

CITY COUNCIL AGENDA MEMORANDUM

SUBJECT

Staff will present the draft 2016 Water System Plan (the Plan). The presentation summarizes key points of the Plan that are aligned with the Water System Plan Interest Statement approved by City Council on March 23, 2015 (Attachment 1). If Council concurs, staff will bring the Plan forward for adoption at a subsequent City Council meeting.

STAFF CONTACT

Nav Ota, Director, 452-2041

Paul Bucich, Assistant Director of Engineering, 452-4596

Utilities Department

POLICY ISSUES

Bellevue City Code:

- City Code 24.02.070. A water system plan, also referred to as the City's water comprehensive plan, shall be developed by the utility for review and adoption by the city council as required by state law. The utility shall recommend supplements or updated plans for adoption by the City Council as needed. (Ord. 5963 § 1, 2010.)

City Financial Policies:

- The Water Utility System Plan shall be updated every six years as required by state statute;

Comprehensive Plan:

- POLICY ED-32. Continue to identify, construct and maintain infrastructure systems and facilities required to promote and sustain a positive economic climate. Anticipate needs and coordinate city infrastructure investments with economic development opportunities.
- POLICY UT-1. Manage utility systems effectively in order to provide reliable, sustainable, quality service.
- POLICY UT-7. Base the extension and sizing of system components on the land use plan of the area. System capacity will not determine land use.
- POLICY UT-10. Emphasize cost effective management of City utility systems over their lifetime, including planning for their renewal and replacement, balancing risk, and maintaining desired service levels. Forecast future capital and maintenance costs and manage rates so that customer rate revenue funds the cost of ownership equitably across generations.
- POLICY UT-12. Develop and periodically update functional utility system plans that forecast system capacity and needs for at least a 20 year planning horizon.
- POLICY UT-39. Provide a reliable, cost-effective supply of safe, secure, high quality drinking water that meets the community's water needs in an environmentally responsible manner.

DIRECTION NEEDED FROM COUNCIL

	Action
<u>X</u>	Discussion
<u>X</u>	Information

No Council action is required at this time. Staff will request adoption of the 2016 Water System Plan after the City Council has the opportunity to review the Plan and staff have addressed any questions.

BACKGROUND

Bellevue's 2016 Water System Plan (the Plan) evaluates the existing water system, identifies current and future needs, and develops a plan to meet those needs. Consistent with the Council's Interest Statement, the Plan recommends new initiatives and capital investments to maintain customer service and to continue to provide a reliable supply of safe, high quality drinking water that meets the community's needs in an environmentally responsible and cost-competitive manner. Washington State Department of Health (WAC 246-290-100) and King County (KCC 13.24) stipulate that water system plans should be updated every 6 years. Bellevue's previous Plan, the 2006 Water Comprehensive Plan, was approved by the WA Department of Health in 2009.

Policy Recommendations

Water system policies were evaluated and updated as part of the Plan update. Policy edits were generally not substantive and were made primarily for clarity or to resolve obsolete language, however some significant revisions or new policies were developed as summarized below. The complete text of all water system policies and a description of changes is attached (Attachment 3).

- **Service Ownership/Responsibility:** This policy was updated to be consistent with City Code, to clarify existing practices regarding ownership of new facilities on private property (such as hydrants and mains), and to clarify where public ownership ends on service lines.
- **Drinking Water Storage for Emergency Supply Outages:** This new policy articulates the City's longstanding practice of maintaining the Washington State Department of Health minimum recommended volume, representing one average day of water use dedicated for emergency storage (in addition to storage for other purposes such as firefighting and daily operations). This criteria is consistent with neighboring utilities. The likelihood that Bellevue would need to access emergency storage is low due to redundancy in Cascade Water Alliance's two water sources (Seattle's Tolt and Cedar watersheds). Bellevue also has the potential to develop limited local emergency supplies (see new water rights policy) to further mitigate risk. Additional storage would have negative community and water quality impacts, significant capital costs and ongoing maintenance requirements. Attachment 4 provides more background information specific to this policy.

- **Green Buildings:** This new policy supports development of “net-zero” and sustainable buildings, while ensuring equitable treatment of new and existing customers regarding the costs to provide fire protection and backup supply (where applicable) to these buildings.
- **Facility Repurposing:** This new policy was added in response to emerging opportunities to generate revenue for the City by repurposing older, unused infrastructure for other purposes, such as installation of new telecommunications wire in abandoned water mains.
- **Reclaimed Water Use:** This policy was updated for relevancy, by removing commitment to support a study that has since been completed.
- **Water Rights for Supply Redundancy:** This new policy, supported by Cascade Water Alliance, acknowledges the City’s legacy groundwater rights and allows for their development as emergency water supplies.
- **Regional Policy Development:** This new water system policy guides Bellevue’s role in influencing regional decision-making in the interests of the City and Bellevue’s rate payers. It is consistent with the similar policy adopted as part of the 2013 Wastewater System Plan.

Capital Improvement Recommendations

The Plan recommends capital investments or further analysis to accommodate growth, improve efficiency or resiliency, manage risk, and address localized system deficiencies. Implementation of these recommendations will come to Council as part of future budget proposals. Plan recommendations are summarized below. More detailed information is provided in Chapter 4 of the Plan:

- Evaluate and implement Advanced Metering Infrastructure (AMI), pending results of a feasibility study.
- Evaluate optimum use of Bellevue’s existing water rights, and add infrastructure as needed. This analysis and emergency supply development, supported by Cascade Water Alliance, would develop options to increase local system resiliency in the case of a disaster or water supply emergency. A master plan for use of water rights would be developed.
- Perform risk-based analysis of system vulnerabilities during disaster events (earthquakes, long-term power outages), and develop prioritized recommendations to maintain service levels.
- Expand the asset management programs to include check valves, isolation valves, air & vacuum release valves, and inlet stations. Prioritize rehabilitation, replacement or abandonment as appropriate.
- Implement operational and/or capital improvements to address localized fire flow, reliability, low pressure, and low chlorine deficiencies, consistent with existing policies.
- Continue existing on-going CIP programs such as water main, reservoir, and pump station rehabilitation/replacement (W-16, W-85, W-91), but re-evaluate each on a bi-annual basis.
- Implement existing CIP projects to accommodate anticipated growth, including additional access to reservoir storage (W-103) and inlet capacity (W-104)

External Review of the Plan

During Plan development, Utilities Department staff solicited and recorded public input from the following organizations:

- Environmental Services Commission (ESC).
- Washington State Department of Health (DOH)
- King County Utilities Technical Review Committee (UTRC)
- Neighboring water utilities and municipalities

The Plan was made available for public comment during the SEPA review and appeal period (November 19, 2015 – December 18, 2015), and a Determination of Non-Significance was issued in February 2016. Public comment was solicited via social media, press release, and an open house at City Hall. Comments have been incorporated into the Plan as appropriate.

At their February 2016 meeting, ESC recommended adoption of the Plan by Bellevue City Council (Attachment 2).

Next Steps

DOH and UTRC both require City Council adoption of the Plan prior to their approval. Following adoption by Council, the Plan will be formally re-submitted to both agencies for final approval. We do not expect any requests for changes to the Plan during that process.

Adoption of the Plan by King County Council is also required, because Bellevue's water service area includes a small number of homes in unincorporated King County. Following adoption by City Council and recommendation by the UTRC, the Plan will be submitted to King County Council for adoption.

ALTERNATIVES:

1. Direct staff to bring back a resolution for adoption at a future meeting.
2. Provide alternative direction to staff.

RECOMMENDATION:

Alternative 1.

ATTACHMENTS:

Attachment 1:	Bellevue City Council Interest Statement – Water System Plan
Attachment 2:	Letter from ESC recommending adoption of the Plan by City Council
Attachment 3:	Water System Plan Policies
Attachment 4:	Policy Background: Drinking Water Storage for Emergency Supply Outages

AVAILABLE IN COUNCIL ELECTRONIC DOCUMENT LIBRARY:

Copy of the complete plan (including an Executive Summary)