

## **CITY COUNCIL AGENDA MEMORANDUM**

### **SUBJECT**

Resolution No. 9104 authorizing the City Manager or his designee to adopt, on behalf of the City, the City of Bellevue 2016 Water System Plan.

### **FISCAL IMPACT**

There is no immediate fiscal impact associated with adoption of the Water System Plan (the Plan). However, the Plan makes recommendations and anticipates ongoing and future capital investment to maintain the water system and facilitate growth. It includes policy and operational recommendations that will guide development of utility budgets. Consistent with Utility Financial Policies, the Plan recommendations will influence development of future water utility rate recommendations.

### **STAFF CONTACT**

Nav Ota, Director, 452-2041

Paul Bucich, Assistant Director of Engineering, 452-4596

*Utilities Department*

### **POLICY CONSIDERATION**

Water system policies provide the framework for managing the water utility. Department-specific policies are included in each of the functional utility system plans (Water, Wastewater, and Stormwater). Consistent with City Policy and Code, whenever these plans are updated, the policies are reviewed to:

- Ensure consistent, cohesive utility operation and management; and
- Ensure consistency with City Comprehensive Plan Policies; and
- Ensure consistency with relevant City regulations.

If the Council adopts the 2016 Water System Plan, the operational policies will be affirmed.

### **Supportive City Policies and Codes**

#### **Bellevue City Comprehensive Plan:**

##### **Economic Development Element**

- 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.

##### **Utilities Element**

- 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.

#### Capital Facilities Element

- Policy CF-7—Use facility system plans to identify and plan for the long-range facility needs for individual city services.

#### **Bellevue 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.)

#### **Waterworks Financial Policy for Comprehensive Planning:**

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

#### **DIRECTION NEEDED FROM COUNCIL**

  X   Action

#### **BACKGROUND**

Bellevue City Council reviewed the Draft Water System Plan on May 23, 2016 and provided guidance to staff to bring the document forward for adoption.

The Plan evaluates the existing water system, identifies current and future needs, and develops a plan to meet those needs. It 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. The Plan is consistent with the principles set forth in the Water System Plan Interest Statement approved by City Council on March 23, 2015:

- Secure water sources for Bellevue's foreseeable needs by maintaining a voice in regional water supply vision and decision making, and by ensuring policies and practices consistent with the Cascade Water Alliance.
- Provide a safe supply of great tasting, high quality water that meets or exceeds local, state and federal drinking water quality standards.
- Provide a reliable and sufficient supply of water for drinking, domestic use and fire protection by planning for supply outages, ensuring supply and operational redundancy, and promoting the wise use of water.
- Be future-focused, providing sustainable water services to the community in an environmentally responsible manner to meet the needs of current and future generations.
- Manage water system assets to minimize life-cycle costs while managing risks and maintaining customer drinking water service levels.
- Have a self-supporting financial structure that ensures rate stability, regionally competitive fees, inter-generational equity, and minimizes debt through responsible fiscal management practices.

- Use performance metrics and industry benchmarks to guide capital investment and system operational decisions.
- Recognize water is a limited natural resource; encourage conservation, innovation and the efficient use of water.

#### **EFFECTIVE DATE**

If adopted, this Resolution will become effective immediately.

#### **OPTIONS**

1. Adopt Resolution adopting the City of Bellevue 2016 Water System Plan.
2. Do not adopt the Resolution and provide alternative direction to staff.

#### **RECOMMENDATION**

Option 1.

#### **MOTION**

Move to adopt Resolution No. 9104 authorizing the City Manager or his designee to adopt, on behalf of the City, the City of Bellevue 2016 Water System Plan.

#### **ATTACHMENTS**

Letter from ESC recommending adoption of the Plan by City Council  
Resolution No. 9104

#### **AVAILABLE IN COUNCIL ELECTRONIC DOCUMENT LIBRARY**

Copy of the complete plan (including an Executive Summary)