



# City of Bellevue

450 110th Avenue NE  
Bellevue, WA 98004

## Meeting Agenda - Final Environmental Services Commission

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Thursday, June 4, 2026

6:30 PM

Room 1E-113

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The City of Bellevue Environmental Services Commission meeting for June 4, 2026 will be conducted in a hybrid manner with both in-person and virtual options. To speak at the meeting, you may attend:

- In-person
- By calling (253) 215-8782 and entering Webinar ID: 817 8054 7747; or
- [www.zoom.us](https://www.zoom.us) and entering Webinar ID: 817 8054 7747, Password: 040346

<https://cityofbellevue.zoom.us/j/81780547747>

### 1. Call to Order and Roll Call

### 2. Approval of the Agenda

### 3. Oral and Written Communications

*The total time for oral communications is 30-minutes. Speakers will be allowed up to three minutes to speak; and a maximum of three persons are permitted to speak to each side of any one topic.*

*Members of the public may address written comments to: Environmental Services Commission, c/o Bellevue Utilities Department, PO Box 90012, Bellevue, WA 98009-9012 or by email to [esc@bellevuewa.gov](mailto:esc@bellevuewa.gov) with the subject line "Written Communications – June 4, 2026".*

*The form to sign-up to speak during Oral Communications will be available at 12:00 p.m. on the day of the meeting. To be added to the speaker list for oral communications, you may sign-up in person using the QR code posted outside the meeting room or online using this link:*

<https://bellevuewa.gov/esc-oral-communications>

### 4. Communication from City Council, Community Council, Boards and Commissions

### 5. Staff Reports

### 6. Approval of Minutes

- a) [26-386](#) May 7, 2026 Minutes

**7. Unfinished Business****8. New Business**

- a) [26-387](#) Election of ESC Chair and Vice Chair
- b) [26-388](#) Utilities 2027-2028 Operating Budget and 2027-2032 CIP Budget Proposals

**9. Review of Commission Calendar**

- a) [26-389](#) Calendars

**10. Adjournment**

*(Meeting adjournment may be extended by majority vote.)*

**For alternate formats, interpreters, or reasonable modification requests please phone at least 48 hours in advance 425-452-6800 (voice) or email [esc@bellevuewa.gov](mailto:esc@bellevuewa.gov). For complaints regarding modifications, contact the City of Bellevue ADA, Title VI, and Equal Opportunity Officer at [ADATitleVI@bellevuewa.gov](mailto:ADATitleVI@bellevuewa.gov).**

**Rules of decorum for public communication and conduct at meetings were adopted by the City Council in Ordinance 6752. Copies of this ordinance can be found on the city's website, and are also available from the City Clerk's Office.**

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

Thursday  
May 7, 2026

City Hall & Remote  
6:30 p.m.

**1. CALL TO ORDER:**

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

**ROLL CALL**

**COMMISSIONERS PRESENT:** Andy Dupertuis, Ann Hajnosz, Gabby Lacson, Kurt Lutterman (Vice Chair), Michael Margolis, Mary Theisen

**COUNCIL LIAISON:** None

**COMMISSIONERS ABSENT:** Ken Wan (Chair) - Excused

**OTHERS PRESENT:** Lucy Liu, Director; Joe Harbour, Deputy Director; Scott Edwards, Deputy Director; Matt Hobson, Fiscal Manager; Jim Grueber, Utilities Planning Senior Engineer; Dave Baisch, Assistant Director, Engineering; Eric LaFrance, Utilities Planning Manager; Lorissa Warren, Senior Administrative Assistant; Andrew Williams, Senior Administrative Assistant; and Laurie Hugdahl, Minutes Taker

**2. APPROVAL OF THE AGENDA**

**Motion made by Commissioner Hajnosz, seconded by Commissioner Theisen, to approve the agenda. The agenda was approved unanimously (6-0).**

**3. ORAL AND WRITTEN COMMUNICATION**

Written Communication:

Lorissa Warren read a statement from Jennifer Fisher, Executive Director at Bellevue Life Spring, requesting a reduction of utility rates for low-income residents.

Oral Communications:

Mr. Nordhorn spoke to the importance of thanking veterans in lasting, tangible ways. He recommended supporting disabled veterans by providing a 100% utility rate discount.

Alex Tsimerman, 14150 NE 20<sup>th</sup> Street, Bellevue, WA, voiced concerns about a variety of issues.

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

None.

**5. STAFF REPORTS**

Deputy Director Joe Harbour reported that the City Council heard the ESC recommendations around the sewer rate recommendations. He thanked the ESC for their work on that topic.

Next Monday night there will be a boards and commissions appreciation event.

**6. APPROVAL OF MINUTES**

**A) APRIL 2, 2026 MINUTES**

**Motion made by Commissioner Hajnosz, seconded by Commissioner Theisen, to approve the 4/2/2026 minutes.**

Commissioner Margolis referred to the bottom of page 2 and noted that \$86 should be corrected to **\$85M**.

**Upon a voice vote, the motion passed unanimously as amended (6-0)**

**7. UNFINISHED BUSINESS**

None

**8. NEW BUSINESS**

**A) Water System Plan – Draft Review**

Eric LaFrance, Utilities Planning Manager, and Jim Grueber, Utilities Planning Senior Engineer, made the presentation. Mr. LaFrance reviewed the ESC's role and project history and gave an overview of the water system plan and the Comprehensive Plan policies that provide direction. Mr. Grueber discussed system analysis results and key recommendations related to water storage, system

modeling, pipe capacities, and, and emergency water supply. He also reviewed water system functional policies. These include managerial, technical, and financial policies. No new policies are being proposed. He reviewed next steps, the proposed schedule for adoption, and community engagement.

Questions and comments:

Commissioner Hajnosz wondered how conversations with Cascade and SPU reflect changes related to preparing for climate change. Mr. LaFrance commented on discussions they have had and their intent to stay in close communication and partnership with regional providers to plan for challenging conditions.

Vice Chair Lutterman asked for more detail about community engagement with this plan. Mr. LaFrance explained how they are navigating community engagement with the three system plan updates currently in progress.

### **B) 2027-2032 Utilities Early Outlook Rates Forecast**

Deputy Director Scott Edwards introduced this topic and noted the material does not account for the sewer equity analysis recommendations recently approved by the Commission. He also noted that King County Wastewater had recently adjusted certain projected rates in their 20-year forecast, specifically the rates for 2031, 2032, and 2046. There was no change for King County's proposed rate for 2027. King County's revised forecast will be reflected in updated budget materials provided for the Commission's review going forward.

Fiscal Manager Matt Hobson summarized the ESC's role and responsibilities in the budget review and recommendation process. He discussed rate-related financial policies, the annual utility ratemaking process, and key rate drivers (both internal and external). Staff responded to questions related to increased wholesale sewer treatment costs and how to achieve gradual and uniform increases.

Commissioner Dupertuis emphasized the need to get ahead of this and provide predictability in rate increases for customers. Mr. Hobson continued to discuss capital investment strategies for each utility and how they translate to rate drivers. Commissioner Dupertuis suggested comparing the capital investments for each utility to wholesale costs as a way to explain and defend rate increases.

Early Outlook Rates Forecast:

The early outlook rate forecast includes a refined rate revenue and connection charge forecast based on recent customer billing data; updated and higher interest earnings forecast for cash balances, managing anticipated cost inflation within the base budget, and increases to the budget to support new investments and expected limited cost increases.

Mr. Hobson reviewed the early outlook rate forecast for each utility including rate drivers. There was some discussion around costs related to staffing, and the importance of the workforce, employee training and retention. The typical single-family residential combined monthly bill was reviewed.

Commissioner Dupertuis recommended showing this as bimonthly payments. Commissioner Hajnosz spoke to the importance of renewal and replacement and urged staff not to sacrifice because of high wholesale costs. Commissioner Theisen expressed concern about affordability with these increases.

Mr. Hobson reviewed plans for budget and rates community outreach. Finally, he outlined the anticipated budget schedule and next steps.

### **C) Proposed Changes to Utility Connection Charges**

Asst. Director Engineering Dave Baisch and Fiscal Manager Matt Hobson reviewed this item. Staff is seeking the Commission's feedback on possible amendments to city municipal code related to utility connection charges. They reviewed connection charges background information and three proposed changes:

1. Retire the use of Direct Facility Connection Charges (DFCCs); Recovery of CIP expansion projects costs via Capital Recovery Charges (CRCs)
2. Simplify water and sewer CRCs based on meter size
3. Pay connection charges once upfront, not over ten years.

Mr. Hobson reviewed fiscal impacts of the proposed changes. Mr. Baisch reviewed community outreach, feedback, and next steps.

#### **Discussion:**

Commissioner Dupertuis recommended not focusing too much on comparisons with other cities; rather, they should focus on the value received from Bellevue.

Commissioner Margolis asked if this would effectively shift the cost of the connection charge from the customer to the developer. Mr. Baisch acknowledged that in most cases it would, except when the homeowner is moving from septic to sewer. Commissioner Margolis wondered about impacts this would have on developers. Mr. Hobson was not sure but noted that it would change the way charges are assessed to align with neighboring municipalities. Mr. Baisch thought this would help spur development by the elimination of the DFCCs. There was general discussion about the benefits of this.

Commissioner Hajnosz was supportive of the changes in terms of being consistent with what developers expect across the region. She asked for more information about CRCs. Staff responded with more detail.

Vice Chair Lutterman agreed with developers' preference for having the option of paying the fees later in the process. Staff will continue to evaluate this.

**9. REVIEW OF COMMISSION AND COUNCIL CALENDARS**

Deputy Director Harbour reviewed the calendars.

**10. ADJOURNMENT**

**Motion made by Commissioner Theisen, seconded by Commissioner Margolis, to adjourn the meeting. Upon a voice vote, the motion passed unanimously (6-0).**

The meeting was adjourned at 8:43 p.m.



**DATE:** June 4, 2026

**TO:** Environmental Services Commission

**FROM:** Lucy Liu, Utilities Director  
Scott Edwards, Utilities Deputy Director  
Joe Harbour, Utilities Deputy Director  
Matt Hobson, Utilities Fiscal Manager  
Birol Shaha, Utilities Capital Portfolio Manager

**SUBJECT:** **Utilities 2027-2028 Operating Budget and 2027-2032 CIP Budget Proposals**

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## **ACTION REQUIRED**

No action by the Commission is required. This is an informational briefing.

## **BACKGROUND / ANALYSIS**

This is a continuation of a series of briefings to facilitate the Commission's review of the Utilities Department proposed 2027-2028 operating budget and rates, and 2027-2032 capital improvement program (CIP). The Commission previously reviewed:

- January: Utilities Asset Renewal Forecast;
- February: Utilities Financial Policies;
- April: Utilities 2025 Financial Performance Results and Preliminary 2027-2032 CIP Plan;
- May: 2027-2032 Early Outlook Rate Forecast

On June 4, staff will review the 2027-2028 operating budget and 2027-2032 CIP budget proposals with the Commission. Additional details on the operating budget and CIP budget proposals are included as attachments to this memorandum.

## **Guiding Principles for Budget and Rates Development**

The 2027-2028 Utilities operating budget proposals represent department requests for the financial resources necessary to implement our services, strategies, and policies over the next biennium. Utilities consists of enterprise funds, which must operate on a self-sufficient basis without relying on general taxation. Utility rates are the primary funding source for this budget, and as a result, each budget proposal is developed with prudent financial management and efficient service delivery in mind to ensure ratepayer value.

The 2027-2028 operating budget proposals were developed in alignment with the following principles:

- **Support Council strategic direction:** Utilities budget proposals align with Council strategic direction by:
  - Supporting the city's vibrant economy by providing reliable utilities and access to services;
  - Protecting and preserving our utility infrastructure as part of the High-Quality Built and Natural Environment, addressing the challenges of population growth and sustainable resource use;
  - Maintaining utility services and infrastructure that directly preserve and improve public Health; and
  - Being a High-Performing organization, leveraging innovation and technology to enhance customer service, improve service delivery, and achieve cost efficiencies.

- Adhere to City financial policies: The City’s Comprehensive Financial Policies serve as the foundation for developing the Utilities Department budget and rates. Adherence to these policies has enabled the Department to be recognized as a leader in the industry, provide competitive utility rates, and achieve financial sustainability.

Consistent with City financial policies, the budget proposals are based on:

- the full cost of providing utility services now and in the future;
  - the full cost of wholesale services;
  - sufficient reserves to protect the solvency of the utility funds;
  - investment in capital infrastructure and/or deposit of funds in an infrastructure renewal and replacement (R&R) reserve to ensure that current and future users of the utility system pay their proportional share of system costs; and
  - predictable, smooth, and uniform rates.
- Regulatory compliance: All of Utilities’ service lines are subject to significant regulatory requirements from the State Department of Health, Department of Ecology, the federal National Pollutant Discharge Elimination System, and more. Maintaining compliance with these various requirements is of paramount importance.
  - Preserve aging utility infrastructure: The City’s utility infrastructure, valued at about \$10 billion across the three piped utilities (based on replacement costs in 2025 dollars), is well past its mid-life, and increased maintenance and capital investments are essential to minimize risks of system failures. The proposed 2027-2032 capital program will focus largely on the renewal and replacement of aging infrastructure.
  - Lean operations: A lean budget is proposed to maintain current service levels, implement strategies from prior budget decisions, expand the Utility Bill Assistance Program, fund external financial obligations, and meet regulatory requirements.

**2027-2028 Utilities Operating Budget Proposals**

The Utilities operating budget proposals total \$511.8 million for the 2027-2028 biennium and are provided in detail in Attachment A. The following are key highlights of the Utilities 2027-2028 Operating Budget requests:

- **Maintain current service levels to the community.** Utility services are essential to the health and economic well-being of the community. The proposed budget includes the following proposals to maintain current levels of service:
  - **Inflationary cost pressure.** As part of the budget development process, Utilities has evaluated its base funding requirements, right sized expenses, and contained inflationary increases, where possible. However, the department is unable to fully absorb rising costs for the 2027-2028 biennium, with budget proposals reflecting necessary adjustments to sustain current service levels.
  - **Wholesale costs.** The budget proposals include funding for wholesale costs for drinking water supply from Cascade Water Alliance (Cascade) and wastewater treatment from King County. Per Council-adopted policy, increases in the cost of drinking water supply and wastewater treatment are passed directly through to ratepayers. At this time, Cascade’s wholesale costs to Bellevue Utilities are projected to increase by 9.3% in 2027 and 9.0% in 2028. King

County's wholesale costs to Bellevue Utilities are projected to increase by 12.75% annually in 2027 and 2028.

- **Sustainably manage aging infrastructure.** The sustainable management of aging infrastructure is critical to the delivery of reliable utility services. The Capital budget, discussed later in the memorandum, identifies the capital projects and programs necessary in the next six years. The Operating budget includes the staffing, planning, and engineering costs necessary to deliver that capital program, in addition to the replacement of shorter-lived assets such as vehicles and major software systems. Key proposals include:
  - **Operating transfers to CIP and R&R.** These budget proposals together represent the funding strategy for the Utilities CIP in 2027 and 2028. Rate revenues are the primary funding source for capital investment and long-term renewal and replacement. Consistent with the City's comprehensive financial policies, the level of rate capacity needed across these two proposals is guided by the long-term renewal and replacement needs of the utilities. In order to keep pace with rising construction costs, and as the sewer and storm utilities transition into active replacement, these proposals include an increase of approximately \$6.6 million in 2027 and \$7.5 million in 2028.
  - **Replace obsolete assets.** The proposed operating budget includes the replacement of obsolete assets, including vehicles, equipment, and major software systems. Vehicle and equipment replacement is part of the Utilities operating budget and annual costs are \$1.6 million and \$2.9 million in 2027 and 2028, respectively.
- **Service enhancements.** The proposed budget includes several budget enhancements to maintain existing service levels and to fund the expansion of the Utility Bill Assistance Program.
  - **Utility Bill Assistance Program.** Expanded utility bill assistance reaching up to 15,000 households experiencing affordability challenges in receiving essential utility services. The proposed budget also expands the solid waste assistance program to align with the eligibility guidelines for the water, sewer, and stormwater bill assistance program.
  - **Leverage Artificial Intelligence (AI) for call center efficiencies.** Implements an AI tool available with the City's existing billing system to provide fast, consistent, AI powered customer service across multiple channels. It includes four automated workflows and Customer Information System integration to support scalable operations ahead of future utility monthly billing implementation.
  - **Replace end-of-life Geographic Information System (GIS) platform to sustain operations.** Replaces the City's end-of-life GIS Geometric Network with ESRI's Utility Network platform to sustain utility operations. This transition ensures continued system support, improves data integrity, and enables reliable asset management, modeling, and operational decision-making across water, wastewater, and stormwater systems.

### **Utilities Staffing**

The staffing necessary to deliver the current service levels and enhancements identified in this budget are as follows: 184 full time employees (FTEs) and 11 limited-term employees (LTEs).

Key changes to staffing included in these proposals are:

- Convert two LTE positions to two FTE positions and extends two LTE positions for an additional two years to close out the capital phase of the advanced metering infrastructure (AMI) program and transition meter reading staffing to a permanent operating model.
- Maintain the workforce development program by continued funding for two rotating trainee LTE positions, as part of an ongoing strategy for hiring and developing a qualified workforce in Utilities Operations and Maintenance division.
- One new FTE and the conversion of one LTE to one FTE to ensure long-term infrastructure reliability through risk-based asset management planning and up-to-date GIS asset records.
- Extend two LTEs by one year to sustain answered call rate and hold time performance metrics within industry benchmarks.
- Convert two part-time budget positions to one FTE to sustain environmental and stream habitat monitoring for the stormwater utility.
- Two new LTEs to support the expansion of the utility bill assistance program.

### **2027-2032 Utilities CIP Budget Proposals**

Bellevue Utilities (Utilities) delivers capital projects to support the delivery of drinking water, wastewater and stormwater utility services. Projects are developed and executed to replace or rehabilitate aging infrastructure, provide capacity for growth, protect the environment, and enhance customer service. Typical projects in our three piped utilities include replacement or rehabilitation of water, wastewater and stormwater pipes, drinking water and wastewater pump stations, drinking water reservoirs, culvert replacements, stormwater management facilities (such as detention ponds, vaults, and water quality facilities), and stream restoration projects.

The Utilities CIP represents capital infrastructure investments planned for the next six years. On April 2, Utilities presented the preliminary 2027-2032 CIP budget totaling \$477.6 million. Based on the most current project development and recent bid results, cost and schedule of a few projects were further refined. The updated proposed 2027-2032 CIP Budget totals \$458.5 million. The key drivers of the proposed 2027-2032 CIP Plan for each fund include:

#### **Water Utility CIP: \$270.5 million**

- Watermain replacement program (W-16) - continue to replace an average of 5-miles of pipe per year, with an accelerated project programming for the years 2026 through 2028 to meet system needs.
- Scope and cost increase (\$34M) for Meydenbauer South Reservoir project (W-103, also known as West Operating Area)
- Increased investment for reservoir rehabilitation/replacement program (W-85), including addition of Crossroads North and South Reservoir Recoating project
- Early start of Somerset 2 water pump station improvement project (W-91)

#### **Sewer Utility CIP: \$104.0 million**

- Increased funding for major rehabilitation and replacement of 9 wastewater pump stations and minor rehabilitation at 6 pump stations in sewer pump station improvements program (S-16)
- Increased funding for sewer pipeline repair and replacement (S-24)
- Added funding for design phase of the first-priority Lake Line replacement projects

#### **Storm and Surface Water Utility CIP: \$84.0 million**

- New projects in flood control program (D-94) and storm water quality retrofit program (D-109)
- Increased funding for the storm conveyance infrastructure rehabilitation program (D-64)

- Included cost incurred for stormwater emergency projects (Lakemont Boulevard Emergency Culvert Replacement and Lakehurst Creek Emergency Culvert Repair)
- Cost increase of Kelsey Creek Culvert project

The following table summarizes the 2027-2032 CIP Plan by fund.

**Table 1: Proposed 2027-2032 Utilities CIP by Fund (\$millions, rounded)**

	2027	2028	2029	2030	2031	2032	2027-2032
<b>Water</b>	\$51.8	\$41.0	\$51.3	\$50.1	\$39.0	\$37.2	<b>\$270.5</b>
<b>Sewer</b>	\$ 6.3	\$10.8	\$23.1	\$18.5	\$20.9	\$24.4	<b>\$104.0</b>
<b>Storm</b>	\$15.1	\$14.3	\$17.4	\$13.8	\$14.3	\$ 9.2	<b>\$ 84.0</b>
<b>Total CIP</b>	<b>\$73.2</b>	<b>\$66.1</b>	<b>\$91.8</b>	<b>\$82.4</b>	<b>\$74.2</b>	<b>\$70.7</b>	<b>\$458.5</b>

The following table summarizes the 2027-2032 CIP Plan by area of investment.

**Table 2: 2027-2032 Utilities CIP Budget Proposal (\$millions, rounded)**

Proposal Number	Area of Investment	2027-2028 CIP Budget	2027-2032 CIP Budget
140.02	Water - Replacement of Aging Infrastructure	\$81.22	\$199.44
140.03	Sewer - Replacement of Aging Infrastructure	\$14.82	\$94.34
140.04	Storm - Replacement of Aging Infrastructure	\$12.18	\$43.63
140.05	Water - Capacity for Growth	\$8.99	\$60.47
140.08	Storm - Environmental Preservation	\$16.71	\$37.48
140.70	Water - Operational Efficiency	\$2.54	\$5.08
140.82	Water - Emergency Water Supply	\$0.14	\$5.53
140.83	Sewer - Capacity for Growth	\$0.48	\$5.30
140.84	Sewer – Operational Efficiency	\$1.74	\$4.31
140.85	Storm – Operational Efficiency	\$0.53	\$2.94
	<b>Total 2027-2032 CIP</b>	<b>\$139.33</b>	<b>\$458.51</b>

\* Note: Minor differences may exist due to rounding.

### **Next Steps**

- June 18: Updated 2027-2032 Utilities Rate Forecast
- July 2: Staff will ask for a recommendation from the Commission regarding the 2027-2028 Operating Budget Proposals and the 2027-2032 CIP Budget Proposals.
- Over the next three months, Utilities staff will continue to refine these proposals and corresponding rate forecast in support of the City’s 2027-2028 budget process.

### **POLICY ISSUES**

The proposed operating and capital budgets support Council strategic direction, and adhere to the City’s financial policies, which guide how the Utilities Department conducts its business and sets its budget and rates.

### **FISCAL IMPACT**

Utilities 2027-2028 Operating Budget requests represent the financial resources necessary to implement the services, strategies, and policies of the Utilities Department. The Utilities CIP represents significant investments

in capital infrastructure in the next six years that are critical for ensuring the integrity of the water, sewer, and storm utility system infrastructure in order to maintain current levels of service delivery to Bellevue Utilities customers.

**ATTACHMENTS & AVAILABLE DOCUMENTS**

- A. 2027-2028 Operating Budget and 2027-2028 CIP Budget Proposals Details
- B. 2027-2028 Utilities Proposed Operating Financial Statements

**ATTACHMENT A**

**2027-2028 Utilities Proposal Summary**

ESC Presentation 6/4/2026

<b>Proposal Number</b>	<b>Proposal Title</b>	<b>2027 Proposed Budget</b>	<b>2028 Proposed Budget</b>	<b>2027-2028 Biennium</b>
<b>UTILITY OPERATING PROPOSALS</b>				
140.39NA	Operating Transfer to CIP	52,374,232	58,795,771	111,170,003
140.48NA	Operating Transfer to R&R	27,071,462	28,107,815	55,179,277
140.72NA	Departmental Management & Support - Technical Adjustment	7,171,163	8,253,302	15,424,464
140.73NA	Wholesale Costs and Taxes	106,427,935	117,969,506	224,397,440
140.74NA	Capital Project Delivery and Asset Management	6,432,942	6,596,132	13,029,074
140.75NA	Water System Maintenance & Repair	8,056,357	8,234,394	16,290,751
140.76NA	Sewer System Maintenance & Repair	5,328,847	5,473,351	10,802,198
140.77NA	Storm System Maintenance & Repair	4,221,080	4,332,875	8,553,955
140.78NA	Water Quality & Pollution Prevention	2,503,890	2,581,615	5,085,505
140.79NA	Customer-Facing Service Programs	2,247,124	2,101,797	4,348,921
140.80NA	Utility Bill Assistance Program	2,432,918	2,620,969	5,053,887
140.81NA	Solid Waste Management, Waste Prevention, and Conservation	1,079,735	1,136,697	2,216,431
999.XXNA	Payments to General Fund (Interfunds)	17,833,232	17,077,898	34,911,129
<b>Subtotal \$</b>		<b>243,180,917</b>	<b>\$ 263,282,120</b>	<b>\$ 506,463,037</b>
<b>DEVELOPMENT SERVICES PROPOSALS</b>				
110.01NA	Development Services Information Delivery	\$ 616,718	\$ 643,487	\$ 1,260,205
110.02NA	Policy Implementation Code Amendments & Consulting Service	350,714	365,457	716,171
110.03NA	Development Services Review Services	834,829	871,017	1,705,846
110.04NA	Development Services Inspection Services	817,231	845,696	1,662,928
<b>Subtotal \$</b>		<b>2,619,492</b>	<b>\$ 2,725,658</b>	<b>\$ 5,345,150</b>
<b>Total Operating Proposals \$</b>		<b>245,800,409</b>	<b>\$ 266,007,778</b>	<b>\$ 511,808,186</b>
<b>CAPITAL PROGRAM PROPOSALS</b>				
140.02-PRGM	Water - Replacement of Aging Infrastructure	\$ 49,334,000	\$ 31,883,000	\$ 81,217,000
140.03-PRGM	Sewer - Replacement of Aging Infrastructure	4,810,000	10,006,000	14,816,000
140.04-PRGM	Storm - Replacement of Aging Infrastructure	6,535,000	5,646,000	12,181,000
140.05-PRGM	Water - Capacity for Growth	331,000	8,656,000	8,987,000
140.08-PRGM	Storm - Environmental Preservation	8,403,000	8,307,000	16,710,000
140.70-PRGM	Water - Operational Efficiency	2,182,000	354,000	2,536,000
140.82-PRGM	Water - Emergency Water Supply	-	138,000	138,000
140.83-PRGM	Sewer - Capacity for Growth	126,000	350,000	476,000
140.84-PRGM	Sewer - Operational Efficiency	1,316,000	424,000	1,740,000
140.85-PRGM	Storm - Operational Efficiency	172,000	355,000	527,000
<b>Total Capital Proposals \$</b>		<b>73,209,000</b>	<b>\$ 66,119,000</b>	<b>\$ 139,328,000</b>

**2027-2028  
Utility Operating Budget  
Proposals**

<b>Proposal Title</b>	<b>Operating Transfer to CIP</b>		
<b>Proposal Number</b>	140.39NA	<b>Strategic Target Area</b>	N/A
<b>Proposal Budget (2027-2028)</b>	\$ 111,170,003	<b>Staffing</b>	0.00 FTEs / 0.00 LTEs

**Executive Summary**

The objective of financial planning for long-term capital investment is grounded on the principles of smooth rate transitions, maintaining high credit ratings, providing for financial flexibility and achieving inter-generational equity (City Comprehensive Financial Management Policies 10.1.II.A). Consistent with this policy, the vast majority of funding for Utilities’ capital projects is provided by monthly transfer of rate revenues to the Utility Capital Investment Program. The amount of funding is determined by projecting the capital program’s long-term cash flow requirements in a manner that result in smooth annual rate transitions while addressing short- and long-term rate impacts. This proposal establishes the annual transfers to the CIP in accordance with this policy.

**Significant Changes / New Investments**

Transfers to the capital program are consistent with prior budgets and are sufficient to fund the proposed 6-year CIP.

**Proposal Financial Summary**

	Proposed 2027-2028 Budget			Proposal Staffing Summary		
	2027	2028	Total 2027-2028	2027	2028	
2026 Base Budget	\$ 52,374,232	\$ 58,795,771	\$ 111,170,003			
Technical Adjustment	-	-	-	Total FTEs	0.00	0.00
Inflationary Increase	-	-	-	Total LTEs	0.00	0.00
Investment List	-	-	-			
<b>Total</b>	<b>\$ 52,374,232</b>	<b>\$ 58,795,771</b>	<b>\$ 111,170,003</b>	<b>Total</b>	<b>0.00</b>	<b>0.00</b>

**Performance Measures and Targets**

Metric	Description	2027-2028 Budget	
		2027 Target	2028 Target
140.0117	Utilities: CIP Actual Expenditures versus Budget - Water	85%	85%
140.0118	Utilities: CIP Actual Expenditures versus Budget - Wastewater	85%	85%

<b>Proposal Title</b>	<b>Operating Transfer to R&amp;R</b>		
<b>Proposal Number</b>	140.48NA	<b>Strategic Target Area</b>	N/A
<b>Proposal Budget (2027-2028)</b>	\$ 55,179,277	<b>Staffing</b>	0.00 FTEs / 0.00 LTEs

**Executive Summary**

Established by the City Council in 1995, and memorialized in the City’s Comprehensive Financial Management Policy 10.1.II.D, the Utility Capital Facilities Renewals and Replacements (R&R) account proactively sets aside funds each year to replace the City’s utility infrastructure as it ages, thereby avoiding the need for large rate spikes and ensuring that each generation of ratepayers pays its fair share of the burden of replacing these systems. Bellevue Utilities has infrastructure with a replacement value of about \$10 billion across the three piped utilities. This proposal represents the annual transfer of rate revenue to fund future capital renewals and replacements consistent with this financial policy.

**Significant Changes / New Investments**

Transfers to the Renewal and Replacement fund are consistent with prior budgets and are sufficient to fund long term asset replacements.

**Proposal Financial Summary**

	Proposed 2027-2028 Budget			Proposal Staffing Summary		
	2027	2028	Total 2027-2028	2027	2028	
2026 Base Budget	\$ 27,071,462	\$ 28,107,815	\$ 55,179,277			
Technical Adjustment	-	-	-	Total FTEs	0.00	0.00
Inflationary Increase	-	-	-	Total LTEs	0.00	0.00
Investment List	-	-	-			
<b>Total</b>	<b>\$ 27,071,462</b>	<b>\$ 28,107,815</b>	<b>\$ 55,179,277</b>	<b>Total</b>	<b>0.00</b>	<b>0.00</b>

**Performance Measures and Targets**

Metric	Description	2027-2028 Budget	
		2027 Target	2028 Target
140.0121	Utilities: Percentage to target: Renewal & Replacement contribution for Water Utility	100%	100%
140.0122	Utilities: Percentage to target: Renewal & Replacement contribution for Wastewater Utility	100%	100%

<b>Proposal Title</b>	<b>Utilities Department Management, Fiscal, and Systems Support</b>		
<b>Proposal Number</b>	140.72NA	<b>Strategic Target Area</b>	High Performance Government
<b>Proposal Budget (2027-2028)</b>	\$ 15,424,464	<b>Staffing</b>	16.20 FTEs / 2.00 LTEs

**Executive Summary**

This proposal consists of Utilities’ Management, Fiscal, and Systems Support functions, effectively managing four lines of business: water, sewer, storm water, and solid waste collection. As a self-supporting enterprise with more than 75-year planning horizon, this large and complex department represents a diverse service portfolio requiring strategic vision, vigilant financial management, and sophisticated technology solutions to sustain essential infrastructure serving the community.

**Significant Changes / New Investments**

Changes to this proposal include:

Implementation of Cayenta’s Cayla AI tool to provide fast, consistent, AI powered customer service across multiple channels. The solution addresses long wait times, agent churn, inconsistent peak-time service, and customer demand for self-service. It includes four automated workflows and CIS integration to support scalable customer operations ahead of utility monthly billing.

Replacement of the City’s end-of-life GIS Geometric Network with ESRI’s Utility Network platform to sustain utility operations. This transition ensures continued system support, improves data integrity, and enables reliable asset management, modeling, and operational decision-making across water, wastewater, and storm systems.

Conversion of one LTE Engineering Technician position to a FTE position to sustain GIS data maintenance and system support for Utilities. This role ensures accurate, up-to-date asset records used for operations, emergency response, and planning, while maintaining service levels and supporting ongoing system modernization efforts.

**Proposal Financial Summary**

	Proposed 2027-2028 Budget			Proposal Staffing Summary		
	2027	2028	Total 2027-2028	2027	2028	
2026 Base Budget	\$ 5,011,122	\$ 5,023,007	\$ 10,034,129			
Technical Adjustment	1,568,433	2,849,601	4,418,034	Total FTEs	16.20	16.20
Inflationary Increase	156,559	241,265	397,824	Total LTEs	2.00	2.00
Investment List	435,049	139,428	574,477			
<b>Total</b>	<b>\$ 7,171,163</b>	<b>\$ 8,253,302</b>	<b>\$ 15,424,464</b>	<b>Total</b>	<b>18.20</b>	<b>18.20</b>

**Performance Measures and Targets**

Metric	Description	2027-2028 Budget	
		2027 Target	2028 Target
140.0306	Utilities: Utilities services customer satisfaction survey - (Citywide citizen survey)	85%	85%

<b>Proposal Title</b>	<b>Wholesale Costs and Taxes</b>		
<b>Proposal Number</b>	140.73NA	<b>Strategic Target Area</b>	Community Safety & Health
<b>Proposal Budget (2027-2028)</b>	\$ 224,397,440	<b>Staffing</b>	0.00 FTEs / 0.00 LTEs

**Executive Summary**

This proposal includes costs for drinking water and Regional Capital Facilities Charges (RCFC) via Cascade Water Alliance; sewage treatment and disposal services via King County Wastewater Treatment Division; and State Business and Occupation tax, State and Local Utilities taxes, and franchise fees for neighboring communities to provide water and wastewater services in their respective jurisdictions. These costs are all passed through to rate payers per City Financial Management Policies.

**Significant Changes / New Investments**

Cascade Water Alliance anticipates annual cost increases to the city of 9.3 percent and 9.0 percent in 2027 and 2028 respectively for wholesale water supply. The forecasted annual cost increases for water supply are significantly higher than the city's 2025-2026 mid-biennium forecast. Cascade's updated cost forecast includes an early estimate of the capital funding required for Phase 1 of the Cascade Supply Program (\$1.35 billion). King County anticipates annual 12.75 percent wholesale wastewater treatment cost increases for 2027 and 2028, which are primarily due to regulatory requirements, growth-related demand, and capital investments. These projected cost increases are consistent with the city's 2025-2026 mid-biennium forecast.

**Proposal Financial Summary**

	Proposed 2027-2028 Budget			Proposal Staffing Summary		
	2027	2028	Total 2027-2028	2027	2028	
2026 Base Budget	\$ 95,262,988	\$ 95,262,988	\$ 190,525,976			
Technical Adjustment	-	-	-	Total FTEs	0.00	0.00
Inflationary Increase	11,164,947	22,706,518	33,871,464	Total LTEs	0.00	0.00
Investment List	-	-	-			
<b>Total</b>	<b>\$ 106,427,935</b>	<b>\$ 117,969,506</b>	<b>\$ 224,397,440</b>	<b>Total</b>	<b>0.00</b>	<b>0.00</b>

**Performance Measures and Targets**

Metric	Description	2027-2028 Budget	
		2027 Target	2028 Target
140.0412	Utilities: Number of years for which projected water supply is sufficient to meet future water demand	33	32
140.0413	Utilities: Number of years projected wastewater disposal needs are secured	9	8

<b>Proposal Title</b>	<b>Capital Project Delivery and Asset Management</b>		
<b>Proposal Number</b>	140.74NA	<b>Strategic Target Area</b>	High Quality Built & Natural Environment
<b>Proposal Budget (2027-2028)</b>	\$ 13,029,074	<b>Staffing</b>	46.15 FTEs / 0.00 LTEs

**Executive Summary**

This proposal funds internal labor resources to implement the proposed 2025-2034 Utilities Capital Investment Program (CIP). Utilities performs system planning work, using asset management principles, to deliver capital projects and meet our customers' needs at the lowest infrastructure life-cycle cost. We deliver CIP projects to continue providing water, sewer, and stormwater services to our customers, and to protect and enhance the health of Bellevue's streams, lakes and wetlands.

**Significant Changes / New Investments**

Changes to this proposal include:

Extension of two LTE Skilled Worker positions to complete AMI upgrades for ~2,000 customers currently require bi-monthly manual reads. Completing these upgrades eliminates ~12,000 annual manual reads, enables daily usage visibility, supports leak detection alerts, and ensures equitable service across all customers.

Addition of one full-time Program Analyst to sustain and advance Utilities' Asset Management program by maintaining critical data, models, and decision-support tools, ensuring accurate risk-based planning, capital investment prioritization, and long-term financial forecasting to support reliable utility services at the lowest lifecycle cost.

Consolidation of two part-time positions and associated temporary salary budget into one full-time Environmental Scientist position. This change improves recruitment and retention, reduces reliance on higher-cost consultants, and provides consistent in-house expertise to support environmental monitoring, capital projects, and long-term planning.

**Proposal Financial Summary**

	Proposed 2027-2028 Budget			Proposal Staffing Summary		
	2027	2028	Total 2027-2028	2027	2028	
2026 Base Budget	\$ 6,224,795	\$ 6,456,437	\$ 12,681,233			
Technical Adjustment	-	-	-	Total FTEs	46.15	46.15
Inflationary Increase	101,738	28,526	130,263	Total LTEs	0.00	0.00
Investment List	106,409	111,169	217,578			
<b>Total</b>	<b>\$ 6,432,942</b>	<b>\$ 6,596,132</b>	<b>\$ 13,029,074</b>	<b>Total</b>	<b>46.15</b>	<b>46.15</b>

**Performance Measures and Targets**

Metric	Description	2027-2028 Budget	
		2027 Target	2028 Target
140.0422	Utilities: Percent of CIP projects completed within 3 months of estimated completion date	80%	80%

<b>Proposal Title</b>	<b>Water System Maintenance &amp; Repair</b>		
<b>Proposal Number</b>	140.75NA	<b>Strategic Target Area</b>	Community Safety & Health
<b>Proposal Budget (2027-2028)</b>	\$ 16,290,751	<b>Staffing</b>	32.15 FTEs / 3.00 LTEs

**Executive Summary**

This proposal preserves and enhances Bellevue’s water utility infrastructure through maintenance, upgrades, and innovative monitoring, ensuring reliable water supply and regulatory compliance. This includes water main and service line repair; distribution system maintenance; pump station, reservoir, and pressure reducing valve maintenance; meter repair and replacement; Advanced Metering Infrastructure (AMI) operations and maintenance; service installation and upgrade; and equipment replacement.

**Significant Changes / New Investments**

Changes to this proposal include:

Conversion of two Limited Term Employees (LTEs) that expire in 2027 to full-time Meter Technician positions to sustain ongoing manual meter reading, validation, and critical AMI system support functions, including reading of isolated meters, field-level troubleshooting, maintenance, and issue resolution for AMI hardware and communication components.

Renewal of two Limited Term Employee (LTE) Maintenance Aide positions to sustain Bellevue Utilities’ long-standing workforce development program. This program provides a structured entry pathway into utility operations by training and evaluating candidates across water, wastewater, and stormwater systems, creating a reliable internal pipeline of qualified applicants for critical full-time Skilled Worker positions.

**Proposal Financial Summary**

	Proposed 2027-2028 Budget			Proposal Staffing Summary		
	2027	2028	Total 2027-2028	2027	2028	
2026 Base Budget	\$ 7,234,794	\$ 7,393,557	\$ 14,628,351			
Technical Adjustment	(7,522)	(19,522)	(27,044)	Total FTEs	32.15	32.15
Inflationary Increase	409,094	425,152	834,245	Total LTEs	3.00	3.00
Investment List	419,991	435,207	855,199			
<b>Total</b>	<b>\$ 8,056,357</b>	<b>\$ 8,234,394</b>	<b>\$ 16,290,751</b>	<b>Total</b>	<b>35.15</b>	<b>35.15</b>

**Performance Measures and Targets**

Metric	Description	2027-2028 Budget	
		2027 Target	2028 Target
140.0216	Utilities: Number of fire hydrants that fail fireflow delivery at time of inspection	0	0
140.0235f	Utilities: Percent of commercial meters that meet accuracy standards at the time of the test	85%	85%

<b>Proposal Title</b>	<b>Sewer System Maintenance &amp; Repair</b>		
<b>Proposal Number</b>	140.76NA	<b>Strategic Target Area</b>	Community Safety & Health
<b>Proposal Budget (2027-2028)</b>	\$ 10,802,198	<b>Staffing</b>	26.70 FTEs / 2.00 LTEs

**Executive Summary**

Focused on enhancing the City’s sewer infrastructure, this proposal maintains and repairs the sewer system for optimal performance. It underscores our commitment to public health, environmental protection, and equitable service, ensuring all communities benefit from robust sewer operations. This includes sewer main, lateral, and manhole repair; condition assessments and monitoring; mainline preventive maintenance; pump station maintenance, operations, and repair; and equipment replacement.

**Significant Changes / New Investments**

Inflationary adjustments and budget realignment only.

**Proposal Financial Summary**

	Proposed 2027-2028 Budget			Proposal Staffing Summary		
	2027	2028	Total 2027-2028	2027	2028	
2026 Base Budget	\$ 5,107,236	\$ 5,242,475	\$ 10,349,711			
Technical Adjustment	(25,000)	(25,000)	(50,000)	Total FTEs	26.70	26.70
Inflationary Increase	172,644	179,628	352,272	Total LTEs	2.00	2.00
Investment List	73,967	76,248	150,215			
<b>Total</b>	<b>\$ 5,328,847</b>	<b>\$ 5,473,351</b>	<b>\$ 10,802,198</b>	<b>Total</b>	<b>28.70</b>	<b>28.70</b>

**Performance Measures and Targets**

Metric	Description	2027-2028 Budget	
		2027 Target	2028 Target
140.0430f	Utilities: Wastewater overflow events per 100 miles of pipe	4	4
140.0195	Utilities: Linear feet of wastewater condition assessment performed	275,000	275,000

<b>Proposal Title</b>	<b>Storm System Maintenance &amp; Repair</b>		
<b>Proposal Number</b>	140.77NA	<b>Strategic Target Area</b>	Community Safety & Health
<b>Proposal Budget (2027-2028)</b>	\$ 8,553,955	<b>Staffing</b>	19.70 FTEs / 0.00 LTEs

**Executive Summary**

The City's Storm and Surface Water System includes over 400 miles of publicly owned pipes and 80 miles of streams, as well as open channels, catch basins, manholes, and detention and water quality treatment facilities, both above and below ground. This proposal provides system monitoring, inspection, cleaning, repair, and equipment replacement, which protects life, property, and the environment during major storm and flooding events, as well as reduces pollution entering streams and lakes.

**Significant Changes / New Investments**

Inflationary adjustments and budget realignment only.

**Proposal Financial Summary**

	Proposed 2027-2028 Budget			Proposal Staffing Summary		
	2027	2028	Total 2027-2028	2027	2028	
2026 Base Budget	\$ 4,280,358	\$ 4,372,484	\$ 8,652,842			
Technical Adjustment	(39,573)	(28,912)	(68,485)	Total FTEs	19.70	19.70
Inflationary Increase	75,022	80,341	155,363	Total LTEs	0.00	0.00
Investment List	(94,727)	(91,038)	(185,765)			
<b>Total</b>	<b>\$ 4,221,080</b>	<b>\$ 4,332,875</b>	<b>\$ 8,553,955</b>	<b>Total</b>	<b>19.70</b>	<b>19.70</b>

**Performance Measures and Targets**

Metric	Description	2027-2028 Budget	
		2027 Target	2028 Target
140.0294	Utilities: Number of surface water pipe defects identified through condition assessment activities r	0	0
140.0289	Utilities: Number of surface water claims paid due to system failure	0	0

<b>Proposal Title</b>	<b>Water Quality &amp; Pollution Prevention</b>		
<b>Proposal Number</b>	140.78NA	<b>Strategic Target Area</b>	High Quality Built & Natural Environment
<b>Proposal Budget (2027-2028)</b>	\$ 5,085,505	<b>Staffing</b>	10.00 FTEs / 0.00 LTEs

**Executive Summary**

This proposal represents Water Quality and Regulatory Compliance programs across Water, Sewer, and Storm and Surface Water utilities, including Drinking Water Quality; Cross Connection; Fats, Oils & Grease (FOG); Private Drainage Inspection; Source Control; and Illicit Discharge Detection and Elimination (IDDE). These programs ensure compliance with regulatory requirements and ensure private infrastructure operates as designed and is maintained according to local, state, and federal standards.

**Significant Changes / New Investments**

Inflationary adjustments and budget realignment only.

**Proposal Financial Summary**

	Proposed 2027-2028 Budget			Proposal Staffing Summary		
	2027	2028	Total 2027-2028	2027	2028	
2026 Base Budget	\$ 2,519,300	\$ 2,597,025	\$ 5,116,325			
Technical Adjustment	(15,410)	(15,410)	(30,820)	Total FTEs	10.00	10.00
Inflationary Increase	-	-	-	Total LTEs	0.00	0.00
Investment List	-	-	-			
<b>Total</b>	<b>\$ 2,503,890</b>	<b>\$ 2,581,615</b>	<b>\$ 5,085,505</b>	<b>Total</b>	<b>10.00</b>	<b>10.00</b>

**Performance Measures and Targets**

Metric	Description	2027-2028 Budget	
		2027 Target	2028 Target
140.0270	Utilities: Compliant with all Surface Water Regulatory Requirements	100.0%	100.0%
140.0265f	Utilities: Number of drinking water quality complaints per 1,000 water service connections	0	0

<b>Proposal Title</b>	<b>Customer-Facing Service Programs</b>		
<b>Proposal Number</b>	140.79NA	<b>Strategic Target Area</b>	Community Safety & Health
<b>Proposal Budget (2027-2028)</b>	\$ 4,348,921	<b>Staffing</b>	13.15 FTEs / 2.00 LTEs

**Executive Summary**

Utilities offers exceptional service, including external-facing Utility Locate and Customer Service and Billing programs. This proposal provides resources for Utilities to mark and protect about 1,500 miles of underground City infrastructure. The proposal also funds water, sewer, and stormwater billing to about 36,000 residential accounts plus 2,000 commercial/multifamily accounts. This generates revenue of about \$160 million for Utilities and taxes of over \$11.3 million for the General Fund.

**Significant Changes / New Investments**

Extension of two LTEs to sustain utility billing and customer service operations following major system and process changes. These positions maintain current service levels, support increased call volumes, and ensure timely customer assistance related to billing, accounts, and new services.

**Proposal Financial Summary**

	Proposed 2027-2028 Budget			Proposal Staffing Summary		
	2027	2028	Total 2027-2028	2027	2028	
2026 Base Budget	\$ 2,271,503	\$ 2,346,929	\$ 4,618,432			
Technical Adjustment	(245,132)	(245,132)	(490,264)	Total FTEs	13.15	13.15
Inflationary Increase	-	-	-	Total LTEs	2.00	2.00
Investment List	220,753	-	220,753			
<b>Total</b>	<b>\$ 2,247,124</b>	<b>\$ 2,101,797</b>	<b>\$ 4,348,921</b>	<b>Total</b>	<b>15.15</b>	<b>15.15</b>

**Performance Measures and Targets**

Metric	Description	2027-2028 Budget	
		2027 Target	2028 Target
140.0248f	Utilities: Percent of locates performed within mandated deadlines	100%	100%
140.0306	Utilities: Utilities services customer satisfaction survey - (Citywide citizen survey)	85%	85%

<b>Proposal Title</b>	<b>Utility Bill Assistance Program</b>		
<b>Proposal Number</b>	140.80NA	<b>Strategic Target Area</b>	Thriving People & Communities
<b>Proposal Budget (2027-2028)</b>	\$ 5,053,887	<b>Staffing</b>	0.95 FTEs / 2.00 LTEs

**Executive Summary**

This proposal includes financial relief through four programs, providing both short- and long-term assistance. Emergency Assistance and Neighbors Helping Neighbors represent short-term assistance based on income and account status. Direct and indirect bill assistance programs represent long-term assistance to low-income seniors, disabled residents, and those undergoing in-home dialysis. These programs ensure the community receives essential utilities regardless of financial circumstances.

**Significant Changes / New Investments**

Expansion of the long-term utility bill assistance program to include senior low-income and/or permanently disabled residents with annual household income at or below 80 percent of the area median income and all low-income and/or permanently disabled residents with annual household income at or below 50 percent of the area median income. The proposed changes are expected to offer assistance to potentially an additional 11,000 households in Bellevue. These changes respond to a request from City Council and the Environmental Services Commission for options to expand bill assistance in Bellevue.

**Proposal Financial Summary**

	Proposed 2027-2028 Budget			Proposal Staffing Summary		
	2027	2028	Total 2027-2028	2027	2028	
2026 Base Budget	\$ 892,378	\$ 899,414	\$ 1,791,791			
Technical Adjustment	-	-	-	Total FTEs	0.95	0.95
Inflationary Increase	-	-	-	Total LTEs	2.00	2.00
Investment List	1,540,540	1,721,555	3,262,095			
<b>Total</b>	<b>\$ 2,432,918</b>	<b>\$ 2,620,969</b>	<b>\$ 5,053,887</b>	<b>Total</b>	<b>2.95</b>	<b>2.95</b>

**Performance Measures and Targets**

Metric	Description	2027-2028 Budget	
		2027 Target	2028 Target
140.0537	# of applications received - Utility Bill Assistance Program	1,150	1,150

<b>Proposal Title</b>	<b>Solid Waste Management, Waste Prevention, and Conservation</b>		
<b>Proposal Number</b>	140.81NA	<b>Strategic Target Area</b>	Community Safety & Health
<b>Proposal Budget (2027-2028)</b>	\$ 2,216,431	<b>Staffing</b>	3.40 FTEs / 0.00 LTEs

**Executive Summary**

Conservation is critical to public health and maintaining the City’s appearance while promoting economic viability and the sustainability of our local, regional, and global environment. This proposal governs local outreach, education, and assistance programs as well as two essential conservation efforts in water, through the Cascade Water Alliance, and in solid waste (e.g., garbage, recyclables, compostables), through Republic Services.

**Significant Changes / New Investments**

Expansion of eligibility for solid waste bill assistance to align with existing utility assistance programs and ensure equitable access for approximately 600 multi-family households currently excluded from the solid waste bill assistance program. This change improves program eligibility and provides comparable support across all utility services.

**Proposal Financial Summary**

	Proposed 2027-2028 Budget			Proposal Staffing Summary		
	2027	2028	Total 2027-2028	2027	2028	
2026 Base Budget	\$ 996,735	\$ 1,021,697	\$ 2,018,431			
Technical Adjustment	(42,000)	(40,000)	(82,000)	Total FTEs	3.40	3.40
Inflationary Increase	-	-	-	Total LTEs	0.00	0.00
Investment List	125,000	155,000	280,000			
<b>Total</b>	<b>\$ 1,079,735</b>	<b>\$ 1,136,697</b>	<b>\$ 2,216,431</b>	<b>Total</b>	<b>3.40</b>	<b>3.40</b>

**Performance Measures and Targets**

Metric	Description	2027-2028 Budget	
		2027 Target	2028 Target
140.0433	Utilities: Achieve overall recycling rate of 50% for contracted solid waste services	50.0%	50.0%

<b>Proposal Title</b>	<b>Payments to General Fund (Interfunds)</b>		
<b>Proposal Number</b>	999.XXNA	<b>Strategic Target Area</b>	N/A
<b>Proposal Budget (2027-2028)</b>	\$ 34,911,129	<b>Staffing</b>	0.00 FTEs / 0.00 LTEs

**Executive Summary**

Interfund transactions represent the payment for services provided by other areas of City government to the Utilities Department. Examples of these services include City Attorney, Finance, Human Resources, and Civic Services. These central administrative services support utility functions.

**Significant Changes / New Investments**

Anticipated \$3.3M increase to general liability premiums across the utility funds in 2027 in response to two major drivers: The first is an increase to the expected cost of citywide liability claims and required reserves for future claims. The second is a significant expected increase to the City's excess liability premiums next year.

**Proposal Financial Summary**

	Proposed 2027-2028 Budget			Proposal Staffing Summary		
	2027	2028	Total 2027-2028	2027	2028	
2026 Base Budget	\$ 12,776,187	\$ 12,040,976	\$ 24,817,162			
BSA	-	-	-	Total FTEs	0.00	0.00
Inflationary Increase	-	-	-	Total LTEs	0.00	0.00
Interfunds	5,057,045	5,036,922	10,093,967			
<b>Total</b>	<b>\$ 17,833,232</b>	<b>\$ 17,077,898</b>	<b>\$ 34,911,129</b>	<b>Total</b>	<b>0.00</b>	<b>0.00</b>

**Performance Measures and Targets**

Metric	Description	2027-2028 Budget	
		2027 Target	2028 Target

**2027-2028  
Development Services Budget  
Proposals**

<b>Proposal Title</b>	<b>Development Services Information Delivery</b>		
<b>Proposal Number</b>	110.01NA	<b>Strategic Target Area</b>	High Performance Government
<b>Proposal Budget (2027-2028)</b>	\$ 1,260,205	<b>Staffing</b>	3.50 FTEs / 0.00 LTEs

**Executive Summary**

This proposal includes delivery of information to customers on a wide range of topics that include use of property, public and private development, codes and standards, inspection services, code complaints, development records, permit processes, fees, and more. Quality and timely responses are delivered via multiple methods of communication that includes website content, phone, email, virtual meetings, and in-person discussion to ensure equitable access to information related to DS functions.

**Significant Changes / New Investments**

Inflationary adjustments and budget realignment only.

**Proposal Financial Summary**

	Proposed 2027-2028 Budget			Proposal Staffing Summary		
	2027	2028	Total 2027-2028	2027	2028	
2026 Base Budget	\$ 616,718	\$ 643,487	\$ 1,260,205			
Technical Adjustment	-	-	-	Total FTEs	3.50	3.50
Inflationary Increase	-	-	-	Total LTEs	0.00	0.00
Investment List	-	-	-			
<b>Total</b>	<b>\$ 616,718</b>	<b>\$ 643,487</b>	<b>\$ 1,260,205</b>	<b>Total</b>	<b>3.50</b>	<b>3.50</b>

**Performance Measures and Targets**

Metric	Description	2027-2028 Budget	
		2027 Target	2028 Target
110.0037	Total hours spent on Public Information	14,000	14,000

<b>Proposal Title</b>	<b>Policy Implementation Code Amendments &amp; Consulting Service</b>		
<b>Proposal Number</b>	110.02NA	<b>Strategic Target Area</b>	High Performance Government
<b>Proposal Budget (2027-2028)</b>	\$ 716,171	<b>Staffing</b>	1.58 FTEs / 0.00 LTEs

**Executive Summary**

The policy development function of DS provides resources to meet community needs by implementing strategic growth plans (Wilburton, BelRed), state/federal mandates (Urban Housing Supply legislation, I-Codes). It aligns regional plans (Eastlink, Eastrail) with Council vision. Delivering on commitments (AHS, Econ. Dev. Strategy, Env. Stewardship Initiative) maintains public trust and ensures customer-focused service. This proposal covers staff time, outside services and code/policy implementation.

**Significant Changes / New Investments**

Inflationary adjustments and budget realignment only.

**Proposal Financial Summary**

	Proposed 2027-2028 Budget			Proposal Staffing Summary		
	2027	2028	Total 2027-2028	2027	2028	
2026 Base Budget	\$ 350,714	\$ 365,457	\$ 716,171			
Technical Adjustment	-	-	-	Total FTEs	1.58	1.58
Inflationary Increase	-	-	-	Total LTEs	0.00	0.00
Investment List	-	-	-			
<b>Total</b>	<b>\$ 350,714</b>	<b>\$ 365,457</b>	<b>\$ 716,171</b>	<b>Total</b>	<b>1.58</b>	<b>1.58</b>

**Performance Measures and Targets**

Metric	Description	2027-2028 Budget	
		2027 Target	2028 Target
115.3074	Percentage of residents who agree the City's land use planning efforts are somewhat or extremely ope	75%	75%
115.3001	Percent of residents who agree or strongly agree that Bellevue is doing a good job planning for grow	0%	0%

<b>Proposal Title</b>	<b>Development Services Review Services</b>		
<b>Proposal Number</b>	110.03NA	<b>Strategic Target Area</b>	High Quality Built & Natural Environment
<b>Proposal Budget (2027-2028)</b>	\$ 1,705,846	<b>Staffing</b>	4.60 FTEs / 0.00 LTEs

**Executive Summary**

Development Services (DS) reviews designs and applications for development projects for conformance with adopted local, state, and national codes. DS issues 14,000 to 16,000 permits per year that contribute to the economic prosperity of the City. The goals of DS review are to ensure that buildings are safe, and designs meet the community vision, the environment is protected, traffic impact is managed, and new infrastructure meets the city's standards, while providing excellent customer service.

**Significant Changes / New Investments**

Inflationary adjustments and budget realignment only.

**Proposal Financial Summary**

	Proposed 2027-2028 Budget			Proposal Staffing Summary		
	2027	2028	Total 2027-2028	2027	2028	
2026 Base Budget	\$ 834,829	\$ 871,017	\$ 1,705,846			
Technical Adjustment	-	-	-	Total FTEs	4.60	4.60
Inflationary Increase	-	-	-	Total LTEs	0.00	0.00
Investment List	-	-	-			
<b>Total</b>	<b>\$ 834,829</b>	<b>\$ 871,017</b>	<b>\$ 1,705,846</b>	<b>Total</b>	<b>4.60</b>	<b>4.60</b>

**Performance Measures and Targets**

Metric	Description	2027-2028 Budget	
		2027 Target	2028 Target
110.0041	Average number of revisions cycle per single family permit application	3	3
110.0025	Percentage of permits meeting their First Review Decision timelines target	80%	80%

<b>Proposal Title</b>	<b>Development Services Inspection Services</b>		
<b>Proposal Number</b>	110.04NA	<b>Strategic Target Area</b>	High Quality Built & Natural Environment
<b>Proposal Budget (2027-2028)</b>	\$ 1,662,928	<b>Staffing</b>	5.92 FTEs / 0.00 LTEs

**Executive Summary**

This proposal provides for a high-quality built and natural environment supported by departmental inspection services of all development-related construction activity to provide safe buildings, appropriate construction of public infrastructure, and protection of property & the environment while supporting economic development & competitiveness. Inspection service levels are sustained through development cycles by adjusting staffing based on service demand & supporting permit fee revenue.

**Significant Changes / New Investments**

Inflationary adjustments and budget realignment only.

**Proposal Financial Summary**

	Proposed 2027-2028 Budget			Proposal Staffing Summary		
	2027	2028	Total 2027-2028	2027	2028	
2026 Base Budget	\$ 817,231	\$ 845,696	\$ 1,662,928			
Technical Adjustment	-	-	-	Total FTEs	5.92	5.92
Inflationary Increase	-	-	-	Total LTEs	0.00	0.00
Investment List	-	-	-			
<b>Total</b>	<b>\$ 817,231</b>	<b>\$ 845,696</b>	<b>\$ 1,662,928</b>	<b>Total</b>	<b>5.92</b>	<b>5.92</b>

**Performance Measures and Targets**

Metric	Description	2027-2028 Budget	
		2027 Target	2028 Target
110.0034	Percentage of inspection results posted on the same day performed	100%	100%
110.0042	Building Code Effectiveness Grading Schedule (BCEGS) ratings for Bellevue.	2	2

**2027-2028  
Capital Investment Program Budget  
Proposals**

<b>Proposal Title</b>	<b>Water - Replacement of Aging Infrastructure</b>		
<b>Proposal Number</b>	140.02-PRGM	<b>Strategic Target Area</b>	High Quality Built & Natural Environment
<b>Proposal Budget (2027-2028)</b>	\$ 81,217,000	<b>Staffing</b>	0.00 FTEs / 0.00 LTEs

**Executive Summary**

This proposal funds Water Utilities Capital Investment Program (CIP) renewal and replacement projects for aging drinking water infrastructure. Most of the water system is more than halfway through its useful life. This proposal implements Utilities' water system renewal and replacement by funding capital programs for each major type of water system component, right-sized for proactive, sustainable water system management, to maintain established service levels at the lowest life-cycle cost.

**Significant Changes / New Investments**

Significant inflationary cost increases and acceleration of Water Main replacement program schedule.

**Proposal Financial Summary**

	Proposed 2027-2028 Budget			Proposal Staffing Summary		
	2027	2028	Total 2027-2028	2027	2028	
2026 Base Budget	\$ 49,334,000	\$ 31,883,000	\$ 81,217,000			
Technical Adjustment	-	-	-	Total FTEs	0.00	0.00
Inflationary Increase	-	-	-	Total LTEs	0.00	0.00
Investment List	-	-	-			
<b>Total</b>	<b>\$ 49,334,000</b>	<b>\$ 31,883,000</b>	<b>\$ 81,217,000</b>	<b>Total</b>	<b>0.00</b>	<b>0.00</b>

**Performance Measures and Targets**

Metric	Description	2027-2028 Budget	
		2027 Target	2028 Target
140.0082f	Utilities: Condition related water main failures per 100 miles of water main	7.5	7.5

<b>Proposal Title</b>	<b>Sewer - Replacement of Aging Infrastructure</b>		
<b>Proposal Number</b>	140.03-PRGM	<b>Strategic Target Area</b>	High Quality Built & Natural Environment
<b>Proposal Budget (2027-2028)</b>	\$ 14,816,000	<b>Staffing</b>	0.00 FTEs / 0.00 LTEs

**Executive Summary**

This proposal is to fund Sewer Utilities Capital Investment Program (CIP) renewal and replacement projects for aging sewer system infrastructure. Much of the sewer system is more than halfway through its useful life. This proposal implements Utilities’ long-term renewal and replacement strategy by funding capital programs for each major type of sewer system, to maintain operational reliability, ensure public health and safety for the community and to protect the environment.

**Significant Changes / New Investments**

Addition of new projects and construction funding for several projects included in the prior CIP Plan with design funding only.

**Proposal Financial Summary**

	Proposed 2027-2028 Budget			Proposal Staffing Summary		
	2027	2028	Total 2027-2028	2027	2028	
2026 Base Budget	\$ 4,810,000	\$ 10,006,000	\$ 14,816,000			
Technical Adjustment	-	-	-	Total FTEs	0.00	0.00
Inflationary Increase	-	-	-	Total LTEs	0.00	0.00
Investment List	-	-	-			
<b>Total</b>	<b>\$ 4,810,000</b>	<b>\$ 10,006,000</b>	<b>\$ 14,816,000</b>	<b>Total</b>	<b>0.00</b>	<b>0.00</b>

**Performance Measures and Targets**

Metric	Description	2027-2028 Budget	
		2027 Target	2028 Target
140.0430f	Utilities: Wastewater overflow events per 100 miles of pipe	4	4

<b>Proposal Title</b>	<b>Storm - Replacement of Aging Infrastructure</b>		
<b>Proposal Number</b>	140.04-PRGM	<b>Strategic Target Area</b>	High Quality Built & Natural Environment
<b>Proposal Budget (2027-2028)</b>	\$ 12,181,000	<b>Staffing</b>	0.00 FTEs / 0.00 LTEs

**Executive Summary**

This proposal funds Storm Utilities Capital Investment Program (CIP) replacement or rehabilitation of aging stormwater system infrastructure. This proposal implements Utilities’ long term stormwater management strategy by funding CIP programs for the replacement and rehabilitation of storm pipes, culverts, and other storm infrastructure elements at the lowest life-cycle cost, while maintaining established service levels, for sustainable storm system management.

**Significant Changes / New Investments**

Addition of new projects and inflationary cost increases.

**Proposal Financial Summary**

	Proposed 2027-2028 Budget			Proposal Staffing Summary		
	2027	2028	Total 2027-2028	2027	2028	
2026 Base Budget	\$ 6,535,000	\$ 5,646,000	\$ 12,181,000			
Technical Adjustment	-	-	-	Total FTEs	0.00	0.00
Inflationary Increase	-	-	-	Total LTEs	0.00	0.00
Investment List	-	-	-			
<b>Total</b>	<b>\$ 6,535,000</b>	<b>\$ 5,646,000</b>	<b>\$ 12,181,000</b>	<b>Total</b>	<b>0.00</b>	<b>0.00</b>

**Performance Measures and Targets**

Metric	Description	2027-2028 Budget	
		2027 Target	2028 Target
140.0305	Utilities: Structural flooding occurrences for storms less than a 100 year storm event (Storm Water)	5	5

<b>Proposal Title</b>	<b>Water - Capacity for Growth</b>		
<b>Proposal Number</b>	140.05-PRGM	<b>Strategic Target Area</b>	High Quality Built & Natural Environment
<b>Proposal Budget (2027-2028)</b>	\$ 8,987,000	<b>Staffing</b>	0.00 FTEs / 0.00 LTEs

**Executive Summary**

This proposal funds water and sewer utility capital projects to increase utility system capacity and ensure that utility infrastructure is in place to accommodate the City's planned growth. The proposed projects will design and construct a new reservoir and associated infrastructure to provide additional drinking water storage needed in Downtown, Bel-Red, and Wilburton Neighborhoods. Also funds capital projects to expand sewer utility services in areas of the City that are not currently served.

**Significant Changes / New Investments**

Additional funding for new reservoir and associated infrastructures needed to provide drinking water storage for planned population growth in Downtown, Bel-Red, and Wilburton areas.

**Proposal Financial Summary**

	Proposed 2027-2028 Budget			Proposal Staffing Summary		
	2027	2028	Total 2027-2028	2027	2028	
2026 Base Budget	\$ 331,000	\$ 8,656,000	\$ 8,987,000			
Technical Adjustment	-	-	-	Total FTEs	0.00	0.00
Inflationary Increase	-	-	-	Total LTEs	0.00	0.00
Investment List	-	-	-			
<b>Total</b>	<b>\$ 331,000</b>	<b>\$ 8,656,000</b>	<b>\$ 8,987,000</b>	<b>Total</b>	<b>0.00</b>	<b>0.00</b>

**Performance Measures and Targets**

Metric	Description	2027-2028 Budget	
		2027 Target	2028 Target
140.0467	Utilities: Downtown/Bel-Red reservoir volume above required minimum (in MG)	2	2

<b>Proposal Title</b>	<b>Storm - Environmental Preservation</b>		
<b>Proposal Number</b>	140.08-PRGM	<b>Strategic Target Area</b>	High Quality Built & Natural Environment
<b>Proposal Budget (2027-2028)</b>	\$ 16,710,000	<b>Staffing</b>	0.00 FTEs / 0.00 LTEs

**Executive Summary**

This proposal funds Utility capital projects focused on environmental preservation and restoration of Bellevue’s streams, lakes, and wetlands. It includes on-going programs intended to protect surface water quality and improve stream health, support fish and wildlife habitat and protect the environment. These projects guard against harmful environmental impacts to our valuable aquatic resources and improve natural stream function for our community’s enjoyment now and into the future.

**Significant Changes / New Investments**

Addition of several new projects in flood reduction and water quality improvement programs, while continuing to fund fish passage and stream improvement projects to preserve and protect our natural resources.

**Proposal Financial Summary**

	Proposed 2027-2028 Budget			Proposal Staffing Summary		
	2027	2028	Total 2027-2028	2027	2028	
2026 Base Budget	\$ 8,403,000	\$ 8,307,000	\$ 16,710,000			
Technical Adjustment	-	-	-	Total FTEs	0.00	0.00
Inflationary Increase	-	-	-	Total LTEs	0.00	0.00
Investment List	-	-	-			
<b>Total</b>	<b>\$ 8,403,000</b>	<b>\$ 8,307,000</b>	<b>\$ 16,710,000</b>	<b>Total</b>	<b>0.00</b>	<b>0.00</b>

**Performance Measures and Targets**

Metric	Description	2027-2028 Budget	
		2027 Target	2028 Target
140.0539	Stream Health - Water Quality	35	35

<b>Proposal Title</b>	<b>Water - Operational Efficiency</b>		
<b>Proposal Number</b>	140.70-PRGM	<b>Strategic Target Area</b>	High Quality Built & Natural Environment
<b>Proposal Budget (2027-2028)</b>	\$ 2,536,000	<b>Staffing</b>	0.00 FTEs / 0.00 LTEs

**Executive Summary**

As Bellevue grows, there’s a critical need for new Operations & Maintenance (O&M) Facilities to ensure that Utilities can continue to serve the community’s utility needs efficiently. Current service locations are functioning at or near capacity, posing a significant risk for not meeting Utilities’ growing operational needs. To address this, Utilities developed a long-range M&O Facilities Master Plan which recommended proceeding with property acquisition and site development for new facilities.

**Significant Changes / New Investments**

Inflationary adjustments and budget realignment only.

**Proposal Financial Summary**

	Proposed 2027-2028 Budget			Proposal Staffing Summary		
	2027	2028	Total 2027-2028	2027	2028	
2026 Base Budget	\$ 2,182,000	\$ 354,000	\$ 2,536,000			
Technical Adjustment	-	-	-	Total FTEs	0.00	0.00
Inflationary Increase	-	-	-	Total LTEs	0.00	0.00
Investment List	-	-	-			
<b>Total</b>	<b>\$ 2,182,000</b>	<b>\$ 354,000</b>	<b>\$ 2,536,000</b>	<b>Total</b>	<b>0.00</b>	<b>0.00</b>

**Performance Measures and Targets**

Metric	Description	2027-2028 Budget	
		2027 Target	2028 Target
140.0306	Utilities: Utilities services customer satisfaction survey - (Citywide citizen survey)	85%	85%

<b>Proposal Title</b>	<b>Water - Emergency Water Supply</b>		
<b>Proposal Number</b>	140.82-PRGM	<b>Strategic Target Area</b>	Community Safety & Health
<b>Proposal Budget (2027-2028)</b>	\$ 138,000	<b>Staffing</b>	0.00 FTEs / 0.00 LTEs

**Executive Summary**

This proposal funds retrofit of the city's water supply backbone with earthquake resistant pipes to mitigate against a long-term water outage due to an earthquake and will develop existing groundwater wells for emergency water supply. Rehabilitation work on 4 wells located in the Crossroads and Samena areas in Bellevue will increase access to groundwater, protect water quality and improve water capacity in an emergency. An emergency well siting study will also identify potential new well sites.

**Significant Changes / New Investments**

Inflationary adjustments and budget realignment only.

**Proposal Financial Summary**

	Proposed 2027-2028 Budget			Proposal Staffing Summary		
	2027	2028	Total 2027-2028	2027	2028	
2026 Base Budget	\$ -	\$ 138,000	\$ 138,000			
Technical Adjustment	-	-	-	Total FTEs	0.00	0.00
Inflationary Increase	-	-	-	Total LTEs	0.00	0.00
Investment List	-	-	-			
<b>Total</b>	<b>\$ -</b>	<b>\$ 138,000</b>	<b>\$ 138,000</b>	<b>Total</b>	<b>0.00</b>	<b>0.00</b>

**Performance Measures and Targets**

Metric	Description	2027-2028 Budget	
		2027 Target	2028 Target
140.0538	Backbone Watermain Replacement with Earthquake Resilient Pipe	50%	50%

<b>Proposal Title</b>	<b>Sewer - Capacity for Growth</b>		
<b>Proposal Number</b>	140.83-PRGM	<b>Strategic Target Area</b>	High Quality Built & Natural Environment
<b>Proposal Budget (2027-2028)</b>	\$ 476,000	<b>Staffing</b>	0.00 FTEs / 0.00 LTEs

**Executive Summary**

This proposal funds water and sewer utility capital projects to increase utility system capacity and ensure that utility infrastructure is in place to accommodate the City's planned growth. The proposed projects will design and construct a new reservoir and associated infrastructure to provide additional drinking water storage needed in Downtown, Bel-Red, and Wilburton Neighborhoods. Also funds capital projects to expand sewer utility services in areas of the City that are not currently served.

**Significant Changes / New Investments**

Inflationary adjustments and budget realignment only.

**Proposal Financial Summary**

	Proposed 2027-2028 Budget			Proposal Staffing Summary		
	2027	2028	Total 2027-2028	2027	2028	
2026 Base Budget	\$ 126,000	\$ 350,000	\$ 476,000			
Technical Adjustment	-	-	-	Total FTEs	0.00	0.00
Inflationary Increase	-	-	-	Total LTEs	0.00	0.00
Investment List	-	-	-			
<b>Total</b>	<b>\$ 126,000</b>	<b>\$ 350,000</b>	<b>\$ 476,000</b>	<b>Total</b>	<b>0.00</b>	<b>0.00</b>

**Performance Measures and Targets**

Metric	Description	2027-2028 Budget	
		2027 Target	2028 Target
140.0074	Utilities: Number of Wastewater Overflows due to System Capacity	0	0

<b>Proposal Title</b>	<b>Sewer - Operational Efficiency</b>		
<b>Proposal Number</b>	140.84-PRGM	<b>Strategic Target Area</b>	High Quality Built & Natural Environment
<b>Proposal Budget (2027-2028)</b>	\$ 1,740,000	<b>Staffing</b>	0.00 FTEs / 0.00 LTEs

**Executive Summary**

As Bellevue grows, there’s a critical need for new Operations & Maintenance (O&M) Facilities to ensure that Utilities can continue to serve the community’s utility needs efficiently. Current service locations are functioning at or near capacity, posing a significant risk for not meeting Utilities’ growing operational needs. To address this, Utilities developed a long-range M&O Facilities Master Plan which recommended proceeding with property acquisition and site development for new facilities.

**Significant Changes / New Investments**

Inflationary adjustments and budget realignment only.

**Proposal Financial Summary**

	Proposed 2027-2028 Budget			Proposal Staffing Summary		
	2027	2028	Total 2027-2028	2027	2028	
2026 Base Budget	\$ 1,316,000	\$ 424,000	\$ 1,740,000			
Technical Adjustment	-	-	-	Total FTEs	0.00	0.00
Inflationary Increase	-	-	-	Total LTEs	0.00	0.00
Investment List	-	-	-			
<b>Total</b>	<b>\$ 1,316,000</b>	<b>\$ 424,000</b>	<b>\$ 1,740,000</b>	<b>Total</b>	<b>0.00</b>	<b>0.00</b>

**Performance Measures and Targets**

Metric	Description	2027-2028 Budget	
		2027 Target	2028 Target
140.0306	Utilities: Utilities services customer satisfaction survey - (Citywide citizen survey)	85%	85%

<b>Proposal Title</b>	<b>Storm - Operational Efficiency</b>		
<b>Proposal Number</b>	140.85-PRGM	<b>Strategic Target Area</b>	High Quality Built & Natural Environment
<b>Proposal Budget (2027-2028)</b>	\$ 527,000	<b>Staffing</b>	0.00 FTEs / 0.00 LTEs

**Executive Summary**

As Bellevue grows, there’s a critical need for new Operations & Maintenance (O&M) Facilities to ensure that Utilities can continue to serve the community’s utility needs efficiently. Current service locations are functioning at or near capacity, posing a significant risk for not meeting Utilities’ growing operational needs. To address this, Utilities developed a long-range M&O Facilities Master Plan which recommended proceeding with property acquisition and site development for new facilities.

**Significant Changes / New Investments**

This is a new proposal to include the Stormwater fund in the long-range M&O Facilities Master Plan which recommended proceeding with property acquisition and site development for new maintenance facilities.

**Proposal Financial Summary**

	Proposed 2027-2028 Budget			Proposal Staffing Summary		
	2027	2028	Total 2027-2028	2027	2028	
2026 Base Budget	\$ 172,000	\$ 355,000	\$ 527,000			
Technical Adjustment	-	-	-	Total FTEs	0.00	0.00
Inflationary Increase	-	-	-	Total LTEs	0.00	0.00
Investment List	-	-	-			
<b>Total</b>	<b>\$ 172,000</b>	<b>\$ 355,000</b>	<b>\$ 527,000</b>	<b>Total</b>	<b>0.00</b>	<b>0.00</b>

**Performance Measures and Targets**

Metric	Description	2027-2028 Budget	
		2027 Target	2028 Target
140.0306	Utilities: Utilities services customer satisfaction survey - (Citywide citizen survey)	85%	85%

**ATTACHMENT B**

Table 1: Proposed 2027 Operating Budget (\$000's)

	Water	Sewer	Stormwater	Solid Waste	Total
<b>Beginning Fund Balance</b>					
Operating Reserves	14,602	12,636	7,289	4,467	38,994
Asset Repl. Reserves	6,120	5,497	5,271	-	16,888
<b>Subtotal</b>	<b>20,722</b>	<b>18,133</b>	<b>12,560</b>	<b>4,467</b>	<b>55,882</b>
<b>Revenues</b>					
Services Charges	89,515	104,751	39,733	-	233,999
Interfund Services	5,113	709	109	-	5,931
Developer Fees	841	691	695	-	2,227
RCFCs	1,680	-	-	-	1,680
Admin Revenues	-	-	-	1,153	1,153
Grants	-	-	-	410	410
Interest	385	334	192	-	912
Other	598	80	21	-	699
<b>Subtotal</b>	<b>98,133</b>	<b>106,565</b>	<b>40,750</b>	<b>1,563</b>	<b>247,011</b>
<b>TOTAL SOURCES</b>	<b>118,854</b>	<b>124,698</b>	<b>53,310</b>	<b>6,030</b>	<b>302,892</b>
<b>Expenses</b>					
Wholesale	28,352	54,260	-	-	82,612
Capital Program	31,823	27,053	21,128	-	80,004
Taxes/Interfunds	22,559	11,854	6,744	495	41,652
Personnel	11,718	9,524	8,522	246	30,011
Other M&O	4,933	3,414	2,792	793	11,932
<b>Subtotal</b>	<b>99,384</b>	<b>106,106</b>	<b>39,186</b>	<b>1,535</b>	<b>246,210</b>
<b>Ending Fund Balance</b>					
Operating Reserves	12,912	12,918	8,186	4,496	38,511
Asset Repl. Reserves	6,559	5,674	5,938	-	18,171
<b>Subtotal</b>	<b>19,470</b>	<b>18,592</b>	<b>14,124</b>	<b>4,496</b>	<b>56,682</b>
<b>TOTAL USES</b>	<b>118,854</b>	<b>124,698</b>	<b>53,310</b>	<b>6,030</b>	<b>302,892</b>
FTEs	69	58	56	1	184
LTEs	8	3	-	-	11
<b>Total FTEs/LTEs</b>	<b>77</b>	<b>61</b>	<b>56</b>	<b>1</b>	<b>195</b>

*Proposed operating budget includes Solid Waste grant revenues and expenditures.*

**ATTACHMENT B**

Table 2: Proposed 2028 Operating Budget (\$000's)

	Water	Sewer	Stormwater	Solid Waste	Total
<b>Beginning Fund Balance</b>					
Operating Reserves	12,912	12,918	8,186	4,496	38,511
Asset Repl. Reserves	6,559	5,674	5,938	-	18,171
<b>Subtotal</b>	<b>19,470</b>	<b>18,592</b>	<b>14,124</b>	<b>4,496</b>	<b>56,682</b>
<b>Revenues</b>					
Services Charges	95,790	115,342	42,127	-	253,259
Interfund Services	5,452	736	114	-	6,302
Developer Fees	841	691	695	-	2,227
RCFCs	2,016	-	-	-	2,016
Admin Revenues	-	-	-	1,194	1,194
Grants	-	-	-	410	410
Interest	426	359	238	-	1,023
Other	610	80	22	-	712
<b>Subtotal</b>	<b>105,136</b>	<b>117,208</b>	<b>43,195</b>	<b>1,604</b>	<b>267,143</b>
<b>TOTAL SOURCES</b>	<b>124,606</b>	<b>135,800</b>	<b>57,320</b>	<b>6,100</b>	<b>323,826</b>
<b>Expenses</b>					
Wholesale	31,090	61,209	-	-	92,300
Capital Program	34,520	29,700	23,173	-	87,393
Taxes/Interfunds	22,986	12,325	6,925	515	42,751
Personnel	11,805	9,927	8,848	255	30,834
Other M&O	4,507	3,950	3,857	825	13,140
<b>Subtotal</b>	<b>104,909</b>	<b>117,110</b>	<b>42,803</b>	<b>1,595</b>	<b>266,418</b>
<b>Ending Fund Balance</b>					
Operating Reserves	12,292	13,426	9,022	4,505	39,244
Asset Repl. Reserves	7,406	5,263	5,494	-	18,164
<b>Subtotal</b>	<b>19,698</b>	<b>18,689</b>	<b>14,516</b>	<b>4,505</b>	<b>57,408</b>
<b>TOTAL USES</b>	<b>124,606</b>	<b>135,800</b>	<b>57,320</b>	<b>6,100</b>	<b>323,826</b>
<b>FTEs/LTEs</b>					
FTEs	69	58	56	1	184
LTEs	8	3	-	-	11
<b>Total FTEs/LTEs</b>	<b>77</b>	<b>61</b>	<b>56</b>	<b>1</b>	<b>195</b>

*Proposed operating budget includes Solid Waste grant revenues and expenditures.*

# 2026

## Environmental Services Commission Calendar *Tentative*

updated 6/1/2026

**January**

S	M	T	W	T	F	S
				1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	31

**February**

S	M	T	W	T	F	S
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28

**March**

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8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30	31				

**April**

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12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30		

**May**

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17	18	19	20	21	22	23
24	25	26	27	28	29	30

**June**

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14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30				

**July**

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18	19	20	21	22	23	24
25	26	27	28	29	30	31

**August**

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16	17	18	19	20	21	22
23	24	25	26	27	28	29

**September**

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6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30			

**October**

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18	19	20	21	22	23	24
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**November**

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29	30					

**December**

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20	21	22	23	24	25	26
27	28	29	30	31		

**January 8, 2026**

Sewer Cost of Service Analysis (COSA) and Proposed Rate Design  
 Asset Management Program Update  
 Utility Bill Assistance Program Update

**February 5, 2026**

Stormwater Management Plan - Public Hearing  
 Wastewater System Plan Update  
 Utilities Financial Policies Review

**March 5, 2026**

Solid Waste Contract Procurement  
 Utilities Bill Assistance Program

**April 2, 2026**

2025 Financial Performance Report (Written Brief)  
 Utilities Proposed 2027-2032 CIP Plan

**May 7, 2026**

Water System Plan - Draft Review  
 2027-2032 Early Outlook Rates Forecast  
 Proposed Changes to Utility Connection Charges

**May 21, 2026**

Revised Policy Options to Expand Utility Bill Assistance Program  
 Utilities CIP Site Tour

**June 4, 2026**

Election of ESC Chair and Vice Chair  
 Utilities 2027-2028 Operating Budget & 2027-2032 CIP Budget Proposals

**June 18, 2026**

ESC Recommendation on Proposed Changes to Utility Connection Charges  
 2027-2032 Revised Rate Forecast

**July 2, 2026**

2027-2028 Budget Recommendation to City Manager

**August 2026**

Recess

**September 3, 2026**

2027-2028 Budget & Rates Update - 2027-2028 Budget & Rates Public Hearing

**September 17, 2026**

2027-2028 Budget & Rates Recommendation to Council

**October 1, 2026**

2027-2028 Budget & Rates Update - Tentative

**October xx, 2026**

ESC Chair Presents Recommendation to Council

**November 5, 2026**

Solid Waste Performance Update  
 Water System Plan Final Draft & Recommendation

**December 3, 2026 Special Meeting**

ESC Roles & Responsibilities  
 Commission 2026 Year in Review  
 Commission 2027 Look Ahead

# 2026

## Council Calendar

May 29, 2026

\*\*\* Council presentations are highlighted \*\*\*

### January

S	M	T	W	T	F	S
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### February

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### March

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### April

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### May

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### June

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### January

1/27 Water Main Replacement & PRV 2025 Ph2

### February

2/24 Water Main Replacement 2026 Ph 1

2/24 2 Enatai Dr Lakeline Access

### March

3/24 Solid Waste Contract Procurement  
Kelsey Creek Culvert @ Lake Hills Blvd Water/Sewer Replacement

### April

4/28 Preserving Equitable Sewer Rates

### May

5/5 Cedar Terrace Sewer Pump Station Rehabilitation

5/12 KC Wastewater Treatment Division 2027 Sewer Rate and Capacity Charge Proposal and 20-Year Forecast

5/12 Water Main Replacement 2026 Ph 2 & PRV

5/19 Defect Repair 2025 Storm

### June

6/2 Utility Bill Assistance Program Expansion

### July

7/14 Cascade Budget/Rates and Cascade Supply Program

TBD Water Main Replacement 148th and NE20th

TBD Defect Repair 2025 Sewer

TBD North Sammamish Flood Improvements

7/14 Aqua Vista Sanitary Sewer

TBD Overlay and Pavement Restoration 2026

TBD Ardmore Outfall Stabilization

### August

TBD Defect Repair 2026 Storm

### September

TBD Somerset 2 Pump Station & Reservoir Rehab

### October

TBD Budget and Rates Presentation

### November

TBD Solid Waste Contract Procurement

### December

TBD Water Main Replacement 2028 Ph1

Jan-27 Solid Waste Contract Procurement (January Placeholder)

### July

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### August

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