

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

Meeting Summary for March 8, 2017

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

Welcome and Introductions/Review and Approval of Meeting Summary

Mami Hara welcomed the Panel and thanked them for their service and their dedication to the SBP Update process. The meeting summary for February 22 was reviewed and approved.

Overall Questions

Q: Will you provide information on how prior action plans are proceeding? Which 2015-2020 action plans were deferred and are being proposed again in the Update? A: Yes, we will provide this information.

Q: How much of the increase in the rate path from 4.6% per year to 5.6% is due to Move Seattle and the CSO project? A: We will provide this information.

Presentation of Action Plans, Part II

Action Plan #7

Q: Panel would like more information how Action Item #5 and #7 come together and influence each other. A: We will come back with this information.

Q: Why isn't this part of the baseline? A: We will come back with this information.

Action Plan #8

Q: How many pump stations does SPU have? A: SPU owns 68 pump stations. This Action Plan would fund about 20 of the 68 for repair.

Q: What is in baseline now for pump station maintenance? How much will be accomplished from baseline dollars? A: We will provide this information.

Q: How many of the SPU pump stations need work? A: All of them.

Action Plan #9

Q: Do you have a trend line for side sewer issues? A: There are approximately 100-150 per year. We will provide a detailed trend line.

Q: Are there fines or fees associated with side sewer issues? A: Yes, there is a suspended fee; SPU has never issued a fee for these, we use a voluntary compliance agreement.

Q: Are you tracking the cost associated for the repair? A: No, not at this time. We are looking at different options to make it more affordable to repair a side sewer.

Q: Does this action plan add 1 FTE in lieu of the two .5 FTEs current performing work? A: **TBD**

Q: What happens if this is not approved? A: **TBD**

Action Plan #10

Q: What is the return on investment for the proposed Seattle Municipal Tower (SMT) space reconfiguration? A: This project saves money by year 7; we can provide info to show long term savings.

Q: Can you separate the costs for the North end, South end and office space reconfiguration projects? A: Yes, we can provide that information.

Q: Is there an opportunity to look at the cash flow, particularly 2018-2019 and try to eliminate the peaks? A: Yes, we are looking at this.

Q: Is the ergonomic office configuration being provided for everyone or only those employees needing special configurations? A: Everyone. Even an employee's height can require a work space modification.

Action Plan #11

Q: What is the cost share for this action item to wholesale customers? A: About 60%-40% wholesale vs. retail.

Q: Is the new FTE proposed here overseeing contractors? A: No, the FTE is actively monitoring.

Q: How does this security plan compare to other cities of this size? A: Unknown. We can try to get information about this.

A: How will you measure the risk being mitigated? A: **TBD**

Action Plan #12

Q: Are we meeting the carbon neutrality goals? A: There is not a carbon neutrality goal under the current administration. It's an informal target.

Q: Is this in addition to the capital replacement program? A: Yes.

Q: Has the telematics part of this plan gone through the unions? A: Yes, although there is a current AVL system, this is something we need to continue to talk about with the unions.

Action Plan #13

Q: With IT consolidation, did SPU send all the IT related dollars to centralized IT? A: Consolidation wasn't about saving money, it was about creating standardization.

Q: Are there current positions that can repurposed for this action plan? A: We would have to repurpose positions which is a challenge from a personnel perspective.

Q: Will consolidated IT services offer strategic planning support to department? A: We are in negotiation with central IT on this issue. We will get back to you.

Presentation of Reductions, Part I

Reduction Option #5

Q: In 2015 plan, this was an action item, but not implemented. Is this important or not important? A: There was an action in 2015, but it did not include the staffing needed to complete the action plan.

Q If this is implemented, how will you continue to do this past 2019? A: We would complete with 8 regular staff instead of 12.

Reduction Option #8

Q: This reduction represents a 25% cut, is that correct? A: Yes.

Reduction Option #9

Q: Is it possible to take reductions in 2022 and 2023 and revisit later? Consider keeping 2018-2020 dollars for planning and design. A: Yes, this is a viable option.

Q: Are 2018-2020 dollars related to design and not construction? A: Yes.

Q: Are these discrete projects in the hopper? Or are these hypothetical cuts? Could you scale it back? A: they are known projects where we are currently having problems.

Reduction Option #10

No questions. Panel agreed this was a good reduction to take.

Reduction Option #11

Q: Are these CIP projects bonded? A: Yes.

Q: What is the annual rate impact? A: We'll be coming back with this information.

Q: How many projects in the DWW projects will not get done if this option is selected? A: Between 6 or 8.

Q: What is the expected failure rate if you don't complete the opportunity projects? A: It depends on the asset.

Next Steps

Meeting adjourned at 4:30

Next meeting is March 22 from 1:30-4:30 at SMT.