

Strategic Business Plan Outreach

Overview/Description

Seattle Public Utilities is seeking customer input to inform the development of our 2015-2020 Strategic Business Plan. I would like to share with you our process, current work and timeframe for getting it done. I would also like to get your feedback on how to best engage your clients and members of the communities you are working with.

At Seattle Public Utilities (SPU), our job is to protect the area's quality of life. We pledge to meet community and environmental needs by:

- Maintaining some of the nation's best drinking water
- Helping Seattle residents and businesses be recycling leaders
- Protecting local waterways and the Sound from polluted storm and waste waters

We do this while always keeping in mind that we need to spend customers' money wisely.

We are also making sure that as Seattle grows, it's even better for future generations. A place where:

- Less garbage is shipped to the landfill
- It's safe to swim
- The drinking water is protected
- And where salmon and other species thrive

Why the Strategic Business Plan?

SPU's Strategic Business Plan grew out of the department's efforts to provide greater rate predictability, while still investing in its infrastructure and ensuring reliable utility services.

The plan sets high level business goals, and builds on earlier work with productivity improvement and prioritization, finding ongoing efficiencies and ensuring the department is following best practices compared to other utilities.

The plan will be:

- Strategic in that it will establish SPU's vision, mission, strategic role and values for the future.
- Tactical, as it will provide a direct connection between vision mission, strategic role and values, strategic objectives, action plans and metrics.

A Council appointed Customer Advisory Panel will provide important input on the plan – allowing the process to be transparent and keep SPU accountable.

Primary Goal of the Plan

- To set a transparent and integrated direction for all of SPU's business lines that reflect customer values, provides rate predictability for utility customers, and results in best value for customer dollars.
- To attain this goal, the Plan will contain a six year rate path for water, drainage wastewater, and solid waste rates so that cumulative impacts of rates and service level changes to customers are predictable and transparent.

SBP Outreach Activities

- Provide support to SBP Core Member to ensure that equity is incorporated into orientation of customer review panel, and included in other SBP activities (i.e., strategic framework, expenditure path, bench marking studies, prioritization)
- Engage stakeholders in reviewing and commenting on the final draft plan
- Expand stakeholder knowledge about the strategic plan
- Offer culturally relevant opportunities for participants to provide input (in person, or online)

Timeline

- Engage key stakeholders (April-May)
- Conduct customer outreach in interim plan (September-October)
- Conduct final customer outreach (March-April 2014)

Feedback & Involvement

- We would like to get your feedback on what is being proposed, including the questions to be asked.
 - What key actions will SPU need to take to meet the needs of our customers, community and the environment by 2020?
 - What are our biggest opportunities over the next six years?
- We will be doing community outreach regarding the plan in 3rd quarter 2013 and 1st quarter 2014 and would like to get your input on how to best engage clients, community groups, etc.
- Would you be willing to assist with the outreach? If yes, how? And is there someone on your staff that I should follow up with?
- The final plan will be available in June 2014. How do you think we should provide feedback to customers, particularly the ones you work with?
- Is there anyone else you think we should talk to?
- Do you have any other questions for us?

Thank you for your time. If you would like to assist with outreach and have specific ideas you would like to share please add your name and interest to the sign in sheet going around.

If you have comments or questions please do contact me, Michael Davis @ 206-615-1376 or michael.davis@seattle.gov.

Seattle Public Utilities: JUST THE FACTS

Approximately \$800 million annual budget - 1,450 employees

\$7.5 billion in infrastructure assets (replacement cost based on a 2003 inventory, including adjustment for inflation)

Four major business lines

DRINKING WATER

- 1.3 million people live in areas receiving SPU water
- 118 million gallons used per day on average (2011)
- 53 mgd (45%) sold to retail customers (2011)
- 57 mgd (49%) sold to wholesale customers (2011)
- 8 mgd (6%) non-revenue water (2011)
- 1,873 miles of pipeline
- 31 billion gallons of water supply storage at 2 reservoirs
- 400 million gallons of treated water storage
- 3 groundwater wells

- Water sold to about 188,000 retail accounts in Seattle and adjacent areas north and south of city.
- Water sold to Cascade Water Alliance and 19 other wholesale customers

• Total 2011 revenue:	\$194.6 mil
• Direct service revenue:	\$137.4 mil
• Wholesale revenue:	\$44.0 mil
• Other revenue:	\$13.2 mil

From:

- Cedar River (60% of water supplied in 2011)
- South Fork Tolt River (40% of water supplied in 2011)
- Seattle wells (available for emergencies and peak use)

To:

- Retail to Seattle city households and businesses
- Wholesale to suburban cities and water districts

- Water CIP: \$54.8 mil (2011 expenditure)
- Reservoir Covering Program (multi-year program)
- New Sockeye Hatchery (2011)
- \$373 million in Capital Projects planned (2013-18)

- Washington State Department of Health (WDOH)
- Washington State Department of Ecology
- State and Federal Fish and Wildlife Agencies

- 1889 Seattle Water Department formed
- 1901 Seattle began supplying water from Cedar River
- 1964 Seattle began supplying water from South Fork Tolt River

- SPU owns 99.8% of the 81,871 acres above Landsburg Diversion on the Cedar River and 68.8% of the 12,009 acres above South Fork Tolt Dam (US Forest Service owns the rest)
- No agricultural, industrial or recreational activities are allowed in or around watersheds
- Treatment steps: filtration at Tolt Plant, ultraviolet light at Cedar plant. Screening, ozonation, corrosion control, fluoridation, chlorination at both plants
- SPU has large state-certified Water Quality Laboratory
- Number of meters:
 - 162,000 single family (includes duplexes)
 - 26,000 multi-family/commercial/government/fire
 - 129 wholesale

SOLID WASTE

- 135,536 commercial garbage tons disposed (2011)
- 112,773 residential garbage tons disposed (2011)
- 71,033 self haul garbage tons disposed (2011)
- 55.4% citywide recycling rate (2011)
- 70.6% single family sector recycling rate (2011)
- 5,245 residential dumpster accounts (2011)
- 154,099 residential variable can accounts (2011)
- 8,178 commercial accounts (2011)
- 265,092 vehicle trips at city transfer stations (2011)

- Contracts with two private haulers for residential garbage, recycling and organics collection.
- Contracts with two private haulers for commercial garbage and organics (food waste) collection.

• Total 2011 revenue:	\$154.2 mil
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From

- Households and Businesses via (2) City and (2) Private Transfer Stations

To:

- Landfill in Arlington, Oregon via rail 300 miles away
- Various local and international recycling markets
- Cedar Grove for composting yard and food waste

- Solid Waste CIP: \$43.3 mil (2011 expenditure)
- New North Transfer Station design work underway 2012
- New South Transfer Station complete 2012

- Washington State Department of Ecology
- Oregon State Department of Environmental Quality
- Public Health Seattle and King County

- Solid Waste Fund established in 1961
- The Water, Wastewater and Solid Waste Utilities merged to form Seattle Public Utilities in 1997.

- Piloting single family every other week garbage collection 2012.
- Multi-family organics subscription mandatory September 2011.
- Residential customers receive weekly garbage and organics and bi-weekly recycling collection on the same day of the week.
- Garbage and Yard/Food Waste rates vary according to size of container.
- MSW Tip fee at City transfer stations: \$145/ton (2011)
- Of the approximately 80,000 tons of residential organics collected in 2011, an estimated 34,500 tons were food waste and compostable paper.
- Recycle mandate effective January 2005

WASTEWATER

- 448 miles of sanitary sewers
- 968 miles of combined sewers
- 68 Pump Stations
- 5.5 miles of wastewater force mains
- 90 City-owned and permitted Combined Sewer Overflow points
- 38 Combined Sewer Overflow control detention tanks/pipes

- Long-term contract with regional (King County) authority for treatment
- City collection system discharges to King County interceptors.
- Service area extends outside the City and overlaps with Southwest Suburban Sewer Agency
- Sold sanitary sewer north of 145th Street October 2001
- All laterals to mainlines are private

- Wastewater Service Revenue: \$209.5 mil (2011)
- Charges based on water usage
- Charges appear on monthly/bi-monthly combined utility bills

- **From:** Households and businesses
- **To:** King County Sewage Treatment Plant

- Wastewater CIP: \$27.8 mil (2011 expenditure)
- Ballard Roadside Rain Gardens Projects
- Sewer pipe and pump station rehabilitation
- CSO facility retrofit and Windermere CSO
- Genesee and Henderson CSO Projects
- Long Term Control Plan

- Washington State Department of Ecology (DOE)
- U.S. Environmental Protection Agency (EPA)

- Sewer Utility created in 1955

- 1 of 34 agencies using King County Regional Treatment Plant
- Small portion of Seattle's wastewater is treated by Southwest Suburban Sewer District.

DRAINAGE

- 477 miles of storm drains / 295 storm drain outfalls
- 36,500 catch basins
- 43 miles of creeks within city limits
- 65 miles of ditches
- 19,500 feet of green stormwater infrastructure
- 121 miles of culverts
- 12 detention/treatment ponds
- 145 flow control facilities
- 189 water quality structures

- Regular inspections of privately owned storm water drainage systems and businesses which undertake high-risk pollution generating activities
- City drainage system conveys stormwater to King County interceptors in combined areas, and to receiving waters in other areas.
- Extensive outreach and education programs to schools, communities, and businesses.
- Service area within Seattle City limits only

- Drainage Service Revenue: \$69.5 mil (2011)
- Rates based on lot size and % of impervious surface
- Charges appear as a Surface Water Management fee on King County property tax statements.

From: Storm water runoff from impervious and pervious surfaces
To: Creeks, lakes, Duwamish River, Puget Sound & King County Wastewater Treatment Plant

- Drainage CIP: \$34.0 mil (2011 expenditure)
- Broadview Long Term Sewer and Drainage Improvements
- South Park Combined Sewer System Improvements
- N 107th St & Midvale Ave N Stormwater Facility
- Thornton Creek Confluence Project
- Localized Flood Control Program
- Landslide Mitigation Projects

- U.S. Environmental Protection Agency (EPA)
- National Marine Fisheries Service
- U.S. Army Corps of Engineers
- Washington State Department of Fish and Wildlife
- Washington State Department of Ecology (DOE)

- Created in 1987 by expanding the Sewer Utility

- Seattle has more than 40 mapped creeks
- 75% of Seattle's 36 in. of annual rain falls Oct – Mar
- Pioneered the Natural Drainage Systems approach to sustainable drainage infrastructure, winning the 2004 "Innovations in American Government Award" from Harvard's Kennedy School of Government.



Seattle Municipal Tower
700 5th Avenue, Suite 4900
P O Box 34018
Seattle, WA 98124-4018
<http://www.seattle.gov/util>