

# Customer Review Panel

Seattle Public Utilities

December 13, 2021



City of Seattle

# STRATEGIC BUSINESS PLAN

2021-2026



Seattle  
Public  
Utilities



# Key Elements



- Vision + Mission + Cares Principles
- 4 Strategic Focus Areas
- 18 Highlighted Investments + Initiatives
- 3 Year Rate Path + 3 Year Rate Forecast
- Supporting Appendices

# SPU Vision + Mission + CARES Principles

**Our Vision - Community Centered, One Water, Zero Waste** - reflects the type of utility we want to build with our communities in the long term.

**Our Mission** captures the core nature of our work – “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.”

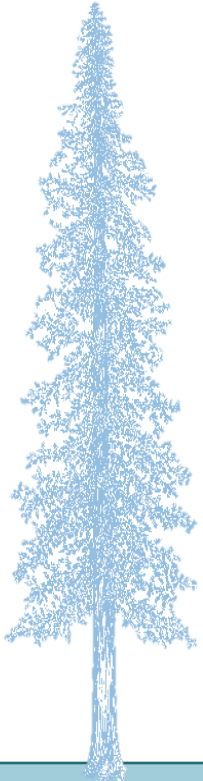
**C** CUSTOMERS AND COMMUNITY

**A** AFFORDABILITY AND ACCOUNTABILITY

**R** RISK AND RESILIENCE

**E** EQUITY AND EMPOWERMENT

**S** SERVICE AND SAFETY



# 4 Strategic Focus Areas

**Delivering Equitable Essential Services**

**Stewarding Environment and Public Health**

**Empowering Our Customers, Community, and Employees**

**Strengthening Our Utility's Business Practices**



# 3 Year Rate Path and 3 Year Rate Forecast

## PROJECTED 2021-2026 AVERAGE RATE INCREASES

	Rate Path			Rate Forecast			Average
	2021	2022	2023	2024	2025	2026	
Water	0.0%	2.7%	4.7%	3.6%	4.2%	5.5%	<b>3.4%</b>
Wastewater	7.3%	3.1%	5.9%	0.5%	7.8%	3.6%	<b>4.7%</b>
Drainage	7.4%	8.6%	7.2%	3.9%	6.5%	6.7%	<b>6.7%</b>
Solid Waste	2.9%	2.9%	2.2%	2.3%	2.1%	2.1%	<b>2.4%</b>
<b>Combined</b>	<b>4.5%</b>	<b>3.9%</b>	<b>5.0%</b>	<b>2.2%</b>	<b>5.4%</b>	<b>4.2%</b>	<b>4.2%</b>



# SBP Update

- The SBP provides a three-year rate path and projections for the subsequent three years.
  - We typically update the plan and adopted rate path on a three-year cycle to allow for future uncertainties and adjustments.
- The current trajectory has us beginning an SBP update next year in 2022, ahead of a 2024-2029 plan.
- We are considering moving the update process forward by one year to begin the update in 2023, with adoption the same year as the start of the plan (2024).
- Rate-path projections would not be impacted by this change. That is, projections will always be consistent with an adopted SBP.



# 18 Highlighted Initiatives and Investments



- **Highlighted Initiatives and Investments** are representative examples of how SPU will advance the strategies described in the Strategic Business Plan.
- **Investments** result in tangible infrastructure, asset, asset repair, or service and require more significant investment (over \$5M).
  - Reported on **quarterly**.
- **Initiatives** represent policy, planning, and program work and generally require less significant expenditures (under \$5M).
  - Due to complexity and evolving nature of initiative work, we reporting on initiatives **annually**.
- These projects are described in detail in Appendix B of the Strategic Business Plan.







	Investments Quarterly Reporting	Initiatives Annual Reporting
Stewarding Environment & Public Health	<ol style="list-style-type: none"> <li>1. Ship Canal Water Quality Project</li> <li>2. Green Stormwater Infrastructure</li> </ol>	<ol style="list-style-type: none"> <li>1. Shape Our Water: A DWW Plan for Water Resilient Future</li> <li>2. Climate Justice, Adaption, and Mitigation for Water and Waste</li> <li>3. Waste Diversion</li> <li>4. Waste Prevention</li> </ol>
Empowering Customers, Community, and Employees	<ol style="list-style-type: none"> <li>1. Side Sewer Assistance</li> <li>2. SPU Support Services for the Unsheltered</li> <li>3. Workforce Facilities Investments</li> </ol>	<ol style="list-style-type: none"> <li>1. Customer Affordability Programs</li> <li>2. Seeds of Resilience Impact Investment Proposal</li> <li>3. Race and Social Justice Strategic Plan</li> <li>4. SPU Workforce Development</li> </ol>
Strengthening Our Utility's Business Practices	<ol style="list-style-type: none"> <li>1. Water System Seismic Resilience</li> <li>2. Water Asset Management and Opportunity Work</li> <li>3. DWW Asset Management Work</li> </ol>	<ol style="list-style-type: none"> <li>1. Accountability and Affordability Strategy Plan</li> <li>2. Risk and Resilience Strategic Plan</li> </ol>



# Example Initiative

## Shape Our Water: A Drainage and Wastewater Plan for A Water Resilient Future

- SPU is developing an integrated system plan called **'Shape Our Water.'**
- The plan includes a long-term vision and a short-term implementation plan and will guide investments, policies, programs, and projects that will improve the performance and resilience of our drainage and wastewater systems while optimizing social and environmental benefits for the city.
- **Major milestones** include community engagement and the identification of wastewater and drainage challenges and opportunities.

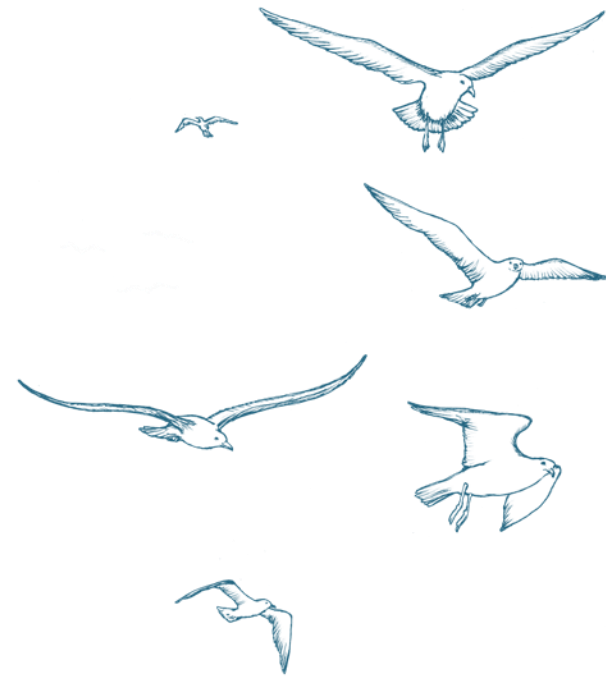


# Example Investment

## Ship Canal Water Quality Project



- SPU is on track to deliver the **Ship Canal Water Quality Project (SCWQP)**, the largest capital project SPU has implemented, on time and within budget.
- The SCWQP will improve regional water quality by keeping more than 75 million gallons of polluted stormwater (from rain) and sewage from flowing into area waterways.
- **Major milestones** include the completion of tunneling 2.7-mile storage tunnel.



# Essential Services



- SPU's **essential service metrics** measure utility performance in meeting the SBP's delivering equitable essential services goal to provide high quality service through three strategies:
  - Strive for best-in-class
  - Provide reliable and rewarding experiences
  - Meet or exceed expectations, requirements, and commitments.



# Essential Services

## Delivering Equitable Essential Services

We are committed to supporting our community, customers, and employees in building an equitable, sustainable, and just future.

<b>Best In Class</b>	<b>5.8%</b> Distribution System Leakage Annual Target: ≤10%	<b>-4651</b> Utility Discount Program Target: Meet the Need	<b>.80 lbs</b> Residential Garbage** Annual Target: <1lb/pers/day	<b>100%</b> Clean City Collection Target: ≥95%	<b>2.32</b> Sewer Overflows Target: ≤4 per100 miles		
<b>Reliable and Rewarding Experiences</b>	<b>97%</b> Water & DWW response* Target: ≥ 90%	<b>1.0</b> Missed waste pick-up Target: ≤1 per 1000 stops	<b>99%</b> Customer call response Target: ≥ 80% in 3 mins	<b>93%</b> Customer satisfaction Target: ≥ 90%			
<b>Expectations, Requirements, and Commitments</b>	<b>62%</b> CSO Outfalls Annual Target: ≥ 62%	<b>2.27 lbs</b> Garbage, Recycle, Organics** Target: < 2.5 lbs./person/day	<b>80%</b> Customer Effort Target: ≥ 80%	<b>19%</b> WMBE Purchasing Target: ≥ 17%	<b>18%</b> WMBE consultants Target: ≥ 22%	<b>Met</b> Drinking Water Quality Target: Regulation met	<b>Met</b> NPDES*** Target: Requirements met

\* More details about the performance of these service areas below

\*\*Metrics for Residential Garbage and Garbage, Recycle, Organics reporting is annual, and there is a lag in obtaining the data. Current annual metric available is from 2020.

\*\*\* National Pollution Discharge Elimination System permits requirements for Seattle's Drainage and Wastewater systems



# Supporting Appendices

- [Appendix A - Accountability and Performance Reporting](#)
- [Appendix B - Highlighted Initiative and Investment Details](#)
- [Appendix C - Community Research and Outreach Report](#)
- [Appendix D - SPU Financial Forecast](#)
- [Appendix E - Accountability and Affordability Strategy](#)
- [Appendix F - Risk and Resilience Strategic Plan](#)
- [Appendix G - CRP Letter to the Mayor](#)



# Questions?

