

Seattle Public Utilities (SPU) Strengths, Weaknesses, Opportunities, Challenges (SWOC)
COUNCIL PERSPECTIVES July 1, 2013

The Council doesn't disagree with SPU's SWOC analysis. The following list has much in common with SPU's analysis and elaborates on certain aspects of that work.

STRENGTHS

- Expertise and staff capacity
- Reliably provides basic services (water, sewer, solid waste, drainage) that are recognized as important City functions by customers and City elected leadership
- Environmental values and leadership on issues such as water conservation and recycling
- Good bond ratings and financial health
- Dedicated funding source
- Allows customers some ability to customize service to their needs
- Use of website and other means to inform customers and provide customer service

WEAKNESSES

- High costs and rates, and associated size of/increases in customer's bills
 - o Inefficient and excessive processes
 - o Are levels of service too high and costly?
 - o Are optional, low-priority activities increasing costs and reducing ability to deliver core services?
 - o Increases for each line of business are approved separately, preventing tradeoffs between lines of business to keep bills low.
- Unclear to customers why bills keep increasing and what they are getting for their money
- Collaboration and integration with other departments and agencies
- Delivering large projects on time within budget
- Large organization with multiple lines of business can result in inconsistent implementation of policies and practices, including internal controls
- Focus on utility's desired outcomes can leave blind spot for customer needs, opposing points of view, or potential project pitfalls.
- Customer interface - customer service, neighborhood outreach for capital projects

OPPORTUNITIES

- Motivated participation from public in achieving City goals for water conservation, recycling solid waste and reducing stormwater runoff
- Positioning the utility for the future
- Unique market position as only/one of few provider(s) of services

CHALLENGES

- Keeping up with and complying with regulatory mandates
- No control over certain categories of services and related cost (such as King County wastewater treatment)
- Must operate as part of the City family, where not all decisions reflect SPU's priorities
- The financial challenge of selling a service while encouraging less use of the service (declining demand)
- Negative perceptions of rate levels and rate increases
- Aging workforce and succession planning