

CITY OF BELLEVUE
CITY COUNCIL

Summary Minutes of Regular Session

December 8, 2008
8:00 p.m.

Council Chamber
Bellevue, Washington

PRESENT: Mayor Degginger and Councilmembers Bonincontri, Chelminiak, Davidson, Lee and Noble

ABSENT: Deputy Mayor Balducci

1. Call to Order

The meeting was called to order at 8:02 p.m., with Mayor Degginger presiding.

2. Roll Call, Flag Salute

Upon roll call, all Councilmembers except Deputy Mayor Balducci were present. Councilmember Chelminiak led the flag salute.

3. Communications: Written and Oral

- (a) Susan Edelheit, President of the Board of Trustees, Bellevue Arts Museum, thanked the Council for its ongoing support and described the museum's activities.
- (b) Michael Monroe, Director of Curatorial Affairs, BAM, described the museum's expanded programs in the area of community education and outreach.
- (c) Mark Crawford, Interim Executive Director, BAM, introduced himself and thanked the City for its ongoing support of and collaboration with the museum.
- (d) Anne Levine, Board Member with St. Andrews Housing Group, addressed the issues of affordable housing and homelessness. She thanked the Council for its support of housing programs.
- (e) Robert Jacobs, Senior Warden for St. Margaret's Episcopal Church, requested Council approval of the use of ARCH (A Regional Coalition for Housing) funds to build affordable housing on a portion of the church's property in the Factoria area.

- (f) Joe Ingram, Executive Director of Vets Edge, described the organization's original mission of finding affordable housing for veterans and their families. Vets Edge also provides counseling, employment support, life management training, and financial assistance. Vets Edge helped find housing for 60 men and women in East King County this year. Nearly half of these individuals did not receive government assistance but instead found regular jobs and housing to support themselves.
- (g) Lori Taylor, Director of Bellevue's Farmers Market, thanked the Council and City staff for their support and assistance to the seasonal market.
- (h) Jack McCullough discouraged development-related fees that could jeopardize projects, especially in the downtown. He asked the Council to consider the positive economic impact (e.g., sales tax revenue, employment growth) provided by these projects as the Council prepares to take action on Development Services fees. He encouraged City staff to meet with developers of pending projects to discuss the viability of projects and potential fee tradeoffs.
- (i) Steve Kramer, KG Investments, asked the Council to avoid transportation impact fees that will adversely affect development, including their project on NE 4th Street.
- (j) Joe Rosmann, a Surrey Downs resident, described the increasing demand for assistance from food programs and food banks. He strongly encouraged the community to organize food drives and support these programs.

4. Reports of Community Council, Boards and Commissions

- (a) Transportation Commission Report

Lise Northey, Transportation Commission Chair, commented on Pedestrian and Bicycle Plan funding priorities and responded to questions from the Council.

5. Report of the City Manager

- (a) Management Brief – Emergency Preparedness Award

Steve Thomas, Fire Department Emergency Preparedness Manager, described the incidence of fatalities in the region during the 2006 wind storm due to carbon monoxide poisoning by residents burning charcoal inside their homes. The City has worked to improve citizen emergency preparedness, which includes having obtained grant funds to prepare a video in several languages on basic preparedness procedures. The City was recently recognized with an award for its efforts in reaching out to non-English speaking residents.

(b) Management Brief – Mobility and Infrastructure Finance Plan

City Manager Steve Sarkozy noted previous Council discussion regarding the Mobility and Infrastructure Initiative and related finance plan. Elements of the plan will be presented for further discussion and Council action in early 2009.

Planning and Community Development Director Matt Terry referred the Council to the draft Mobility and Infrastructure Initiative Plan that has been prepared to capture previous Council direction to staff regarding capital projects.

Councilmember Chelminiak suggested that projects from the Downtown Implementation Plan (DIP) be identified as such, and he would like to see a separate tracking of public safety investments.

(c) Management Brief – Update on Bellevue Golf Course

Parks and Community Services Director Patrick Foran reviewed the report by Premier Golf Centers regarding its operation of the Bellevue Golf Course Clubhouse and driving range. Premier has been providing pro shop operations and management services since January 2007, and is completing its second year of a four-year contract.

Mr. Foran and Randy Leifer, Golf Course Manager, responded to brief questions from the Council.

6. Council Business and New Initiatives

Councilmember Lee commented on his recent brain surgery. Prior to his surgery, Mr. Lee attended a National Federation of Indian-Americans event. Individuals from India represent the fastest growing immigrant ethnic group on the Eastside. Mr. Lee attended meetings of EnterpriseSeattle and Junior Achievement, as well as the City's Employees of the Year Luncheon and Fire Fighters graduation ceremony. He attended a reception in Bellevue City Hall related to a legislative hearing on interactive media. Mr. Lee noted that more than 150 interactive media companies are located in Bellevue. Prior to these activities, Mr. Lee attended a National League of Cities conference in Orlando.

Councilmember Bonincontri attended the Bellevue Downtown Association (BDA) breakfast.

Councilmember Davidson attended meetings of the Regional Water Quality Committee and Bellevue Environmental Services Commission. He attended a meeting of the Municipal Research Service Center (MRSC) Board, which he chairs.

Councilmember Chelminiak attended a meeting of the Puget Sound Regional Council (PSRC) Executive Committee.

Mayor Degginger congratulated Bellevue High School for achieving the state 3A football championship, and Skyline High School for winning the state 4A football championship against Issaquah High School. He commended all of the Eastside athletes involved in these athletic programs. Mr. Degginger served as a judge for KidsQuest Museum's gingerbread house competition. He and fellow Councilmembers attended the Eastside elected officials reception with state legislators.

7. Approval of the Agenda

- Councilmember Noble moved to approve the agenda, amended to add consideration of Resolution No. 7848 as Agenda Item 11(b) and consideration of Resolution No. 7849 as Agenda Item 11(c). Councilmember Chelminiak seconded the motion.
- The motion to approve the agenda, as amended, carried by a vote of 6-0.
- Councilmember Davidson moved to amend the agenda to add the reconsideration of Ordinances 5850 and 5851 as Agenda Item 11(d). Councilmember Lee seconded the motion.
- The motion failed by a vote of 2-4, with Councilmembers Davidson and Lee voting in the affirmative.

Responding to Mayor Degginger, City Clerk Myrna Basich explained that a motion for reconsideration can be taken up without amending the agenda. Ms. Basich confirmed that such a motion could be made under Agenda Item 11 if a Councilmember chooses to do so.

8. Consent Calendar

- Councilmember Noble moved to approve the Consent Calendar, and Councilmember Chelminiak seconded the motion.

Responding to Councilmember Lee, Mr. Sarkozy clarified a question regarding Agenda Item 8(f), pertaining to agreements with King County Metro.

Responding to Councilmember Lee, Diane Carlson, Director of Intergovernmental Relations, confirmed that further suggested revisions to the State Legislative Agenda [Agenda Item 8(j)] may be addressed in January.

- The motion to approve the Consent Calendar carried by a vote of 6-0, and the following items were approved:
 - (a) Resolution No. 7839 authorizing execution of a five-year General Services Agreement with DataSite Business Archives, in an amount not to exceed \$250,000 and two additional one-year extension periods with a capped

value of \$50,000 per year for offsite storage and maintenance of the City's inactive records.

- (b) Motion to approve payment of claims for the period of November 15, 2008 through December 5, 2008 and payroll for the period of November 1, 2008 through November 15, 2008.
- (c) Resolution No. 7840 authorizing execution of an Interagency Agreement with the Seattle Office of Emergency Management to receive grant funding in the amount of \$225,000 for the purposes of developing a regional catastrophic structural collapse rescue plan.
- (d) Resolution No. 7841 authorizing the Bellevue Municipal Employees Benefits Trust (MEBT) Plan Committee Chair to execute the City of Bellevue Employees' Retirement Benefit Plan Amended and Restated Agreement (consolidated of prior Council-approved Amendments and other revisions to comply with federal law and other regulations).
- (e) Resolution No. 7842 authorizing execution of a three-year professional services contract with Benefit Services Group, Inc., in an amount not to exceed \$320,000, for 2009 through 2011 online benefit management and enrollment services.
- (f) Resolution No. 7843 authorizing execution of two agreements with King County Metro: 1) a financial partnership for a downtown circulator service; and 2) a Speed and Reliability partnership for the planned Bellevue-Redmond Rapid Ride.
- (g) Motion to award Bid No. 8207, 154th Avenue SE and SE 11th Street Traffic Calming Project to Dennis R. Craig Construction, Inc., in the amount of \$68,626.95, as low bidder for installation of a traffic circle, with corresponding curb extensions on 154th Avenue SE at SE 8th Street and a landscaped entry median on SE 11th Street, west of 156th Avenue SE (CIP Plan No. PW-M-7).
- (h) Motion to approve a \$2,099,932 cost increase for a Bel-Red/Overlake Transportation Study (BROTS) project, JOINT-BROTS-79, in accordance with the BROTS Interlocal Agreement between the Cities of Bellevue and Redmond.
- (i) Resolution No. 7844 authorizing execution of a professional services agreement with Kennedy/Jenks Consultants, Inc., in an amount not to exceed \$300,000, for the Newport Pump Station Rehabilitation Project (CIP Plan No. W-91).

- (j) Resolution No. 7845 adopting the City of Bellevue State Legislative Agenda and State Legislative Statement of Policy for the 2009 legislative session.
- 9. Public Hearings: None.
- 10. Land Use: None.
- 11. Other Ordinances, Resolutions and Motions
 - (a) ARCH (A Regional Coalition for Housing) Trust Fund 2008 Spring Funding Recommendations

Arthur Sullivan, Executive Director for ARCH (A Regional Coalition for Housing), reviewed the Housing Trust 2008 spring funding request for Bellevue housing funds and Community Development Block Grant funds. He requested Council action on funding for the St. Andrews Housing Group Factoria project and the Housing Resources Group Kenmore Village project.

Resolution No. 7846 approving the 2008 spring funding request in the amount of \$958,163 for the St. Andrews Housing Group Factoria project.

- Councilmember Noble moved to approve Resolution No. 7846, and Councilmember Chelminiak seconded the motion.
- The motion to approve Resolution No. 7846 carried by a vote of 6-0.

Resolution No. 7847 approving the 2008 spring funding request in the amount of \$500,000 for the Housing Resources Group Kenmore Village project.

- Councilmember Noble moved to approve Resolution No. 7847, and Councilmember Chelminiak seconded the motion.
- The motion to approve Resolution No. 7847 carried by a vote of 6-0.

- (b) Resolution No. 7848 authorizing execution of a new labor agreement by and between the City of Bellevue and the International Association of Firefighters Union, Local 1604, representing Battalion Chiefs. This agreement will be effective upon the date of signing by the last party through December 31, 2011.

City Manager Steve Sarkozy briefly reviewed Resolution No. 7848 regarding a labor agreement with the International Association of Firefighters Union, Local 1604, representing Battalion Chiefs.

→ Councilmember Noble moved to approve Resolution No. 7848, and Councilmember Bonincontri seconded the motion.

→ The motion to approve Resolution No. 7848 carried by a vote of 6-0.

(c) Resolution No. 7849 authorizing execution of all documents necessary to complete the sale of certain real property to Children's Hospital pursuant to an existing Purchase and Sale Agreement.

Kate Berens, Deputy City Attorney, provided an overview of Resolution No. 7849 regarding the sale of certain real property to Children's Hospital.

→ Councilmember Chelminiak moved to approve Resolution No. 7849, and Councilmember Noble seconded the motion.

→ The motion to approve Resolution No. 7849 carried by a vote of 6-0.

(d) Motion for Reconsideration

Councilmember Davidson reviewed the Council's rules regarding motions for reconsideration, and noted his discussions with Councilmember Lee regarding the Budget approved on December 1. Dr. Davidson suggested the Council consider using reserve funds instead of increasing the property tax rate.

→ Councilmember Davidson moved to reconsider Ordinance No. 5850 regarding the 2009 property tax levy and Ordinance No. 5851 adopting the 2009-2010 Budget and 2009-2015 Capital Investment Program (CIP) Plan. Councilmember Lee seconded the motion.

Councilmember Chelminiak requested clarification regarding Dr. Davidson's motion under Agenda Item 7. Mayor Degginger said his ruling is that the previous motion was to add an item to the Agenda.

Councilmember Davidson stated his position that the City has reserves, and that a portion of these reserves should be used to offset the property tax rate by one percent.

Noting his absence on December 1, Councilmember Lee thanked the Council for this opportunity to present his position, which he communicated in an email to the Council before that meeting. He expressed concern that his position was not sufficiently represented during the December 1 meeting. Mr. Lee noted that non-Bellevue property taxes continue to increase to fund a number of programs including Medic One and flood control activities. He cautioned that the effect of property taxes is cumulative. Mr. Lee favors the use of reserve funds, instead of a property tax levy, as a more appropriate approach to meet short-term financing needs.

Councilmember Chelminiak acknowledged his interest in a future policy discussion regarding the use of reserves. He commended past Councils for funding the LEOFF I reserve, but noted that a large portion of the anticipated liability remains unfunded. He noted that the equipment reserve is the second largest reserve fund, and it is targeted specifically for equipment replacement. Mr. Chelminiak would like to review the policies associated with the Rainy Day Reserve to determine the allowable and appropriate uses of the fund.

Mr. Chelminiak said that a one percent property tax rate results in a minimal cost to homeowners, while providing the opportunity to accomplish significant projects representing a public benefit. He encouraged the Council to vote against the motion to reconsider.

Councilmember Noble noted his concerns regarding Mr. Lee's email to the Council before the December 1 meeting. Mr. Noble said he chose to not comment on the email during the December 1 meeting because he felt it would be more appropriate for Mr. Lee to present his arguments in a public meeting.

Mr. Noble said the Council has demonstrated an ongoing commitment to representing the interests of everyone in the community, both residents and business owners, when determining how to balance taxes with infrastructure needs that will benefit the community, and for which the City has a responsibility to provide. Mr. Noble noted the absence of new information to justify the reconsideration of a decision made one week earlier. He will vote against the motion.

While she would prefer to never have to raise taxes, Councilmember Bonincontri said the proposed property tax is needed in order to effectively lead the community in providing appropriate infrastructure and maintenance to support ongoing growth. She is opposed to using the Rainy Day Reserve as an alternative funding mechanism.

Mayor Degginger noted that the purpose of the financing mechanism is to support the City's long-range infrastructure activities, including critical transportation projects. Referring to Mr. Lee's statement that his position was not accurately represented in his absence on December 1, Mayor Degginger opined that Dr. Davidson did adequately summarize Mr. Lee's position on the property tax rate during that meeting. Mr. Degginger is opposed to the motion to reconsider.

→ At 10:00 p.m., Councilmember Noble moved to extend the meeting to 10:05 p.m. Councilmember Chelminiak seconded the motion.

→ The motion to extend the meeting carried by a vote of 6-0.

Responding to Dr. Davidson, Finance Director Jan Hawn said approximately \$300,000 in revenue is produced by a one percent property tax rate.

Dr. Davidson suggested using the current budget's ending fund balance instead of a property tax levy. Ms. Hawn clarified that the ending fund balance is estimated and that actual funds to be available are unknown.

→ The motion to reconsider Ordinance No. 5850 and Ordinance No. 5851 failed by a vote of 2-4, with Councilmembers Davidson and Lee voting in the affirmative.

12. Unfinished Business: None.

13. Continued Oral Communications: None.

14. New Business: None.

15. Executive Session: None.

16. Adjournment

At 10:05 p.m., Mayor Degginger declared the meeting adjourned.

Myrna L. Basich
City Clerk

/kaw