

CITY OF BELLEVUE
CITY COUNCIL

Summary Minutes of Study Session

May 19, 2014
6:00 p.m.

Council Conference Room
Bellevue, Washington

PRESENT: Mayor Balducci and Councilmembers Chelminiak, Robertson, Robinson, and Stokes

ABSENT: Deputy Mayor Wallace and Councilmember Lee

1. Executive Session

The meeting was called to order at 6:13 p.m., with Mayor Balducci presiding. There was no Executive Session.

2. Study Session

(a) Energize Eastside Briefing

Acting City Manager Brad Miyake opened discussion regarding Puget Sound Energy's Energize Eastside project, which is causing a great deal of concern within the community. Residents and the Council have raised a number of questions, including during oral communications at the previous week's meeting.

Council previously directed staff to return with information on the impacts of the proposed alignments, the role of the Washington Utilities and Transportation Commission (UTC), the role of PSE's Community Advisory Group (CAG), the neighborhood engagement process, and the Council's role.

Mr. Miyake said PSE staff will provide an overview of the project, why it is needed, the public outreach strategy, status of the process, and responses to the community's concerns.

Mike Brennan introduced the staff report. He recalled that, the previous week, Council directed staff to initiate a public engagement process. Staff is seeking Council feedback on the proposed plan to: 1) help the Council better understand the project, 2) discuss outreach efforts, 3) hear directly from the community, 4) discuss the regulatory environment, and 5) understand the

Council's role. Mr. Brennan said an outline of staff's plan is provided on page SS 2-5 of the meeting packet.

Mike McCormick Huentelman, Neighborhood Outreach Manager, said the project affects a number of neighborhoods and has raised broad community concerns and input. The City is hosting a community forum on May 29 to hear directly from residents and business owners.

Staff will return in June with members of PSE's CAG, who will comment on the impacts and their concerns. The CAG's membership includes three primary neighborhood representatives, three alternate members representing neighborhoods, and a number of Bellevue community organization representatives.

Carol Helland, Land Use Director, said an overview of the policy and regulatory framework will be presented to the Council in July. Staff will map out the decision making process and the role of the City Council and other jurisdictions affected by the alignment.

Ms. Helland said that, while the CAG continues to meet this year, City staff will evaluate the project from a programmatic standpoint through the development of an environmental impact statement (EIS). This will address the need for the project and available options. The City has received a number of requests from the public to be included on the project's mailing list. Routine briefings will be provided by PSE until formal permit submittal next year.

The City is planning on taking lead agency status and will be working with adjoining jurisdictions. Washington law defines the responsibilities of a lead agency, which is based on the amount of square footage in a particular jurisdiction. Bellevue contains the most square footage affected by the Energize Eastside project. The City's permitting process will potentially include conditional use issues, critical areas land use permits, and shoreline permitting requirements.

Ms. Helland said staff will provide a summary of the relationship of PSE's project to other projects including the City's electrical reliability initiative and Comprehensive Plan Update, and PSE's Phantom Lake to Lake Hills transmission line project.

Mr. Brennan said PSE will provide information on the community feedback it has received as well as its responses. Information from the CAG and the City's upcoming community forum will inform the Council as well.

Councilmember Chelminiak said he would like to see the involvement of independent and/or other interested parties and agencies. He would like more information in response to suggestions about undergrounding utilities. How is that determined and who pays?

Councilmember Chelminiak noted the need to define what the city can do. The City must permit essential public facilities, and the public needs to understand the limitations of the City. He would like the City to involve appropriate consultants to fully analyze the project.

Ms. Helland said the UTC has been asked to provide a presentation to the Council in the near future. City staff are investigating whether other entities have interests including the State Department of Ecology and federal agencies.

Councilmember Robertson said she appreciates the public engagement plan. She asked staff to notify interested members of the public when the City's web site on the project becomes available. She asked that the web site provide dates of when the Planning Commission will discuss the Utilities Element of the Comprehensive Plan.

She concurred with Mr. Chelminiak's interest in understanding the City's role and authority. She questioned whether the Energize Eastside project is actually an essential public facility. She said staff believes that it is. However, Ms. Robertson said that, based on her reading of the definition of an essential public facility, she is not convinced that is the case. She has not conducted independent research but would like more information from staff on that issue.

With regard to the EIS, Ms. Robertson said she would like to know what the City will be reviewing. Will City staff review only the alternatives presented by PSE, or will additional options be proposed? She noted that some residents have proposed the Seattle City Light route. She would like the City's intergovernmental relations staff to explore issues related to other jurisdictions.

Ms. Robertson said she would like an evaluation of the actual need for the project. Ms. Helland said the phased review of the EIS will analyze the need for the project's capacity.

Councilmember Robertson recalled that, when the City analyzed the light rail project, the Council studied alignment and profile. Ms. Helland confirmed that design alternatives for the Energize Eastside project will be studied as well.

Councilmember Robinson said she is pleased to see the level of community involvement.

Responding to Ms. Robinson, Mr. McCormick Huentelman said the City is not currently participating in the Next Door program. However, communications staff is reviewing whether the City should participate. He said the Next Door social media app does not allow the City to monitor or view the posts originating from neighborhoods. It does allow the City to post items, but those are typically reserved for emergency and public safety information.

Ms. Robinson suggested that perhaps the neighborhood association presidents could pass the City's information along to residents. Mr. McCormick Huentelman said staff can forward that suggestion as well as post information in the City's neighborhood news and other venues.

Mayor Balducci said this is the right framework. She appreciates and understands the effort it took to work this issue into the Council's work plan.

Responding to Ms. Balducci regarding the EIS, Ms. Helland said environmental review is often specific to a particular project. However, for projects spanning a larger geographic area and there

are a number of alternatives to consider, the EIS is programmatic which means reviewing the project at a policy level to evaluate the tradeoffs between different solutions for addressing the problem, before the City progresses to specific permitting issues. This type of review could look at electrical generation, the need for the project, and different alternatives for achieving the same outcome. Responding to Ms. Balducci, Ms. Helland said the EIS is phased to begin with a programmatic review and proceed to a project-specific EIS.

Councilmember Stokes expressed support for staff's proposed approach and process.

Andy Wappler, Vice President of Corporate Affairs for Puget Sound Energy, introduced Jens Nedrud, Engineering Project Manager; Gretchen Aliabodi, Project Manager; Leann Kostek, Sr. Project Manager; Nick Caminos, Sr. Local Government Affairs Representative; and Jackson Taylor, Community Projects Manager.

Mr. Wappler said more details regarding the need for the project are provided on PSE's project web site. He described growth on the Eastside and its effect on the need for a higher electrical capacity. He said it has been approximately 50 years since the main line was updated. He said new technologies have not yet matured enough to eliminate the need for traditional electrical infrastructure.

Mr. Nedrud described the development of alternative routes under consideration. That process included looking at potential approaches to meet the Eastside's electrical needs, the best solutions for delivering electricity, the feasibility of alternative solutions, and the public's recommendations. Numerous routes were identified and analyzed using the Linear Routing Tool computer modeling, the collection of Geographic Information Systems (GIS) data, and professional input. Alternative routes have been discussed with the public and other agencies. Examples of data collected include public land ownership, land use, wildlife, environmentally critical areas, topography and historical resources.

Mr. Nedrud and Mr. Wappler described PSE's public outreach activities including two public open houses, creation of the CAG, sub-area committee meetings and workshops, 179 one-on-one discussions with stakeholders and community members, the collection and responses to 962 direct communications from the public, a webinar on electromagnetic fields (EMF) and undergrounding, and email and U.S. mail notifications.

Mr. Wappler said top issues identified by the public are route segments, visual impacts, project design, effects on community character, impacts to property values, undergrounding as an option, EMF impacts, costs, and environmental and health impacts.

Mr. Wappler addressed the suggestion for the undergrounding of electrical infrastructure. He said the request must come from and be funded by the benefiting community. The key challenge with undergrounding is construction costs estimated at \$20 million to \$28 million per mile versus the cost of overhead infrastructure estimated at \$3 million to \$4 million per mile. Additional costs relate to land acquisition, traffic control, relocating existing underground utilities, ongoing

maintenance, taxes, and overhead costs. These additional costs can be two to three times construction costs.

Mr. Wappler said that, while electromagnetic fields are associated with power lines, other daily activities (e.g., electronics and household electrical appliances) contribute to EMF exposure as well.

Mayor Balducci observed that it is good to have a high level of community involvement early in the process.

Councilmember Robinson thanked PSE staff for the presentation. She said there are rumors that PSE will be selling power to Canada and California. She questioned the level of electric infrastructure needed to meet increased demand for Bellevue.

Mr. Wappler said the Energize Eastside project serves the local user and benefits regional reliability. Demand for the project is related to the growth in users since the system was last upgraded, as well as the shift in Eastside bedroom communities to economic drivers. Bellevue is the largest city on the Eastside and will continue to be one of the biggest users of power, especially in Downtown Bellevue.

Responding to Councilmember Robinson, Mr. Nedrud said approximately five percent of the project might provide a regional benefit. However, the majority of the project is to meet local demand.

Councilmember Robertson thanked PSE for the information. She noted that a number of public involvement activities are scheduled for August. She asked PSE to reconsider that schedule because August tends to be a time when people are out of town and focused on summer vacations.

Ms. Roberson said she does not have a good understanding of the route selection winnowing process planned for this summer. She questioned how PSE will ensure that the route selection is made after the environmental process.

Mr. Nedrud said, with regard to the winnowing of alternatives, PSE is asking the subarea committees: What is important to your area? What does PSE maybe not know? What are the values important to neighborhoods? That information is forwarded to the CAG as it reviews route alternatives. PSE will analyze options for fatal flaws, which could necessitate modifications to alternative routes.

Responding to Councilmember Robertson, Mr. Wappler said there are 16 different segments that combine in 19 different ways. PSE said the permitting process will address one route composed of different segments. In further response, Mr. Wappler said the EIS will study a number of routes.

Ms. Robertson questioned whether it is technically possible to collocate PSE's infrastructure with Seattle City Light's facilities or other utilities. Mr. Nedrud said it depends on how much power is provided on existing power poles. Seattle City Light already has a double circuit of 230kV lines, and collocating is not prudent from a reliability standpoint.

Responding to Councilmember Robertson, Mr. Nedrud said energy conservation is not going to eliminate the need for increased infrastructure.

Councilmember Stokes referred to slide 14 of the presentation and said he understands that PSE modified certain segments of the two main proposed routes. Mr. Wappler noted that the area is geographically constrained in terms of the siting of the alignments.

Mr. Stokes said the Council has heard a great deal of concern about the ecological impacts of the L and H segments. Mr. Nedrud said PSE needs to remove vegetation within approximately 15 feet of electrical lines. In further response, Mr. Nedrud said the only way to provide power to residents within Bellevue's boundary is to install a power line. One alternative studied by PSE was to build a large-scale power plant in Bellevue, which would generate a large amount of power. However, that is typically not viewed as compatible with an urban environment.

Responding to Councilmember Chelminiak, Mr. Nedrud said there is currently no 230kV power line between Talbot Hill and Sammamish. The only existing 230kV link is east of Lake Sammamish and is not owned by PSE. Mr. Chelminiak questioned the potential for collocating with that equipment. Mr. Nedrud said that is a long distance from other load centers and is therefore not viewed as a good solution.

Mayor Balducci observed that PSE needs to provide as much information as possible to help the public, the Council, and City staff understand the analysis behind PSE's conclusions regarding electrical demand, undergrounding issues, and other items of concern.

Ms. Balducci indicated to the City Manager that the May 29 date for the community forum conflicts with the Puget Sound Regional Council General Assembly, which makes it difficult for Councilmembers who want to attend both meetings. Mr. Miyake said he will explore options with staff.

Mayor Balducci said it would be helpful to reach out to Seattle City Light to hear their perspective and explore the potential for partnerships either now or in the future.

At approximately 7:00 p.m., Mayor Balducci declared a short break.

The meeting resumed at approximately 7:10 p.m.

(b) Sound Transit Operations and Maintenance Satellite Facility (OMSF)

Chris Salomone, Director of Planning and Community Development, welcomed Sound Transit staff for an update on the light rail Operations and Maintenance Satellite Facility (OMSF).

Ric Ilgenfritz, Director of Project Development, introduced Ron Lewis, East Link Project Director, and Trinity Parker, Government and Community Relations Specialist.

Mr. Ilgenfritz said the OMSF environmental impact statement (EIS) was released the previous Friday with a 45-day public comment period. He described a map of the Link light rail system, which will complete 50 miles of light rail by 2023.

Mr. Ilgenfritz said the Sound Transit 2 system requires a fleet of at least 180 vehicles. The current operations and maintenance facility in the SODO area of Seattle has a capacity for 104 vehicles. Sound Transit needs a second satellite facility beginning in late 2020. The facility needs 20-25 usable acres, generally rectangular in shape and proximate to the operating light rail track, to accommodate 90 or more vehicles. The siting of a satellite facility minimizes overall system operating costs, maintains the nightly maintenance window from 1:00-5:00 a.m., and minimizes vehicle maneuvering to position the trains for morning deployment.

Mr. Ilgenfritz described the fleet size requirements for separate Link projects, the ST2 operating plan, the operating plan beyond ST2, and light rail vehicle storage and deployment.

With regard to the OMSF, Sound Transit initially identified 21 potential sites for consideration. Sound Transit narrowed that to four alternatives for study and preparation of the draft environmental impact statement (DEIS).

Michael Williams, Director of Sound Transit's Office of Light Rail Development, described the evaluation of the four alternative sites, one located in Lynnwood and three located on the Eastside. A common finding for all sites is that a conditional use permit (CUP) would be required. All of the sites have no noise or traffic impacts as well.

Mr. Williams described the costs, operational issues, land use and economics issues, and impacts on natural resources for the four sites. The Lynnwood site has the greatest impacts to wetlands and interrupts established plans of the Edmonds School District.

The three remaining sites are in Bellevue and known as the BNSF (former Burlington Northern Santa Fe rail corridor), BNSF Modified, and SR 520. The first has the lowest capital costs and the same operating costs as the other Bellevue options. It is adjacent to the Metro bus base and Children's Hospital, inconsistent with zoning, and displaces 14 businesses. The BNSF Modified site has the highest capital costs and displaces approximately 25 businesses and the Public Safety Training Center.

Sound Transit has heard feedback that both BNSF sites are inconsistent with the adopted Bel-Red Plan and negatively affect current and future investments and businesses including certain functions of Barrier Motor's operations. There is also concern that the sites are within ¼ mile of the 120th Avenue light rail station and the Spring District development.

The SR 520 site is adjacent to retail commercial uses, inconsistent with zoning (General Commercial), displaces the greatest number of businesses (approximately 101), and represents the greatest impact on streams (Goff Creek). Sound Transit has heard concerns about the displacement of businesses, the loss of current and future tax revenues, and its location across the freeway from a single-family neighborhood. It is contrary to the City's plans for the Goff Creek stream restoration.

Mr. Williams described the role of the Urban Land Institute (ULI) advisory services panel, following direction from the Sound Transit Board, in assessing the development potential (including transit-oriented development) for the proposed sites. The panel conducted stakeholder interviews, considered available data, framed the issues, and prepared a report on its independent review. The ULI panel assessed a number of elements including site orientation and layout, material selection, landscaping integration, and track and vehicle movements.

Mr. Williams highlighted the ULI Panel's observations about each of the site options. He presented a table summarizing characteristics and costs of the four sites. The capital costs are significantly higher than the estimated budget.

Mr. Williams said public hearings are scheduled for June 3 in Lynnwood and June 5 in Bellevue. The DEIS comment period closes on June 23, and the Sound Transit Board anticipates identifying a preferred site on July 24.

Mr. Ilgenfritz said the process contemplates bringing the ULI Panel back to address the Sound Transit Board in June after the close of the public comment period. Between that discussion and input from the public process, the Board could talk about what types of considerations the project team should take into the preliminary engineering process as the EIS is finalized.

Mr. Ilgenfritz reiterated that the facility is needed to support the East Link and Lynnwood light rail segments. He said Sound Transit recognizes the significant implications of the Bellevue sites, including the time and money invested by the City in creating the Bel-Red Plan. He said it is a tough choice and a big decision for the entire region.

Mayor Balducci observed that this is the first formal Council briefing, and the timeline seems to go quickly from here.

Councilmember Robertson noted slide 26 which indicates higher annual operations costs for the Lynnwood site totaling \$130 million over 40 years. She estimated that the BNSF alternative represents a hit to the City's budget totaling approximately \$250 million over 40 years. She noted that the Lynnwood site does not have storage tracks if the Bellevue site is chosen. She questioned whether this means there will be more trains coming in and out of Bellevue in the late evening and early morning as they stack up for nightly maintenance and are deployed in the morning.

Mr. Ilgenfritz said the number of trains would be comparable for all options. Ms. Robertson indicated it was difficult to envision that locating the facility in Bellevue would not mean more trains in and out of Bellevue.

Ms. Robertson said the ULI Panel proposed a more narrow facility shifted to the east for the SR 520 alternative. She questioned why Sound Transit has not proposed this option.

Mr. Williams said the issues include the need to acquire more properties, steep slopes and a lot of water in the area. Sound Transit will take a look at the ULI Panel's proposal but it will impact more properties. The panel's interest was in mitigating impacts to the creek.

Referring to the Sound Transit OMSF Value Engineering Report dated August 2013 and the ULI Report in March 2013, Councilmember Robertson said both reports proposed reducing the size of the OMSF facility on the BNSF tracks, mainly through the reduction of parked vehicles. However, she observed that Sound Transit did not explore reducing the size of the facility in the DEIS.

Mr. Ilgenfritz said that, when you analyze the impacts of a larger facility, you can always shrink it and thereby lessen impacts. The footprints studied in the DEIS cover the maximum potential impact. With regard to fleet size, he said Sound Transit could operate the system with the terminus at the Overlake Transit Center with approximately 80 cars at the second facility. The Federal Transit Administration is interested in making sure that there is sufficient maintenance capacity to eventually serve the extension to Downtown Redmond.

Mr. Ilgenfritz said Sound Transit will consider the recommendations of the value engineering team, as well as conduct an additional value engineering exercise once there is advanced preliminary design on the preferred alternative.

Mayor Balducci said she understands that the EIS primarily serves the purpose of making sure that all of the different impacts of the project have been studied. While the project could be downsized, as noted by Mr. Ilgenfritz, the challenge is that the EIS is used as a decision making tool. If the option of a smaller facility is not explicitly referenced, she believes that option will never be considered for a decision.

Mayor Balducci questioned how a smaller facility could be presented for consideration. She said the Bellevue City Council has previously asked for a smaller facility, and possibly two small facilities. Bellevue would like to see proposals involving facilities with smaller footprints.

Councilmember Chelminiak recalled that the Bel-Red planning process considered the feasibility for high-density development around the Metro-owned property, whether it became a future light rail station or bus rapid transit station. The question at that time was how soon would Metro sell the property for development.

Mr. Chelminiak said the plan for the Metro site is now a 20-acre bus barn which, combined with the proposed OMSF, results in 50 acres of a transit parking lot next to planned transit-oriented

development (TOD). Bellevue is doing what Sound Transit and the region wants it to do, yet Sound Transit comes in with the OMSF to stop Bellevue from fulfilling its Bel-Red Subarea redevelopment plan.

Mr. Chelminiak said that, perhaps from the viewpoint of the operator of a train system, Sound Transit's proposed OMSF makes sense. However, the challenge is making the right 100-year decision for the light rail system and the community.

Councilmember Chelminiak said the ULI Panel's report demonstrated that, if the Lynnwood option was reconfigured, Sound Transit could create a net benefit in Lynnwood. He said there is more opportunity to the City of Lynnwood in placing the OMSF at that proposed site, as well as greater regional revenues associated with that location.

Mr. Chelminiak said a 50-acre parking lot does not make sense for the highly dense, transit-oriented development planned for Bellevue's Bel-Red corridor. He does not understand how the Bellevue OMSF alternatives have made it this far.

Councilmember Chelminiak said the timing for the OMSF facility needs to be integrated with the East Link Memorandum of Understanding (MOU) timing. The Council needs to see how those two processes match up before certain decisions can be made.

Councilmember Robinson questioned whether Lynnwood is a serious option. Mr. Ilgenfritz said the Lynnwood property is owned substantially by the Edmonds School District, and some type of interlocal agreement would be needed between Sound Transit and the District. Ms. Robinson said she has read the letter from the City of Lynnwood and it does not appear that an agreement is feasible.

Mr. Ilgenfritz said Sound Transit continues to pursue discussions with staff. He acknowledged that the Lynnwood City Council and the Edmonds School Board prefer to not have the site jointly developed.

Ms. Robinson observed that the presentation highlights the established future plans and investments related to the Lynnwood site. However, the presentation on Bellevue sites looks only at current conditions and not at future development and investments. She said the comparison of the sites is not reasonable.

Mr. Ilgenfritz said the zoning is very different between Lynnwood and Bellevue.

Ms. Robinson said the potential loss to Bellevue is huge, much greater than what has been alluded to in the presentation.

Mayor Balducci said she appreciates starting to engage in this discussion. She said Sound Transit staff has been responsive to the Sound Transit Board over the past year or so by exploring more alternative sites and engaging the ULI Panel. She said the Council agrees that the three Bellevue

sites all have significant problems. However, she acknowledged that a maintenance and storage function needs to be sited in order for ST2 to work properly.

At 7:59 p.m., Mayor Balducci declared recess to the Regular Session.

Myrna L. Basich, MMC
City Clerk

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