



Progress Report to Council: Third Quarter, 2020

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 below.

- **Drainage and Wastewater (DWW) and Water Response Time (#2)**. In Q3, Water and DWW response time to priority service calls was 82% of the targeted 90%. Water achieved a 91% priority service response time, a 17% increase from Q2. However, DWW priority response time in Q3 dipped to 71% from 89% in Q2. The DWW performance decrease was related directly to a late September rainstorm that caused a 40% increase in priority workorders which reduced September's response time to 60%.

As Water LOB continues to uphold data integrity in its reporting and DWW priority work order volume normalizes. We anticipate the response metric for priority service calls will increase in Q4 to close out 2020.

- **Utility Discount Program (#3)**. The Utility Discount Program enrolled 2,753 customers in Q3, with the majority enrolling through the COVID online Fast Track application form. However, during the same period, 2,781 households either failed recertification or did not complete the recertification process to maintain enrollment in the program, resulting in a net enrollment loss of 28. Earlier in the pandemic, in response to significantly increased program demand, SPU decided to temporarily allow customers whose certification period had expired to have additional to complete the recertification process. In July, the Human Services Department (HSD) began recertifying customers whose certification had expired. HSD made several attempts to contact customers needing recertification, but those that remained unresponsive to recertification requests were ultimately removed from the program. As of the last day of Q3, there were 40,671 SPU and SCL customers enrolled in the program, with additional enrollment expected in Q4.

- **Pollutants Removed from Roads (#8).** In Q3, SPU removed 33 tons of pollutants from roads bringing the total of pollutants removed in 2020 (during what interval??) to 120 tons. SPU remained on target to meet/exceed the 2020 goal of removing 140 tons of pollutants from roadways.
- **Graffiti Removed and Illegal Dumping within 10 Business Days (#12 & #13).** SPU crews posted strong performance in Q3 by removing 100% of reported graffiti and responding to 99% of illegal dumping complaints within 10 business days. The utility remained on track to meet/exceed the 2020 performance target of removing 90% of reported graffiti and 95% of reported illegal dumping.
- **Collection of Solid Waste Misses (#16 & #18).** In Q3, SPU achieved a 1.08 missed solid waste pickup for every 1,000 stops of the targeted ≤ 1 . While Q3 performance was slightly off target, the cumulative average for missed pickups was at 0.8, exceeding the annual targets of ≤ 1 missed pickup for every 1,000 stops. SPU exceeded by one percentage point the 95% collection rate for missed solid waste pickups within one business day.
- **Purchases and Consulting Contracts with Woman and Minority Business Enterprise (WMBE) Firms (#19).** In Q3, SPU awarded 19% of purchasing contracts, and 18% of consulting contracts, to WMBE firms. The utility continued to meet its purchasing contracts target of 17%, but did not meet the consulting contracts target. The number of consulting contracts awarded to WMBE firms increased slightly to 18% in Q3 for a cumulative average of 17%, short of the targeted 22%. WMBE consulting contracts continued to be impacted by COVID-19. The utility expects to continue achieving its WMBE purchasing goal for 2020, but WMBE consulting spending may be at risk due to COVID-19 restrictions.

Q3 Service Level Performance Metrics

#	Performance Metrics	Reporting Frequency	Target	2020 Performance
Focus Area: Customer Experience - Making it easier to get help and find answers				
1	Customers rank their satisfaction with SPU services is 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)	Monthly	≥90%	82%
3	# of households enrolled in the Utility Discount Program. - Change since January 1 - 2020 year-end goal: Meet the needs of customers	Monthly	Meet the Needs	7,835
				40,671
Focus Area: Health and Environment - Protecting your health and our environment				
4	Compliance with all Department of Health regulations.	Monthly	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 annually per 100 miles of pipe, 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 sewer pipe	Monthly	NA <114 <4	60
				40
				1.4
7	% of CSO outfalls meeting the CSO control standard.	Annual (April)	100% by 2030	61%
8	# tons of pollutants removed from roads during 2020. (YTD)	Quarterly	≥140 tons/year	120
9	# gallons of runoff water managed using Green Stormwater Infrastructure. (In millions of gallons) (YTD)	Quarterly/ Annual (February)	300M gallons by year-end	298
10	Achieve Water Conservation Partnership regional water conservation goal. (MGD = million gallons/day)	Annual (April)	<110 MGD	94.0
11	% of solid waste being recycled or composted.	Annual (July)	≥70% by 2022	54.4%
12	% of graffiti removed within 10 business day for SDOT structures and 6 business days for SPU property. (YTD)	Monthly	≥90%	100%
13	% of illegal dumping removed within 10 business days for public property. (YTD)	Monthly	≥95%	99%
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.	Monthly	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).	Monthly	All critical services accessible	Yes
16	Provide reliable solid waste pickup with only one missed pickup for each 1,000 stops. (YTD)	Monthly	≤1	0.8
17	Limit late container deliveries to a maximum of two per 100 deliveries.	Monthly	≤2	0.8
18	Collect at least 95% of missed Residential and Multifamily solid waste pickups within one business day. (YTD)	Monthly	≥95%	96%
19	% of purchases and consulting contracts with WMBE firms. (YTD)	Monthly	Annual Consulting ≥22%	17%
		Monthly	Annual Purchasing ≥17%	23%
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

Table 1. Service Level Performance - Fourth Quarter 2020

Action Items and Council Deliverable – Improving Services

This section summarizes the utility’s progress on the 12 Action Items and 10 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 better describe the action items.

Table 2 and Table 3 present the goals of each Action Item and Council deliverable, as well as the 2020 deliverable for each, and progress in the Third Quarter. Table 4 presents Action Items deferred, and City Council deliverable completed and closed in 2018-2020.

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	2020 Deliverable and Third 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>2020 Deliverable:</p> <ul style="list-style-type: none"> • Completion 70% of Water Operations Related/Supplemental instruction (RSI) lesson development • Complete 90% of Water Operations On-the-Job Training (OJT) lesson development • Begin Water Operations “First Class” Training for apprentices • Complete recruitment and selection of apprentices • Complete 25% of DWW Related/Supplemental Instruction (RSI) lesson development <p>In the Third Quarter, SPU successfully completed the recruitment and selection for the apprenticeship program by implementing 140 in-person “working tests” and 80 in-person interviews under strict COVID protocols. Sixteen candidates were selected for the apprenticeship program and conditional job offers extended. Water’s apprenticeship program is on target to launch in Q4. SPU achieved an 86% completion rate for Water Ops On-the-Job Training Skills Blocks development, 60% of the Water Operations RSI curriculum development and 15% of DWW RSI lesson developments. Based on current performance, SPU is on track to meet/exceed all deliverables by year end.</p>	

2018-2023 Action Items Overall Goals	2020 Deliverable and Third 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 Center; South Operations Center; Cedar Falls; and Seattle Municipal Tower.</p>	<p>2020 Deliverable:</p> <ul style="list-style-type: none"> Options analysis for Cedar Falls Phase 2 Purchase South Spoils Yard Complete options analysis study of North Operations Command and Control relocation Planning for update Master Plan delivery strategy Seattle Municipal Tower space utilization design Complete 30% design of the South Operations Center <p>In the Third Quarter, SPU began construction of weatherizing the Cedar Falls Learning Center and planning for the redevelopment of the facilities at the South Spoils Yard which was authorized for purchase in July. The staff continued planning to provide more workspace sharing options between operations and office staff and reduce SPU's occupancy at SMT by 25%. SPU space utilization design of SMT progressed to cost options analysis. Critical planning work for the Master Plan delivery strategy will continue in 2021.</p> <p>SPU paused a planned relocation of the utility's most sensitive command and control functions pending decisions on next steps from E-Team. Work on the South Operations Center did not meet the 30% design goal. The Cedar Falls Phase 2 project continued to be paused awaiting directions on efficiency strategies and environmental consideration.</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>2020 Deliverable:</p> <ul style="list-style-type: none"> Hire permanent Green Fleet Strategic Advisor Electric Vehicle Supply Equipment (EVSE) assessment and installation at two SPU locations Identify opportunities for electric vehicle/tools pilot programs Implement 2020 phase of SPU Vehicles Reduction Plan, per Executive Order 2018-05 <p>In the Third Quarter, SPU completed a draft update of the 10-year electric vehicle procurement schedule with EVSE needs identified by facility location. The schedule will be finalized once SPU's long-term plans for office space requirements and teleworking is completed in 2021. SPU also researched electric equipment replacement options for an existing diesel yard truck at South Transfer Station and an existing diesel mower. Grant funding is being pursued for the yard truck.</p> <p>To comply with COVID-19 health and safety protocols, SPU Fleets reviewed the underutilized vehicle list and temporarily relocated vehicles so they can be used by frontline staff for physical distancing in lieu of rental cars. SPU is on track to implement the 2020 Vehicle Reduction Plan by year end.</p> <p>With the hiring of the Green Fleet Strategic Advisor in Q1, SPU is on track to complete all four deliverables in 2020.</p>	

2018-2023 Action Items Overall Goals	2020 Deliverable and Third Quarter Progress	Quarterly Performance
<p>4. Green Stormwater Infrastructure Expansion Lead programs, policies, and partnerships to expand the use of green infrastructure. This work includes implementing GSI projects in the Longfellow, Piper's, and Thornton Creek watersheds, as well as urban villages, to decrease polluted runoff entering Seattle's waterways while providing substantial environmental and community benefits.</p>	<p>2020 Deliverable:</p> <ul style="list-style-type: none"> • Programs and policies to expand Green Stormwater Infrastructure (GSI) delivery through partners (e.g. projects initiated by non-SPU agencies, CBOs and/or developers) • Leverage DWW capital project investments to increase knowledge and delivery of expanded community benefits (environment, health, equity, empowerment, customer experience) <p>In the Third Quarter, SPU supported community and advanced approaches that build social capital and capacity in vulnerable Seattle communities, including delivery of the first RainWise Contractor Academy, initial development of a GSI Youth Corp, and foundational alignment of CIP programs to exceed typical WMBE and Priority Hire targets.</p> <p>The utility saw continued growth of GSI partnerships in developing and implementing capital projects on public property with Seattle Parks and Recreation and SDOT and with private investment (developers, UW, NGOs) to support delivery of high value outcomes without increased costs.</p> <p>SPU also worked to remove barriers to innovate and expand GSI approaches through policy work and clarification of the city's policies that facilitate and support DWW values and capital projects.</p> <p>SPU met the Q3 quarterly target and is projected to meet both deliverables by year-end.</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>2020 Deliverable:</p> <ul style="list-style-type: none"> • Complete Pump Stations 2, 72, 73 improvement projects • Advertise project for Pump Stations 17 and 118 • Kick-off design improvements for Pump Stations 62, 63, 71 and 76 • Airlift Pump Station Conversions: Achieve 30% design for Airlift SP 56 and 90% design for Airlift PS 38 • Complete Wastewater Pump Station Projects: Replacement projects of pump stations 1, 49, 59 and 84; commission facility of pump station 19; and construction fencing and restore site of pump station 80 • Replace valves and hatches • CSO Outfalls: Develop Asset Management Plan by year-end <p>In the Third Quarter, SPU completed work and advertised projects for Pump Stations 17 and 118; began design improvements on PS 62, 63, 71 and 76; achieved 98% design for Airlift PS38; completed valve and hatch replacements; and completed the wastewater PS (WWPS) projects 1, 80 and 84. SPU is on target to deliver CSO Outfall Asset Management Plan by end of 2020. In addition to the completion of WWPS 19, 49 and 59 and PS improvement projects 2, 72 and 73 in Q2, SPU completed all but one deliverable for 2020. Airlift PS 56 conversion remained delayed in Q3 due to delays in cost and scoping reviews. PS 56 is working to identify a new project team with design work projected to begin in 2021.</p>	

2018-2023 Action Items Overall Goals	2020 Deliverable and Third 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>2020 Deliverable:</p> <ul style="list-style-type: none"> Complete 165 spot rehabilitation work orders by crews. Complete 5.9 miles of sewer rehabilitation by contract. <p>In the Third Quarter, SPU completed 54 rehabilitation repairs of the targeted 42. At the end of Q3, SPU completed 142 work orders of the targeted 165 for 2020. However, sewer rehabilitation by contractors missed the quarterly performance target by achieving 0.22 miles in Q3 of the targeted 1.48 miles per quarter. The sum of sewers rehabilitated by contractors is 0.67 miles of the targeted 5.9 miles. Rehabilitation work by contractors was hampered by COVID-19 restrictions, but it was also impacted by permitting delays and performance issues. SPU anticipates spot rehabilitation by SPU crews will continue to meet/exceed quarterly targets in Q4 but delays in sewer rehabilitation by contractors will also continue into Q4.</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>2020 Deliverable:</p> <ul style="list-style-type: none"> Finalize Standard Operating Procedures Install spot liners and T-Liners in wastewater and drainage system by completing 140 lining work orders. <p>In the Third Quarter, lining was suspended to due COVID-19 health and safety concerns and limited crew. Much of the lining crew was identified as high-risk. Available operational staff was reassigned to support sewer rehab work and other support.</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>2020 Deliverable:</p> <ul style="list-style-type: none"> Track and manage the 2020 Tech CIP Portfolio and develop the 2021 Tech CIP Portfolio. Reassess Tech CIP Stage Gate process to identify opportunities for improvement and alignment with ITD. Recruit an IT Strategic Advisor Position that will oversee development of SPU Technology Strategic Plan, Tech CIP Portfolio Management, and ongoing O&M programs and services. <p>In the Third Quarter, SPU continued to evolve its tracking and monitoring of Tech CIP project delivery. In addition to status reports and regular briefings with ITD project managers, SPU engaged in regular review of projects spending and forward-looking forecasting. Tech CIP Stage Gate assessment involving both SPU and ITD stakeholders continued to progress. A recruitment process for an IT Advisor was not successful. The utility will re-initiate the recruitment in Q4 2020.</p>	
<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>2020 Deliverable:</p> <ul style="list-style-type: none"> Establish accomplishment targets for critical valve inspections based on route completion Hire 2 valve/2 hydrant FTEs until filled Hydrant maintenance: Complete 360 work orders for low priority hydrants and 120 work orders for out of service hydrants <p>In the Third Quarter, SPU crews completed 282 work orders for low priority hydrant repairs and 67 work orders for out-of-service hydrants. At the end of Q3, SPU crews completed 1,182 work orders for low priority hydrant repairs, exceeding the 2020 target of 360 work orders. SPU crews also completed 211 work orders for out-of-service hydrants, exceeding the annual targeted goal of 120 completed work orders.</p> <p>Crews were unable to implement valve inspection work due to COVID-19 restrictions and reduced staffing. Additionally, the hiring process for the two valve and two hydrant workers were delayed in. SPU will continue to prioritize the hiring of two valves and two hydrant workers in Q4.</p>	

2018-2023 Action Items Overall Goals	2020 Deliverable and Third Quarter Progress	Quarterly Performance
<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>2020 Deliverable:</p> <ul style="list-style-type: none"> • Project assessment to determine opportunity • If project is identified, prepare scope and cost estimates for inclusion into SDOT project • If rehab project is not included in SDOT project, add to SPU projects for prioritization and scheduling. <p>In the Third Quarter, SPU assessed a sidewalk project and Route 7 Transit for opportunity projects, but changes to the project prevented work that were previously identified in the original assessment from being completed. SPU conducted coordination meetings with SDOT project teams for opportunity projects, but due to defunding, the number of opportunity projects will continue to be impacted by the pandemic. SDOT corridor projects will be the source of most Water opportunities in the near term; however, no new corridor opportunities were identified in Q3.</p>	

Table 3. Progress on City Council Deliverable

2018-2023 Council Amendment Scope	2020 Deliverable and Third 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>2020 Deliverable:</p> <ul style="list-style-type: none"> • Complete Panel briefing for 2021-2026 SBP; 10 meetings • Transmit Panel letter regarding SBP recommendations to Council • Quarterly review of Strategic Business (SBP) Plan deliverable <p>In the Third Quarter, the Customer Review Panel held two additional meeting in Q3 bringing the total meetings to 10. The Panel reviewed the quarterly updates on SBP deliverables, CIP projects and financials. The Panel was also briefed on the 2021-2026 Strategic Business Plan reporting and SPU’s Race and Social Justice Plan overview. The Panel will begin drafting the letter of recommendations to Council in Q4.</p>	
<p>2. CIP Accomplishment Rate Adjust the baseline capital improvement program accomplishment rate from 100% to 97.5%.</p>	<p>2020 Deliverable: Adjust the baseline Capital Improvement Program (CIP) accomplishment rate from 97.5% to 85% (95% Ship Canal Water Quality Project and sediments, 90% Solid Waste).</p> <p>The Third Quarter, the annual accomplishment rate for all funds increased to 62%, with actual expenditures of \$147.4 million against the \$236.6 million Q3 budget. Accomplishment was mixed by fund. Excluding shared projects and technology projects, which are split across all funds:</p> <ul style="list-style-type: none"> • The Water Fund accomplished 72% of its Q3 budget with \$26.4 million in actual expenditures against \$36.8 million in Q3 budget. The underspending was primarily due to Water Distribution projects, Water Quality and Treatment, and Dam Safety projects. • The Drainage and Wastewater Fund accomplished 60% of its CIP with \$80.5 million in actual expenditures against \$133.5 million in Q3 budget. The underspending was due to delayed spending on Combined Sewer Overflow projects, Flooding and Sewer Capacity projects, and Green Stormwater Infrastructure. • The Solid Waste Fund accomplished 22% of its CIP with \$1.3 million in actual expenditures against \$5.9 million in Q3 budget. The underspending was due to the delay of the South Transfer Station Phase 2 project. • Shared CIP accomplished 56% of its \$52.1 million Q3 budget. The underspending was due to delays related to work with SDOT, and heavy equipment purchases. • Technology CIP accomplished 113% of its \$8.6 million Q3 budget. 	

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

2018-2023 Action Item	2018 – 20 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 2020.</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>	
2018-2023 Council Amendment Scope	2018 – 19 Deliverable 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>This deliverable was completed and closed in Q2 2020</p>	
<p>2. Accountability & Affordability Prepare a strategic plan for affordability and accountability.</p>	<p>This Council deliverable was completed and closed in Q2 2020.</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, 2020.</p>	<p>This Council deliverable was completed and closed in Q2 2020.</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 closed in Q2 2020.</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>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>	

2018-2023 Action Item	2018 – 20 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 create independent cost estimates for all discrete non-relocation-related CIP projects with an estimated total cost of up to \$60 million.</p>	