



Progress Report to Council: Fourth Quarter, 2019

Implementing the 2018-2023 Strategic Business Plan Update

Seattle Public Utilities' mission is to deliver efficient and forward-looking utility services that keep Seattle the best place to live and work for everyone. To keep our pledge to meet community and environmental needs, we:

- maintain and deliver some of the nation's best drinking water;
- help Seattle residents and businesses be recycling leaders; and
- protect local waterways and Puget Sound from sewage overflows and polluted storm water runoff.

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

The 2018 - 2023 Strategic Business Plan

Seattle Public Utilities (SPU) worked with customers and employees to update its Strategic Business Plan to guide our work from 2018 through 2023. The Plan Update provides guidance for greater rate predictability while directing important investments for the future.

The Seattle City Council adopted the Strategic Business Plan Update on November 17, 2017, via Resolution 31760.

Service Level Quarterly Highlights

The Strategic Business Plan includes all the work and services SPU provides to customers. The Plan reflects SPU's commitment to operational excellence and highlights the importance of monitoring and improving our performance. Table 1 summarizes the utility's performance in 23 service areas. Highlights are provided below.

- **Drainage and Wastewater (DWW) and Water Response Time (#2)**. Response time to priority drinking water and drainage and wastewater service calls had a strong performance in October (93%) and November (97%). Performance decreased in December (71%) due to inclement weather. In Q4, DWW service response time was at 83% and Water response time was at 77%. Combined, SPU achieved an 82% service response time in Q4 and an overall response time of 84% for 2019 of the targeted 90%. SPU will continue to prioritize service response time in 2020 with a focus on process and workflow improvements.
- **Utility Discount Program (#3)**. In Q4, the Utility Discount Program enrolled 1,207 new customers for a total of 34,028 enrollees by year end, exceeding the 2019 target of 31,924. SPU implemented a new pilot aimed at making enrollment easier, which allows a limited number of randomly selected households in lower-income areas of the city to enroll without providing up-front income documentation. In this pilot, SPU will also use new predictive analytics to boost the effectiveness of both auditing and marketing
- **Pollutants Removed from Roadway (#9)**. SPU exceeded the Q4 performance target by removing 41 tons of pollutants of the targeted 35 tons. In 2019, SPU removed a total of 173 tons of pollutants, exceeding the annual target of 140 tons as we work to keep our waterways clean, business districts healthy, and Seattle moving safely.
- **Graffiti Removed within 10 Business Days (#12)**. 100% of graffiti were removed by SPU crews within 10 business days by SPU crews in Q4. 2019 overall performance was at 99%, significantly exceeding a 90% target.

- **Illegal Dumping (#13)**. SPU posted a strong performance in Q4 - 98.6% of illegal dumping complaints were removed within 10 business days, exceeding the established target by 3.6%. SPU's annual performance for 2019 was at 99.7%, far exceeding the established target of 95%.
- **Collection of Solid Waste Misses (#16 & #18)**. SPU exceeded a target of ≤ 1 missed pickup for every 1,000 stops with 0.75 solid waste missed pickup in Q4. SPU also exceeded a 95% target for missed solid waste pickup collection within 1 business day by collecting 98% in Q4. Despite a strong improvement in Q4, SPU slightly missed the target for annual performance at 1.1 for misses per 1000 stops and 93% for missed pickup collected within one business day. The main factors that impacted SPU's 2019 performance were driver shortages, high volumes of absenteeism, and weather-related challenges.
- **Purchases and Consulting Contracts with Woman and Minority Business Enterprise Firms (#19)**. SPU continued its strong performance into Q4 by achieving 24.3% in WMBE purchasing and consulting contracts. SPU exceeded the 2019 performance targets of 15% for WMBE purchases and 22% for consulting contracts by achieving an overall performance of 20% for WMBE purchasing and 23% for consulting contracts by year end.
- **5.2% Endorsed Rate Path (#20)**. SPU is projecting the rate path to be at 5.0% after submitting solid waste rates to Council. SPU is committed to keeping utility rates affordable for customers.

Table 1. Service Level Performance - Fourth Quarter 2019

#	Performance Metrics	Reporting Frequency	Target	2019 Performance
Focus Area: Customer Experience - Making it easier to get help and find answers				
1	Customers rank their satisfaction with SPU services at least 5 on a scale of 1-7. (Last measured in 2015.)	Every 4 Years	≥5	5.9
2	% of priority drinking water, drainage, and wastewater problems responded to within one hour. (YTD)	Quarterly	≥90%	84%
3	# of households enrolled in the Utility Discount Program. - Change since January 1 - 2019 year-end goal: 32,924	Quarterly	NA 32,924	2,104 34,028
Focus Area: Health and Environment - Protecting your health and our environment				
4	Compliance with all Department of Health regulations.	Quarterly	Yes	Yes
5	Meet tribal, regional, state and federal commitments for instream water for fish. This includes implementing a beneficial instream flow regime that provides high quality fish habitat for salmon and steelhead and reduces the risks of stranding juvenile fish or dewatering fish redds (nests).	Quarterly	Meet commitments for the quarter	Yes
6	Limit sewer overflows to no more than 4 per 100 miles of pipe annually, on a two-year average. - # of total sewer overflows in the current biennium - # of sewer overflows that count towards the Consent Decree threshold - # of sewer overflows in the current biennium per 100 miles of pipe	Quarterly	NA <114 <4	58 36 1.3
7	% of CSO outfalls meeting the CSO control standard.	Annual (April)	100% by 2030	62%
8	# tons of pollutants removed from roads during 2019. (YTD)	Quarterly	≥140 tons/year	173
9	# gallons of runoff water managed using Green Stormwater Infrastructure. (In millions of gallons) (YTD)	Annual (February '20)	270M gallons by year-end	263
10	Achieve Water Conservation Partnership regional water conservation goal. (MGD = million gallons/day)	Annual (April)	<110 MGD	96.5
11	% of solid waste recycled or composted.	Annual (July)	≥70% by 2022	56.5%
12	% of graffiti removed within 10 business day for SDOT structures and 6 business days for SPU property. (YTD)	Quarterly	≥90%	99%
13	% of illegal dumping removed within 10 business days from public property. (YTD)	Quarterly	≥95%	99.7%
Focus Area: Operational Excellence - Improving how we work to deliver consistent, high quality services				
14	Meet obligations in wholesale customer contracts for pressure, flow, and unplanned transmission system outages.	Quarterly	Meet commitments	Yes
15	No critical services (e.g. hospitals) are inaccessible due to flooding, except during extreme storm events (events exceeding a 100-year, 24-hour design storm event).	Quarterly	All critical services accessible	Yes
16	Provide reliable solid waste pickup with only one missed pickup for each 1,000 stops. (YTD)	Quarterly	≤1	1.1
17	Limit late container deliveries to a maximum of two per 100 deliveries.	Quarterly	≤2	1.0
18	Collect at least 95% of missed residential and multifamily solid waste pickups within one business day. (YTD)	Quarterly	≥95%	93%
19	% of purchases and consulting contracts with WMBE firms. (YTD)	Quarterly	Annual Consulting ≥22%	23%
		Quarterly	Annual Purchasing ≥15%	20%
Focus Area: Financial Health				
20	Stay within the overall 5.2% endorsed rate path through 2023.	Quarterly	≤5.2%	Yes
21	The Water Fund is meeting its financial policy guidelines.	Quarterly	Yes	Yes
22	The Drainage & Wastewater Fund is meeting its financial policy guidelines.	Quarterly	Yes	Yes
23	The Solid Waste Fund is meeting its financial policy guidelines.	Quarterly	Yes	Yes

On track

Monitor

Action Items and Council Deliverables – Improving Services

This section summarizes the utility’s progress on the 11 Action Items and 11 Council Deliverables that support the 2018-2023 Strategic Business Plan Update. Some of the names and overall goals of action items have been modified from their original presentation in the 2018-2023 Strategic Business Plan Update to more clearly and accurately describe the action items.

Table 2 and Table 3 present the overall goals of each Action Item and Council Deliverable, as well as our 2019 deliverables for each, and our progress in the Fourth Quarter. Table 4 presents Action Items deferred, and City Council Deliverables completed and closed in 2018-2019.














Quarterly Performance Legend				
 ON TRACK	 MINOR DELAY	 AT RISK	 OFF TRACK	 COMPLETE
<ul style="list-style-type: none"> ➤ Quarterly milestones completed on time ➤ No major known risks or issues 	<ul style="list-style-type: none"> ➤ At least 1 quarterly milestone delayed but within reasonable tolerance ➤ Minor risks or issues identified 	<ul style="list-style-type: none"> ➤ Quarterly milestone(s) delayed, and mitigation plan(s) needed ➤ At least one significant risk identified 	<ul style="list-style-type: none"> ➤ Quarterly milestones delayed and executive support needed ➤ Plan at risk, requiring executive action 	<ul style="list-style-type: none"> ➤ Action Plan or Council Deliverable is complete

Table 2. Progress on Action Items

2018-2023 Action Items Overall Goals	2019 Deliverables and Fourth Quarter Progress	Quarterly Performance
<p>1. Apprenticeship Program Expand and enhance SPU’s apprenticeship program to recruit and retain the best and most diverse talent by providing more training and creating career pathways into and upward, throughout the organization.</p>	<p>2019 Deliverables:</p> <ul style="list-style-type: none"> • Onboard the Water Apprenticeship Advisor. • Recruit, hire, and onboard the Drainage and Wastewater (DWW) Apprenticeship Advisor. • Begin DWW lesson plan development. • Complete 50 percent of Water lesson plans (15). • Complete Water on-the-job training skill block updates (8). • Complete the recruitment and hiring strategy for Water apprentices. <p>In the Fourth Quarter, SPU Human Resources joined the Apprenticeship Team as partners to enhance the recruitment efforts for the next cohort scheduled to start in Q2 2020 with approximately 15 apprentices. The recruitment plan includes developing a comprehensive project plan, updating SPU’s apprenticeship external web page, and developing a job posting focusing on the program benefits, specially that apprentices "earn while they learn". The recruitment effort also includes a marketing plan that will be used to connect with our community partners.</p> <p>SPU had achieved four of six deliverables; hired DWW and Water apprenticeship Advisors, began DWW lesson plan development, and completed the recruitment and hiring strategy for Water apprentices. Work on Water lesson plans and updates to on-the-job skill block training will continue into 2020.</p>	

2018-2023 Action Items Overall Goals	2019 Deliverables and Fourth Quarter Progress	Quarterly Performance
<p>2. Facilities Improvements Purchase property, reconstruct existing facilities, and construct new facilities to address deficient workspace conditions for field crews, equipment, and administrative staff: North Operations Complex; South Operations Complex; Cedar Falls; and Seattle Municipal Tower.</p>	<p>2019 Deliverables:</p> <ul style="list-style-type: none"> • Complete Inter-Departmental Team feasibility study for Haller Lake. • Complete the Stage Gate 1 (SG1) process for Cedar Falls buildings/facilities assessment. • Complete repairs at Cedar Falls due to winter storm damage. • Cedar Falls headquarters opening celebration. • Release SMT 31 and scope options for SMT 48 of the Seattle Municipal Tower. • Complete an options analysis for the South Operations Center. <p>In the Fourth Quarter, SPU continued winter storm repairs at Cedar Falls. While most repairs have been completed, some will continue into 2020. Cedar Falls SG1 continued to be delayed awaiting the Asset Management Committee's direction following a site visit scheduled for early 2020. Additionally, SPU completed the feasibility study and scoping of Seattle Municipal Tower 48th floor and has moved into the pre-design phase and programming.</p> <p>2019 saw the completion of most deliverables, including the Haller Lake feasibility study, the grand opening of the Cedar Falls headquarters, completion of most Cedar Falls winter storm repairs, release of SMT 31st floor and development of scoping options for SMT 48th floor by year end.</p>	
<p>3. Green Fleet Fund the infrastructure needed to implement a fleet of electric vehicles to reduce SPU's use of fossil fuels and support the City's Drive Clean Seattle Fleet initiative.</p>	<p>2019 Deliverables:</p> <ul style="list-style-type: none"> • Finalize Vehicle Reduction Plan and implement 2019 vehicle reductions. • Perform Electric Vehicle Supply Equipment (EVSE) assessments and install EVSE at four locations; review existing green fleet policies. <p>In the Fourth Quarter, SPU reduced its fleet by 17 vehicles identified in the Vehicle Reduction Plan. The utility also kicked off the electric bicycle pilot program for its Drainage and Wastewater Source Control inspectors to increase mobility and efficiency which is hampered by parking challenges. Two electric bicycles are used for business inspection sites in downtown and neighborhood business districts. The Source Control inspectors are based out of the Wharf Building near Fisherman's Terminal.</p> <p>SPU achieved all deliverables in 2019 by implementing the approved Vehicle Reduction Plan, reducing 17 vehicles from its fleet, reviewing the anti-idling policy and efforts to increase staff awareness, and installing electric vehicle charging stations at the South Operations Center, Lake Youngs, the North Operation Center, and Operations Control Center. These charging stations will be used to charge the electric battery generators installed in two water service trucks. In addition, SPU installed electrical infrastructure to support the buildout of 14 additional charging stations at the Operations Control Center.</p>	

2018-2023 Action Items Overall Goals	2019 Deliverables and Fourth Quarter Progress	Quarterly Performance
<p>4. Green Stormwater Infrastructure Expansion Continue to develop and implement GSI projects in the Longfellow, Piper's, and Thornton Creek watersheds, as well as urban villages, decreasing the polluted runoff entering Seattle's waterways while providing substantial environmental and community benefits.</p>	<p>2019 Deliverables:</p> <ul style="list-style-type: none"> Implement Green Stormwater Infrastructure (GSI) in Urban Villages Program by engaging with staff, interdepartmental contacts, and developers to identify and evaluate potential GSI partnership projects in urban villages. Implement Natural Drainage Systems (NDS) capital projects (Thornton Phase 1: 30th Ave NE). <p>In the Fourth Quarter, SPU continued expanding the Green Stormwater Infrastructure program. In summary, SPU is proud of the progress made in GSI expansion initiative in 2019 by focusing on four areas: Expansion of our Toolkit, Grow Partnerships, Remove Barriers and Supporting Communities. The GSI in Urban Villages Program advanced projects in Crown Hill and Lake City. The Natural Drainage Systems (NDS) Partnering program focused on partnership with SDOT to co-design and co-fund pedestrian mobility improvements in concert with bioretention improvements. The program completed construction on 30th Ave NE, achieved 60% design for Longfellow NDS, and began design on the Thornton South NDS project. SPU also constructed the last two blocks of the Swale on Yale project, a public-private partnership project treating stormwater from Capitol Hill.</p> <p>The RainWise Program has incentivized more than 1900 projects. SPU is developing a second voluntary green infrastructure retrofit program to accelerate and scale-up project delivery, cultivate new sector-based partnerships, integrate racial equity outcomes and leverage SPU investment to attract more complete project funding. In summary, SPU achieved all deliverables and expansion of the GSI program will continue into 2020.</p>	
<p>5. Pump Stations, Force Mains, and Combined Sewer Overflow Outfalls</p> <p>A) Rehabilitate or replace assets at SPU's sewer pump stations and their associated for mains to help prevent sewer overflows and backups.</p> <p>B) Rehabilitate and replace SPU's Combine Sewer Overflow outfalls to help prevent sewer backups.</p>	<p>2019 Deliverables:</p> <ul style="list-style-type: none"> Achieve substantial completion for pump stations (PS) 2, 72, 73 Improvements, PS Ventilation Upgrades, force main (FM) 43. Replacement, and Outfall 171 Repair (A). Achieve 90% design for PS 17, 118 Improvements (A). Achieve 30% design for Airlift PS 38 Conversion Project and Airlift PS 56 Conversion Project (A). Complete assessment of 18 Combine Sewer Overflow (CSO) outfalls (B). <p>In the Fourth Quarter, SPU continued making progress on most deliverables. The following deliverables achieved substantial or full completion by year-end.</p> <ul style="list-style-type: none"> PS Ventilation Improvements: Project completed. PS 43 Force Main Replacement: Project achieved substantial completion with final completion projected for Q1 2020. PS 17 and 118 Improvements: Project achieved 90% design completion. Outfall 171 Repair: Achieved substantial completion. <p>The following deliverables were delayed at the end of Q4 with work continuing into 2020.</p> <ul style="list-style-type: none"> Airlift PS 56 Replacement: Project was paused due to consultant performance issues. SPU is negotiating with a third party on work estimates. PS 72: The project experienced substantial procurement delay in Q3, but construction began in Q4 with substantial completion projected for Q2 2020. <p>Overall, SPU achieved 9 of 11 deliverables by year end; PS 2, PS 73, PS ventilation, force main 43, outfall 171, PS 17, PS 118, airlift PS 38, and assessment of 18 CSO outfalls. Work on airlift PS 56 and PS 72 will continue into 2020.</p>	

2018-2023 Action Items Overall Goals	2019 Deliverables and Fourth Quarter Progress	Quarterly Performance
<p>6. Sewer Rehabilitation Increase repair, rehabilitation, and replacement of SPU's aging wastewater and drainage pipes, based on criticality and condition assessments, to support SPU's goals of preventing sewer overflows and meeting regulatory requirements.</p>	<p>2019 Deliverables:</p> <ul style="list-style-type: none"> Complete 160 spot rehabilitation work orders by crews. Complete four miles of sewer rehabilitation by contract. <p>In the Fourth Quarter, SPU crews continued to exceed the quarterly target for spot rehabilitation by completing 56 work orders of the targeted 40. Contracted sewer rehabilitation work slowed into the fourth quarter with 0.01 miles of repair completed of the targeted one mile.</p> <p>SPU had a strong 2019 performance in sewer spot rehabilitation by completing 218 spot repairs of the targeted 160 by year end. Sewer rehabilitation by contractors achieved 1.82 miles of repairs of the targeted 4 miles in 2019. Rehabilitation work by contractors were delayed due to SDOT permitting process and staffing level which impacted project delivery and design.</p>	
<p>7. Sewer Lining Increase sewer lining by utilizing trenchless technology, an efficient and cost-effective approach to address certain sewer system problems, to support meeting SPU's regulatory requirements, and reduce the likelihood of structural failures and sewer backups.</p>	<p>2019 Deliverables:</p> <ul style="list-style-type: none"> Be ready to begin field work in Q4 2019 – install first liner Have crew operational in the field by the end of the year. <p>In the Fourth Quarter, SPU crews acquired a closed-circuit television truck, installed the first liner, continued collaboration with the Portland and Tacoma on training and equipment needs, and continued work to finalize the standard operating procedure. By year end, SPU achieved both deliverables - installation of the first liner and field crews were operational.</p>	
<p>8. Technology Services Collaborate with the Information Technology Department (ITD) to design and implement processes that better ensure ITD's services meet SPU's priority business needs.</p>	<p>2019 Deliverables:</p> <ul style="list-style-type: none"> Track and manage the 2019 Tech CIP Portfolio and develop the 2020 Tech CIP Portfolio. Work with IT Department (ITD) to develop a process to identify and prioritize O&M work, as well as implement this process for 2020. Complete Tech Issues Gap Analysis report and develop plan to address gaps. Design and implement new monthly reports and annual work plan. <p>In the Fourth Quarter, SPU finalized and adopted its 2020 Tech CIP Portfolio. We continued to track performance and adjust the CIP Tech Portfolio. Key focus areas for improvement have been identified and include O&M financial and service delivery performance, Stage Gate review and technology project delivery. SPU, in collaboration ITD, developed and adopted objectives and key results that will promote more effective and efficient service delivery and strengthen partnership between the two departments. A workgroup was convened to explore and develop improvement proposals for the Tech CIP Stage Gate process. The overview of O&M work and financial reporting continued with the goal to prioritize and monitor O&M service delivery and spending. Overall, SPU made significant progress on all identified deliverables in 2019. However, we faced some delays in completing monthly performance reports due to staffing changes and resource constraints. This work will continue into Q1 2020.</p>	



2018-2023 Action Items Overall Goals	2019 Deliverables and Fourth Quarter Progress	Quarterly Performance
<p>9. Water Distribution System Maintenance Expand maintenance of approximately 60,000 water valves and 19,000 fire hydrants to better ensure that valves and hydrants operate reliably when needed, particularly during emergencies.</p>	<p>2019 Deliverables:</p> <ul style="list-style-type: none"> • Hire four staff. • Initiate purchase request for one hydrant and one valve truck. • Create 2020 Resource Plan to plan for new staff utilization and backlog completion. • Complete at least 30 lower priority hydrant maintenance work orders and 10 out of service hydrant work orders per month. <p>In the Fourth Quarter, SPU ran hiring processes but did not attract enough qualified candidates for the journey level positions. All division vacancies have been reposted with expanded outreach and recruitment in Q1 2020 and will remain active until filled. SPU WOSM initiated the acquisition for both vehicles. Next steps are Vehicle Use Committee review, CBO review, and SPU Finance approval prior to placing the order estimated Q3 2020. Staff exceeded hydrant work order targets in Q4 by completing 433 work orders of the targeted 90 for low priority hydrant maintenance and 35 out of service hydrants work orders of the targeted 30. In total, staff completed 1,114 low-priority hydrant work order of the targeted 360 and serviced 291 out of service hydrant of the targeted 120 by year end. The resourcing plan to address low priority hydrant workorders includes the metrics, vehicle purchases, and hiring processes was in development in 2019 and progress will continue into 2020.</p>	
<p>10. Water and Drainage & Wastewater Opportunity Projects Take advantage of street openings driven by transportation projects by initiating water infrastructure projects to improve service levels, reduce risk, reduce future costs, and provide service where there currently is none.</p>	<p>2019 Deliverables:</p> <ul style="list-style-type: none"> • Address each potential opportunity project through the ROW coordination program process to determine recommended course of action. • When a project is identified, start implementation. <p>In the Fourth Quarter, SPU finished assessing one project and re-examined another in light of new information from SDOT. We also updated a scope which was completed in Q2 to be included in a Stage Gate in Q1 2020. Another SDOT project was re-started and a review from Capacity Management Operations and Management staff was completed to determine any overlap between existing SPU in force main program and the SDOT proposed project area. Costs and scope for this project is expected to be complete in Q1 2020. In summary, SPU assessed and provided scope and cost analysis on six projects.</p>	

Table 3. Progress on City Council Deliverables




2018-2023 Council Amendment Scope	2019 Deliverables and Fourth Quarter Progress	Quarterly Performance
<p>1 Customer Review Panel Maintain continuous stakeholder engagement as SPU implements the six-year Strategic Business Plan and conducts future Plan updates.</p>	<p>2019 Deliverables:</p> <ul style="list-style-type: none"> • Provide quarterly status reports and hold quarterly meetings with the Customer Review Panel (CRP) to review and provide input on the progress of the 2018 - 2023 SBP Update action plans and deliverables. • In Q3, hold workshops and planning sessions with CRP to begin developing the 2021 - 2026 SBP Update. <p>In the Fourth Quarter, The Customer Review Panel met four times. SPU conducted a Strategic Business Plan kick-off meeting for panel members. CRP members and SPU Executive Team participated in an assessment exercise to identify short-term and long-term issues that may impact SPU and the SBP. The Panel was presented with a roadmap outlining the process and timeline of how the SBP will be developed.</p> <p>By year end, SPU achieved all deliverables and looks forward to continued engagement with CRP in 2020.</p>	
<p>2 CIP Accomplishment Rate Adjust the baseline capital improvement program accomplishment rate from 100% to 97.5%.</p>	<p>2019 Deliverables:</p> <ul style="list-style-type: none"> • Make sure the CIP spending remains within the limits set in the SBP of a 97.5% accomplishment rate and the funding levels approved in the SBP. • Evaluate and adjust as needed. <p>In the Fourth Quarter, we continued conducting monthly monitoring to stay within the rate path and made adjustments as needed. SPU expects to remain within its adopted rate path at the closing of FY 2019. Diligent monitoring has allowed SPU to meet its performance deliverable for the year.</p>	

Table 4. Completed, Closed, Deferred Action Items and City Council Deliverables

2018-2023 Action Item	2018 – 19 Action Items Deferred	Quarterly Performance
<p>1. Diaper & Pet Waste Feasibility Study Evaluate the feasibility of composting diapers and pet waste.</p>	<p>The feasibility of composting diapers and pet waste will be addressed as part of the next Solid Waste Comprehensive Plan. We will not be reporting on this Action Item in 2019.</p>	<p>✓</p>
2018-2023 Action Item	2018 – 19 Action Items Completed	
<p>1. Security Monitoring Add a dedicated security monitoring center to provide SPU with real-time monitoring of security video and add a security position to respond to an increasing number of incidents, improve response time to alarms, and perform more security checks.</p>	<p>This action item is complete with the Security Monitoring space fully staffed by a security staff.</p>	<p>✓</p>
2018-2023 Council Amendment Scope	2018 – 19 Deliverables and Completion Date	Quarterly Performance
<p>1. System Development Charges Propose a set of recommendations to establish new sewer and drainage system development charges and change the method of calculating the water connection charge.</p>	<p>System Development Charges Summary of Issue Analysis was submitted to Council in June. This Council Deliverable was closed in Q2 2019</p>	<p>✓</p>
<p>2. Accountability & Affordability Prepare a strategic plan for affordability and accountability.</p>	<p>This Council Deliverable was completed and was closed in Q2 2019.</p>	<p>✓</p>
<p>3. Risk & Resiliency Prepare a risk and resiliency management assessment to identify and evaluate potential impact and disruption to SPU's business and investment strategies. The assessment may include the following: climate change; disaster preparedness; economic growth and cost of living trends, market trends for utility services, regional and City investment priorities, and workforce availability and capabilities. Submit a status report on the assessment by August 1, 2018. Submit the final draft to Council by June 30, 2019.</p>	<p>This Council Deliverable was completed and was closed in Q2 2019.</p>	<p>✓</p>
<p>4. Efficiency Report Conduct a thorough review of utility business practices identifying changes in operation and project delivery processes that result in at least 0.1 percentage point decrease to the 5.2 percent combined average annual rate increase.</p>	<p>This Council Deliverable was completed and was closed in Q2 2019.</p>	<p>✓</p>
<p>5. Water Tap Fees Adjust water tap fees to reflect current costs of service. Updated fees shall be implemented by SPU via Director's Rule no later than April 1, 2018.</p>	<p>This Council Deliverable was completed and closed in Q3 2018. The Director's rule went into effect on October 1, 2018.</p>	<p>✓</p>
<p>6. Water Connection Charges Update the water connection charge to ensure that SPU is charging the appropriate amount related to connecting to the water system and consistent with the SMC. Updated charges shall be implemented by SPU via Director's Rule no later than April 1, 2018.</p>	<p>This Council Deliverable was completed and closed in Q3 2018. The Director's rule went into effect on October 1, 2018.</p>	<p>✓</p>

2018-2023 Action Item	2018 – 19 Action Items Deferred	Quarterly Performance
<p>7. Utility Taxes Evaluate the transparency of utility billing information including the portion of a customer's bill attributable to state and local utility taxes, and specific state and local tax rates. Provide recommendations to the City Council addressing the Customer Review Panel's letter no later than April 15, 2018.</p>	<p>This Council Deliverable was completed and closed in Q3 2018.</p>	
<p>8. CIP Cost Review Report to the Council Committee with scoping recommendations, timelines, and an estimate of the cost to engage one or more consultants to do an independent cost estimate for all discrete non-relocation-related CIP projects with an estimated total cost of no less than \$60 million.</p>	<p>This Council Deliverable was completed and closed in Q3 2018. We will continue to conduct independent cost estimates for all discrete non-relocation-related CIP projects with an estimated total cost of no less than \$60 million; there are no additional projects of this size during this planning period.</p>	