1. **Welcome and Review of Meeting Summary for 4/19/2017**

Mami Hara, SPU GM/CEO welcomed the Panel and thanked them for their ongoing commitment and service to the development of the Strategic Business Plan Update.

The Panel reviewed and approved the meeting minutes from 4/19/2017.

2. **Review of 4/25/2017 Council Committee Meeting**

Mami Hara shared her thoughts about the SBP Update meeting with Council on April 25. Mami expressed she appreciated the engaging dialogue with the Council Committee. Noel Miller, chair, indicated the Council liked there was an independent Panel working with SPU to update the Strategic Business Plan.

3. **Review Outstanding Questions**

Cameron Findlay review three outstanding questions from the Panel.

Discussion highlights:

Q: Has SPU gone out for more than a 30-year bond (40 years)?
A: Over the past 20 years SPU has only offered 30 year bonds
4. **Rate Smoothing Question**

Cameron Findlay reviewed an opportunity to smooth water rates during the 2018-2023 SPB period, the Panel agreed it would support that rate smoothing opportunity.

Additionally the Panel encouraged SPU to explore revisiting the Drainage and Wastewater (DWW) ordinance to adjust 2018 DWW rates for further rate smoothing. SPU agreed to explore this option, noting a full rate study would not be possible.

5. **Action Plan Discussion**


   a. **North Operations Center**

      SPU provided additional information regarding the ability for SPU to plan for this facility during the 2018-2023 time period. SPU does have the capacity for this work during the Update period which will create a facility suitable for a north emergency center.

   b. **Seattle Municipal Tower (SMT) restacking**

      Sherri Crawford, SPU, reviewed the current space issues facing SPU in the SMT and how the proposed action plan item would provide benefits from both a space and cost perspective.

      Q: Is the cost for ergonomic furniture only? A: No, the cost includes floor demolition, rebuild, carpet, paint and a small portion for new cube configuration furniture. We will provide a cost for furniture only.

      SPU agreed to explore telecommuting options for reducing space demands and ensuring space is used to its upmost potential.

   c. **Green Fleet**

      Aaron Blumenthal, CBO, presented additional detail highlighting both the history and the goal of the green fleet action plan. This action plan in response to an executive order. Both the Mayor’s Office and the City Council expect SPU to complete this action plan.

6. **Green Stormwater Infrastructure Action Plan**

Madeline Goddard, SPU reviewed the action plan for Green Stormwater Infrastructure. SPU identified the impact this action plan would have on rates is .03% each year during the 2018-2023 time period.
Discussion highlights:

Q: Is the 1.0 FTE request for one total FTE or 1.0 FTE per year? A: One total FTE.

Q: Is this a new action plan or a variation of a previous action plan? A: This is a new action plan, it adds dollars on top of the baseline.

Q: Can SPU encourage the development of green infrastructure by offering credit to new development? A: There is an opportunity to look at this.

Q: Will SPU let private development use the public green stormwater infrastructure space and facilities? A: Unknown, there are differing opinions allowing co-mingled water (mixing private and public stormwater).

7. Panel Conversation: Reduction Options and Action Plans

   a. Reduction Options

   The Panel reviewed the reduction options presented by SPU and determined their recommendations.

   For reduction options 1,3,4,6,7,9 and 11b, the Panel agreed that SPU **should not** defer these options.

   For reduction options 2,8,10 and 11a, the Panel agreed that SPU **should** defer these options.

   b. Action Plans

   1. Green Fleet: The Panel observed since this is not optional, it probably belongs in the baseline and they will assume the Utility will proceed on this item.

   2. North Operations Center (phase 2): The Panel agreed to move forward with this action plan.

   3. Green Stormwater: The Panel requested more information about this action pan before making a recommendation. They would like to see results on preliminary work that will inform their decision. SPU will bring additional information on May 17.

   4. Seattle Municipal Tower restacking: The Panel agreed to move forward with alternative one and two for this action item (work commences in 2018, and then an 18 month pause before moving to the next phase).

Next Steps and Adjourn
SPU will bring back an updated rate run based on the Panel’s recommendations as well as SPU’s final 2018-2023 SBP proposal for review by the Panel on May 17, 2017.

The meeting adjourned at 4:30pm. Next meeting is May 17, 2017.