee Business

#### a) Minutes

**Minutes were approved**

#### b) New Panel Members: Welcome and Intro

Panel members were asked to introduce themselves, where they're from, why they're interested in serving on the Panel, and their professional background.

- Noel Miller – Welcomed new members to the panel and introduced himself to the panel. Noel is from the Phinney Ridge neighborhood and joined the Panel because of his interest in SPU and its stewardship of the environment. Retired public works director and professional civil engineer.
- Tiffany Seville – Is a Rainier Beach resident and works for the Port of Seattle supporting their stormwater pollution prevention and waste reduction and recycling program. She's interested in community led work and wants to be sure SPU customers are represented at the table.
- Khalid Mohamed – Is an Operations Assistant for Summit Atlas, a charter school in West Seattle. Khalid is originally from Minnesota and speaks three different languages. Wanted to learn more about SPU services, learn how to navigate those services, and give back to the community.
- Miki Sodos – Is originally from New Mexico and an owner of three business in Seattle. Miki became interested after meeting Mami during the CHOP/CHAZ and wants to be more civically engaged and learn mor about SPU services.
- Thy Pham – Lives in Mount Baker and has served on the Panel for 4 years. Thy served on SPU's advisory committee before transitioning to the Customer Review Panel. Thy currently works for the Bill and Melinda Gates Foundation in global public health.
- Rodney Schauf– Is a Seattle resident and the Director of Engineering for the Sheraton Hotel in Seattle. Rodney is interested in how the commercial sector interact with the utilities and has a strong interest conservation. Rodney came to Panel from SPU's advisory committee similar to Thy.
- Maria McDaniel – Is from the Rainier Beach neighborhood and is serving her second term on the Panel. Like others, Maria started her service to SPU by serving on our advisory board. Maria is interested in stewardship of our water and the environment and understanding our utility rates so she's able to share with others the benefits that come with our utility rates. She also likes informing our seniors and low-income customers about SPU services that are available to them.
- Puja Shaw – Is a Seattle resident and also came to the Panel via an SPU advisory committee. Puja is a professional civil engineer and recently promoted to Principal at KPFF Consulting Engineers. Puja offers a different perspective because of her work. Puja is also interested in SPU rate structure and the benefits received from the rates.
- Gretchen Glaub – Is from West Seattle and is a Salmon Recovery Coordinator for the Snohomish Watershed. Her interest on the committee is to understand and be stewards of the environment and to connect people to SPU services that our utility dollars pay for.

Per the Customer Review Panel Charter, the selection of a new Chair and Vice Chair are to occur every two years in October, but because we have new members, **Karen and Noel proposed postponing the selection until February 2022 meeting. No objections were raised to the deferred selection of the new Chair and Vice Chair.**

## 4. Council/Mayor Update

### a) Mayor's Office

The Central Budget Office is wrapping up their internal budget processes. Mayor Durkan will deliver her budget speech this Fall, and the budget will be released on September 22, 2021. The new budget is broadly consistent with SPU's Strategic Business Plan.

### b) Council

Council considering updates to SPU's water and drainage and wastewater rates as consistent with the Strategic Business Plan that was recently adopted by Council. The adopted rates are for the 2022-2023 period for water and 2022-2024 period for drainage and wastewater.

**Question:** Has there been any discussion on System Development Charges?

**Answer:** There has not been any discussion by Council, but Council Member Pedersen remains interested.

Mami mentioned that the actual proposed rate was bit lower than what was proposed in the Strategic Business Plan. Because of great work by staff and Panel members, we were able to propose an average of 3.9% rate path instead of 4.2% originally projected.

**Question:** What contributed to the reduction in the rate path?

**Answer:** We had significant savings in bond sales and savings from constructions projects.

## 5. Performance reporting

### a) [Q2 Essential Service Metrics + Focus Area Progress](#)

#### *Essential Service Metrics*

Natasha presented the essential service metrics for Q2 which are broken down into three separate areas. Overall, our Q2 performance is strong.

- Best in Class: All targets were met
  - System Leaks Reduction
  - Utility Discount Program
  - Residential Garbage Pick-up
  - Sewer Overflows
- Reliable and Rewarding Experiences: Met 3 of 4 targets.
  - Water and Drainage and Wastewater Responses
  - Customer Call Response
  - Customer Satisfaction
  - Missed Waste Pick-up – Target was slightly off in Q2.

- Expectations, Requirements and Commitments – Met 5 of 7 targets
  - CSO Outfalls
  - Garbage, Recycle and Organics
  - WMBE Purchasing
  - Drinking Water Quality
  - National Pollutant Discharge Elimination System (NPDES)
  - Customer Effort – Slightly off target for the quarter.
  - Women and Minority-own Business Enterprise (WMBE) – Slightly off target for the quarter.

### Highlights

- Utility Discount Program – The program continues to perform very strongly, but we do have a reduction in our enrollment as customers are removed from the program for failure to qualify or failing to complete the required certification to stay on the program. Despite the reduction, we are seeing new enrollments in the program.
- Customer Satisfaction – We are outperforming at 93% of the target 90%
- Customer Effort – We are a bit behind at 79%, but we remain close to the target of 80%.
- SW Collections – We are a bit over the target due to contractor shortages.
- Clean City – Our program continues to show a strong performance in Q2.

**Question:** On System Leak Reduction, it indicates a “% of total amount of water delivered.” Is this the correct term?

**Answer:** This is not the correct term, and we’ll be sure to correct it so it’s consistent with the annual non-revenue water report.

### *Focus Area Performance*

Overall, we are also doing well in our focus areas which are divided into three areas.

- Stewarding Environment and Public Health – Met both targets
  - Ship Canal Water Quality Project
  - Green Stormwater Infrastructure Investments
- Empowering our Customers, Community and Employees – Met 3 of 4 targets
  - Support Services for the Unsheltered
  - RV Pump Out Program
  - Workforce Facilities Investments
  - Side Sewer Assistance Pilot
- Strengthening our Utility’s Business Practices – Met 2 of 3 targets.
  - DWW Asset Management and Opportunity Work
  - Water Asset Management and Opportunity Work
  - Water System Seismic Resilience

**Question:** Stewarding the Environment and Public Health received 100% investment. Is it the expectation that the other two categories should also receive 100% in investments?

**Answer:** The slide provides a summary overview of each focus areas. A Q2 report detailing the performances of all projects in each three focus areas is being finalized and will be provided once complete.

**Question:** Is the report mainly focused on timelines being met?

**Answer:** The report measures the progress of our milestones as we move towards our annual goals. For example, each annual goal lists a number of milestones we expect to achieve each quarter in order to meet our year-end goal. This report measures those quarterly milestones.

#### b) [Capital Improvement Projects](#)

Keri gave a quick update on our Capital Improvement Projects.

- The majority of our spending is in construction.
- So far we've only spent about 25% of our annual budget, but we hope to get up to 80-85% by end of the year. The lower spending is primarily due to construction delays.
- On reason for the lower construction spending is that some projects are led by other agencies, so they control the timeline for those projects. Delays to other-agency-led projects will impact SPU's project and the spending associated with it. An example is the "C416010 / C416015 – Madison Bus Rapid Transit Project" along with four other projects listed in the Key Updates slide
- "2021-2022 Capital Project Schedule" slide lists the top 40 projects in 2021 by spending. Light blue indicates the project is in a design phase and dark blue indicates the project is the construction phase.
- "2021-2022 Capital Project Schedule – Shared Services and SW" slide lists projects that are led by other agencies.
- Noel reminded Keri that the Water projects should be grouped by regional projects and city projects.

**Question:** What does NAPG stands for?

**Answer:** *Don't know, but we'll get back to the Panel on this acronym.*

#### c) [Financial Update](#)

Karl provided a financial update for Water, Drainage and Wastewater, and Solid Waste. Overall, SPU is still in very good financial position.

##### **Definition**

- Blue columns are expenditures
- Green columns are the variance
- "Annual Plan Expenditure" is what was budgeted
- "Annual Spent to Date" is how much was spent

## Highlights

- Water overall consumption is at 3% above forecast
- “Retail Customer Rev” in Water financial includes both residential and commercial.
- Water’s “Other Revenue” also include tap fees saw a 33% increase due to the strong construction market.
- Drainage and Wastewater construction spending is low due to position vacancies and billing lag for treatment cost from King County.
- Drainage and Wastewater CIP spending was underspent across multiple programs including transportation projects which are led by Seattle Department of Transportation so their project delays result in delays to our projects.
- Solid Waste Financial CIP overspending was due to the Midway Landfill cost from 2020 that carried into 2021
- Solid Waste O+M underspending of \$17M is primarily due to delays in contract payments.

**Question:** Regarding the Water financial, Capital is \$91M underspent. How does SPU plan to make up for the underspend?

**Answer:** There are some upcoming big projects that will get us back on track with capital spending.

**Question:** Since the proposed rate is lower than what is indicated in the Strategic Business Plan, how are we sharing this decrease with customers?

**Answer:** We plan to update the executive summary with new adopted rate path once the rate studies has been approved by Council. Communications will be included for their planning once the updates executive summary is issued.

## 7. Strategic Business Plan Release

Dani presented the new [SBP cover page](#).

## 8. Strategic Business Plan Focus: Stewarding Environment and Health

### a) [Shape Our Water](#)

Leslie Webster gave a presentation on Drainage and Wastewater’s “Shape Our Water” which is a 50-year plan for Seattle water resilience. The plan focuses on the efficient and sustainable management and improvements of our drainage and wastewater infrastructure to protect public health, safety and the environment. For more information, please visit [www.ShapeOurWater.org/about-shape-our-water](http://www.ShapeOurWater.org/about-shape-our-water)

### b) [Duwamish River Valley Resilience District](#)

Ann Grodnik-Nagle and Tracy Tackett presented the work and challenges of addressing sea level rise adaptation in South Park and Georgetown in a holistic way that also addresses community priorities.

- Duwamish River is a declared superfund site and today is the 20<sup>th</sup> anniversary of that declaration.

- The Duwamish River was originally a 19-mile river which was later straightened and deepened to make it navigable
- Areas that are prone to flooding follows the old path of the river
- Life expectancy of South Park residents is 13 years shorter than of Laurelhurst residents.
- South Park and Georgetown are part of the manufacturing and industrial center with a lot of jobs in the area.
- SPU is investing in a pump station in South Park for drainage only flow to help with flooding in the area.
- In addition to stormwater flooding, sea level rising will also impact these neighborhoods.
- Projected sea level rise at the by mid-century is about one foot, but at the end of the century, sea level rise is expected at 3 feet which will greatly impact South Park and Georgetown.
- This is not just an SPU challenge. SPU is leading this conversation because we are a water manager, but this is a city-wide challenge requiring a united-front partnership.
- The Duwamish Valley Program, which is a partnership between SPU, Office of Planning and Community Development and the Office of Sustainability and Environment, was launched in 2016.
- In 2018, the Duwamish Valley Program released an action plan that listed the investment projects the City committed to making in the area.
- “Resilience District” is a geographic designation around South Park and Georgetown that allows us to develop the area differently by focusing on climate change adaptation, building community wealth, and stabilizing the community.

**Question:** How does SPU plan to respond to the Seattle Times Op Ed piece on SPU’s role in the Duwamish cleanup? Is SPU planning a rebuttal to the opinion piece?

**Answer:** Our intention is to clean up the Duwamish and East Waterway in manner that is technically feasible and sustainable over the long run. We have been in negotiation and discussion with federal regulators as we have done in the past with previous administrations. We are not working on a rebuttal as we don’t think it would be constructive with our partners. Instead, we and our partners will put out a shared statement on our website for those interested in additional information.

#### c) [Waste Prevention Initiative](#)

Veronica Fincher gave a presentation on the importance of reducing waste and how to prevent and reduce waste.

- Originally focus on recycling and composting as a diversion strategy, SPU has now expanded its diversion strategy to also include materials management.
- 42% of US greenhouse gas emissions are caused from the transportation and disposing of materials. Most of that occur not at the disposal end, but at the manufacturing and transporting portion of the cycle.

- By creating less waste, we are conserving our natural resources, reducing/preventing pollution, reducing contamination in recycling and composting, reducing the strain on our waste management infrastructure and creating new jobs.
- The Reuse Seattle team has partnered with Partnership to Reuse, Refill, Replace (PR3) to establish industry standards and infrastructure such as collection kiosks that makes it easier for businesses to offer reusable takeout containers.
- Liz Fikejs has partnered with organizations and grocery stores to increase the quality and volume of donated surplus food. Liz has also been engaging with stakeholders to identify gaps, barriers, and opportunities. One clear gap has been the lack of data to help identify opportunities for improvements.
- SPU has partnered with NW Food Alliance to produce a report that will look at how grocery rescue operations at eight Safeway and PCC stores are increasing the quality and quantity of donated foods while reducing food and packaging waste. The report will have recommendations that will guide SPU's next steps in food rescue engagement.
- SPU's Waste-Free Community Matching Grant Program funds communities and businesses that initiate and lead waste prevention projects which has led to reducing food waste, single use plastic, textile waste, lumber, diapers, etc.
- Over the next few years, the team will be looking to set goals and targets for waste prevention. What criteria will we use to prioritize our resources? What should SPU's role be in these community network?

## 9. Partner Perspective and Dialogue

### a) [Refugee Artisan Initiative](#)

Ming-Ming Tung-Edelman, founder and director, gave a presentation on the Refugee Artisan Initiative (RAI) which aims to reduce textile waste.

- The initiative works with refugee women who are skilled at sewing to reduce textile waste.
- In addition to repurposing textile, RAI has also started making candles.
- RAI also offers mending services and have partnered with Eileen Fisher on visible mending which is intentionally creating a hole in a sweater to create new artisan design. The artisan work for Eileen Fisher Renew will be showcased in November 2021.
- The program only accepts women who are skilled at sewing, but due to the popularity of the program, RIA has begun accepting women of all skill level and offering an eight-week training program.
- Ming-Ming will be honored with the Sustainable Seattle awards

Moji Igun is the founder of Daisy Consulting which primarily work with small business to offer guidance and support on achieving zero waste.

- Moji is a speaker and writer, and she connects recycling, composting and zero waste to equity and racism by offering a holistic and broad picture perspective.
- Moji received a small grant to create a Zero Waste Small Business Program. The program works with small business owners in South Seattle by providing an education



workshop on what zero waste means to them, performing waste audits, and creating an action plan/strategic plan tailored to each business.

- With the small business that she's been able to work with, Moji has been able to help them achieve a 70-80% waste diversion with a goal of 90% waste diversion.
- Moji hopes to create more local and circular supply chains for our businesses.

## 10. Future SBP Focus Area Planning – Interest Areas

**Kate will send a survey of topics the Panel would like to learn more about at the next meeting.**

The meeting adjourned at 5:37 pm

DRAFT