

SPU Strategic Business Plan Customer Review Panel- **DRAFT**

Meeting Summary for November 30, 2016

Panel Members		Staff and Others		Staff and Others	
Suzie Burke	✓	Mami Hara	✓	Karen Sherry	✓
Dave Layton	X	Melina Thung	✓	Cameron Findlay	✓
Melissa Levo	✓	Susan Sanchez	✓	Miles Mayhew	✓
Laura Lippman	✓	Sherri Crawford	✓	Karen Reed SPU	✓
Noel Miller	✓	Henry Chen	✓	Michael Davis	X
Rodney Schauf	✓	Rick Scott	✓	Aaron Blumenthal	✓
Puja Shaw	✓	Ken Snipes	✓	Peter Lindsay	✓
Kyle Stetler	✓	Madeline Goddard	✓	Karen Reed, Facilitator	✓
Jessa Timmer	✓	Brian Medford	✓		

Welcome and Introductions

Karen Reed announced that Melissa Levo is leaving the Panel, due to her taking a new job. Mami Hara, SPU General Manager expressed her appreciation for Melissa’s ongoing partnership with SPU. SPU is working to identify a new ninth panel member by the end of the year.

Melina introduced SPU additional attendees for the meeting; Brian Mickelson, Ben Whitley, Katie McVicker, Mathia Airhart, Wesley Byham (Green Rubino) , Joe LaPla (Green Rubino), Susan Ferris, Judi Gladstone and Bob Hennesy.

The Panel reviewed and approved the meeting summary from 11/09 as submitted.

The Panel reviewed the latest items on the questions document, no additional details were requested.

Karen Reed informed the Panel that in order to complete the ‘clerk’s file’ for Boards and Commissions, Panel members need to provide a current resume to Brian Medford. Brian will collect the resumes and submit to the SPU City Council liaison.

Budget Update

Cameron Findlay reviewed several updates from the City’s Adopted Budget. Conversation points included:

- 1) SPU will move up the Bitterlake Project at no additional cost due to offsets in other capital areas

- 2) An additional \$60K from the general fund will support expanded work by SPU to address illegal dumping
- 3) SPU did not receive the requested digital strategist position
- 4) There was no increase in the Solid Waste utility tax; the tax was increased by Council earlier this year to 14.2%.
- 5) King County regional wastewater treatment rates are increasing, which will increase wastewater costs the next two years.

Laura Lippman suggested that in the interest of transparency, SPU separately identify the bills for service and the utility taxes imposed separately by the City on the costs of those services. This makes the tax more visible to customers.

Council Interests

Peter Lindsay shared council interests regarding the Strategic Business Plan. When the Plan was initially adopted, the Council was focused on:

- 1) Rate predictability.
- 2) Assistance to low income.
- 3) Emission reduction.

Council interests have evolved since then. Now, Council interests include:

- 1) District issues, particularly an increased focus on utility efforts to provide services to under-represented and vulnerable areas.
- 2) Affordability focus, specifically for lower income residents. There is an ongoing desire to increase enrollment in the Utility Discount Program (UDP).
- 3) Meeting the requirements identified in the federal consent decree as well as regulatory requirements.
- 4) Council focus on capital project delivery -- ensuring on time and on schedule projects that meet regulatory requirements and basic services.
- 5) Rate predictability.
- 6) Efficiency.
- 7) Service equity.
- 8) Follow through on commitments made in the Plan.
- 9) Effective use of people resources and SPU assets.

Peter noted also that the City does not have an adopted policy framework for SPU rates and Council is considering adopting one.

In discussion:

- Is districting driving investment decisions or is social equity?
- There is an opportunity to apply the equity considerations to all Utility projects to determine priorities.

- Has recent auto-enrollment of Seattle Housing Authority households completed the work on increasing UDP enrollment? A: No, other ideas are also being explored.

Community Outreach

Karen Reed, SPU, and the outreach team presented SPU’s strategy to Community engagement with the SPU Update. Items of discussion included:

- Will communities other than underserved communities be engaged in outreach? A: Yes.
- If using the focus areas to help ground people, it would be helpful to tie specific examples to them—the first focus area is particularly broad.
- During the “How would you invest \$100” exercise, SPU should be clear that the \$100 is not an extra investment (resulting in a rate increase) but within the current budget. Is there an opportunity to include how the community would cut spending?
- Rather than the four focus areas, would it be easier for people to understand if you added more categories, and included things like operations & maintenance, and capital?
- Focus on identifying customer expectations.
- There is a potential conflict in the exercise between the value of something and the cost of it.
- Will you show the base rate path as part of the presentations? A: Yes.
- There’s an opportunity reach out to the business community by going to the places of business (especially restaurants), many will not be able to attend the event at the Chamber of Commerce.
- Supporting employees and driving employee engagement results in quality work output to the customer.
- Encourage SPU to reach out beyond a meeting convened by the Downtown Seattle Chamber in order to engage businesses, particularly small businesses—try the neighborhood chambers as well.
- Opportunity to reach out via local Rotary Clubs

Seismic Resiliency

Presentation by Alex Chen, SPU. Discussion included:

- Is SPU looking at micro-solutions to assist in response after an earthquake? For example, the possibility of communal taps that go directly to reservoir with a tap/filter on it. A: Yes. Some SPU reservoirs have outlets that would allow for communal tapping if needed.

- Some of the more important opportunities are to secure vendor contracts in advance so you can get the help you need after an event.
- How the seismic resiliency work will impact the Strategic Business Plan Update? Much of our current seismic work is embedded in our current capital programs work. The seismic study work underway will not be completed in time to really imbed in the update. SPU is taking a phased approach. We may come back three years from now to propose additional investments.

Climate Change

Presentation by Paul Fleming, SPU and James Rufo-Hill, SPU

Discussion points included:

- There is a lack of public awareness about SPU's work on climate change; this is an opportunity for additional education and outreach.
- Will this work affect the rate path? A: Not in the near term. It's really an issue of longer-term investment needs—will result in changes being imbedded in capital project design. Adaptation work doesn't always include new expenses. There may be future asks for additional investments.
- Can we get a short briefing on mitigation strategies?

Logistics/Next Steps

- Next meeting is December 30 at SMT 49.

The meeting was adjourned at 4:20 pm.