

2025-2026 Preliminary Budget

Strategic Target Area Presentations

John Resha, Chief Financial Officer
Finance & Asset Management

October 8, 2024



Information

Staff is seeking feedback on utilities rates, work plans, and investments associated with the 2025-2026 Preliminary Budget for the Safe & Efficient Transportation System and Community Safety & Health Strategic Target Areas.



Agenda

1. Calendar
2. Community Safety & Health
3. Utilities & Rates
4. Safe & Efficient Transportation System



Calendar

-  July 9: Public Hearing & Budget Workshop
-  Sept. 17: Preliminary Budget Transmitted to Council & Overview
-  Sept. 24: Public Hearing & Resources
-  October: Budget Overview by Strategic Target Areas
-  November 12: Final Public Hearing & Direction
-  November 19: Tentative Adoption



Strategic Target Areas

October 8

October 15

October 22



Safe & Efficient
Transportation System



High-Quality Built &
Natural Environment



High-Performance
Government



Community Safety
& Health



Vibrant
Economy



Thriving People &
Communities



Community Safety & Health

2025-2026 Budget

Jay Hagen, Fire Chief
Wendell Shirley, Police Chief
Lucy Liu, Utilities Director

October 8, 2024



Information

Staff will share information regarding investments in the 2025-2026 Preliminary Budget that support the Community Safety & Health Strategic Target Area.





Community Safety & Health

“All people feel safe, valued and welcome. Our systems and infrastructure are resilient and secure”

Follow Along

- 2025-2026 Preliminary Budget Book
 - Operating: Section 4-U
 - Capital: Section 5-N
- CIP Project Explorer



Key Investments





Building on 2023-2024

- Body worn cameras (BWC)
- SPIDR community engagement technology
- Youth engagement





Bellevue Light Rail Unit (BLU)

The BLU patrols the city's newest, affordable way to travel around the Eastside: the 2 Line

Since its first days in April, this patrol squad has conducted 54 direct patrols near the light rail – with 47 at a light rail station and 7 at Eastgate P&R

Only one incident has occurred





Recruitment

- Council provided BPD 21 new position during last budget cycle
- On pace to hire approx. 40 new staff by the end of the year, surpassing last year's all-time record of 33
- 28 current vacancies being filled by lateral, exceptional, and first-time officers
- In total, about 400 individuals have applied for commissioned and professional roles at BPD





Community Crisis Assistance Team (CCAT)

September - December 2023

CCAT was dispatched to nearly 1,200 calls

January – September 2024

CCAT responded to 2,954 calls

In total, CCAT has fielded 4,147 calls to residents in crisis





2025-2026 New Investments

- Domestic violence advocate to provide support in the 1,200 average cases per year
- Police captain to manage the growing number of large community events, such as the 37 approved special events in 2024 to date





2025-2026 New Investments

- Enhanced emergency response outreach
- Opioid disorder and crisis response





Enhanced Water Rescue

- Increase response speed of EMTs and rescue swimmers for lifesaving intervention and transport
- Deploy two jet skis for Lake Washington and two for Lake Sammamish
- Startup funds provided by private donation





Fire Station 10

- Preliminary budget funds the completion of Fire Station 10
- Located in the downtown area, it will reduce current response times ensuring emergency service levels as the area grows higher and denser



Information

Staff will share information regarding investments in the 2025-2026 Preliminary Budget that support the Community Safety & Health Strategic Target Area.



Utilities & Rates

Lucy Liu, Director

Scott Edwards, Deputy Director

Utilities Department





Information

Staff is seeking feedback regarding the Utilities Department's proposed 2025-2026 operating budget and rates, and 2025-2030 Capital Investment Program (CIP).



Agenda

- Utilities Overview
 - Community Safety & Health
- 2025-2026 Operating Budget
- 2025-2030 CIP Budget
- 2025-2026 Utility Rates
- Environmental Services Commission (ESC) Recommendation





Reliable and Safe Essential Utility Services




Ensures public health and safety, and protects the environment.





Aligning Top Priorities

The Utilities Department proposed operating and capital budgets support Council priorities in the following strategic target areas:

-  Community Safety & Health
-  High Quality Built & Natural Environment
-  High-Performance Government





Invisible Systems – Visible Benefits

Utilities Business

- Utilities are enterprise funds
- Rate supported
- Capital intensive
- Long-term planning

Key Challenges

- External Costs
- Aging infrastructure
- Inflationary Pressures

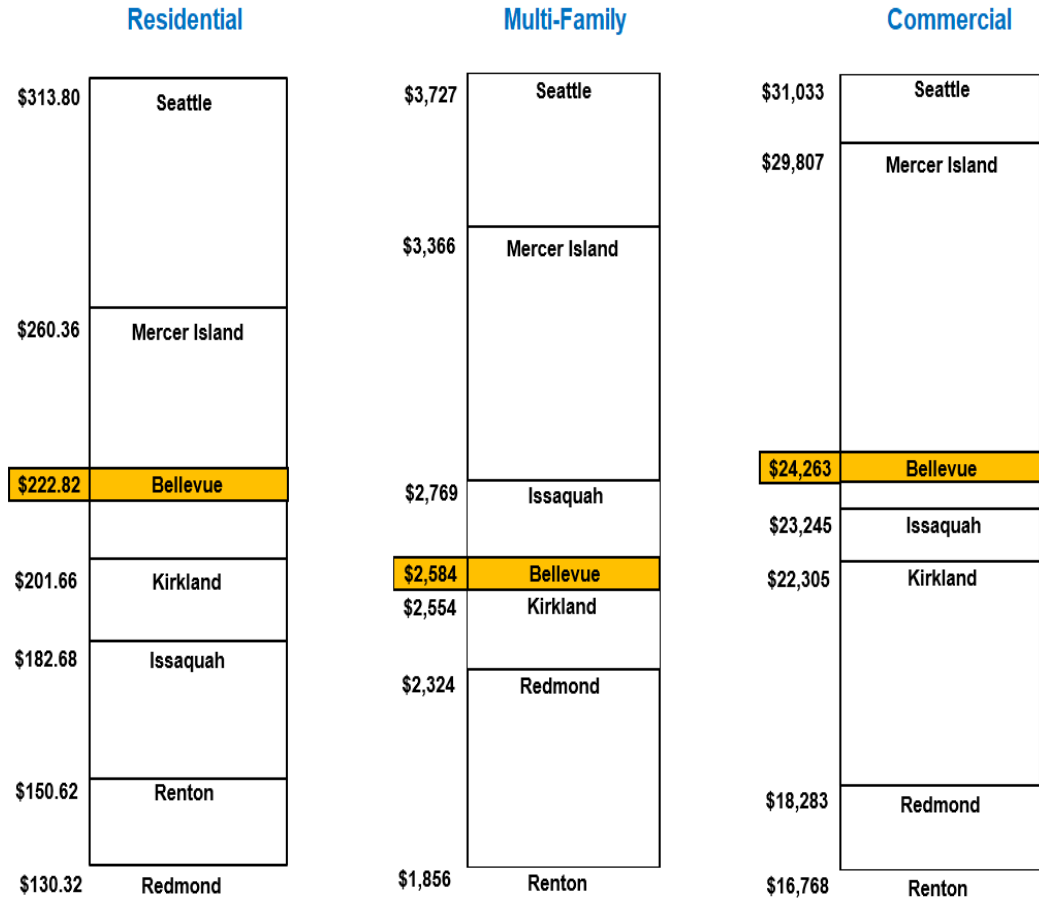


2024 Monthly Bill Comparison



Water, Sewer, and Storm & Surface Water Utilities





Combined Monthly Bill Comparison





Strong Financial Policies

Providing high-quality, safe and reliable essential utility services through long-range planning.

-  Funding for current and future expenses
-  Pass through wholesale costs
-  Predictable and uniform rates
-  Long-range capital investment





Proposed 2025-2026 Operating Budget

Utilities Major Cost Drivers



\$432.1M
Operating Budget

\$0.49

Cascade Water Alliance
King County Wastewater Treatment
Taxes and City Services

\$0.35

Infrastructure
Investments

\$0.16

Local
Operations





Key Operating Objectives

- Maintain existing, high-quality services
- Leverage external funding
- Solid Waste Contract – competitive process
- Expand Utility Rate Relief





2025-2030 Utilities Capital Investment Program (CIP): \$296M



Aging Infrastructure
\$230.2M



Capacity for Growth
\$37.5M



Environmental Preservation
\$12.4M



Operational Efficiencies
\$11.4M



Emergency Water Supply
\$4.1M





Utilities Planning

- Emergency Water Supply Master Plan
- Lake Line Management Plan
- Watershed Management Plan
- Utility System Plans
 - Water
 - Wastewater
 - Stormwater



Lake Washington Wastewater Lake Line Management Plan

FINAL / July 2024





2025-2030 Utility Rates Forecast

Rate Drivers	Proposed		Projected			
	2025 Proposed	2026 Proposed	2027 Projected	2028 Projected	2029 Projected	2030 Projected
Wholesale	1.5%	2.2%	2.5%	2.4%	2.9%	2.9%
Local	5.9%	4.6%	4.7%	4.6%	4.6%	4.5%
Total	7.4%	6.8%	7.2%	7.0%	7.5%	7.4%

Note: Wholesale costs rising over time are a significant rate driver.





Typical Residential Bill

Combined Bill Impact – Proposed Rates



Typical Single-Family Monthly Bill

2024 Monthly Bill **\$222.82**

2025 Rate Drivers

External Costs	4.3%	\$9.60
Capital	1.9%	\$4.23
Local Operations	1.2%	\$2.75
Total Increase	7.4%	\$16.58

2025 Monthly Bill **\$239.40**

2025 Monthly Bill **\$239.40**

2026 Rate Drivers

External Costs	2.6%	\$6.23
Capital	3.1%	\$7.48
Local Operations	1.1%	\$2.60
Total Increase	6.8%	\$16.31

2026 Monthly Bill **\$255.71**





2024/25 Monthly Bill Comparison

Water, Sewer, and Storm & Surface Water Utilities

Combined Monthly Bill Comparison

Residential

\$313.80	Seattle
\$260.36	Mercer Island
\$239.40	2025 Bellevue
\$222.82	2024 Bellevue
\$201.66	Kirkland
\$182.68	Issaquah
\$150.62	Renton
\$130.32	Redmond

Multi-Family

\$3,727	Seattle
\$3,366	Mercer Island
\$2,779	2025 Bellevue
\$2,769	Issaquah
\$2,584	2024 Bellevue
\$2,554	Kirkland
\$2,324	Redmond
\$1,856	Renton

Commercial

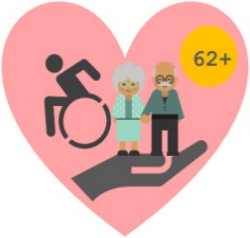



\$31,033	Seattle
\$29,807	Mercer Island
\$26,049	2025 Bellevue
\$24,263	2024 Bellevue
\$23,245	Issaquah
\$22,305	Kirkland
\$18,283	Redmond
\$16,768	Renton





Financial Support for Residents

Programs for residents needing financial assistance

Utility Direct Relief	Utility Indirect Relief	Emergency Assistance Program	Neighbors Helping Neighbors
<p>Seniors 62+ with Low Income and Residents with a Disability</p> 	<p>Seniors 62+ with Low Income and Residents with a Disability</p> 	<p>Low-Income and Financial Shock</p> 	<p>Low-Income and Past Due Bill</p> 
<p>70% Utility Bill Discount</p>	<p>70% Utility Rebate</p>	<p>Waive up to 4 Months Utility Bills</p>	<p>Waive up to 2 Months Utility Bill</p>



Outreach and Communications

- Inclusive and accessible public engagement strategy
- In-person, virtual and on-demand recorded community meetings
- Up-to-Date Information
 - BellevueWa.gov/budget-rates
 - BellevueWa.gov/cip-utilities

Event	Date
Public Website	Ongoing
News Release	April 5
Community Meeting	April 18
Tabling Events at Crossroads Mall	April 15 and 17
Tabling Event at City Hall	April 18
Social Media Campaigns	April/May and Sept. 2024
Spring District Family Festival	May 18
<i>It's Your City</i> Newsletter	Summer 2024
Utilities Customer Newsletter	May/June 2024
<i>Welcome to City Hall</i> Event	June 1
Eastgate Block Party	July 6
Bridle Trails Night Out	Aug. 14
Bellevue International Festival	Aug. 17
Community Meeting	Sept. 16
Bellevue Chamber and Bellevue Downtown Association Meeting	Sept. 20
Welcoming Week Resource Fair	Sept. 21





Environmental Services Commission Recommendation

Vanja Knezevic, Chair – Environmental Services Commission





Commission's Charge

The Commission advises City Council on water, sewer, storm and surface water, and solid waste programs including:



- Planning
- Budget and rates
- Capital financing
- Policies





Commission's Budget Review



JAN 4

- Asset Renewal Forecast Update



JUN 20

- 2025-2026 Operating Proposal



FEB 1

- Utilities Financial Policies



JUL 11

- Comprehensive Financial Policies
- ESC Recommendation to City Manager



APR 4

- 2023 Financial Performance
- Requested 2025-2034 CIP



SEP 5

- Budget & Rates Update and Public Hearing



MAY 2

- Operations and Maintenance/CIP Tour



SEP 12

- Utility Rate Relief Program Overview and Outlook
- ESC Recommendation to Council



JUN 6

- 2025-2030 Early Outlook Forecast
- 2025-2034 CIP Proposals





Budget Recommendation to Council

The Environmental Services Commission unanimously supports the proposed 2025-2026 Utilities operating budget and rates, and 2025-2030 Utilities CIP.





Information

Staff is seeking feedback regarding the Utilities Department's proposed 2025-2026 operating budget and rates, and 2025-2030 Capital Investment Program (CIP).



Safe & Efficient Transportation System

2025-2026 Budget

Andrew Singelakis, Transportation Director
John Resha, Chief Financial Officer

October 8, 2024



Information

Staff will share information regarding investments in the 2025-2026 Preliminary Budget that support the Safe & Efficient Transportation System Strategic Target Area.



Safe & Efficient Transportation System

“Transportation is sustainable, reliable and predictable. Mode choices are abundant, clean and safe.”

Follow Along

- 2025-2026 Preliminary Budget Book
 - Operating: Section 4-S
 - Capital: Section 5-I
- CIP Project Explorer





Current Operating Investments

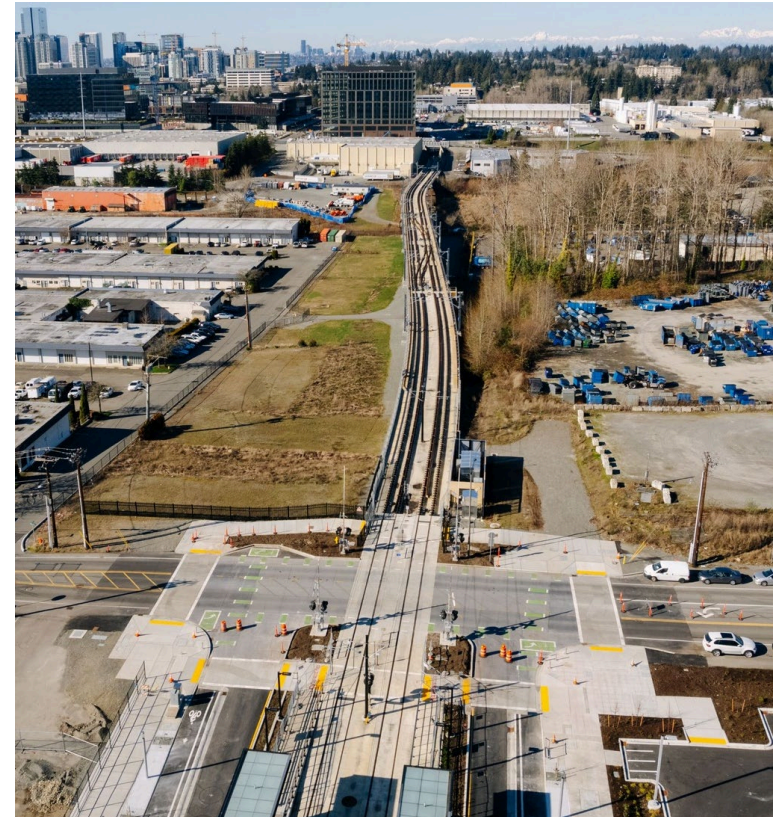
- Completed the first Curb Management Plan
- Secured multiple substantial grants
- Managed complex development within the public right-of-way
- Advancement of Small Wireless Facility (SWF)/5-G Permitting





Completing Capital Investments

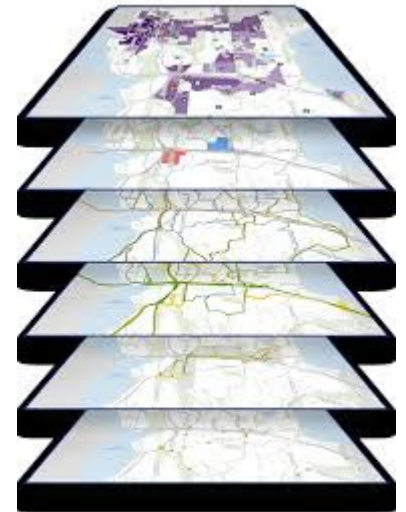
- TIFIA Projects:
 - 120th Phases 1-3, Spring Blvd Phases 1, 2 & 4 already done
 - Substantial completion of construction on 124th Ave NE
 - Construction well underway on 130th Ave NE
- Completed Overlay Program
- 2-Line





Key Operating Investments

- Transportation Facilities Plan (TFP) update
- Mobility Implementation Plan (MIP) update
- Transportation Demand Management (TDM) – Ongoing support
- Complete Americans with Disabilities Act (ADA) Transition Plan
- Curb pricing study
- Support Regional Transit
 - K-Line, Stride BRT, 2-Line
- Support I-405/Renton to Bellevue Express Toll Lanes





Vision Zero Action Plan

- SMART Grant
- Safe Streets for All Grant
- Rapid Build Data Driven Program
- Arterial Speed Management





Programs Supporting Neighborhoods

- Neighborhood Traffic Safety Program
- New Safe Routes to School Program
- Levy funded Neighborhood Congestion Reduction Program
- Neighborhood Sidewalk program



Programs Supporting Bicycle & Pedestrian Improvements



- Bicycle Network Facilities Implementation
- Pedestrian & Bicycle Access Connections
- Arterial Sidewalks Program





Maintenance

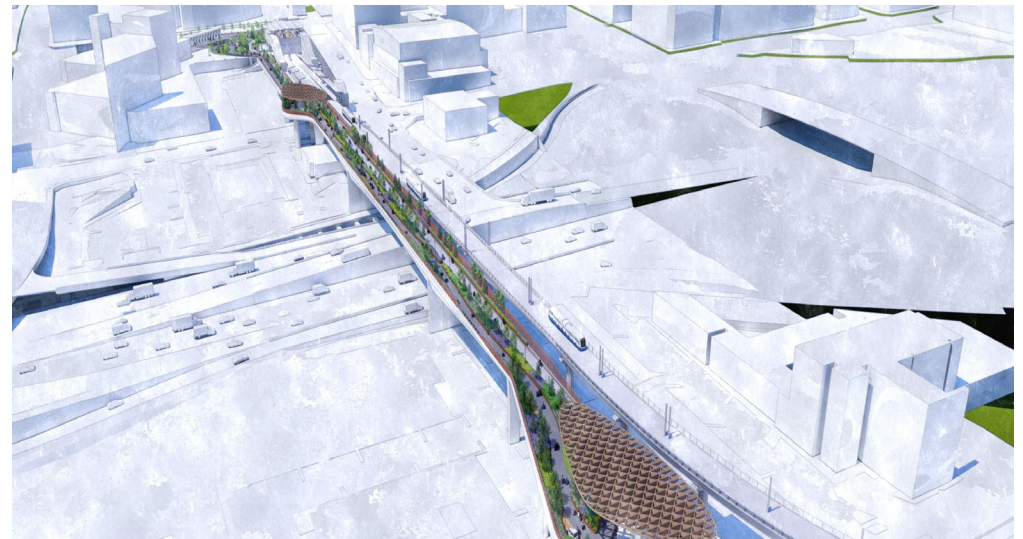
- Substantial restoration of Transportation maintenance budget addressing COVID-19 reductions
- Three new FTEs to support streets and traffic signal maintenance
- Two new street sweepers
- New Infrastructure M&O





Key Capital Investments

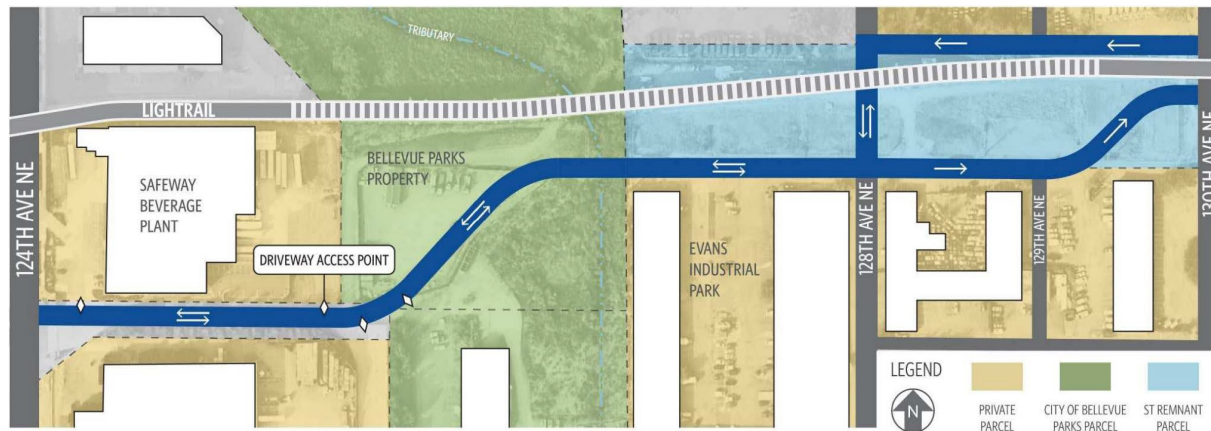
- Grand Connection I-405 Crossing – City Hall to Eastrail
- 120th Phase 4 Design & Right-of-Way
- Spring Blvd Zone 3





Spring Boulevard Zone 3

- Completes design for key Spring District to BelRed missing link for all modes
- Design grant funding
- Important to move forward
- Future construction grant opportunities



Information

Staff will share information regarding investments in the 2025-2026 Preliminary Budget that support the Safe & Efficient Transportation System Strategic Target Area.

