

Bellevue Utilities Business Profile 2025



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Delivering Daily Essentials

The mission of Bellevue Utilities is to deliver high-quality, reliable drinking water, wastewater, storm and surface water, and solid waste services in a manner that is environmentally responsible and cost-effective, today and in the future.



DRINKING WATER



WASTEWATER



STORM AND
SURFACE WATER



SOLID WASTE

Bellevue Utilities has four lines of business: Drinking Water, Wastewater, Storm and Surface Water, and Solid Waste.

Each utility service is a stand-alone business operating within the city and must be financially sustainable.

Utility services are critical to human health and safety, yet are largely unseen.

Much of utility infrastructure is underground, supporting the city's essential needs.

Our services are both immediate and long-range.

- Bellevue Utilities provides customer service and addresses maintenance needs 24 hours a day, year-round.
- Because of the long-term need for essential utility systems, Bellevue Utilities' plans extend 75 to 100 years.

Utility systems are getting old, and increases in maintenance and capital investment are inevitable.

- System failures are on the rise.
- Robust maintenance programs extend infrastructure life and minimize life-cycle costs.
- Bellevue Utilities' future capital investment will focus largely on renewal and replacement of aging infrastructure.

Bellevue City Council's financial policies and consistent commitment to providing reliable and safe utility services have placed Bellevue Utilities in a solid financial position.

As a result, utility rates are competitive with our neighboring communities and should continue to be in the future.

Drinking Water



Mission Statement

Provide a reliable supply of safe, secure, high-quality drinking water that meets all the community's water needs in an environmentally responsible manner.

Important Facts

- Bellevue Utilities' drinking water infrastructure is aging and most of the system is well past its midlife. We have a strategic asset management plan in place to repair or replace failing components that includes a 75-year financial plan to minimize system failures and mitigate future rate spikes.
- Slightly more than 40 percent of the water main is asbestos cement (AC) pipe, generally the oldest pipe in Bellevue's water system and the type that wears out the fastest. Ductile and cast iron pipe comprise almost 60 percent of the system. Whereas ductile iron pipe failures often start out as small leaks that can be detected before much damage is done, AC pipe fails "suddenly" without warning. Replacing AC pipe is the focus of our replacement program.

- Drinking water for the City of Bellevue is purchased from Cascade Water Alliance (Cascade). Water supply costs are established by Cascade. The cost of water supply is the single largest cost center for the water utility.
- State and federal water quality mandates are becoming more stringent.
- Investment is needed to build facilities that provide capacity for Bellevue's expected growth.

Service Area

Bellevue's drinking water utility serves about 37,000 customer accounts, and the service area covers over 37 square miles, including the adjacent communities of Clyde Hill, Hunts Point, Medina, Yarrow Point, and sections of Kirkland.



SYSTEM

40,000+ water connections

600+ miles of water main pipes

24 water reservoirs with a total storage of
41.5 million gallons

22 pump stations

73 pressure zones

Nearly **6,000** fire hydrants

EMPLOYEES

69

2025-2026 OPERATING BUDGET

\$194.6 million

Cascade Water Alliance

Bellevue's drinking water comes from the Cedar River and Tolt River watersheds in the Cascade Mountains. It is purchased from Cascade Water Alliance, an organization that provides water to Bellevue and six other cities and water districts in the Puget Sound region.

To ensure members have water for the future, Cascade will be developing new water supplies and connecting regional systems. In 2010, Cascade and Puget Sound Energy finalized the purchase of Lake Tapps in Pierce County.

During the next 20-50 years, Cascade will develop a new municipal water supply while managing Lake Tapps for recreation and enhancing fish habitat in the White River.

Smart Water Meter Program

New smart water meters are being implemented that allow customers to better monitor their water use and detect leaks more quickly. The new meters wirelessly transmit customer water usage data, so meter readers will no longer need to visit homes. A new online portal will let customers connect to their water use information, receive potential leak alerts, and more.



Wastewater (Sewer)



Mission Statement

Provide a reliable wastewater disposal system that ensures public health and safety, and protects the environment.

Important Facts

- Bellevue Utilities' wastewater infrastructure is aging, and most of the system is well past its midlife. Bellevue Utilities has a strategic asset management plan in place to repair or replace failing components that includes a 75-year financial plan, to minimize system failures and mitigate future rate spikes.
- The full cost to repair or replace the aging sewer mains, especially in-lake submerged wastewater pipes (also known as lake lines), will be substantial.
- The City of Bellevue contracts with King County for treatment and disposal of wastewater. The cost of wastewater treatment services is established by King County. These costs are the single largest cost center for the sewer utility.

Service Area

Bellevue's wastewater utility serves about 37,000 customer accounts, and the service area covers almost 37 square miles, including the adjacent communities of Beaux Arts, Clyde Hill, Hunts Point, Medina, and Yarrow Point.



SYSTEM

13,000+ maintenance holes

500+ miles of mainline pipes

120+ miles of lateral pipes connecting
mainline pipes to customer-side sewers

46 pump and flush stations

34 major connections to King County
wastewater system

EMPLOYEES

58

2025-2026 OPERATING BUDGET

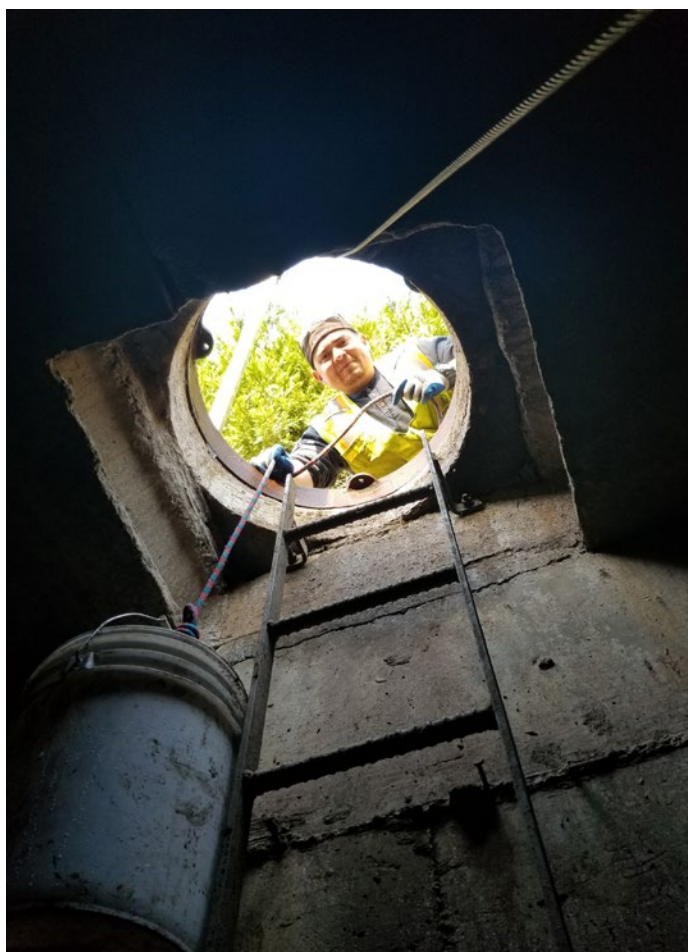
\$196.7 million

Lake Lines

Bellevue Utilities owns about 15 miles of submerged wastewater pipeline in Lake Washington and four miles of submerged wastewater pipeline in Lake Sammamish. These “lake lines” were constructed in the late 1950s and 1960s and may be nearing the end of their useful life. Most are buried within the lakebed or near the shore on land; others are in deeper water, sometimes 5 to 10 feet deep. Almost all are hard to access. The city is evaluating the condition of the pipes to determine when rehabilitation and/ or replacement will be necessary. The cost for this work will be substantial. We are committed to maintaining and protecting water quality in Lake Washington and Lake Sammamish, protecting salmon spawning grounds, and reducing the potential for direct human contact with raw wastewater.

Growth in Bellevue

Most remaining undeveloped property is in the service area’s southeast corner, where localized sewer extensions will be needed. However, similar to the drinking water system, Bellevue’s wastewater system will be impacted by multifamily and commercial growth in the downtown area and new development projects expected in the Wilburton Neighborhood and the Bel-Red corridor. Periodic Wastewater System Plan updates monitor redevelopment progress and forecasts to ensure infrastructure will be in place to support planned growth as it happens.



Storm and Surface Water



Mission Statement

Provide a storm and surface water system that controls damage from storms, protects surface water quality, supports fish and wildlife habitat, and protects the environment.

Important Facts

- Bellevue Utilities' storm and surface water infrastructure is aging and most of the system is well past its midlife. Bellevue Utilities has a strategic asset management plan in place to repair or replace failing components that include a 75-year financial plan to minimize system failures and mitigate future rate spikes.
- The storm and surface water system is a combination of private and public systems. These systems, over half of which are private, work together to convey stormwater, control flooding, and protect water quality. Utilities establishes the standards for private property owners to develop and manage their systems to comply with local, state, and federal regulations and to protect surface water.
- Compliance with the city's National Pollutant Discharge Elimination System (NPDES) Municipal Stormwater Permit, a Federal Clean

- Water Act mandate that affects programs citywide, has significant impacts on the way the city does business, on city expenses, and on private development costs.

Service Area

Bellevue's storm and surface water utility provides service within Bellevue city limits only.





SYSTEM

90+ miles of open streams

864 acres of protected wetlands

21,000+ public storm drains

400+ miles of pipes

350+ city-owned flow control facilities

900+ privately-owned detention facilities

EMPLOYEES

54

2025-2026 OPERATING BUDGET

\$84.3 million

Protecting Waterways and Reducing Flooding

Bellevue's storm and surface water utility was established in 1974 — one of the first in the nation. The city's philosophy emphasizes maintaining and protecting streams, lakes, and wetlands. This is accomplished in large part by requiring runoff controls (for quality and quantity) for new land development to mitigate the impacts of urbanization to the natural and constructed drainage system.

Bellevue adopted a "natural determinants" ordinance in the 1980s, which established significant land use protection and development restrictions on properties with streams, wetlands, steep slopes, and flood plains. Regional runoff control facilities built in the 1970s and 1980s help protect city properties from flooding due to prior development. Water quality and flow control facilities within the system filter out pollutants and slow the rate of flow of stormwater to reduce flooding.

Solid Waste



Mission Statement

Provide a convenient, unobtrusive solid waste collection system that contributes to a healthy and pleasing cityscape in an environmentally sensitive way.

Important Facts

- Bellevue contracts with Republic Services to provide citywide solid waste services to residents and businesses.
- Bellevue works to promote waste prevention, reuse, and recycling strategies in its service area—and throughout the region—to extend the life of Cedar Hills Regional Landfill.
- Bellevue works with King County to maintain a geographically balanced system of solid waste transfer and disposal facilities that includes Factoria Transfer Station in Bellevue.
- Bellevue works with its partners to ensure the proper handling and disposal of hazardous household products and the use of non-toxic alternatives.

Service Area and Services Provided

The City contracts with Republic Services for the collection and processing of solid waste generated in Bellevue. The contract provides garbage, recycling, and organics collection services to single-family, multifamily, and commercial customers, along with a specialty recycling drop-off site, billing, and customer service.





CUSTOMER ACCOUNTS

Over 30,000 single-family residential

Nearly 2,000 multi-family and commercial

EMPLOYEES

1

2025-2026 OPERATING BUDGET

\$2.3 million

Bellevue Utilities

The city manages the solid waste contract with Republic Services and provides outreach, education, and technical assistance to residents and businesses aimed at promoting waste prevention, recycling, and proper disposal of hazardous and moderate-risk wastes. The recycling rates for Bellevue are as follows:

- Single-family (Republic Services only):
- Multifamily/Commercial (Republic Services only): 17 percent
- Overall (Republic Services only): 38 percent

King County

The county provides solid waste planning, transfer, and disposal services under the Solid Waste Interlocal Agreement (ILA). King County's 2019 Comprehensive Solid Waste Management Plan was adopted in November 2019 after being approved by the Washington State Department of Ecology. King County operates the Cedar Hills Regional Landfill and 10 transfer stations and drop box facilities throughout the county, including the Factoria Transfer and Recycling Station located in Bellevue.

Utilities Projects

Capital Investment Program 2025-2030

Bellevue's Capital Improvement Plan (CIP) is a plan and budget for major public infrastructure improvements that will be implemented over a six-year period. The CIP for Bellevue Utilities defines investments for three utilities—Water, Wastewater, and Storm and Surface Water.

What is the Capital Improvement Plan (CIP)

- This 6-year plan is updated every two years as part of the city's biennial budget process.
- The plan includes Water, Wastewater, and Storm and Surface Water Improvement Projects
- Activities in the plan include planning, design, and construction for projects that support the following needs:
 - ▶ Renewal and replacement of aging infrastructure
 - ▶ Capacity for growth
 - ▶ Environmental preservation
 - ▶ Operational efficiencies
 - ▶ Operational efficiencies

Aging Infrastructure

Bellevue Utilities owns, operates, and maintains over \$10 billion of infrastructure assets, with over 1,600 miles of pipeline to provide drinking water, wastewater, and storm and surface water services. This infrastructure was primarily constructed from the 1940s through the 1980s, and most of the assets are well past midlife. As the infrastructure ages, it becomes less reliable and more failures occur. As a result, the cost to operate, maintain, rehabilitate, and replace the

various assets increases. System renewal is and will continue to be the most significant driver of the Utilities CIP. Utilities has a strategic asset management plan in place to maintain customer service by minimizing system failures and to mitigate future rate spikes through proactive planning focused on optimal system renewal and replacement costs.

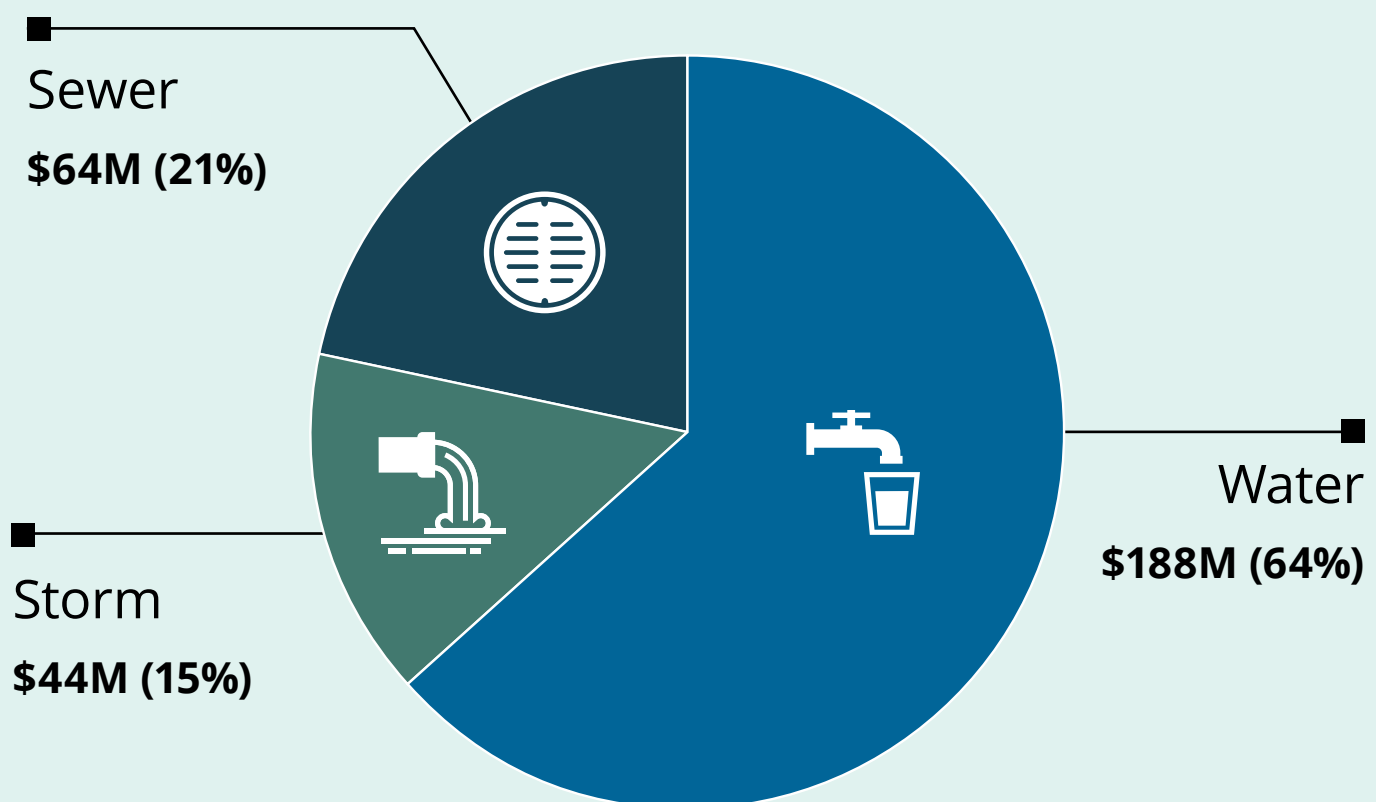
Renewal and Replacement Fund

Recognizing that the cost to replace Utilities' aging infrastructure would be significant, the Bellevue City Council established the Renewal and Replacement (R&R) Fund in 1995 for system renewal and replacement as identified in the Utilities CIP. Through proactive planning consistent with Utilities' financial policies, funds are collected in advance of major capital expenses to supplement annual rate revenues. This planning ensures infrastructure replacements can be undertaken when needed and helps to minimize utility rate impacts and ensure each generation pays an equitable share of costs to maintain the system.

Each utility is in a different stage of system replacement; therefore, the rate increases necessary to fund current capital investments and future system renewal and replacement differ for each utility. By establishing the R&R Fund early and continuing to refine a 75-year financial model, Bellevue Utilities is better prepared to meet increasing infrastructure replacement requirements.

2025-2030 Capital Investments

\$296 Million



2025-2030 Utilities Areas of Investment

\$296 Million



Aging Infrastructure
\$230M



Capacity for Growth
\$38M



Environmental Preservation
\$12M



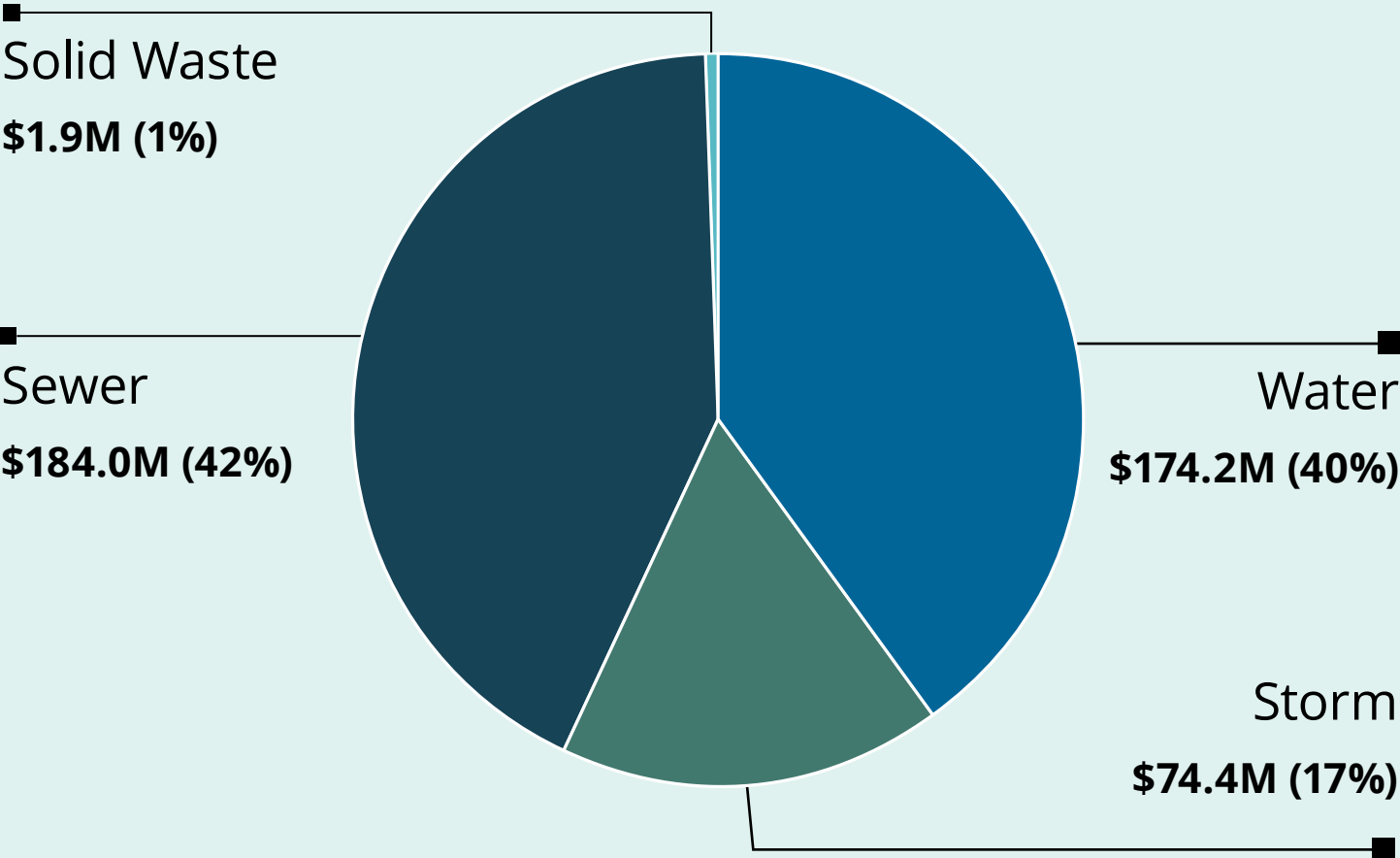
Operational Efficiency
\$11M



Emergency Water Supply
\$4M

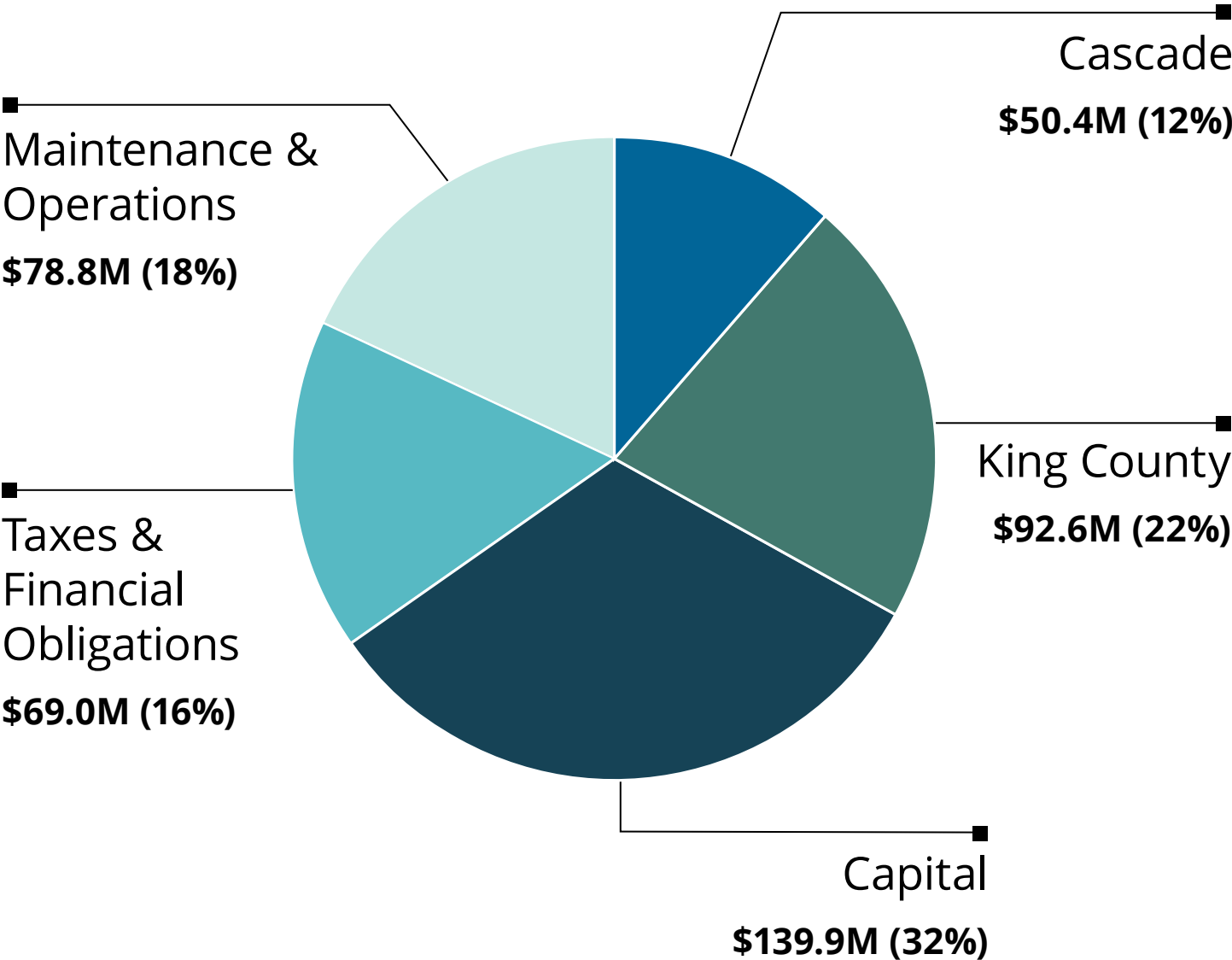
2025-2026 Utilities Operating Revenue Budget

\$434.5M Operating Revenue



2025-2026 Operating Expense Budget

\$430.7M Operating Expenses



2025-2026 Total Appropriated Budget

	Water	Sewer	Storm	Solid Waste	Total
Operating Expense	\$172.5M	\$182.7M	\$73.4M	\$2.1M	\$430.7M
Asset Replacement Contingencies	\$11.5M	\$10.1M	\$10.1M	\$0.0M	\$31.7M
Operating Contingencies	\$10.5M	\$3.9M	\$0.9M	\$0.2M	\$15.5M
Total Appropriated Budget	\$194.5M	\$196.7M	\$84.4M	\$2.3M	\$477.9M

Utilities Budget and Rates

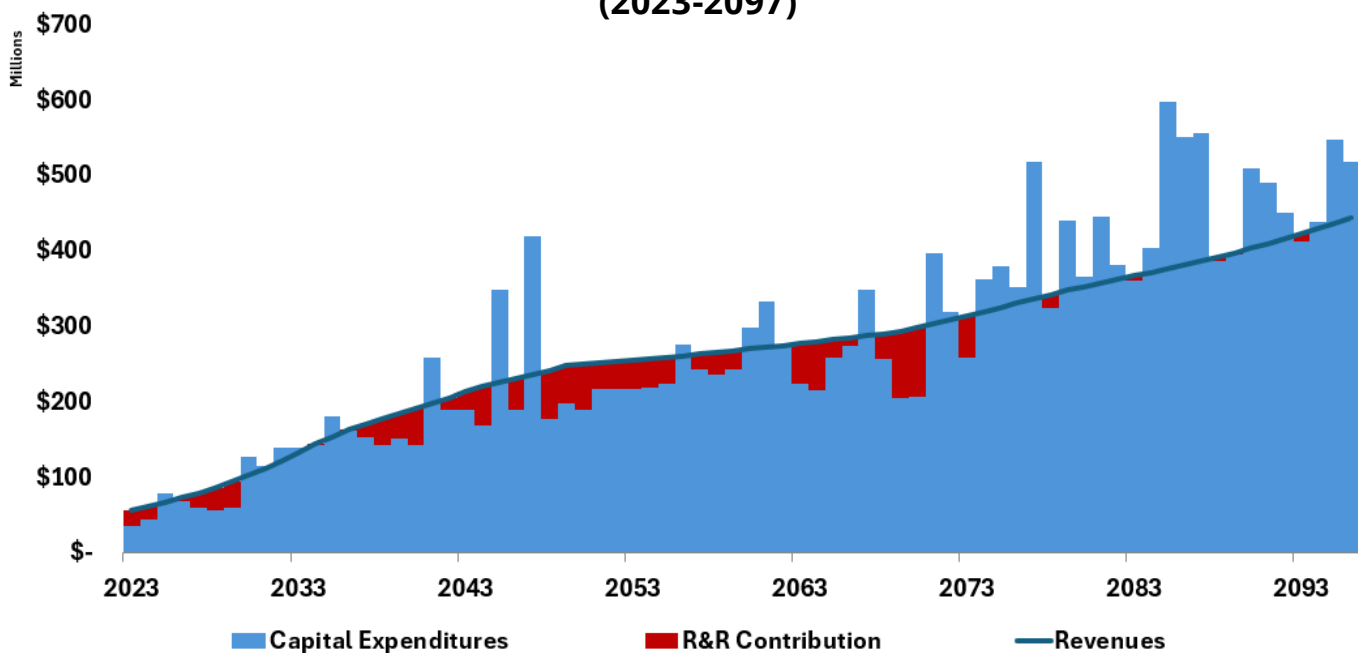
Long-term Renewal and Replacement Fund

City Council created the Renewal and Replacement Fund in 1995 to accumulate funds necessary to replace infrastructure as it ages. This account allows Utilities to:

- Amortize major pending liabilities over a long-time span, while maintaining current service levels
- Keep rate increases gradual and uniform
- Maintain equity – each generation should pay its fair share

Spending on system renewal and replacement will increase significantly in the next ten years to adequately address the needs of aging infrastructure.

**Water, Sewer, and Storm & Surface Water CIP
Renewal and Replacement 75-year Forecast
(2023-2097)**



Business Line	2025-2026 Budgeted R&R Fund Balances
Drinking Water	\$90M
Wastewater (Sewer)	\$190M
Storm & Surface Water	\$124M

Typical Monthly Single-Family Residential Bill

	Service Year					
Water	adopted 2025	adopted 2026	proposed 2027	proposed 2028	proposed 2029	proposed 2030
Rate Revenue Increase	6.8%	4.9%	5.7%	5.8%	6.4%	6.4%
Total Monthly Bill	\$88.49	\$92.83	\$98.13	\$103.82	\$110.47	\$117.54

	Service Year					
Sewer	adopted 2025	adopted 2026	proposed 2027	proposed 2028	proposed 2029	proposed 2030
Rate Revenue Increase	7.4%	7.6%	7.6%	7.4%	8.1%	8.1%
King County	\$58.28	\$62.36	\$70.85	\$76.04	\$82.61	\$89.71
Wastewater Utility	\$56.59	\$61.23	\$62.13	\$66.79	\$71.79	\$77.20
Total Monthly Bill	\$114.87	\$123.59	\$132.98	\$142.83	\$154.40	\$166.91

	Service Year					
Storm	adopted 2023	adopted 2024	proposed 2025	proposed 2026	proposed 2027	proposed 2028
Rate Revenue Increase	9.2%	9.0%	6.3%	6.3%	6.3%	6.3%
Total Monthly Bill	\$36.05	\$39.29	\$41.77	\$44.40	\$47.20	\$50.17

	Service Year					
Total	adopted 2025	adopted 2026	proposed 2027	proposed 2028	proposed 2029	proposed 2030
Total Monthly Bill	\$239.41	\$255.71	\$272.88	\$291.05	\$312.07	\$334.62

Water, Sewer & Surface Water Utilities 2025 Combined Monthly Bill Comparison

Residential		Multi-Family		Commercial	
\$274.27	Seattle	\$3,941	Seattle	\$32,601	Seattle
\$271.41	Mercer Island			\$31,033	Mercer Island
\$239.41	Bellevue	\$3,512	Mercer Island		
\$217.23	Kirkland			\$26,011	Bellevue
		\$2,821	Bellevue		
		\$2,731	Issaquah	\$23,759	Kirkland
\$193.95	Issaquah	\$2,715	Kirkland	\$23,718	Issaquah
\$155.26	Renton	\$2,452	Redmond	\$19,275	Redmond
\$138.49	Redmond	\$1,839	Renton	\$16,951	Renton

Source: Rate information for neighboring cities based on reported 2025 rates.



Getting Involved

You can help keep Bellevue beautiful when you volunteer. Learn more about volunteer opportunities with the Stream Team by emailing streamteam@bellevuewa.gov or calling 425-452-5200.

Learn more about Bellevue Utilities

Visit BellevueWA.gov/Utilities | Call 425452-6932 | Email Utilities@bellevuewa.gov

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