



WHEREAS, SPU's Strategic Business Plan establishes the utility's vision, mission, and strategic framework, and highlights utility initiatives and investments, essential service delivery levels, and rate paths for six years; 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 subsequent six-year rate path; and

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

WHEREAS, SPU completed a process to thoroughly review and revise its Strategic Business Plan covering the years 2021 through 2026; and

WHEREAS, the strategic planning update process included extensive collaboration with SPU's Customer Review Panel, employee engagement and community outreach and research, including comprehensive review of more than 28 public and customer opinion studies commissioned by SPU and others, stakeholder meetings, business community interviews, non-English-speaking outreach, online surveys, and social media; and

WHEREAS, the resulting, proposed 2021-2026 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 and represents a lowering of SPU's previously adopted six-year average rate path from 5.2 percent to 4.2 percent; and

WHEREAS, the City Council reviewed the proposed 2021-2026 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’ 2021-2026 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, an average annual system rate increase of 4.2 percent is anticipated over the period of 2021 to 2026 across all four utility lines of business.

Section 3. The City Council requests that the Executive submit budgets for 2021 through 2026 in support of and consistent with the Plan and that, absent justifiable circumstances, do not result in rates higher than the Plan’s rate path and rate forecast as adopted in this resolution.

Section 4. The City Council requests that the Executive submit rates for 2021 through 2026 that support and are consistent with the Plan and that, absent justifiable circumstances, are no higher than the Plan’s 4.2 percent combined 2021-2026 average annual rate path and rate forecast as adopted in this resolution and shown in the lower right corner of the table below.

Projected 6-Year Rate Path	Rate Path			Rate Forecast			2021-2026 Average
	2021	2022	2023	2024	2025	2026	
Water	0.0%	2.7%	4.7%	3.6%	4.2%	5.5%	3.4%
Sewer	7.3%	3.1%	5.9%	0.5%	7.8%	3.6%	4.7%
Drainage	7.4%	8.6%	7.2%	3.9%	6.5%	6.7%	6.7%
Solid Waste	2.9%	2.9%	2.2%	2.3%	2.1%	2.1%	2.4%
<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>

Section 5. Actual rate changes for each of Seattle Public Utilities’ lines of business are subject to approval by the City Council via rate ordinances.

Section 6. Seattle Public Utilities will 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 2023 and encompass the years 2024 to 2029.

Section 7. Seattle Public Utilities will provide an update to the City Council, at least once annually, to

track progress in achieving the goals of the Plan.

Adopted by the City Council the \_\_\_\_\_ day of \_\_\_\_\_, 2021, and signed by me in open session in authentication of its adoption this \_\_\_\_\_ day of \_\_\_\_\_, 2021.

\_\_\_\_\_  
President \_\_\_\_\_ of the City Council

The Mayor concurred the \_\_\_\_\_ day of \_\_\_\_\_, 2021.

\_\_\_\_\_  
Jenny A. Durkan, Mayor

Filed by me this \_\_\_\_\_ day of \_\_\_\_\_, 2021.

\_\_\_\_\_  
Monica Martinez Simmons, City Clerk

(Seal)

Attachments:

Attachment 1 - 2021-2026 Seattle Public Utilities Strategic Business Plan