

# Strategic Business Plan Reporting Presentation to the SPUN Committee

April 14, 2015

Seattle  
 Public  
Utilities

# SBP Background

- August 2014 – Council adopted SPU’s 2015-2020 Strategic Business Plan (SBP) for all four lines of business (drinking water, solid waste, drainage, and wastewater)
- The SBP guides SPU’s investments and service levels over the six-year period and provides rate predictability for our customers



# SBP Background

## Focus of Today's Presentation

### **Resolution 31534:**

“By March 31, 2015, Seattle Public Utilities will propose a reporting framework to the Council to track progress in achieving the goals of the Plan, including efficiency initiatives, programmatic reductions, and action plan goals. The proposal should include milestones and deliverables.”

# SBP Overview

## Our Promise Statements

- **Mission:** Providing efficient and forward-looking utility services that keep Seattle the best place to live.
- **Vision:** Our customers will see how their utility dollars sustain and improve their quality of life.
- **Values:**
  - Customer-focus
  - Safety
  - Innovation
  - Inclusion
  - Value for Money
- **Strategic Role:** Solving problems at the source

# SBP Overview

## Our Focus Areas

- **Public Health & Environment:** Better protecting public health and our environment
- **Operational Excellence:** Improving how we work to deliver consistent, high quality services
- **Transform the Workforce:** Enhancing services by continually updating employee skills
- **Customer Service:** Making it easier to get help and find answers

# SBP Overview

## Major Components

- Ongoing **baseline** work to meet existing services and service levels
- Multiple **action items** to improve service delivery, quality and efficiencies
- **Rate path** of 4.6% increase on average per year across the lines of business

# SBP Implementation Council Reporting

- Quarterly progress reports starting in Q2 2015
- Reporting categories:
  - Levels of service
  - Rate path and efficiency commitments
  - Action items identified in the Plan

# SBP Implementation

## Council Reporting – Service Level Examples

Limit combined sewer overflows to waterbodies to 1 per outfall per year



Windermere CSO storage tank

Clean up graffiti on SPU property and SDOT structures within targeted times





# SBP Implementation

## Council Reporting – Finances

### SBP rate path:

<u>SBP</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<i>Average</i> <u>2015-20</u>
<i>Water</i>	0.0%	5.2%	5.2%	4.1%	4.4%	2.6%	3.6%
<i>Wastewater</i>	0.8%	3.9%	1.8%	2.8%	7.2%	8.1%	4.1%
<i>Drainage</i>	9.8%	10.1%	8.1%	7.8%	8.1%	8.0%	8.6%
<i>Solid Waste</i>	4.2%	3.5%	6.0%	4.0%	2.9%	2.4%	3.8%
<b><i>Combined</i></b>	<b>2.7%</b>	<b>5.0%</b>	<b>4.7%</b>	<b>4.2%</b>	<b>5.5%</b>	<b>5.2%</b>	<b>4.6%</b>

### Efficiency savings:

- \$8.7 million by 2020 (\$7.4 million from salary savings)

# SBP Implementation

## Council Reporting – Action Item Examples

Sewer improvements at 14<sup>th</sup>  
& Concord in South Park



Climate change adaptation  
and resiliency



# SBP Implementation Progress To Date

- Organizing for success:
  - Prioritized action items for 2015
  - Internal tracking and reporting system
- Efficiency actions:
  - Redirected vacant positions to SBP action items
  - Aligned by line of business (LOB)
  - Created the Development Services Office (DSO)
- Water rate proposal in line with 4.6% rate path

# SBP Implementation

## Keeping Stakeholders Informed and Engaged

- Customer and community outreach
- Community Advisory Committees participation
- Monthly updates to Labor Reps
- Employee engagement

# Questions?