

CITY OF BELLEVUE
CITY COUNCIL

Summary Minutes of Regular Session

December 4, 2006
8:00 p.m.

Council Chamber
Bellevue, Washington

PRESENT: Mayor Degginger, Deputy Mayor Chelminiak, and Councilmembers Balducci, Davidson, Lee, Marshall, and Noble

ABSENT: None.

1. Call to Order

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

2. Roll Call, Flag Salute

Upon roll call by the Deputy City Clerk, all Councilmembers were present. Councilmember Noble led the flag salute.

3. Communications: Written and Oral

- (a) Carol Leyton spoke on behalf of KidsQuest Children's Museum and thanked Council for its ongoing support.
- (b) Rick Collette spoke on behalf of the Performing Arts Center Eastside (PACE) and thanked Council for its ongoing support of PACE, KidsQuest, and the Bellevue Arts Museum.
- (c) Steve Gilbert, Bellevue Economic Partnership, shared concerns that growth in the community is cyclical and that Development Services fees are increasing in the next budget. He asked Council to consider smaller increases.

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

5. Report of the City Manager

City Manager Steve Sarkozy requested discussion of two items that were not discussed during the earlier Study Session due to time constraints. The first is the application of the Bel-Red

Office Rezone (File No. 06-116036-LQ) by Mark Alguard for property located at 15063 Bellevue-Redmond Road. The matter will be presented on December 11 for Council action.

- (a) Application of Bel-Red Office Rezone File No. 06-116036-LQ
[Council action on this quasi-judicial matter is scheduled for December 11, 2006.]

Land Use Director Carol Helland said the property affected by the application is located at Bel-Red Road and Northup. The application actually requests no change in zoning, but is using the rezone process to change a condition imposed as part of the concomitant agreement when the properties were originally zoned as Office. The original condition required that a transportation access plan be provided so all the properties in the area could gain common access. The easement to be removed as part of the access plan is no longer needed, and Planning and Community Development staff coordinated with Transportation to ensure the properties are adequately served by transportation infrastructure.

Ms. Helland said the Hearing Examiner recommends removal of the access easement to this property to allow it to develop to its highest and best use as an office development. Final action by Council is scheduled for December 11.

Staff responded to questions of clarification.

- (b) Response to Sound Transit East Link Initial Route and Station Location Evaluation

Mr. Sarkozy opened discussion regarding Council's response to the Sound Transit East Link initial route and station location evaluation [Page SS 2-3 of packet]. A draft letter to Sound Transit was provided to Council in the desk packet.

Bernard van de Kamp, Transportation Regional Projects Manager, noted suggestions and preferences discussed by Council that have been incorporated into the letter to Sound Transit. One suggestion is to reconsider the B5 alternative that would route across the south end of the Mercer Slough and up 118th Avenue SE. Another is the B3 routing that travels north on Bellevue Way from I-90 to 112th Avenue SE and up to SE 8th Street where it crosses to 114th Avenue. The letter advocates study of a tunnel between the "Y" where Bellevue Way connects to 112th Avenue SE into downtown Bellevue, without a specific route recommended at this time. To avoid potential construction impacts to the northern side of the Surrey Downs neighborhood, Council favors a transition from an elevated structure along 114th Avenue (north of SE 8th Street) and into a tunnel at the current Red Lion Hotel site.

On November 20, Council recommended removing the aerial option through downtown Bellevue (Option C7-E) from further consideration. The other two major recommendations pertaining to downtown are to: 1) Consider a station south of Main Street associated with the C1-T option, which connects to the route traveling directly up Bellevue Way from I-90, and 2) Create a hybrid option combining C1 and C2, both of which involve tunnels. The C2 tunnel extends along Main Street to Bellevue Way with a station in the vicinity of Bellevue Way and Main Street. Initial

feedback from Sound Transit staff indicates that the station would most likely need to be located north of NE 2nd Street or on Main Street.

Mr. van de Kamp recalled that Council generally supports evaluation of options for Segment D. Bellevue recommends eliminating potential maintenance base locations that are essentially central to the Bel-Red Corridor study area. Mr. van de Kamp requested Council approval of the letter to Sound Transit. The Sound Transit Board of Directors is expected to select East Link alternatives for draft EIS (Economic Impact Statement) study during its December 14 meeting.

Councilmember Lee is comfortable with the recommendations to Sound Transit. He suggested a more direct approach and tone in the letter, however. He noted the City's commitment to minimizing neighborhood impacts and ensuring the transit plan is consistent with Bellevue's land use planning.

Councilmember Noble feels the letter is sufficiently direct and he prefers to send it as soon as possible. He agreed with Mr. Lee, however, that most of the second paragraph about the benefits of light rail for Bellevue is superfluous. Mr. Noble said more stations are needed in the downtown north of Main Street to serve employment and retail locations.

Councilmember Balducci feels that the three sentences summarizing the benefits for Bellevue are relevant. However, she will support removing the last three sentences of paragraph two if that is the consensus of the Council.

Councilmember Noble is willing to leave the language in the letter if Ms. Balducci feels strongly that it adds to the message.

Deputy Mayor Chelminiak noted that locating a station south of Main Street serves the downtown as well as the residential area immediately south of Main Street.

Councilmember Marshall favors studying station locations both north and south of Main Street.

Mr. van de Kamp confirmed that staff agrees both options should be evaluated through the EIS process. Mr. Noble concurred and clarified his concern that the letter was favoring a south-end location over a more centrally located station.

Responding to Mr. Lee's position that the City should be more involved in the EIS process, Transportation Director Goran Sparrman clarified that the project and process is controlled by Sound Transit and the Washington State Department of Transportation (WSDOT). However, Bellevue staff will maintain an active role in the project.

Mr. Chelminiak recalled that some residents of Surrey Downs felt Sound Transit was not listening to their concerns about possible neighborhood impacts. Council and staff have addressed these issues by asking Sound Transit in the letter to study more options.

Mayor Degginger noted consensus to send the comment letter to Sound Transit.

6. Council Business

Responding to Mayor Degginger, Councilmembers agreed to forego reporting Council Business.

7. Approval of the Agenda

➡ Deputy Mayor Chelminiak moved to approve the agenda, and Mrs. Marshall seconded the motion.

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

8. Consent Calendar

Deputy Mayor Chelminiak noted a request to pull Agenda Item 8(c) for Council discussion.

➡ Deputy Mayor Chelminiak moved to approve the Consent Calendar, as amended, and Ms. Balducci seconded the motion.

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

- (a) Minutes of October 23, 2006 Extended Study Session
Minutes of October 30, 2006 Study Session
Minutes of October 30, 2006 Regular Session
- (b) Resolution No. 7466 authorizing the City Manager to execute an Agreement for Public Defense Services with Stein, Lotzkar and Starr, P.S., Inc., to provide public defense services to indigent defendants accused of misdemeanor and gross misdemeanor offenses occurring in the City of Bellevue, for the period from January 1, 2007 through December 31, 2009, at an annual cost of approximately \$367,000 plus CPI-W.
- (d) Resolution No. 7468 authorizing execution of a two-year janitorial service agreement with Environmental Control, in an amount not to exceed \$52,680 to provide janitorial services for the offices and classroom space, including the canine room, located at the Public Safety Training Center.
- (e) Resolution No. 7469 authorizing execution of a four-year Professional Services Agreement with Jon Abood, dba Jonny's Truck, in an amount not to exceed \$28,760.64 per year for caretaking services at the Bellevue Marina at Meydenbauer Bay.
- (f) Resolution No. 7470 authorizing execution of an agreement with the Boys and Girls Clubs of Bellevue (BGCB), in an amount not to exceed \$86,500 to continue the operation of the Ground Zero Teen Center and BGCB satellite sites in partnership with the City.

- (g) Resolution No. 7471 authorizing execution of all documents necessary to transfer certain real property from the City to AtWork!, as allowed per State of Washington Substitute House Bill (SHB) 2759.
- (h) Resolution No. 7465 authorizing the execution of a Professional Services Agreement with Jones & Jones Architects and Landscape Architects, in an amount not to exceed \$70,100 to provide professional services required to apply for LEED Certification for the Mercer Slough Environmental Education Center project.
- (i) Resolution No. 7472 authorizing execution of the FlexPass Agreement with King County and Sound Transit for the purchase and distribution of the annual 2007 FlexPass to City of Bellevue employees.
- (j) Resolution No. 7473 authorizing execution of a consultant agreement with AMEC, Inc., in the amount of \$80,000 to provide on-call construction inspection services for the NE 10th Street Extension Project as necessary to insure proper construction inspection and management.
- (k) Motion to increase the construction contract with West Coast Construction Company, Bid No. 0602, by \$211,777.31 for a total contract amount of \$1,128,052.31, for the construction of the 140th Avenue NE Pathway Improvement project. [*Discussed with Council on November 11, 2006.*]

Item for Council Discussion:

- (c) Resolution No. 7467 adopting the City of Bellevue 2007 State Legislative Agenda and Statement Policy.

Diane Carlson, Director of Intergovernmental Relations, explained that Mr. Chelminiak suggested adding language to the State Legislative Agenda regarding crane safety. This revision is underlined in the Desk Packet version of the State Legislative Agenda.

➡ Councilmember Marshall moved to approve Resolution No. 7467.

Councilmember Noble feels any regulatory changes regarding crane safety should be funded by the State rather than by local jurisdictions. Although he agrees with Mr. Chelminiak about the need to review safety regulations, Mr. Noble does not see a reason at this point to advocate for legislative action.

Councilmember Balducci suggested amending the legislative agenda to state that regulatory and funding responsibility for crane regulations remains with the State. She further suggested language encouraging the legislature to address the issue and indicating the City's willingness to work with the State to develop appropriate regulations to ensure crane safety.

- Ms. Balducci seconded the motion to approve Resolution No. 7467, amended to revise the State Legislative Agenda as indicated in the preceding paragraph.
 - The motion to approve Resolution No. 7467, with the State Legislative Agenda amended as suggested by Councilmember Balducci, carried by a vote of 7-0.
9. Public Hearings: None.
10. Land Use: None.
11. Other Ordinances, Resolutions and Motions
- (a) Ordinance No. 5701 updating the school impact fee schedule for Issaquah School District No. 411, and amending Section 22.18.100 of the Bellevue City Code.
[Discussed with Council on November 20, 2006.]

Legal Planner Lesa Hutnak recalled that the Issaquah School District impact fee ordinance requires that Council review and update the impact fee schedule annually based on the Issaquah School District's capital facilities plan. The District has requested an increase in fees for both single-family and multifamily development. The impact fee for a single-family unit increases from \$5,115 to \$6,136, and the fee for a multifamily unit increases from \$804 to \$1,264.

This issue was previously discussed with Council during the November 20 Study Session. At that meeting, a District representative explained that impact fees will go toward construction of a new middle school that will reduce overcrowding at three middle schools, two of which directly serve Bellevue students. The impact fee increase is due in part to increasing construction costs and the cost of property. The District's impact fees have increased since a low in 2002. However, before 2002 the fees were higher than those currently proposed for 2007.

Ms. Hutnak said staff recommends Council approval of Ordinance No. 5701 updating the Issaquah School District impact fee schedule and amending Section 22.18.100 of the Bellevue City Code.

Dr. Davidson stated his longstanding opposition to impact fees, which he feels is a poor way to fund capital projects for schools. He favors bond issues as is done by the Bellevue School District.

Mr. Lee said he will reluctantly support the motion.

- Deputy Mayor Chelminiak moved to adopt Ordinance No. 5701, and Councilmember Marshall seconded the motion.

Noting that the impact fee approach is the method chosen by the Issaquah School District to fund capital needs, Mayor Degginger will support the motion. He has a child in an Issaquah middle school.

- ☛ The motion to adopt Ordinance No. 5701 carried by a vote of 6-1, with Dr. Davidson dissenting.

12. Unfinished Business

(a) Transportation Facilities Plan

[Discussed with Council on October 23, 2006. Due to time constraints, discussion of the TFP and impact fee items is being split, with TFP discussion tonight and action on December 11, 2006. Project list and impact fee discussion is being scheduled for after the first of the year, with action to follow at a subsequent meeting.]

Kris Liljeblad, Assistant Director of Transportation, noted information beginning on page 12-1 of the meeting packet regarding the Transportation Facilities Plan. The plan was discussed with Council on October 23, and action on the plan is scheduled for December 11. Council action on the TFP project list and impact fee schedule will occur following the holidays.

Mr. Liljeblad explained that the TFP is a bridge between the long-range Comprehensive Plan and the funded Capital Investment Program (CIP) Plan.

Eric Miller, Transportation Capital Programming Manager, requested Council direction to return on December 11 for adoption of the TFP.

Mayor Degginger noted Council consensus to direct staff to place the item on the December 11 Consent Calendar.

13. Continued Oral Communications: None.

14. New Business

(a) Permit and Agreement for Lincoln Square/Bellevue Place NE 8th Street Tunnel

Mr. Sarkozy described a permit application to construct a tunnel under NE 8th street connecting Lincoln Square and Bellevue Place.

Transportation Director Goran Sparrman said the tunnel will take some traffic off of surface streets, thereby helping to alleviate congestion.

Ron Kessack, ROW Manager, said the proposal was submitted by Kemper Development and Lincoln Square. The plans submitted for review include a two-lane tunnel in the north-south direction connecting the third levels of the Lincoln Square and Bellevue Place parking garages. Its highest point will be 27.5 feet below the existing roadway grade, and the tunnel will have pedestrian facilities as well. Following tonight's discussion, staff would like to place the item on Council's Consent Calendar next week.

Councilmember Lee supports the project and the positive effect it will have on mobility.

Responding to Mr. Lee, Mr. Kessack said the insurance coverage will be similar to that required for the pedestrian bridge structures.

Responding to Councilmember Balducci, Mr. Kessack said the annual permit fee amount of \$8,500 is based in part on the American Public Works Association's (APWA) figure for a telecommunications tunnel. The permit fee is similar to what the City of Seattle will charge for similar facilities in the future. The fee is also based on the current assessed value of adjacent properties on a per-square-foot basis; a rate of return factor, which in this case is a 10 percent annual rate of return; and a figure known as a degree of alienation which is based on how much the project impacts the public right-of-way and its use.

If this were a surface street feature that significantly affected the City's ability to utilize the public ROW, this would be considered a 100% degree of alienation. In this case, the tunnel is below the existing grade and therefore the degree of alienation is quite low. Mr. Kessack calculated the figure at 20 percent, although the APWA's formula resulted in 10 percent. He chose the 20 percent figure because Bellevue is a relatively new city and utilities will continue to be placed underground to support continued development.

Dr. Davidson feels this is a good project, and it will help by providing overflow parking for times that the Lincoln Square garage is full.

Councilmember Marshall is pleased to see a private developer willing to provide an underground street at a cost of \$3.5 million that will benefit downtown traffic.

15. Executive Session: None.

16. Adjournment

At 9:12 p.m., Mayor Degginger announced that Council would return to the Study Session agenda.

Myrna L. Basich
City Clerk

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