

DATE: April 4, 2024

TO: Environmental Services Commission

FROM: Linda De Boldt, Utilities Engineering Division, Assistant Director
Biroi Shaha, Utilities Engineering Division, CIP Portfolio Manager

SUBJECT: **Utilities 2025-2034 Proposed Capital Investment Plan (CIP)**

ACTION REQUIRED

No action by the Commission is required at this time. This is an informational briefing to review the Preliminary 2025-2034 Utilities Capital Investment Plan (CIP) and highlight changes from the current adopted CIP.

BACKGROUND / ANALYSIS

Bellevue Utilities (Utilities) delivers capital projects to support the delivery of drinking water, stormwater, and wastewater 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, sewer, and stormwater pipes, drinking water and sewer pump stations, drinking water reservoirs, seismic mitigation projects, culvert replacements, stormwater management facilities (such as detention ponds, vaults, and water quality facilities), and stream restoration projects.

Utilities started the development of the proposed 2025-2034 Utilities CIP in July 2023. The development process has included the following elements:

- 1) Change from a 7-year CIP timeframe to a 10-year CIP timeframe
- 2) Identification of new capital project needs for the water, sewer, and stormwater systems using input from the Utilities Asset Management Program, Operations and Maintenance Division input, Utilities System and Program Planning Studies, and input from customers and other interested parties
- 3) Performing planning level project development (scope, schedule and cost estimating for these new project proposals)
- 4) Status review of existing capital projects currently in progress
- 5) Performing project prioritization
- 6) Performing workload and staffing analysis
- 7) Programming CIP projects within the new 10-year CIP timeframe
- 8) Developing the 2025-2034 Preliminary CIP Plan

This work has resulted in a proposed 2025-2034 CIP, which will be presented to the Environmental Services Commission at its April 4th meeting. Utilities will be sending each commissioner an electronic copy of the 2025-2034 CIP Budget Packet prior to the April 4th meeting for your information. This includes details about our proposed CIP Programs and key changes to the current adopted budget.

The presentation of Utilities proposed CIP at the April 4th meeting will be the second of four CIP discussions with the Commission. The table below outlines the Commission's review timeline for Utilities CIP Plan.

November 2, 2023	2025-2034 CIP budget development process
April 4, 2024	Utilities Preliminary 2025-2034 CIP Plan
May 2, 2024	Utilities 2025-2034 CIP budget proposals and discussion regarding community input from open house events
June ESC Tour (TBD)	Field tour of Utilities water, sewer, and stormwater CIP project sites

After the April 4th Commission meeting, staff will hold three Open House events to request input from the public on Utilities Preliminary 2025-2034 CIP Plan. The events will be in-person, with two at Mini City Hall and one at City Hall. A recording will be provided for additional viewing on demand. Community input received from these open house events will be summarized in a memo and sent to the Commission in late April.

Over the next several meetings, staff will present information on the Preliminary CIP Plan, respond to questions, receive input, and ultimately request the Commission's concurrence with the proposed Utilities 2025-2034 Capital Investment Plan.

POLICY ISSUES

There are no policy issues to be presented at this meeting.

FISCAL IMPACT

The Utilities CIP Plan represents a significant investment of utility resources for the next ten years. The proposed 2025-2034 Utilities CIP will be included in the development of the overall Utilities Department 2025-2026 budget and rates.

ATTACHMENTS & AVAILABLE DOCUMENTS

A. Budget Book 2025-2034 Proposed CIP