CITY OF BELLEVUE CITY COUNCIL

Summary Minutes of Extended Study Session

January 11, 2010 6:00 p.m.

Council Conference Room 1E-113 Bellevue, Washington

PRESENT: Mayor Davidson, Deputy Mayor Lee, and Councilmembers Balducci,

Chelminiak, Degginger, Robertson, and Wallace

ABSENT: None.

1. Executive Session

The meeting was called to order at 6:06 p.m., with Mayor Davidson presiding. There was no Executive Session.

2. Oral Communications

(a) Kay Estes requested the City's endorsement of a cost effective and energy efficient hand dryer. She stated that she is a distributer for a manufacturer located in Japan.

Mayor Davidson thanked Ms. Estes for her comments. He noted that the Council does not endorse commercial enterprises, but that staff will respond to her in writing.

(b) Will Knedlik expressed concern regarding the appointment by King County Executive Dow Constantine of Claudia Balducci, a County employee, to serve as Bellevue's representative on the Sound Transit Board. He sees the appointment as a conflict of interests. He submitted written documentation regarding \$615 million in Sound Transit funds owed to the East King County Subarea. Mr. Knedlik said Bellevue will have to fight to get that money, and it will be all the more difficult if the Council's representative on the Sound Transit Board is employed by King County. Mr. Knedlik encouraged the Council to consider declaratory action to recover millions of dollars in subarea equity from Sound Transit.

3. Study Session

(b) Council Business and New Initiatives

Mayor Davidson noted a management brief in Council's desk packet regarding the Meydenbauer Inn, a 68-unit apartment building project for which ownership has been transferred in the middle of the building cycle. The project could produce reasonably affordable housing in downtown Bellevue, which is of interest to the Council.

Mike Brennan, Director of Development Services, reported that the project was originally permitted in 2007 but has not been completed. The property was sold in 2009 and the new owner has resumed construction under the original building permit, which expires at the end of March 2010. The new owner anticipates completing the project before the permit expires.

Mayor Davidson noted that he hopes the project can be completed in a timely manner, especially given its potential for providing relatively affordable downtown housing.

Responding to Councilmember Wallace, Mr. Brennan said there are only a few other downtown projects that have been suspended due to the recession. One is the Summit Building at 108th Avenue NE and NE 4th Street, in which the developer has done a good job of temporarily capping that project. Mr. Brennan said there are other projects that will run to the end of the life of their permit application period. However, the number of projects is small and City staff is monitoring these situations to facilitate completion as much as possible.

Councilmember Chelminiak said he appreciates staff's monitoring of these projects. He noted past examples in which the City worked with new property owners to complete development projects, and the final outcomes of the projects were more attractive designs.

Councilmember Wallace expressed his concern that some developers and property owners will not be able to complete projects, and whether this is something the City and Council need to address.

Deputy Mayor Lee said he is pleased that City staff is working with developers to facilitate projects.

Responding to Councilmember Robertson, Mr. Brennan said staff will provide a list of projects that have been stalled.

Councilmember Degginger noted an item in *The Seattle Times* Rant or Rave column in which a resident praised Bellevue's Fire and Police Departments and neighbors for their response and compassion shown at the recent Windsor House condominium fire. Mayor Davidson noted that one of his patients was a resident of the complex, and she praised the Fire and Police Departments for their response as well.

Deputy Mayor Lee stated that this validates the Fire Department's ability to contain fires to their point of origin. He thanked Fire and Police personnel for their work.

(b) Amendments to the City Electrical Code to formally adopt the 2008 National Electrical Code and Administrative Provisions

City Manager Steve Sarkozy opened discussion regarding amendments to the existing Electrical Code and the adoption of the 2008 edition of the National Electrical Code and the Washington Cities Electrical Code. He noted this is a periodic update to the code.

Mike Brennan, Director of Development Services, said the City is required to adopt the updated 2008 Electrical Code. He described statewide collaboration through mybuildingpermit.com and the Washington Association of Building Officials to create alignment in the technical codes that are enforced in construction and development. Bellevue has taken the lead to create the Washington Cities Electrical Code, which consolidates administrative provisions and the technical requirements adopted by the State, and integrates them into a municipal code program.

Gregg Schrader, Building Official, explained that the proposed Ordinance contains four amendments: 1) Adoption of the 2008 National Electrical Code to replace the 2005 NEC; 2) Technical changes made to the NEC by the Washington State Department of Labor and Industries, and replicated in the Washington Cities Electrical Code; 3) Technical changes made by the Washington Cities Electrical Code that differ from the Department of Labor and Industries. This includes retaining the arc-fault current interrupter (AFCI) requirement in all residential uses, consistent with the National Electrical Code; and 4) Administrative provisions for Washington cities to process permits and conduct inspections.

Councilmember Degginger referred to page 3-3 of the meeting packet and questioned the strategies that will better align the City's code and administration practices. Mr. Brennan said that statement refers to the overall administration of construction, building, and fire codes. The amendment consolidates all administrative provisions into one chapter within the technical codes, which eliminates previous code conflicts.

Councilmember Degginger inquired about efforts to enhance the uniformity of inspections. Mr. Brennan responded that one of the objectives of creating mybuildingpermit.com was to better align permit and enforcement processes. Staff from multiple cities continue to work together to create inspection checklists and tip sheets with common interpretations of code requirements to enhance uniformity within and between cities.

Responding to Councilmember Balducci, Mr. Schrader said the City's existing Electrical Code was essentially the base document for the Washington Cities Electrical Code.

In further response to Ms. Balducci, Legal Planner Catherine Drews explained that Section 23.30 of the existing ordinance was repealed entirely and rewritten for the newly proposed Ordinance. As a result, it does not appear as underlined in the draft Ordinance.

Mr. Brennan said that the consolidated Washington Cities Electrical Code contains all of the State's technical requirements that cities are responsible to enforce. The proposed Ordinance primarily reflects clarifications related to administrative provisions.

Councilmember Balducci requested that before the Ordinance comes back to the Council for adoption, she would like to be provided with a table outlining all of the changes.

Responding to Councilmember Chelminiak, Mr. Brennan said Section 23.05.050E regarding the moving of structures is a state requirement.

Councilmember Balducci said she would like the list of changes to also reflect the reason for the changes.

Councilmember Chelminiak questioned whether any provisions in the draft Ordinance are not required by the State or National Electrical Codes. Mr. Brennan said these provisions will be identified in the table as well.

Deputy Mayor Lee expressed support for the development of a uniform code. He questioned whether developers and builders were involved in creating the amendments.

Mr. Brennan said most of the changes are administrative, and the State holds open public hearings on the technical amendments. For this particular Ordinance, the City did not go through a local process for the technical amendments. However, the City is going through a process involving customer focus groups in its consideration of International Code updates.

Responding to Mayor Davidson, Mr. Schrader said the codes are typically applicable only to new construction or remodeling. Mr. Brennan confirmed that the codes are not retroactive.

Councilmember Wallace pointed out that in the broader context, the construction and development industry has reached a point at which affordable housing cannot be built due to the costs of construction, including significant regulatory costs and sales tax rates. He noted the need to find ways to reduce the time, costs, and risks associated with building new affordable housing units. He reported his research in talking with professional associations for electricians and master builders. The feedback he received is that simplifying the codes and coordinating between cities is a step in the right direction.

Councilmember Robertson said it would be helpful to review a version of the proposed Ordinance that shows both added and deleted language. She asked that the table summarizing the changes identify any provisions for Bellevue that are different from the uniform codes. Responding to Ms. Robertson, Mr. Brennan confirmed that the City is already enforcing the State code standards. In further response, Mr. Brennan said once adopted, the new Ordinance will be applied only to new permit applications received after the effective date of the Ordinance. If existing permit applications are extended, the old codes would continue to apply to those applications.

Deputy Mayor Lee said the Ordinance is moving in the right direction. However, he said this does not eliminate the need to look at those changes that may be questionable. He opined that changes should be considered only if necessary.

Mayor Davidson asked staff to bring the Ordinance back on a Regular Session agenda as a separate item, not as part of the Consent Calendar.

Councilmember Balducci stated it is not necessary to create a table outlining all changes. She would be satisfied to see comments in the margins briefly noting the reason for the change (i.e., administrative, technical, State vs. City).

(c) East Link Update

Mayor Davidson congratulated Councilmember Balducci on her appointment to the Sound Transit Board of Directors.

Councilmember Balducci said she is honored by the appointment. She said it is important for Bellevue to have a voice on the Board, especially as the city most affected by the East Link light rail project. She noted that she is not the only one who has spent time, energy and passion on these issues. Many Councilmembers have and will continue to participate. She has worked closely with Councilmember Degginger over the past couple of years. She feels it is important to continue to pull together and to think carefully about how light rail will best meet Bellevue's interests regarding fast, effective, efficient transit service.

Referring to Mr. Knedlik's comments during Oral Communications, Councilmember Balducci explained that the hiring authority that matters in this case is the body of Bellevue voters. She noted her election to the City Council twice while working as an employee of King County, which is widely known. Ms. Balducci said she has shown her independence on several occasions by taking positions, along with the Bellevue City Council, that were not the positions of the King County Executive. She will continue to serve Bellevue as a member of the Sound Transit Board.

Mayor Davidson noted that tonight's discussion is intended to focus on East Link Segment C through downtown Bellevue. He acknowledged that some Councilmembers would like to discuss Segment B. However, instead of adding that to tonight's agenda, he noted that the Council will discuss Segment B and other issues in the near future.

Deputy Mayor Lee stated there has been a need for representation on the Sound Transit Board for a long time. He congratulated Ms. Balducci on her appointment.

Councilmember Wallace concurred, noting that he sees no conflict of interest.

Moving on, Transportation Director Goran Sparrman introduced staff's presentation regarding continued efforts to evaluate downtown Bellevue light rail routing alternatives.

Bernard van de Kamp, Regional Projects Manager, provided brief background information on East Link Segment C through downtown Bellevue. He recalled that last May the Sound Transit Board adopted Option C4A as the preferred alternative. At that time, the Board stated that

Alternative C3T involving a deep bore tunnel will be considered further if the City of Bellevue is able to generate the local funding needed to cover the \$500 million funding gap.

Mr. van de Kamp recalled Sound Transit's presentation to the Council on November 16, in which staff reported that Sound Transit revenues are down approximately 20 percent. A funding gap remains with the C9T alternative involving a 110th Avenue tunnel. He noted work by an expert review panel as well as City and Sound Transit staff to identify opportunities for cost savings in the alternatives.

In December, Mayor Degginger requested that the Sound Transit Board study the C14E alternative [Attachment 2 in the meeting packet], to which the Board agreed. Mr. van de Kamp noted Attachment 3, a letter from Sound Transit to the City indicating an intent to study C9T (110th Avenue NE tunnel), new at-grade alternatives C9A (110th Avenue NE) and C11A (108th Avenue NE), as well as the new elevated alternative C14E (114th Avenue NE). Mr. van de Kamp briefly reviewed each alternative alignment. He explained that the evaluation of the alternatives encompasses cost, ridership, traffic operations (including VISSIM traffic analysis and animation), visual and urban design, construction effects, construction risk, and consistency with the City's land use and transportation plans.

Mr. van de Kamp reviewed the schedule of activities leading to the Sound Transit Board's selection of a preferred Segment C alternative, which is slated for March 25. These include discussions with the Bellevue City Council on February 1 and February 16, and additional discussion and/or a public hearing before the Council on February 22 and/or March 1. Staff continues to review C9T tunnel cost estimates, VISSIM traffic analysis, City Hall site impacts, and potential local revenue sources. Mr. van de Kamp explained that the City hired a consultant to provide a brief conceptual engineering evaluation of adding a southbound HOV lane from the junction of Bellevue Way SE and 112th Avenue SE to I-90.

Responding to Deputy Mayor Lee, Mr. van de Kamp said the evaluation of alternatives is largely being conducted by Sound Transit consultants. The work involves an engineering review to ensure that the design is workable, followed by the development of cost estimates. The result of that work is to be available within the next couple of weeks. The City has been conducting an evaluation of the alternatives' consistency with land use and transportation plans, and will share these findings with Sound Transit. Responding to Mr. Lee, Mr. van de Kamp said the schedule is driven by the Sound Transit Board.

Responding to Councilmember Robertson, Mr. Sarkozy said the panel that is reviewing local funding sources for a potential downtown tunnel has taken a preliminary look at staff's projections. The group will provide recommendations to the Council within the next couple of months. Mr. Sarkozy noted there has been discussion about the appropriateness of expecting Bellevue to identify additional funding sources.

In further response, Mr. Sarkozy said the City has not committed to meeting the Sound Transit Board's deadline at the end of this month. He noted there have been appropriate delays by the Board, which have provided additional time for the Council's response.

Responding to Councilmember Robertson, Mr. van de Kamp said the final environmental impact statement (EIS) will involve Sound Transit's updating of its noise analysis and assumptions. This will include an evaluation of the noise impacts of the Central Link project, in which the trains are generating higher noise levels than anticipated. The City does not currently have a consultant to provide additional noise analysis, but Sound Transit's analysis will be reflected in the final EIS.

Councilmember Degginger reviewed the process to date, noting that new options have been identified and studied, and the region is moving in a more desired direction. Alternative C9T has been improved and is moving toward affordability. Mr. Degginger reported that the executive group mentioned by Ms. Robertson met in mid-December with the Chief Financial Officer of Sound Transit and reviewed the financial assumptions involved in the cost estimates. He feels the project is moving in a positive direction, and he anticipates that the flow of information will improve further with the participation of Councilmember Balducci on the Sound Transit Board.

Councilmember Balducci commented that the result of numerous studies and evaluations will come together in late January, at which time the Council will need to assimilate this information into its feedback to Sound Transit. She noted that Segment C is the only segment for which a single preferred alternative was not previously identified by the Sound Transit Board, and four new alignments are currently under consideration. Ms. Balducci noted that the alternatives will continue to evolve throughout the draft Environmental Impact Statement process.

Ms. Balducci recalled the Sound Transit Board's resolution that the City of Bellevue should identify funding sources for a potential tunnel. However, she does not think the Board was limiting funding sources to only local funding sources. Mr. Sarkozy concurred. Ms. Balducci noted that at the same time, the City is reviewing whether Bellevue should be responsible for identifying additional funding, and if so, to what extent. Ms. Balducci explained that traffic modeling will look at the impacts to Bellevue's local streets. She observed that any impacts from the regional light rail system should be financed by the regional project.

Responding to Ms. Balducci, Mr. Sparrman said staff will provide information to the Council as quickly as possible. As a general statement, he reminded the Council that half of the congestion on local and regional roadways is designated as non-recurring, or accidents and other incidents that cannot be anticipated or incorporated into modeling forecasts. Mr. Sparrman cautioned that all of the technical analysis should be balanced with qualitative judgment as well.

Councilmember Balducci stated her understanding that there has been new information over the past several months relating to both the B3 and B7 alignments. She suggested that discussions about Segment C should be coordinated with discussions about Segment B.

Mayor Davidson concurred, noting a growing interest within the community on this issue.

Responding to Councilmember Chelminiak, Mr. van de Kamp confirmed that the March 25 action scheduled for the Sound Transit Board is to identify the preliminary preferred alternative for Segment C. The final alignment will not be determined for some time.

Responding to Mr. Chelminiak, Mr. van de Kamp said staff is using the City's GIS system in its analysis of the ridership walk catchment areas. He noted that the system takes topography into account, and that the unit of measure is 2,000 feet. Mr. Chelminiak said he would like to demonstrate another software as a potential resource. He noted that it calculates walking distances within a few feet and provides accurate information about changes in elevation and other details.

Councilmember Chelminiak concurred with Councilmember Balducci's comments regarding the need to discuss Segment B along with Segment C. He said he recently viewed Council's discussions from last February, which demonstrate the Council's frustration with the fact that more information was not available as the basis for identifying preferred alternatives. Mr. Chelminiak is interested in more information regarding the proposal for a third southbound lane on Bellevue Way. He is interested about whether there has been any additional analysis regarding the SE 118th and SE 8th Street intersection. Mr. Chelminiak said further discussions about alignment alternatives must incorporate new information that has become available.

Mayor Davidson reiterated that the Council will discuss Segment B on January 20.

Councilmember Chelminiak clarified that he wants the discussion to involve the latest information and not just the information presented to the Council one year ago.

Councilmember Wallace commented on the positive shift in alignment from NE 12th Street to NE 6th Street. He feels there is a good opportunity to connect to the BNSF rail corridor, and ultimately north to Woodinville and Snohomish.

Responding to Mr. Wallace, Mr. van de Kamp described the elevated line adjacent to the Surrey Downs neighborhood, noting that the elevated track would be 20 to 25 feet high. Mr. van de Kamp commented briefly on Segment C alternatives in terms of their possible connections to Segment B.

Councilmember Wallace encouraged Councilmembers to visit the Rainier Vista Boys and Girls Club on Martin Luther King Jr. Way in Seattle to observe the noise levels of the light rail trains.

Responding to Mr. Wallace regarding Segment B, Mr. van de Kamp recalled that the City Council was interested in the evaluation of a turn at SE 8th Street to the east, and then a turn going north on 114th Avenue. Sound Transit's response was that it would add approximately 900 feet of elevated line, which Sound Transit concluded would add significant costs without a public benefit.

Councilmember Wallace noted that when discussion on Segment B occurred in February 2009, the noise wall along I-405 had not been built. He said it would be helpful to understand whether

Sound Transit studied the noise impacts before and/or after the installation of the wall. Mr. van de Kamp stated his understanding that the noise wall will be studied in the final EIS.

Councilmember Wallace thanked staff for their extensive work in a relatively short period of time.

Deputy Mayor Lee feels that the process is evolving in a positive way. He voiced support for Councilmember Balducci's observation that further discussion of Segment B is important. However, he expressed concern about whether sufficient time exists to complete the Council's review of all of the new information under development.

Councilmember Balducci observed that visual simulations would be helpful in trying to evaluate the impacts of elevated structures. She encourages full study of noise impacts. She noted her understanding that consideration of the downtown Bellevue preferred alternative by the Sound Transit Board will not occur on March 11 as originally scheduled. However, it is critical that Bellevue provide input sufficiently in advance of the Board's discussion.

Councilmember Chelminiak asked staff to provide details regarding property transactions affecting the BNSF rail corridor. He would like to know which parcels involve easements and which were fee simple purchases.

Mayor Davidson acknowledged a group of high school students who joined the meeting at this point.

Mayor Davidson stated he has worked with Will Knedlik in the past, and he would like a review of the information that Mr. Knedlik presented. Dr. Davidson noted that Bellevue will continue to change by the time the light rail system is implemented. He reviewed planned and existing light rail tunnels in Seattle, which are funded through federal dollars and Seattle's portion of Sound Transit funds. Mayor Davidson said Bellevue is not being treated equally with regard to tunnel funding. He encouraged the City Council and residents to strongly advocate for Bellevue's interests. He observed that the feasibility of light rail on a floating bridge has not been fully studied.

Councilmember Degginger noted that Bellevue will continue to be an important component of the regional economy 100 years into the future. He stated that the ideal light rail system will serve the needs of both Bellevue and the region over the long term.

Mayor Davidson suggested that citizens tour the Seattle light rail system to gain an understanding of the visual and noise impacts related to at-grade and elevated systems, as well as tunnels.

Councilmember Wallace explained that the North Link project in Seattle has been designed to avoid impacts to residences, roads, and businesses through the use of tunnels and an elevated portion along I-5. Similarly, other segments of the Seattle system do not have adverse impacts

for homes and businesses. Mr. Wallace said the protection of Bellevue neighborhoods, businesses, and streets should remain a high priority in communicating with Sound Transit.

Mr. Wallace recalled that when Sound Transit passed its initial motion last spring selecting a preferred alternative, Mayor Marchione of Redmond submitted 10 questions regarding the C2T alternative. Mr. Sparrman commented that many of these questions were the genesis for additional work that ultimately led to a change in the position of the Sound Transit Board to one that was more favorable toward Bellevue's interests.

(d) Animal Care and Control Services Update

Diane Carlson, Director of Intergovernmental Relations, introduced staff's update regarding discussions with King County related to animal care and control services.

Alison Bennett, Policy Advisor, recalled that King County previously announced it would close its shelters by January 31, 2010. In addition, the County had established a deadline of June 30 to end field control services and licensing services unless cities entered into full cost recovery contracts with the County. The new King County Executive, Dow Constantine, announced last week that he would like to work with the King County Council to keep the shelters open for a longer period of time in order to allow the County and cities to develop more realistic options.

Ms. Bennett said there is not sufficient nonprofit shelter capacity in the community to house the 10,000 animals taken in annually by the King County shelters. Many cities have been telling the County that either they want a regional solution or that they need more time to develop individual options. Today the King County Council extended the January deadline to the end of June.

Staff has been gathering information on alternate service models for Bellevue to consider along with the regional option. The City will issue a joint request for proposals (RFP) with Redmond and Kirkland to look at licensing, field control, and shelter options. This approach could potentially involve other cities as well. Staff will return to Council by March to present options.

Responding to Councilmember Balducci, Ms. Bennett said there are a number of ways to structure service delivery, whether from a municipal or regional approach. Ms. Carlson said pet licensing revenues rarely cover the full cost of animal care and control services. Staff is hoping that shelter services can be provided through private and nonprofit entities. Ms. Carlson noted that this is the more expensive and difficult service to provide.

Responding to Councilmember Balducci, Ms. Carlson said staff's goal is to present a costneutral solution for the remainder of 2010. If this is not possible, service or budget levels will have to be adjusted.

In further response, Ms. Carlson said Bellevue is fortunate to have the Humane Society located in the city. However, the Humane Society has indicated a higher cost for providing the services currently provided by King County.

4. <u>Executive Session</u>

[Executive Session was postponed due to staff illness.]

Mayor Davidson encouraged the high school students to visit the City's web site, www.bellevuewa.gov, for a complete recording of the entire meeting.

At 8:29 p.m., Mayor Davidson declared the meeting adjourned.

Myrna L. Basich City Clerk

kaw