

**CITY OF BELLEVUE
ENVIRONMENTAL SERVICES COMMISSION
MEETING MINUTES**

Thursday
January 9, 2024

City Hall & Remote
6:30 p.m.

1. CALL TO ORDER:

The meeting was called to order by Vice Chair Wan at 6:30 p.m.

ROLL CALL

COMMISSIONERS PRESENT: Vanja Knezevic (Chair), Ken Wan (Vice Chair), Andy Dupertuis, Ann Hajnosz, Gabby Lacson, Kurt Lutterman, Michael Margolis

COUNCIL LIAISON: None

COMMISSIONERS ABSENT: None

OTHERS PRESENT: Lucy Liu, Director; Linda De Boldt, Assistant Director; Joe Harbour, Deputy Director; Scott Edwards, Deputy Director; Lorissa Warren, Senior Administrative Assistant; Chad Beck, Assistant Director; Matt Thurber, Assistant Director; Matt Hobson, Fiscal Manager; Birol Shaha, CIP Portfolio Manager; and Laurie Hugdahl, Minutes Taker

2. APPROVAL OF THE AGENDA

Motion made by Commissioner Lutterman, seconded by Commissioner Knezevic, to approve the agenda. The agenda was approved unanimously (7-0).

3. ORAL AND WRITTEN COMMUNICATION

Alex Tsimerman, 14150 NE 20th Street, Bellevue, WA, raised concerns about City Council procedures.

4. COMMUNICATION FROM CITY COUNCIL, COMMUNITY COUNCIL, BOARDS AND COMMISSIONS

None.

5. STAFF REPORTS

Deputy Director Joe Harbour thanked the Commission for filling out their bios.

6. APPROVAL OF MINUTES

A) NOVEMBER 7, 2024 MINUTES

Motion made by Commissioner Knezevic, seconded by Commissioner Margolis, to approve the 11/7/24 minutes as presented. Upon a voice vote, the motion passed unanimously (7-0)

B) DECEMBER 5, 2024 MINUTES

Commissioner Hajnosz commented that her name should be removed from the list of those present at the meeting.

Motion made by Commissioner Knezevic, seconded by Commissioner Hajnosz, to approve the 12/5/24 minutes as amended. Upon a voice vote, the motion passed unanimously (7-0)

7. UNFINISHED BUSINESS

None

8. NEW BUSINESS

a) Utilities Adopted 2025-2026 Operating Budget and 2025-2030 Capital Investment Plan Highlights

Asst Director Matt Thurber and Finance Manager Matt Hobson presented on the adopted 2025-2026 Operating Budget. Asst. Director Thurber reviewed a change that had been made to the Operating budget regarding personnel costs which decreased the budget by about \$1 million. This is a result of the City allocating personnel between Operating and Capital for the first time and removing duplicative costs in the operating budget. He also commented that they plan to come back later this year to discuss how they can expand the Rate Relief program. He reviewed the 2025-2030 CIP budget amounts by fund. The 2025-2026 rates were adopted by Council as presented to the Commission. He pointed out that a sewer cost of service study will be conducted this year.

Commissioner Dupertuis had concerns about the reliability of rate forecasts, the ambiguity of supply costs, and the use of reserves to balance rate uncertainties. Staff reviewed city policies related to rate forecasting and the use of reserves. There is some uncertainty in outer years for King County Wastewater but that will be adjusted as the information is available. At any time, the City has the right to

use reserves, if available, to smooth out rates. They can also go back to Council to make adjustments in the current rate cycle if needed. The City has chosen to not increase rates any more than the amounts they are certain of. There was significant discussion about this. Commissioner Dupertuis summarized that they are trading rate stability for lower rates today. There could be rate instability in the future but that is the policy they have decided on. Director Liu concurred.

Asst. Director DeBoldt and CIP Portfolio Manager Birol Shaha gave an overview of the CIP, the 2025-2030 CIP budget by investment area, CIP budget development process, CIP budgeting factors, project sequencing strategies, and 2025-2026 key CIP projects. Asst. Director DeBoldt shared highlights of the Meydenbauer South Reservoir and Pump Station project; the Lakemont Culvert Replacement and Stream Restoration project; and the Newport Pump Station, Lift Station & Force Main project.

Utilities CIP is a major ongoing investment in water, sewer, and storm/surface water infrastructure. It enables continued delivery of excellent Utility services to customers. CIP development tools and techniques are used for successful program and project delivery, including system planning, asset management, project prioritization and project manager.

Commissioner Hajnosz asked about staffing levels. Asst. Director DeBoldt explained they are almost fully staffed but are still recruiting for a few positions.

b) Utilities Emergency Response - November 2024 Bomb Cyclone

Asst. Director, Operations & Maintenance Chad Beck reviewed the November bomb cyclone storm event forecast, preparations, impacts, response using “One City” coordination, and general preparedness efforts. He gave details of damages and response efforts at Station 16 and Pikes Peak reservoir. He reviewed takeaways and lessons learned.

Utilities and Transportation staff made effective decisions in real time based on established safety practices and sound judgment. Radios remain key to effective communications as cell phones were unreliable. Utilities and Transportation will develop joint standard operating procedures for dispatching within the ICS (Incident Command System) structure. There is a need to work with property owners to site and install permanent generators with automatic transfer switches at select pump stations. Fleet electrification will need to account for emergency operations and contingency power sources.

Questions and answers followed regarding generators, interdepartmental and interagency cooperation, potential FEMA reimbursement, service levels, PSE power restoration prioritization. The Commission commended staff for the great work and recommended sharing the information from the presentation

information with the public, especially that the levels of service for utilities were maintained. Deputy Director Harbour praised staff for their resilience, teamwork, and resourcefulness.

9. REVIEW OF COMMISSION AND COUNCIL CALENDARS

Deputy Director Harbour reviewed the calendars.

10. ADJOURNMENT

Motion made by Commissioner Knezevic, seconded by Commissioner Hajnosz, to adjourn the meeting. Upon a voice vote, the motion passed unanimously (7-0).

The meeting was adjourned at 8:07 p.m.