

CITY OF BELLEVUE
CITY COUNCIL

Summary Minutes of Regular Session

April 18, 2011
8:00 p.m.

Council Chamber
Bellevue, Washington

PRESENT: Mayor Davidson, Deputy Mayor Lee, and Councilmembers Balducci, Chelminiak, Degginger, Robertson, and Wallace

ABSENT: None.

1. Call to Order

The meeting was called to order at 8:08 p.m., with Mayor Davidson presiding.

2. Roll Call, Flag Salute

Upon roll call, all Councilmembers were present. Councilmember Balducci led the flag salute.

(a) 2011 Bellevue Volunteers of the Year

Shelly Shellabarger, Volunteer Program Coordinator, announced the 2011 Bellevue Volunteers of the Year. The City Volunteer of the Year award was presented to Gigi Jirapolchet, a Bellevue High School student who took on the leadership of the 2010 Kids Care Coat Drive Action Team.

Ms. Shellabarger presented the Community Volunteer of the Year award to Bill Gill for his involvement in many Jubilee REACH programs including the Before School program, Vibes Volunteer program, ESL, and the Kid REACH tutoring program.

(b) Commercial Recycling Awards

Nav Otal, Acting Utilities Director, provided a brief overview of the commercial recycling program and introduced the 2010 Commercial Recycling Awards.

Janet Prichard, on behalf of Allied Waste Services, recognized five businesses for outstanding recycling efforts. Awards in the small commercial garbage category went to La Tienda and Olson's Tack Shop. Both businesses achieved a recycling rate of 87 percent. La Tienda has earned the award for the sixth time in seven years. Bellevue Healthcare was honored in the medium commercial garbage category for a recycling rate of 80 percent. Pacific Bio Science Lab

and Pro Golf received the large commercial category awards for attaining a recycling rate of 83 percent.

(c) Commendation of Service – Utilities Director Denny Vidmar

Mayor Davidson read a commendation recognizing Utilities Director Denny Vidmar's 27 years of service with the City.

Mr. Vidmar said he has enjoyed his career with the City, and the opportunity to make a difference for the community. Noting that government in general tends to have a bad reputation, Mr. Vidmar praised Bellevue employees for their talent and dedication. He thanked the City Council, City Manager Steve Sarkozy, former City Managers Phil Kushlan and Steve Bauer, previous supervisors, City Clerk Myrna Basich, Deputy City Manager Brad Miyake, as well as his family, for their support throughout his career.

Councilmember Degginger thank Mr. Vidmar for his hard work and calm under pressure.

Deputy Mayor Lee added his thanks to the Vidmar family for sharing him with the City.

City Manager Steve Sarkozy thanked Mr. Vidmar for his leadership, and noted that he will be missed.

Councilmember Balducci commended Mr. Vidmar for doing an outstanding job for the City. She expressed appreciation for the time he spent educating the Council and his forward thinking in managing the City's utilities functions.

3. Communications: Written and Oral

(a) Pam Womack, a Somerset neighborhood resident, described the membership and mission of Move Bellevue Forward. The group's principles support transportation infrastructure for planned growth, including the Bel-Red Subarea Plan and the Mobility and Infrastructure Initiative. Move Bellevue Forward supports Sound Transit's light rail priorities and service as outlined in Bellevue's Best Practices Report.

(b) Renay Bennett said that it sounded like Councilmember Chelminiak commented the previous week on the Council's discussions during Executive Session. She expressed concern that perhaps confidential information was publicly discussed. She thanked Deputy Mayor Lee for his comment the previous week that Councilmembers should be willing to be investigated.

4. Reports of Community Council, Boards and Commissions: None.

5. Report of the City Manager

(a) South Kirkland Park and Ride Redevelopment

City Manager Steve Sarkozy introduced an update on the City's collaboration with the City of Kirkland regarding redevelopment of the South Kirkland Park and Ride

Paul Inghram, Comprehensive Planning Manager, described King County Metro's proposal to redevelop a portion of the South Kirkland Park and Ride to expand its capacity and to add mixed use development, including housing. The City previously worked with Kirkland and King County to adopt a set of mutual objectives and principles. Mr. Inghram reported on public outreach efforts by the City of Kirkland, which involved Bellevue staff as well. The current proposal allows six-story buildings and includes multifamily uses, ground floor commercial uses, and affordable housing.

Kirkland's Planning Commission held a study session on April 14, and recommended approval of zoning changes to the City Council. It will next be addressed by the Houghton Community Council on April 25, and is expected to go to the Kirkland City Council in mid-May. King County anticipates issuing a request for proposals (RFP) as early as this summer. Bellevue staff will continue to work with the City of Kirkland and King County as the project moves forward.

6. Council Business and New Initiatives

Mayor Davidson passed the gavel to Deputy Mayor Lee, noting that he would like to be able to make a motion regarding last week's discussion about the investigation into conflicts of interest.

- Mayor Davidson moved to take the motions related to the scope of work for consultant Jeffrey Coopersmith off the table for discussion. Councilmember Robertson seconded the motion .
- The motion carried by a vote of 7-0.
- Councilmember Chelminiak requested, as a motion, unanimous consent of the Council to withdraw all three of the pending motions. Councilmember Robertson seconded the motion.
- The motion carried by a vote of 7-0.

Mayor Davidson distributed copies of the proposed agreement with Jeffrey Coopersmith for the conflicts of interest consulting contract. He highlighted the key aspects of the agreement including: 1) Consultant will interview Councilmembers individually and receive any documents they offer regarding alleged conflicts of interest; 2) Consultant will consider whether each allegation is sufficiently documented, 3) Consultant will compare the applicable legal opinions from the City Attorney's Office with the allegations that have been made, 4) Consultant will provide an interim report listing the allegations and stating whether they will be addressed in his final report, 5) Consultant will conduct additional interviews and reviews of documents as needed to establish facts to make a final determination about alleged conflicts of interest, and 6) Consultant shall prepare a final report detailing the facts established and his legal conclusions as to whether any conflicts exist.

→ Mayor Davidson moved to approve the agreement and scope of work, as presented in the Agenda Memorandum and by Attachment A, Services and Compensation.

Councilmember Degginger questioned Kate Berens, Deputy City Attorney, about the following language on Attachment A: “It is intended that this Agreement forms an attorney-client relationship between the City and the Consultant.”

Ms. Berens said the language was suggested by the consultant to clarify that the City is retaining him for fact finding as well as for legal analysis, the latter of which could potentially be subject to the attorney-client privilege. In further response, Ms. Berens said the point of contact for the consultant will be the City Attorney and City Manager.

Responding to Councilmember Degginger, Mayor Davidson said he received the version of Attachment A under discussion from the City Attorney and City Manager. Ms. Berens apologized that she has not been the lead attorney in this matter, and therefore does not know the origin of all of the documents.

Mayor Davidson said he received the draft Attachment A from the City Attorney and City Manager before the weekend. However, he was advised by the Council’s parliamentarian that the document should not be distributed before a vote by the Council to take the issue off the table. The agenda memo, just distributed to the Council, was written to articulate the key points of the proposed consultant agreement.

In further response to Councilmember Degginger, Mayor Davidson said his intent was that the third paragraph of Attachment A would capture the six points listed in the agenda memo, which he summarized at the beginning of this discussion.

Councilmember Robertson stated her understanding of the motion, which is to adopt the scope of work represented by Attachment A.

Responding to Ms. Robertson, Mayor Davidson said the main contact for the consultant will be the City Manager and the City Attorney, or other personnel that the City might designate from time to time. Ms. Robertson noted that the six items cited by Mayor Davidson are not explicitly written in the scope of work (Attachment A, Services and Compensation).

→ Councilmember Robertson seconded the motion made by Mayor Davidson.

Responding to Councilmember Chelminiak, Ms. Berens said the contract amount is a maximum of \$49,500. She noted that the consultant’s billing rates are discounted due to the public nature of the client.

Deputy Mayor Lee questioned the mechanism for assuring that the consultant carries out the intent of the six key points reflected in the agenda memo and articulated by the Mayor.

Mayor Davidson clarified that the mechanism is the language in the third paragraph of Attachment A.

Deputy City Attorney Kate Berens said the consultant will begin with interviews of the Councilmembers. He will develop an interim report of his conclusions and recommendations about which allegations should be further investigated and/or analyzed. The final report will address all of his conclusions about the allegations that were investigated and/or analyzed. The consultant's work is coordinated through the City Attorney's Office and City Manager's Office. However, the work will be based on the consultant's judgment about which allegations should be further investigated.

Councilmember Balducci noted the lack of specificity in the proposed scope of work. She questioned whether the consultant will have the authority to investigate anything at all. She further questioned whether the agreement is meant to limit the scope of the consultant's interim review to only the allegations raised by Councilmembers.

Ms. Berens said she spoke with Mr. Coopersmith earlier in the day about this issue. He indicated that he would be interviewing Councilmembers. However, there has already been a focus on a particular situation that will be part of the interim report. Whether that issue will be forwarded for additional investigation will be based on the same level of review to be applied to all other allegations involving Councilmembers raised during the interviews. The original issue that brought this to the Council is presumed to be part of the scope being discussed.

Councilmember Balducci observed that the scope of work opens the possibility for a number of assumptions. She questioned what time period will be the focus of the consultant's review.

City Manager Sarkozy said the intent is to target conversations and allegations within the timeframe of the current Council. Responding to Ms. Balducci, Mr. Sarkozy said the agreement allows the consultant to address any allegation raised by a Councilmember about another Councilmember, and to draw conclusions in his interim report about whether they should be investigated. He said the ultimate decision about the interim report will involve the City Attorney in consultation with the consultant.

Councilmember Chelminiak said the scope of work is so broad that it is bothersome. His interpretation of the agreement is that the consultant must list every charge brought, even if there is virtually no credibility as the basis of the allegation. He noted that a speaker during Oral Communications made an allegation about him, which was inaccurate. Mr. Chelminiak said he hopes the review will focus on the allegations and issues that led to this course of action.

Mayor Davidson clarified that the intent of his motion is consistent with Mr. Chelminiak's statements.

Deputy Mayor Lee concurred with Councilmember Balducci's and Councilmember Chelminiak's concerns about the broad scope of work. However, he suggested that it should be broad and that Councilmembers should not have to feel like they need to watch over their shoulders all of the time. He believes that no governing body can function effectively within that context. He said Bellevue City Councils have traditionally had a positive collegial working environment. Mr. Lee noted the need to address recent allegations in order to move forward.

Councilmember Robertson observed that she cannot recall ever seeing such a broad scope of work, which also gives so much power to the consultant to set and control the scope of work. She will reluctantly support the motion. However, she would like to state on the record that she disagrees with the second paragraph. She believes that the City Manager does not have the authority cited in that paragraph of the scope of work/agreement.

Ms. Robertson said she would be more comfortable if the designated personnel in the agreement also included the Mayor, and if the Mayor would be involved in the process. She proposed this as a friendly amendment.

Councilmember Degginger believes that the language as written is broad but appropriate. It places all Councilmembers in the same position, and it is appropriate to not involve the Mayor in coordinating the consultant's work.

Mayor Davidson concurred with Mr. Degginger and did not accept the friendly amendment offered by Councilmember Robertson.

Councilmember Balducci expressed support for the motion, noting that it acknowledges a sense of separation of power by placing the decision about what to do in the hands of an objective third party. It helps the Council to move forward. However, she is disappointed in how the issue has been handled. She would have hoped that the Council could make a strong statement to the public that, when there are allegations of misconduct, the Council would act swiftly and decisively. Instead the Council has acted slowly and indecisively. However, Ms. Balducci supports the motion in the interest of moving forward.

Councilmember Chelminiak stated that he will support the motion because it moves the Council forward. He noted allegations about Councilmembers Balducci, Degginger, and Wallace. He observed that the traditional practice of Councilmembers coming forward, telling what is going on, and obtaining the opinion of the City Attorney, has worked. He would like to see that continue.

→ The motion to approve the consultant agreement and scope of work with Jeffrey Coopersmith, as presented in the Agenda Memorandum and in Attachment A, Services and Compensation, carried by a vote of 7-0.

Deputy Mayor Lee returned the gavel to Mayor Davidson, who presided over the remainder of the meeting.

Moving on with Council Business, Councilmember Balducci reported that she attended a meeting of the Sound Transit Board Capital Committee, which involved a discussion of the agency's overall transit system. She chaired a meeting of the PSRC Transportation Policy Board, and attended a meeting of the Board's Operations Committee as a guest.

Councilmember Wallace attended a meeting of the Bellevue Chamber of Commerce's Transportation Committee.

Councilmember Degginger attended the Bellevue Chamber of Commerce's Transportation Committee meeting, during which there was a presentation about the Regional Transit Task Force's recommendations. He attended the Earth Day celebration at the Bellevue Botanical Garden, and thanked the numerous volunteers who participated. He attended the St. Andrew's Housing Group's annual dinner and auction, which doubled its donations from the previous year. Mr. Degginger attended a bill signing at the state legislature related to the Cascade Water Alliance.

Councilmember Chelminiak attended the Arbor Day/Earth Day celebration and met with a number of citizens during the week. He attended a meeting of the State Building Code Council's Legislative Committee .

Councilmember Robertson attended the Bellevue Parks and Community Services Board meeting and the Arbor Day/Earth Day celebration. She met with a resident of Phantom Lake to learn more about their environmental and stormwater issues. Ms. Robertson questioned the status of staff's update on Phantom Lake.

Mr. Sarkozy said a briefing will be provided within the next couple of weeks. Staff is exploring grant opportunities for correcting the situation, which might otherwise draw the City into an expensive line of business in which it is not currently involved. He said there have been ongoing issues at Phantom Lake for some years, and the City is currently trying to address issues related to recent heavy rains and flooding.

Councilmember Robertson reported that the recycling awards presented earlier in the meeting are made from recycled glass. She noted that she is pleased that the Council has agreed to a scope of work for the conflict of interest review.

Deputy Mayor Lee attended the Arbor Day/Earth Day celebration at the Bellevue Botanical Garden and the grand opening of the Uwajimaya store on 120th Avenue NE. He suggested a City-private partnership in vacant space in the same shopping center. Mr. Lee attended the St. Andrew's Housing Group's annual dinner. As a member of the Regional Transit Committee, Mr. Lee met with a member of the Regional Transit Task Force. He attended meetings of the Council's Economic Development Working Group, Suburban Cities Association, and the Bellevue School District's Strategic Plan Committee. Mr. Lee delivered a presentation to the Trade Development Alliance about Bellevue's international efforts.

Mr. Lee met with Seattle City Councilmember Tom Rasmussen. He attended the Bellevue Neighborhood Forum, the University of Washington Bothell Chancellor's Dinner, and the ribbon cutting for the compressed natural gas station for Allied Waste trucks. Mr. Lee attended a Tax Day rally outside City Hall.

Mayor Davidson attended the Bellevue Neighborhood Forum. He attended a salmon recovery meeting involving three regional groups. He attended a meeting of the Municipal Water Pollution Abatement Advisory Committee's Rate and Finance Committee, and a meeting

between MWPAAC and King County related to renewing the agreement between the two entities.

Mayor Davidson attended the Arbor Day/Earth Day celebration and the Bellevue Breakfast Rotary Club's fundraising run and walk event.

7. Approval of the Agenda

→ Deputy Mayor Lee moved to approve the agenda, and Councilmember Robertson seconded the motion.

→ The motion to approve the agenda carried by a vote of 7-0.

8. Consent Calendar

→ Deputy Mayor Lee moved to approve the Consent Calendar, with the exception of Agenda Items 8(g) and 8(j). Councilmember Robertson seconded the motion.

Councilmember Wallace disclosed that Kaye Smith Enterprises, referenced in Agenda Item 8(m), is a client of Wallace Properties. He noted that he had not had the opportunity to speak to the City Attorney about it, but he believes it does not represent a conflict of interest.

→ The motion to approve the Consent Calendar, as amended, carried by a vote of 7-0, and the following items were approved:

- (a) Postponed Minutes of March 14, 2011 Extended Study Session [*Revised at request of Councilmembers Balducci and Degginger*]
Minutes of March 21, 2011 Study Session
Minutes of March 21, 2011 Regular Session
- (b) Motion to award Bid No. 11031 to Nelson Truck, in the amount of \$120,572.64, as the lowest responsible and responsive bidder, to provide and install one custom built 52-foot telescoping and articulating aerial man lift on a City-supplied hybrid cab and chassis.
- (c) Ordinance No. 5995 authorizing: 1) Execution of a grant agreement with the Puget Sound Clean Air Agency to accept up to \$143,500 in grant funds; 2) Creation of a project within the Operating Grants, Donations, and Special Reserves Fund; and, 3) Amendment of the 2011-2012 Operating Grants, Donations, and Special Reserves Fund to increase the appropriation by \$143,500.
- (d) Resolution No. 8217 authorizing execution of a Memorandum of Understanding by and between the City and the International Association of Firefighters Union, Local #1604, representing the Battalion Chiefs, that eliminates one Battalion Chief position upon the promotion of a Battalion Chief to the rank of Deputy Fire Chief consistent with the City's adoption of the 2011-2012 budget.

- (e) Resolution No. 8218 authorizing execution of a Memorandum of Understanding by and between the City and the Public, Professional and Office Clerical Employees and Drivers, Teamsters Local Union #763, representing Utilities, Parks, and Civic Services employees that establishes a 5% add-to-pay for the Structural Maintenance Specialist II position when assigned and performing certain additional duties.
- (f) Resolution No. 8219 authorizing execution of an Interlocal Agreement between Bellevue and the cities and organizations of Kent, Kirkland, Mercer Island, Mountlake Terrace, Port of Seattle, Renton, Chateau Ste Michelle Winery Estates, SeaTac, Tukwila, Woodinville, Seattle Parks and Recreation, University of Washington, USDA Wildlife Services, and the US Fish and Wildlife Service for waterfowl management.
- (h) Resolution No. 8220 authorizing execution of a consultant agreement with Jacobs Engineering Group Inc., in an amount not to exceed \$578,162, to develop preliminary design for the Northup Way Corridor Improvements, 108th Avenue NE to NE 24th Street (CIP Plan No. PW-R-146), which will serve as an interim SR 520 regional trail.
- (i) Resolution No. 8221 authorizing execution of a two year agreement, with an additional two year option to renew, with Diamond Parking Services, in an amount not to exceed \$283,476, to provide on-street parking enforcement in Downtown Bellevue and to provide on-call enforcement of parking in Bellevue Parks.
- (k) Motion to award Bid No. ~~40336~~¹ 11083, NE 11th Street Sidewalk Repair, as part of the Major Maintenance Program to Newsom Bros., as the lowest responsible and responsive bidder, in the amount of \$95,162.75 (CIP Plan No. PW-M-19).
- (l) Motion to award Bid No. 11011, 145th Place SE between SE 16th Street and SE 24th Street and SE 22nd Street between 145th Place SE and 156th Avenue SE Roadway Improvements Project (CIP Plan No. PW-R-151); Raised Crosswalk Improvements on SE 22nd Street (CIP Plan No. PW-M-7); Water Saddle Replacement on SE 22nd Street (CIP Plan No. W-99); and, Storm Drainage Pipe Replacement on SE 22nd Street and SE 23rd Street (CIP Plan No. D-64) to KLB Construction, as the lowest responsible and responsive bidder, in the amount of \$3,440,212.73.
- (m) Resolution No. 8223 authorizing execution of a two-year extension of the professional services agreement with Kaye Smith Enterprises, in an amount not to exceed \$376,000, for the printing and mailing of Bellevue's utility bills.

¹ Scrivener's error on agenda; corrected here for meeting minutes.

- (n) Motion to award Bid No. 11017 for Sanitary Sewer Repairs (2011) - Phase 2 to Shoreline Construction Co., as low bidder in an amount not to exceed \$363,715.20 (CIP Plan No. S-24).

Items for Discussion:

- (g) Ordinance No. 5996 relating to construction of non-motorized improvements and a new stormwater pipe on 108th Avenue SE authorizing: 1) Execution of an agreement with Comcast Corporation for the acceptance of a private funding contribution; 2) Execution of an agreement with Qwest Corporation for the acceptance of a private funding contribution; 3) Amendment of the 2011-2012 General Capital Investment Program fund to increase the appropriation by \$60,000 in private contribution funds; and, 4) Amendment of the 2011-2017 CIP fund to increase the project budget for 108th Avenue SE/Bellevue Way to I-90 by \$60,000 (CIP Plan No. PW-W/B-71); and

Motion to award Bid No. 11026, 108th Avenue SE/Bellevue Way to I-90, to West Coast Construction Company, as the lowest responsible and responsive bidder, in the amount of \$1,690,423.90.

Councilmember Degginger noted that the Council has been supportive of the improvements in the vicinity of Enatai Elementary School. However, some residents have expressed concern about fluctuations in the width of the bike path, which will remove foliage, mail boxes and signage for some properties. Mr. Degginger said the residents are requesting that the City narrow the new path because there is already an eight-foot path.

Dave Berg, Deputy Director of Transportation, said staff will continue to work with property owners as all components of the project are constructed. Portions of the work are on the edge of the City's right-of-way, which might create impacts that the residents would like to avoid. However, the City needs to replace the water main, and staff does not want to promise anything that the City might not be able to deliver. Responding to Mr. Degginger, Mr. Berg said staff will look into the issues and report back to the Council.

Councilmember Chelminiak concurred with Mr. Degginger's and residents' concerns. He observed that there are issues related to the project design, loss of foliage, and changes to the character of the area. He asked staff to work with residents to identify workable solutions.

- Councilmember Robertson moved to adopt Ordinance No. 5996 and to approve the motion to award Bid No. 11026. Councilmember Degginger seconded the motion.
- The motion to adopt Ordinance No. 5996 and to award Bid No. 11026 carried by a vote of 7-0
- (j) Resolution No. 8222 authorizing execution of a consultant agreement with Hill International, Inc., in an amount not to exceed \$250,765, to develop an independent construction cost estimate for the East Link "Segment C-Tunnel

Option" (CIP Plan No. PW-R-159).

Mayor Davidson referred the Council to page 8-49 of the meeting packet for information on Resolution No. 8222, which proposes a consultant agreement with Hill International, Inc., to develop an independent construction cost estimate for the East Link Segment C Downtown Tunnel Option.

Deputy Mayor Lee questioned how the proposed work fits into the broader East Link project work plan and budget.

Transportation Director Goran Sparrman confirmed that approximately \$6.3 million was allocated in the biennial budget for East Link related activities. This item responds to the Council's interest in an independent cost analysis for a downtown light rail tunnel. If this work is approved, approximately \$300,000 would remain in the budget specifically for consultant services.

Deputy Mayor Lee said he assumes this analysis is related to the term sheet with Sound Transit regarding the financing of a downtown tunnel. However, the Council has not yet come to a concrete conclusion about that option.

Mr. Sparrman said there are two separate issues. The term sheet established in 2010 provided a potential framework for a future agreement with Sound Transit in how the City would help to achieve a downtown tunnel. Discussions about the pending agreement are ongoing. However, the work proposed by Resolution No. 8222 is separate from that effort. The term sheet does not call for a independent analysis of the tunnel cost.

Mr. Sparrman recalled that the Council directed staff to have the City's consultant provide an independent analysis and cost estimate for the downtown light rail tunnel.

Mr. Lee said he is unhappy that the City's overall Sound Transit work plan for the \$6 million budget item has not been presented to the Council.

Mr. Sparrman said staff has been working on preparing a more detailed work plan and will bring it forward as the Council's calendar permits.

Councilmember Robertson said she supports awarding the contract for an independent review of the potential cost of the tunnel. She recalled her visit to the San Diego transit system, which built a tunnel at a much lower cost. She received from San Diego their tunnel information on CD. However it was damaged and they are sending another one. She would like to give this to the consultant for consideration in the review. Ms. Robertson clarified that the work leaves approximately \$399,000 in the budget. She asked about the selection of Hill International as the consultant instead of ARUP.

Mr. Berg said that ARUP currently has a heavy workload and was concerned about being able to accommodate the work. Hill International has recent, relevant experience with cost estimating. The interview panel believed that Hill brings a better approach for what the City needs for

negotiating the memorandum of agreement with Sound Transit, including an emphasis on value engineering.

Councilmember Robertson said she learned from San Diego that the large transit agencies in the country conduct peer reviews. She suggested that the City invite a peer review of Sound Transit's and the City's consultant work as the process wraps up.

Mr. Sparrman said staff will look into this potential. Ms. Robertson said the peer review requires only that the City pay travel and lodging expenses.

Councilmember Wallace expressed concern about the timing of the work. He recalled that last year a study looked at the tunnel cost estimates. He questioned whether to pursue further analysis before the completion of the Final Environmental Impact Statement (FEIS), and asked when the final numbers will be presented.

Councilmember Balducci said the updated cost estimates were originally due the end of April; however, they might be delayed by a few weeks. These estimates will be produced before the completion of the FEIS. She agreed that it would make sense for the consultant to work from the updated cost estimates.

Mr. Sparrman said the latest information indicates that Sound Transit will share the updated cost estimates with the City in late May. The estimates will be based on 30 percent engineering design. Previous estimates were based on approximately five percent design. Hill International will develop its own independent cost estimate based on 30 percent design, which is why the work is more expensive than the previous consultant analysis.

Responding to Councilmember Wallace, Mr. Sparrman said the tunnel work is separate from the environmental process, which estimates the release of the FEIS in June or July. Engineering design has advanced from five percent to 30 percent, and a new contract will ultimately be awarded for final design. In further response, Mr. Sparrman said the intent is for the consultant to start working as soon as the Hill contract is approved. It is not necessary to wait for Sound Transit's updated cost estimates because the objective is to have Hill develop its own estimates. If there is a later decision to shift the tunnel to NE 2nd Street, Mr. Sparrman said that will change the tunnel design. In that case, some of the work would be applicable. However, the cost estimate would need to be updated to reflect the new design.

Councilmember Wallace suggested delaying approval of the contract for two weeks, to allow time for further review and discussion of the full contract. Mr. Sparrman said the dilemma from staff's perspective is that it would be useful to have the information when staff tries to bring the MOA discussions to conclusion, which is approximately two months into the future. However, he understands that the Council needs to feel comfortable with the alignment to be studied. In further response, Mr. Sparrman clarified that staff wants to be able to use the consultant's work to understand the extent of the financial issue faced by Sound Transit, if they make the decision in favor of a downtown tunnel. This will help to determine the reasonable contribution by the City.

- Councilmember Balducci moved to extend the meeting for 15 minutes. Councilmember Robertson seconded the motion.
- The motion to extend the meeting carried by a vote of 7-0.
- Councilmember Degginger moved to approve Resolution No. 8222, and Councilmember Balducci seconded the motion.

Councilmember Degginger spoke to the motion. He noted that the Council is unanimous in wanting a tunnel. He believes that the consultant's analysis will produce an apples-to-apples comparison with Sound Transit's work. Mr. Degginger said he had wanted this work to start earlier. However, he believes the outcome will be more meaningful now that design has moved to the 30 percent level.

Councilmember Robertson expressed concern that ARUP is working on optimizing the B7 alternative, and another consultant will be working on the tunnel.

Mr. Sparrman said the plan is for the consultant to analyze Sound Transit's C9T tunnel option, which involves a tunnel portal at Main Street. The scope of work could be changed to have them study a different alignment. However, 30 percent engineering design has not been completed for a portal option at NE 2nd Street. This design gap would have to be addressed, and would increase costs for the consultant.

Councilmember Robertson questioned whether there would be a benefit in waiting another two weeks for the tipping point in the process timeline for the ARUP study. Mr. Sparrman said staff's thought was to analyze the downtown portion of the alignment, given a general Council consensus in favor of a tunnel. The risk of delaying the work for two weeks is that staff will be at an important point in the MOA negotiations without the benefit of the information.

Deputy Mayor Lee said he will not support the motion. He agrees that the work is necessary and useful. However, he does not have information on the City's negotiations regarding the MOA.

Councilmember Chelminiak encouraged moving forward. The Council unanimously endorsed the C9T tunnel, and had the opportunity to choose a route using NE 2nd Street. He believes the City needs to move forward with the analysis because it is one of the main options under consideration by Sound Transit.

Mr. Chelminiak noted that waiting to study a second tunnel portal option will not have the benefit of 30 percent engineering design. The consultant contract has been on the work program and was presented to the Council on October 25 during the budget process. It was presented and discussed on December 13, and presented and discussed again in January. Mr. Chelminiak said it is time to move forward. If Sound Transit moves to consider a tunnel portal at NE 2nd Street, there will be time to conduct further work on that option.

Responding to Councilmember Wallace, Mr. Sparrman confirmed that work on the tunnel option with the Main Street portal would be largely transferrable to a NE 2nd Street portal. The

methodology would be the same, and much of the work would be applicable. Mr. Wallace noted that, regardless of whether there is an MOA, it is important to have a good understanding of the costs in discussions with Sound Transit. He will support the motion.

→ The motion to approve Resolution No. 8222 carried by a vote of 6-1, with Deputy Mayor Lee opposed.

9. Public Hearings: None.

10. Land Use: None.

11. Other Ordinances, Resolutions and Motions: None.

12. Unfinished Business: None.

13. Continued Oral Communications: None.

14. New Business: None.

15. Executive Session: None.

16. Adjournment

Mayor Davidson declared the meeting adjourned at 10:10 p.m.

Myrna L. Basich, MMC
City Clerk

/kaw