

**ATTACHMENT 1: SEATTLE PUBLIC UTILITIES (SPU) STRATEGIC PLAN EFFICIENCIES AND PROGRAMMATIC REDUCTIONS costs**  
*shown in thousands*

Focus Area	Line of Business	Action	2015-'20 O&M	2015-'20 CIP	2015-'20 Total
	<b>EFFICIENCIES</b>				
	All	A consultant identified 45 efficiency actions that by 2020 could save \$10 million in annual operations and maintenance (O&M) costs and \$6 million in annual capital improvement program (CIP) costs. The Plan includes about 70% (\$7.4 million) of the consultant-identified O&M savings by 2020. \$1 million in non-labor savings are assumed with the rest achieved through labor savings. To meet the savings goal, SPU intends by 2020 to have no more positions than in 2014.	(\$32,050)		(\$32,050)
	<b>PROGRAMMATIC REDUCTIONS 1/</b>				
Customer Experience	Corporate	Customer Account Services - Efficiencies in field collection of past due accounts (-1 FTE) -- begin in 2016	(\$522)		(\$522)
		Reduce equipment purchases, consultant contracts, software, etc. in several divisions	(\$2,946)		(\$2,946)
		Information Technology (IT) large projects. Reduce tech CIP planning, specialized work (E#s)	(\$300)		(\$300)
		Security, Emerg Mgmt, Safety - Reduce Emergency Management equip replacements	(\$300)		(\$300)
		Reduce funds used for special projects and/or contracts requested by the Mayor, Council or SPU Director	(\$192)		(\$192)
		Eliminate 30 desk phones for IT employees	(\$180)		(\$180)
		IT Operations - Reduce specialized hardware/personal computer replacement	(\$150)		(\$150)
Customer Experience	Drainage Wastewater (DWW)	Reduce water quality education and outreach	(\$54)		(\$54)
Environment & Public Health		Update CIP estimates for combined sewer overflow (CSO) projects & water quality/flow improvement projects		(\$45,000)	(\$45,000)
Environment & Public Health		Update program management cost estimate for CSO projects and the Green Stormwater Infrastructure Program		(\$6,400)	(\$6,400)
Environment &		Reduce outside support for regulatory compliance & policy	(\$222)		(\$222)
Environment & Public Health		Reduce wastewater behavior change pollution source control campaign by 25%.	(\$126)		(\$126)
Operational Excellence (OpEx)		Update CIP estimates for Localized flood control program		(\$6,100)	(\$6,100)
OpEx		Update CIP estimates for culvert replacement program		(\$5,000)	(\$5,000)
OpEx		Reduce technical, specialized studies in support of Capital Planning (E#s)	(\$2,160)		(\$2,160)
OpEx		Reduce funds in Field Operations and Maintenance Branch to address emergent DWW issues	(\$720)		(\$720)
OpEx		Reduce consultant funds in Utility Service Management Branch to address emergent DWW issues	(\$504)		(\$504)
OpEx		Reduce funds to standardize processes for capital projects development and for consultants to evaluate aging Works Progress Administration drains	(\$378)		(\$378)
	Solid Waste	Reduce waste prevention work	(\$1,374)		(\$1,374)
		Historic landfills. Align budget to actual expenses.	(\$480)		(\$480)
OpEx		Update CIP estimates for South Park Development		(\$6,500)	(\$6,500)
OpEx		Update CIP estimates for South Hazshed relocation		(\$1,600)	(\$1,600)
OpEx		Efficiencies in transfer station operations	(\$6,000)		(\$6,000)
OpEx	Water	Habitat Conservation Plan non-labor cuts (watershed forest resiliency studies; research and inventory work)	(\$1,152)		(\$1,152)
OpEx		Less budget for technical, specialized studies in support of capital planning	(\$2,700)		(\$2,700)
OpEx		Eliminate 1 Manager/Supervisor position; reallocate 1 Manager/Supervisor position to the Billing Meter Action Plan (2 FTE total)	(\$1,890)		(\$1,890)
		<b>TOTAL OF PROGRAMMATIC REDUCTIONS 2/</b>	<b>(\$22,350)</b>	<b>(\$70,600)</b>	<b>(\$92,950)</b>
		<b>GRAND TOTAL OF EFFICIENCIES AND PROGRAMMATIC REDUCTIONS</b>	<b>(\$54,400)</b>	<b>(\$70,600)</b>	<b>(\$125,000)</b>

1/ Programmatic reductions are defined as decreases to baseline expenditure levels that reduce or eliminate lower priority services or programs, and/or reduce contingency funds and staff capacity to respond to emergent needs. 2/ SPU says that O&M savings are \$24 million, for a total programmatic reduction of \$95 million but has not yet provided an amended spreadsheet to resolve the discrepancy.