



Seattle  
Public  
Utilities

# 2025-2030 STRATEGIC BUSINESS PLAN PROGRESS REPORT

Q3 2025



## Delivering Equitable Essential Services



Metric	Annual Target	Q3 2025
<b>Missed Waste Collections</b>	≤1 miss/1000 stops Rolling 52-week avg.	1.62
<b>Water and DWW Response</b>	≥90% Priority problems solved within 60 min.	89%
<b>Encampment Trash Program</b>	Remove <b>1,500,000</b> pounds Annually	1,284,916 pounds removed YTD

- **North “One Water” Operations Facility** - On Track
  - SPU is pursuing a purchase and sale agreement on a potential site. Estimate due diligence will start in late Nov/Dec 2025.
- **In-House Water Quality Treatment** – Minor Delay
  - All positions being hired for are posted, with the hiring processes varying from interviewing to finalization. We are slightly delayed due to interview panelists’ availability but are still anticipating that we will meet our hiring deliverables by year end. Contracts and permitting transitions are on track for Q3.
- **SPU Support Services for the Unsheltered** – On Track
  - SPU has continued to provide RV wastewater collection services and community outreach. In Q3 there were four RV-related spills and 351 pump-outs performed. The drinking water pilot is still being developed, with some delays from our vendor, but we continue to provide water to our partners. Significant progress was made toward reducing the environmental impact of RV encampments and improving program outcomes. A total of 84 RV remediations were conducted this year, achieving 88% of the annual goal of 96. Additionally, the Vehicle Support Pilot Program continued to demonstrate success in minimizing impounds and supporting voluntary compliance, with 95% of RVs at remediation events avoiding impound, surpassing the 90% compliance goal.
- **Duwamish Valley Resilience** – On Track
  - Team hiring has started, with the Manager hired in Q3 and the Planner starting in Q4. The Stage Gate 1 for South Myrtle Street Drainage Project has been drafted. The Water Quality Facility design is in options analysis.

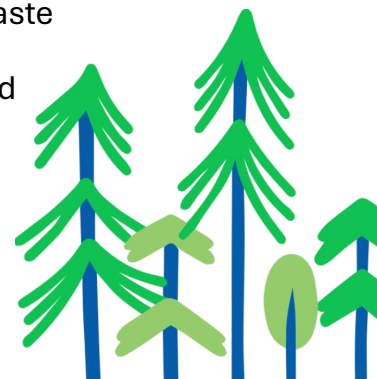


## Stewarding Environment and Health



Metric	Annual Target	Q3 2025
Sanitary Sewer Overflows	≤4 per 100 miles on a 2 yr. avg. Annually	1.4 two-year moving average

- **Waste Prevention and Diversion** – Minor Delay
  - **Reuse Seattle:** This program is supporting the large-scale activation of reusable serveware at special events, planning initiatives and facilities. This past quarter events included the West Seattle Summer Fest, various 5k fun runs and more. Collaborative planning initiatives for activating reuse at the 2026 include the FIFA World Cup Fan Celebration and Seattle Center’s Zero Waste grant application with the Bloomberg Mayor’s Challenge. Large scale activation efforts for reusable serveware programs in facilities including Climate Pledge Arena, University of Washington Arena and more.
  - **Furniture Reuse:** This program is on track though recovery was lower than usual this quarter. SPU continues to host 2-3 events per month through our contract with Furniture Repair Bank. In Q3 3.9 tons of furniture was diverted.
  - **Food Waste:** Of the multiple projects under this investment, the commercial food waste assessments and audits have made the most programmatic progress, enabling SPU to develop and test assessment and audit protocols, refine participant recruitment, and develop recommendations for businesses to follow. While hiring will likely happen by year’s end, the delayed start times would lead to underspending. To keep momentum, staff pursued SBP-aligned work to pilot technology for the multifamily sector that would cut food waste going to garbage. Approximately 82% of food scraps generated by multifamily residents end up in the garbage. SPU plans to sign an MOA with the King County Solid Waste Division to deploy convenient food scrap collection devices in 2026. SPU plans to procure these devices and consultant services by close of 2025. By partnering with King County, we will deploy the study faster, share consultant costs, and collect more data with greater statistical power.



## Empowering Customers, Community and Employees



Metric	Annual Target	Q3 2025
Customer Call Response	≥80% Customer calls responded within 3 minutes	75.4%
Customer Satisfaction	≥90% overall customer survey satisfaction score	95.91%
Employee Promotion Rates	No target defined	49%
Employee External Hiring	No target defined	51%

- **Advanced Metering Infrastructure (AMI) Planning** – Minor Delay
  - SPU had a strong response to Business Case Analysis solicitation. After reviewing multiple bids and conducting interviews with the strongest candidates, the evaluation committee identified the top firm and is in contract negotiations. The intent is to finalize the contract and the project timelines by the end of Q4.
- **Side Sewer Assistance** – At Risk
  - Side Sewer Assistance Loans continue to be offered to low-income homeowners in Seattle. In Q3, two new loans were completed. In Q4, the program will finish hiring its first dedicated strategic advisor who will work to develop options and KPIs for the Phase 2 of the program. Phase 2 will work to develop incentives to encourage customers to scope and clean their side sewers.



## Strengthening Utility Business Practices

Metric	Annual Target	Q3 2025
External funding opportunities	No target defined	Number of applications submitted: 2 Value of requests: \$7,095,000 Award notices: 6

- **Drainage and Wastewater Asset Management Program – Minor Delay**
  - This year, most milestones are dedicated to hiring for the new lining crew. The Q3 hiring has moved forward with some minor delays. The Crew Chief position has been hired, but the DWW collection worker hiring is experiencing a minor delay. Leads will be hired in 2025 with collection positions moving to 2026. The fleet and procurement process has been initiated and is on track. However, CIP spending has been delayed to 2026.
- **Water Asset Management Seismic Program – Minor Delay**
  - Seismic upgrades on SPU water assets include the Magnolia Tank, where construction is underway and on schedule, and the Renton Seismic Upgrade, where additional geotechnical field work is delaying the project from Q2 2025 to Q1 2026. One hundred percent of applicable SDOT right of way projects for opportunity water distribution system improvements were assessed and 135 total service renewals were completed. Overall program investment deliverables are on track relative to milestones and performance targets throughout 2025. The program is on track to meet the annual deliverable of replacing 2 miles of distribution water mains this year.
- **SPU Strategic Technology Plan – Minor Delay**
  - An enhanced intake and prioritization tool was developed to support the Technology Governance Process and Technology Board. This tool streamlines the collection of new project proposals and enables structured evaluation aligned with strategic goals. Project proposals will be solicited early in Q4, with prioritization activities led by the Technology Board to ensure alignment with the 2026 Roadmap. An automated portfolio performance dashboard was developed, delivering a dynamic and a daily refresh, offering visibility into portfolio health metrics, financials, project risks, detailed project data, and the roadmap of inflight and planned projects. All 4 project go-lives and 3 Stage Gate 2 governance milestones achieved full execution against quarterly targets.



# Project Delivery & Engineering Branch

Metric	Q3 2025 Status
Current Active Projects	159
Projects Completed in Q3	4
Upcoming Project Bids	4
Accomplished of share CIP budget spend YTD	\$61.22M Q3 actuals, 36.64% accomplishment rate compared to the Adopted Budget.

## Taylor Creek Outfall Improvements project

This project will tightline two outfalls located at the top of Dead Horse Canyon in Lakeridge Park. Tightlining the outfalls will help reduce erosion of the canyon walls and lower the amount of sediment that gets carried into the creek, impairing habitat and causing localized flooding at the delta. The project reached the 95% design phase and final permit applications are being prepared. In early 2026, the team will host two community events to share updates on the final design and construction schedule in coordination with the other projects in Lakeridge Park. The project anticipates starting construction in spring 2027 and project completion in the fall.

## Comstock Place CIPP Lining

This project will rehabilitate 259 linear feet of sewer pipe in upper Queen Anne. The pipe is in critical condition and will be reinforced by inserting a liner through maintenance holes. Lining the pipe will extend its useful life and ensure sewer service is maintained for adjacent homeowners. The team completed the final design package and is initiating a work order with a contractor. We anticipate construction to happen this winter. Outreach to impacted homeowners has been ongoing throughout design and will continue as we approach pre-construction. Work is anticipated to take only three days.

## Ship Canal Water Quality Project

The Storage Tunnel and Ballard Pump Station/Ballard Conveyance construction continues, with the construction of the Wallingford Conveyance project being complete. Active work includes utility work in Ballard, site restoration in Fremont, and landscaping and site restoration in Wallingford. East Ballard and Queen Anne's work is generally completed. The storage tunnel contractor is scheduled to have mediation in September for \$16 million in claims.



# Project Delivery & Engineering Branch

## **Implement Projects with Multiple Benefits:** Shoreline 145th Street and I-5 Interchange Project

This project is rebuilding the overpass bridge and adding roundabouts to improve traffic flow and safety. The City of Shoreline is also upgrading nearby streets, while SPU has been replacing water, stormwater, and sewer lines. SPU has been working in Shoreline because design and construction of the water work are integrated into Shoreline's design and construction contracts. The relocation of the water main and appurtenances will be SPU's financial responsibility due to its location in King County and WSDOT rights-of-way. Most of SPU's work is complete.

During construction, a damaged water main was discovered under the bridge approach. Repairing the water main was critical to protect the system and prevent future issues. Thanks to effective communication and strong partnership between SPU, Shoreline, and WSDOT, the team quickly agreed on a repair plan, procured custom parts, and adjusted the pavement design. The work was completed in time for 145th Street to reopen as planned, showing how collaboration led to a positive outcome without project delays.

## **Engage in Community Centered Projects:** Sound Transit Alignment partnership with City Light and SPU

Before Sound Transit can begin building the West Seattle Link light rail, Seattle City Light must move 1.2 miles of overhead power lines in SODO from 5th Avenue S to 6th Avenue S. SPU has been reviewing the project because the work may affect a key water main along 6th Avenue.

Sound Transit studied three options for handling the water main, and the "protect-in-place" approach is now preferred. SPU is working with SDOT and Sound Transit to make sure this option meets safety and service needs. Through ongoing coordination and communication, the project partners are working together to protect critical infrastructure while keeping the overall project on track.



# Financials



SPU is continuing 2025 in a healthy financial position. All three funds are projected to meet or exceeded their financial policy targets by the end of the year. Through the third quarter, revenues were in line or above projections for all three funds.

- Water revenues were \$1.6M or 0.7% above projections.
- Wastewater revenues are trending upwards in September, and year-to-date revenues are \$3.9M or 0.9% above projections.
- Solid waste revenues are \$5.3M or 2.4% above projections due to higher than projected residential and transfer station revenue.

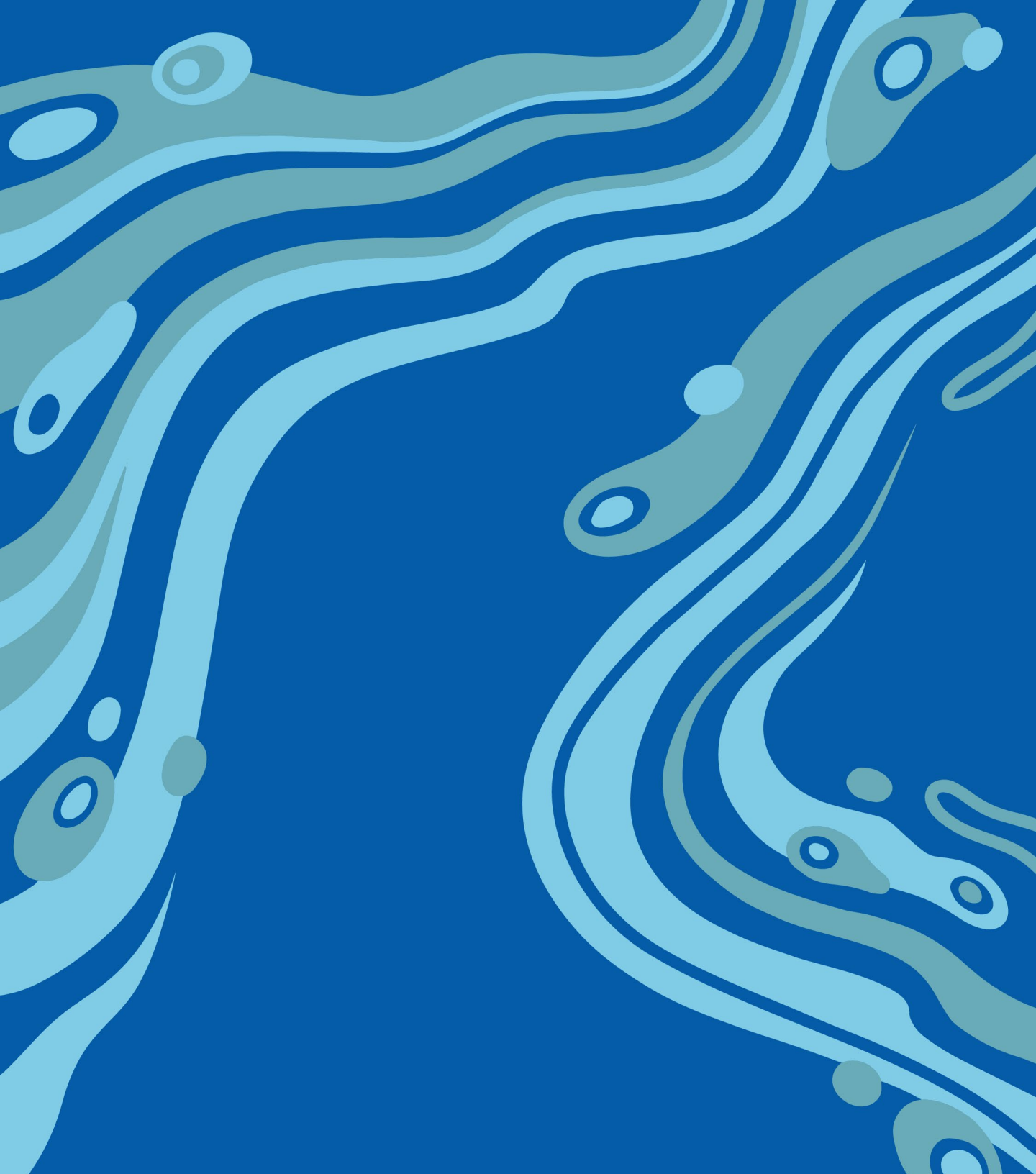
The Water Fund O&M is overspending compared to its adopted budget due to a bond defeasance of \$22M. This will be addressed in the 3rd Quarter supplemental, which is scheduled to be approved by City Council at the end of November. This is being offset by underspending due to vacancies and delayed services spending.

Expenditures in the Drainage and Wastewater and Solid Waste Fund are lower than projected due to Capital Improvement Program (CIP) project spending delays, current vacancies in the Utility, and professional services contracts underspending. In the Drainage and Wastewater Fund (DWF), the Ship Canal Water Quality Project experienced delays related to the rebidding of a portion of the project, driving a large amount of CIP underspending in the Fund. The Solid Waste Fund is currently underspending due to the re-scoping and delays related to the South Transfer Station Phase 2 Redevelopment Project.

(\$ in millions)	2025 Annual	2025 Through September			
	Annual Plan to Spend	YTD Planned to Spend	YTD Spent	YTD Variance	% YTD Underspend
<b>Expenditures</b>					
Operating	\$1,146.8	\$865.5	\$857.1	\$8.4	1.0%
Capital	\$412.0	\$264.1	\$221.5	\$42.7	16.2%
<b>Total Expenditures</b>	<b>\$1,558.8</b>	<b>\$1,129.6</b>	<b>\$1,078.6</b>	<b>\$51.0</b>	<b>4.5%</b>
	Annual Planned Revenue	YTD Planned Revenue	YTD Received	YTD Variance	% YTD Revenue Under Recovery
<b>Operating Revenue</b>					
Customer Revenue	\$1,173.1	\$887.1	\$899.0	(\$11.9)	(1.3%)
Other Revenue	\$33.2	\$23.8	\$22.7	\$1.1	4.4%
<b>Total Operating Revenue</b>	<b>\$1,206.3</b>	<b>\$910.9</b>	<b>\$921.7</b>	<b>(\$10.8)</b>	<b>(1.2%)</b>

\*Sums may not be total due to rounding. Red indicates over-spend or under-recovery.





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