



Legislation Details (With Text)

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In control: Parks, Public Utilities, and Technology Committee

On agenda: 6/26/2024

Final Action: **Ord. No.**

Title: A RESOLUTION relating to Seattle Public Utilities; adopting a 2025-2030 Strategic Business Plan for Seattle Public Utilities; and endorsing a three-year (2025-2027) rate path and a subsequent, three-year (2028-2030) rate forecast to support the Strategic Business Plan Update.

Sponsors: Joy Hollingsworth

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Attachments: 1. Att 1 – SPU 2025-2030 Strategic Business Plan Update, 2. Att 1 Appendix A - 2025-2030 Highlighted Initiatives and Investments Detail, 3. Att 1 Appendix B – Community Research and Outreach Summary, 4. Att 1 Appendix C – Financial Forecast, 5. Att 1 Appendix D - Affordability and Accountability Overview, 6. Att 1 Appendix E - Customer Review Panel Comment Letter, 7. Summary and Fiscal Note, 8. Summary Ex A – SPU Financial Summary Report, 9. Summary Ex B - Executive Summary, 10. Presentation (Updated; 6/27/24)

| Date | Ver. | Action By | Action | Result |
|-----------|------|---|------------------------------------|--------|
| 6/26/2024 | 1 | Parks, Public Utilities, and Technology Committee | discussed | |
| 6/18/2024 | 1 | City Council | referred | |
| 6/10/2024 | 1 | Council President's Office | sent for review | |
| 6/5/2024 | 1 | City Clerk | sent for review | |
| 6/5/2024 | 1 | Mayor | Mayor's leg transmitted to Council | |

CITY OF SEATTLE

RESOLUTION _____

A RESOLUTION relating to Seattle Public Utilities; adopting a 2025-2030 Strategic Business Plan for Seattle Public Utilities; and endorsing a three-year (2025-2027) rate path and a subsequent, three-year (2028-2030) rate forecast to support the Strategic Business Plan Update.

WHEREAS, Resolution 31534, approved by the City Council on August 11, 2014, adopted the Seattle Public Utilities (SPU) 2015-2020 Strategic Business Plan; and

WHEREAS, SPU’s Strategic Business Plan establishes the utility’s vision, mission, and strategic framework, and highlights utility initiatives and investments, and essential service delivery levels; and

WHEREAS, Resolution 31534 also directed SPU to review and update the Strategic Business Plan every three years, adding three years to the Strategic Business Plan and re-evaluating the three-year rate path and

subsequent three-year rate forecast; and

WHEREAS, Resolution 31760, approved by the City Council on November 13, 2017, adopted SPU's 2018-2023 Strategic Business Plan Update; and

WHEREAS, Resolution 32000, approved by the City Council on May 10, 2021, adopted SPU's 2021-2026 Strategic Business Plan Update; and

WHEREAS, SPU completed a process to thoroughly review and revise its Strategic Business Plan covering the years 2025 through 2030; and

WHEREAS, that strategic planning update process included extensive collaboration with SPU's Customer Review Panel, employee engagement, and community outreach and research, including stakeholder meetings, business community interviews, non-English-speaking outreach, online surveys, and social media; and

WHEREAS, the resulting proposed 2025-2030 Strategic Business Plan contains an updated, three-year rate path and three-year rate forecast for water, drainage, wastewater, and solid waste rates developed by identifying, evaluating, and recommending reductions and priority additions to current utility expenditures, resulting in average rate increases of 4.7 percent per year for six years; and

WHEREAS, the City Council reviewed the proposed 2025-2030 Strategic Business Plan, the associated rate path and rate forecast, the recommendations of the Customer Review Panel, and the results of the community research and outreach; NOW, THEREFORE,

**BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SEATTLE, THE MAYOR
CONCURRING, THAT:**

Section 1. The City Council adopts Seattle Public Utilities' 2025-2030 Strategic Business Plan ("Plan"), a copy of which is included as Attachment 1 to this resolution and incorporated by reference.

Section 2. To achieve the goals of the Plan, the annual rates for Seattle Public Utilities' lines of business are endorsed as indicated in the table below.

| Line of Business | 2025 | 2026 | 2027 | 2028 | 2029 | 2030 | Average |
|------------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| Water | 2.0% | 2.0% | 6.3% | 3.3% | 6.5% | 3.8% | 4.0% |
| Sewer | 5.0% | 5.0% | 5.0% | 6.2% | 7.0% | 5.1% | 5.5% |
| Drainage | 5.0% | 5.0% | 5.1% | 6.6% | 6.3% | 7.2% | 5.9% |
| Solid Waste | 2.5% | 3.1% | 3.4% | 3.4% | 3.8% | 2.5% | 3.1% |
| Combined | 3.7% | 3.9% | 4.9% | 5.0% | 6.0% | 4.6% | 4.7% |

Section 3. Actual rate changes for each of Seattle Public Utilities’ lines of business are subject to approval by the City Council via rate ordinances.

Section 4. Seattle Public Utilities will complete an overall review and update the Plan every three years, adding three years to the Plan and re-evaluating the subsequent three-year rate path and three-year rate forecast. The next complete review and adjustment of the Plan will be completed in 2027 and encompass the years 2028 to 2033.

Section 5. Seattle Public Utilities will provide quarterly updates to the City Council to track progress in achieving the goals of the Plan.

Adopted by the City Council the _____ day of _____, 2024, and signed by me in open session in authentication of its adoption this _____ day of _____, 2024.

President _____ of the City Council

The Mayor concurred the _____ day of _____, 2024.

Bruce A. Harrell, Mayor

Filed by me this _____ day of _____, 2024.

Scheereen Dedman, City Clerk

(Seal)

Attachments:

- Attachment 1 - Seattle Public Utilities 2025-2030 Strategic Business Plan Update
 - Appendix A - 2025-2030 Highlighted Initiatives and Investments Detail
 - Appendix B - Community Research and Outreach Summary
 - Appendix C - Financial Forecast
 - Appendix D - Affordability and Accountability Overview
 - Appendix E - Customer Review Panel Comment Letter