

Seattle Public Utilities Customer Review Panel

Wednesday, December 5, 2018

1 p.m. – 3:30 p.m.

Seattle Municipal Tower, 4901 (49th Floor)

Panel Members			
Suzie Burke	x	Thy Pham	x
Bobby Coleman	x	Rodney Schauf	x
Dave Layton	x	Puja Shaw	x
Laura Lippman	x	Kyle Stetler	x
Maria McDaniel	x	Jessa Timmer	x
Noel Miller	x		
Staff and Others Presenting or Participating			
Keri Burchard-Juarez	x	Ben Marre (for John	x
Kathleen Baca	x	Natasha Paposueva	X
Aaron Blumenthal		Ellen Pepin-Cato	x
Alex Clardy		Dani Purnell	
Michael Davis	x	Karen Reed	X
Cameron Findlay	x	Rick Scott	
Brian Goodnight	x	Sheryl Shapiro	x
Kiersten Grove		Karen Sherry	x
Mami Hara	x	Ken Snipes	x
Wylie Harper	x	Jonathan Swift	X
John Holmes			

Underlined text indicates action items. ***Bold Italicized text*** indicates follow up items.

DRAFT Meeting Summary

Welcome. Mami Hara, General Manager of Seattle Public Utilities (SPU), convened the meeting at 1:07 p.m. and welcomed all in attendance.

Review of Agenda; Approval of October 3, 2018 meeting summary. Karen Reed, facilitator for the Review Panel, outlined the goals for today's agenda. The Panel unanimously approved the October 3, 2018 meeting summary as submitted.

Communications to Panel. Sheryl Shapiro gave an overview of the October 25 joint Citizen Advisory Committee meeting. Several of the Review Panel members were in attendance. The focus was on resiliency and risk. There were no other communications to the Panel.

Mami asked if there were any questions about the Times Story on the seismic assessment of SPU's facilities. SPU is hopeful a more complete version of the report will be approved for release very soon. Susie suggested talking to the Puget Sound Business Journal-- make it a business issue. ***Panel will be sent a link to the report when it is available.***

Noel asked for a future briefing on seismic issues.

Panel Questions/Tracking List. Karen noted the tracking list in the binders where staff are maintaining a list of questions asked but not answered in meetings and when those questions are answered.

At this point, there was a round of introductions from all at the table.

Presentation and Discussion: Centering on Race & Advancing Equity as a Community Centered Utility. Mami introduced the topic, speaking to the history of racial redlining in Seattle and showing data on where people of color live in Seattle. The Risk and Quality Assurance division started looking at the distribution of SPU service claims in Seattle around 2014. Data shows that areas where more people of color live are less likely to file complaints with the Utility, perhaps because they are less familiar with how to engage with the Utility. Mami stated that people's level of service shouldn't be defined by their race or zip code. She noted there is a constant struggle to balance the goals of affordability versus management of risk. She introduced Michael Davis, Environmental Justice and Service Equity Division Director.

Michael spoke to how his family moved to Seattle in the 1940s. He said our work at SPU should not negatively impact one customer group over another. To this end, SPU has adopted and is pursuing three strategies: (1) embed race and social justice policies and practices in the Utility; (2) model and advocate for community engagement; and (3) further align the work of the Utility with the goals and initiatives of the Environmental Justice and Service Division of SPU. He noted that data shows race is the strongest predictor of whether people will live near hazardous waste sites or suffer from asthma and other health conditions. As an example of the importance of race and social justice to SPU, he noted that we are unlikely to ever meet the 70% recycling goal unless we engage proactively with communities of color.

Michael asked those in the room to speak with the person next to them about their reactions to the presentation he and Mami had just provided, and then asked for people to share their thoughts. Comments included:

- What do people do in an emergency? Some people are better situated if they have money to be safe. We would need to help people of lesser means be able to survive a natural disaster.
- There are differences between those renting and owning homes by race and area—this would be noteworthy data to map and share.
- As the City gentrifies, does this problem actually go away? As people move to neighboring cities?
- SPU has to be comfortable making choices for people even though not all customers share the same values. For example, not all customers will value SPU being a carbon neutral utility in the same way—but all will see the impact of these program expenditures on their bills, and people will benefit differentially from such programs.

Michael asked how the racial equity goals can be incorporated into the Strategic Business Plan. Comments in response included:

- The Utility brings us projects for possible endorsement. The Review Panel needs to be cautious to consider the impact and the need for these projects. SPU should seek to catch up in areas that have been ignored in the past. We need to be able to understand what is going on, what the conditions are on the ground. How can we trim or reallocate funding via the Strategic Planning process?
- One strategy is to continuously outreach to places and organizations that will intersect with low income communities.
- We need to continue filtering projects from a social equity standpoint.
- It may take one on one conversations about what people need.
- We need to individually commit to these goals. We could do more trainings like this.
- If we do training, we should partner with community leaders being present. Immigrant communities communicate differently than most people.
- Undoing racial oppression – it's not Michael's job but rather our job to bring this thinking into our perspective – we can take the initiative and internalize it into our work both together and individually. If we commit to that, these values will come out in the plan. The training might be helpful to engage at a deeper level.

At Mami's request, Karen Reed will reach out to Panel members regarding their interest in attending a training/discussion session on racial equity issues.

Mami noted that the outreach for this Strategic Business Plan will be different in terms of engaging with communities of color than the last two iterations of the Plan.

Puja Shaw suggested that SPU work with the Panel to develop a map of where Panel members live; Suzie Burke suggested we augment that with showing where members work and volunteer their time.

At this point, the Review Panel took a short break.

Q3-2018 Strategic Business Plan Update. Natasha Papsoueva, Corporate Strategy and Performance Division, presented the third quarter 2018 update for the Strategic Business Plan. Key items noted included:

- The Utility Discount Program remains in "monitor" status – reconciliation of multiple data bases found duplication in the number of householders registered.
 - **Q:** Why do you want the number to go up? **A:** There are more eligible households in the City than are currently enrolled.
 - **Q:** Why can't the City simply enroll people? **A:** We don't know who they are; also, there are privacy issues which limit the City's ability to enroll people.
 - **Comment:** Try reaching out through the United Way's low income tax preparation program.

- **Comment:** This would be a good thing for a case study in terms of how renters versus homeowners are enrolled in the program. Homeowners are more likely to be enrolled and are more likely to be white.
- **Q:** People who are late in paying their utility bill may qualify. Do you ask them if they qualify? **A:** People who are late in paying bills are offered a referral to this program, but are not instantly enrolled.
- Combined Sewer Overflows remains in “monitor” status.
- Recycling has moved to “monitor” status. One reason is that the rate calculation is weight based, which penalizes us because plastics have become lighter and the model hasn’t caught up.
- Solid Waste Pickups of missed collections has moved to “monitor” status due to contractor driver shortages.
 - **Q:** Is this in random areas or in specific communities? **A:** We looked at the data and the missed pick-ups do not appear to be correlated to low income communities. ***The Utility will share that information.***

Natasha noted that there are several Action Plans that have moved from “on track” to “monitor” status in the last calendar quarter, including:

- Diaper and Pest Waste Feasibility Study
- Sewer Rehabilitation
- Sewer Repairs
- Technology Portfolio Management
- Water Distribution System Maintenance

The Apprenticeship program also remains in “monitor” status as it was in the second quarter. Discussion points on these and other Action Plan items included:

- **Q:** How is the number of gallons of runoff water measured? **A:** Based on a variety of measurements.
- **Comment:** At least three of these items were moved to “monitor” due to lack of funding and a desire to maintain the rate path.
- **Q:** What happened to the South Operations Center project that it needs to be re-scoped? **A:** The site turned out to be more vulnerable to flooding than anticipated and the costs came in higher than projected. We are looking for additional and alternate locations for this project.
- **Q:** What will the pet and diaper waste plan be? **A:** We don’t know yet. SPU is looking at a study being done in Minneapolis.
- **Q:** Regarding the water distribution system maintenance – can we see numbers showing the percentage of backlog that has been processed? **A:** ***SPU is working on getting those numbers*** and is also refining benchmarks.
- **Q:** What about China not accepting recyclables; is this impacting us? **A:** Yes. Although our recyclables still go to China this is a worrisome issue especially in the short term.

Karen observed that due to a lack of time remaining in the meeting today, we will not be able to hear ***the project updates on the Ship Canal Water Quality Project and Move Seattle; they will be rescheduled for the next meeting.***

Q3-2018 Financial Status. Cameron Findlay, Finance Division Director, presented year to date data on each line of business as to how revenue and expenditure targets are being met. Panel members agreed this was helpful information. A request was made to connect this data to the rate path. ***Mami noted there are timing challenges with that request, but staff will see what they can do.***

- **Q:** How do vacancies impact the SBP when they are filled? **A:** We factor in a vacancy rate.
- **Q:** Have we made any progress on system development charges? **A:** Analysis is done but we need to go through the engagement process. Panel members are invited to attend a workshop on this topic to be held December 11 at the North Transfer Station.
- **Q:** Does the Utility have insurance for earthquakes? **A:** ***SPU will get back to the panel on this.***

Approval of Panel Charter. The Charter was unanimously approved as proposed.

Election of Panel Chair and Vice Chair. After a nomination process, Noel Miller was unanimously elected Panel Chair. There were two nominees for Vice-Chair: Rodney Schauf and Laura Lippman. Dave Layton proposed that we have two Vice-Chairs, rather than choose between the nominees. Thy Pham noted this would require an amendment to the Charter. After a brief discussion, the Panel voted unanimously to approve Rodney Schauf and Laura Lippman as Vice-Chairs for the Panel, subject to approval of conforming amendments to the Charter to be considered at the next meeting. ***Karen Reed will develop proposed amendments for consideration by the Panel.***

Adjourn. The meeting was adjourned at 3:31 p.m.