

CITY OF BELLEVUE  
CITY COUNCIL

Summary Minutes of Regular Session

April 5, 2010  
8:00 p.m.

Council Chamber  
Bellevue, Washington

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

ABSENT: Mayor Davidson

1. Call to Order

The meeting was called to order at 8:05 p.m., with Deputy Mayor Lee presiding.

2. Roll Call, Flag Salute

Upon roll call, all Councilmembers were present.<sup>1</sup> Councilmember Robertson led the flag salute.

(a) Welcome to Liepaja Sister Cities representative Dace Kresmaine

Bob Derrick, Economic Development Director, introduced Dace Kresmaine, a construction designer and manager visiting from the Sister City of Liepaja, Latvia. While she is not here as part of an official staff exchange, she is studying park designs for children with special needs.

Dace Kresmaine described her activities related to studying playgrounds, parks, and special education programs. She noted how friendly everyone has been to her, and looks forward to taking what she learns back to her home city.

Mr. Derrick explained that Ms. Kresmaine is working on the design of a park in Liepaja that is partially funded by contributions from the Bellevue Sister Cities Association.

(b) Bellevue Youth Symphony Update

Deputy Mayor Lee welcomed musicians from the Bellevue Youth Symphony, which is celebrating its 45<sup>th</sup> season. He thanked them for playing in the concourse before the meeting.

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<sup>1</sup> Councilmember Degginder took his seat on the dais at 8:08 p.m.

Ruth Brewster, Executive Director of the Bellevue Youth Symphony, introduced Teresa Metzger Howe, Music Director and Conductor, and Scott Lampe, representing the Board of Directors. Ms. Brewster described the program's activities serving the Eastside since 1964. The symphony currently serves 330 youth, ages 6 to 20, in seven orchestral ensembles. She noted that program alumni are in colleges and universities across country. Ms. Brewster thanked the Council and the City for their support of music programs. She presented items commemorating the group's 45<sup>th</sup> anniversary as well as tickets to an upcoming performance.

Deputy Mayor Lee thanked the symphony representatives for attending the meeting and for their great work within the community.

(c) Proclaiming April 17 as Arbor Day

Deputy Mayor Lee read a proclamation recognizing April 17 as Earth Day and Arbor Day in Bellevue. He encouraged citizens to participate in community-wide projects and celebrations.

Christina Brown, Environmental Programs Coordinator, encouraged the Council and the community to come to Lewis Creek Park on Saturday to celebrate Arbor Day. A family festival is scheduled from 11:00 a.m. to 1:00 p.m., with a tree planting ceremony to be held at 11:30 a.m. Ms. Brown introduced Sarah Foster, Urban and Community Forestry Program Manager for the Washington State Department of Natural Resources

Ms. Foster presented the Council with the City's 19<sup>th</sup> Tree City USA award and 17<sup>th</sup> Growth Award from the National Arbor Day Foundation. She commented on the importance of the awards and what they symbolize.

Deputy Mayor Lee stated that the Council is honored and proud to accept these awards on behalf of City.

3. Communications: Written and Oral

- (a) Charles Fisher spoke regarding the potential impacts of light rail on his neighborhood, including the environmental impacts to the Mercer Slough and wetlands along the B3 route. He encouraged the City to conduct an independent study comparing the potential light rail alignments.
- (b) James Stone, a resident of Bellefield Park condominium complex, expressed concern regarding the impacts of light rail to his home value. He and his wife are opposed to the proposed placement of light rail between his home and the Mercer Slough Park. He feels that the B7 alignment is a better plan offering protection to residences, businesses, and the main traffic flow between I-90 and downtown.
- (c) Steen Bratner, a resident of Bellevue Towers Condominiums on 106<sup>th</sup> Avenue NE, expressed concern regarding noise disturbances that he and his neighbors are experiencing. He noted that residents have spoken with City staff about the noise issues, and is seeking guidance on how to deal with the matter. He described excessive noise

associated with garbage collection approximately five nights per week, occurring between 3:00 and 4:30 a.m. Another noise issue relates to trucks operating in the middle of the night pumping grease from tanks in neighborhood restaurants. Responding to the Deputy Mayor, Mr. Bratner said City staff has spoken with some of the business owners about the noise concerns. However, nothing has changed at this point.

Deputy Mayor Lee asked the City Manager to direct staff to prepare a briefing on the issues raised by Mr. Bratner.

- (d) Kathy Fan, resident of Bellevue Towers, noted that she wrote a letter to the City Council approximately 10 days earlier about a potential noise control modification. She thanked Councilmember Wallace for his reply encouraging her to testify before the entire Council. She described negative noise impacts at Bellevue Towers including a continuously running pump at a neighboring business. After complaining for several months, the noise level was eventually reduced from 90 decibels to 70 decibels. However, it prevents her from sleeping and lowers her quality of life. She noted her frustration that, according to City Code, she cannot call the Police about the noise because it is caused by a stationary object. She is also frustrated that Land Use staff is not being responsive to her complaint.
- (e) Michael Brann, representing Bellevue Towers residents, expressed frustration regarding the excessive noise levels. When garbage trucks are in the alley, the noise is as if there were no walls on the condominiums, or as loud as fireworks inside the house. He noted that approximately 98 homeowners have moved in, and 400 more are coming over the next couple of years. He said the problem will grow as new residents continue to move into their building and other downtown residential buildings.

Councilmember Balducci requested a staff report regarding the City Codes related to this noise issue.

- (f) John Jensen, representing the Municipal League of King County, explained that the organization is preparing for its candidate evaluation committees. He chairs the South Committee, which meets at Renton Technical College, and there are other committees in Bellevue, North Seattle, and Downtown Seattle. He requested the Council's help in encouraging stronger participation from the suburban cities and the unincorporated rural areas of King County. Mr. Jensen said volunteering for the Municipal League is a fun, intense experience during the last couple weeks of June.

4. Reports of Community Council, Boards and Commissions: None.
5. Report of the City Manager
  - (a) Management Brief providing update on Development and Implementation of Job Order Contracting

City Manager Steve Sarkozy noted a management brief in the Council packet regarding the job order contracting process that was originally endorsed by the Council in June 2009.

Dave Berg, Deputy Director of Transportation, recalled that the job order contracting process is an alternative method for completing small and routine maintenance and construction projects through a single competitively bid contract. The Washington State Legislature authorized its use in 2003, and renewed it in 2007 to continue through June 2013.

Mr. Berg noted that the main job order contractor typically sub-contracts approximately 90 percent of the work. According to state law, the work orders cannot exceed \$300,000. Bellevue staff anticipates that work orders will be \$150,000 or less. Mr. Berg said staff proposes a minimum commitment of \$25,000 for the initial contract. The process expedites the completion of smaller, routine projects, and reduces or eliminates change orders through enhanced communication between staff and the contractor.

Rocky Brannan described the selection criteria to be used for hiring a job order contractor including related experience and past performance; contract management plan; quality control plan; subcontractor management; financial capability; safety; and price proposal. Staff plans to publish requests for proposals on April 22 for two job order contractors, one for building renovation projects and one for public works projects. Staff anticipates returning to Council on June 21, 2010, for final approval of the job order contracts.

Councilmember Balducci commented on the current low bid environment. Mr. Brannan confirmed that the contracts will commit the City to only one \$25,000 project each. Staff can continue to utilize whatever method is most cost effective, including the normal low bid process, for completing projects.

Responding to Deputy Mayor Lee, Mr. Berg said staff will compare project costs with the unit price book and the current market on an ongoing basis.

Responding to Councilmember Wallace, Mr. Berg said one contract will be focused on horizontal work such as sidewalks, planters, and neighborhood traffic calming projects. The second contract involves building renovations and repair projects. Individual projects will be completed through specific work orders under both contracts. Mr. Berg said there is nothing prohibiting staff from bundling sidewalk projects, for instance, and going through the normal design and bidding process. However, job order contracting enables staff to work with the contractor to complete relatively small projects in a more efficient manner.

Deputy Mayor Lee noted a Council consensus to proceed with the job order contracting process.

Mr. Sarkozy asked staff to provide an update on the Bellevue High School expansion project.

Land Use Director Carol Helland reported that the appeal period for the project has passed, and no appeals regarding the Bellevue High School project were received. She noted that staff worked with the community and the applicant to balance the community, school, and City interests.

City Manager Sarkozy asked that Consent Calendar Item 8(b) be withdrawn, and that Items 8(c), (f), (g), and (h) be pulled for separate consideration.

6. Council Business and New Initiatives

Deputy Mayor Lee reported that he and the Mayor attended a event on March 29, in which the U.S. Department of Commerce honored Bellevue for its Initiative India, a special effort to boost trade with India. Bellevue was presented with a certificate of appreciation for achievement in international trade, and the City hosted the luncheon to discuss President Obama's national export initiative.

Councilmember Chelminiak reported that he attended the Municipal League of King County's 100<sup>th</sup> Anniversary Dinner.

Councilmember Robertson attended meetings of the Bellevue School District fiscal advisory committee. She and Deputy Mayor Lee attended the groundbreaking for the Andrews Glen affordable/transitional housing project at St. Margaret's Episcopal Church. Ms. Robertson noted that she and her husband initially proposed the project to the church, which they attend. She reported that Bellevue Girl Scouts sold 90,000 boxes of cookies, which includes 7,500 boxes that were sent to U.S. troops. Local Girl Scouts also donated cookies and money earned through cookie sales to Hopelink.

Councilmember Balducci reported that she attended the Governor's signing of the SR 520 funding legislation at Bellevue City Hall. As a Sound Transit Board member, Ms. Balducci has been involved in a number of meetings related to light rail planning.

Councilmember Wallace attended the Bellevue Police Guild Foundation breakfast and the Bellevue Planning Commission's joint meeting with the Washington Sensible Shorelines Association. He noted that the Planning Commission meeting was videotaped, and he encouraged other Councilmembers to view it. He reported that he read the book *The Big Short* while on vacation last week, which is about the subprime mortgage crisis. He feels this is an important book, and relevant to the Council's consideration of housing items later in the meeting.

Mr. Wallace expressed concern about current noise issues affecting downtown residents and noise impacts related to light rail planning. He noted a recent article in *The Seattle Times* about light rail noise impacts in Tukwila and Seattle neighborhoods. Councilmember Wallace proposed that the City hire an acoustical engineer to properly model and analyze noise impacts. He noted the need to address the effectiveness of the City's noise code in light of growing concerns within the community.

Councilmember Degginger attended the signing of the SR 520 bill by Governor Gregoire in Bellevue City Hall. He noted that this marks the completion of a 13-year effort to get moving with construction of the 520 project. The State will select a contractor for the Eastside portion of the project by the end of the year.

Deputy Mayor Lee attended the SR 520 bill signing as well, and the ground breaking for the St. Andrews housing project at St. Margaret's Episcopal Church. He commended A Regional Coalition for Housing (ARCH) for its work as a regional organization that provides affordable housing projects.

7. Approval of the Agenda

- Councilmember Chelminiak moved to approve the agenda, and Councilmember Robertson seconded the motion.
- The motion to approve the agenda carried by a vote of 6-0.

8. Consent Calendar

- Councilmember Chelminiak moved to approve the Consent Calendar, with the exception of postponing action on Item 8(b), and pulling Items 8(c), 8(f), 8(g), and 8(h) for separate consideration. Councilmember Robertson seconded the motion.
- The motion to approve the Consent Calendar, as amended, carried by a vote of 6-0, and the following items were approved:
  - (a) Minutes of February 8, 2010 Extended Study Session  
Minutes of February 16, 2010 Study Session  
Minutes of February 16, 2010 Regular Session  
Minutes of February 22, 2010 Extended Study Session
  - (d) Outsourced Printing Services

Resolution No. 8064 authorizing execution of a two-year contract, with an option to renew for an additional two years, with CCS Printing, in the amount of \$75,000, for outsourced printing services.

Resolution No. 8065 authorizing execution of a two-year contract, with an option to renew for an additional two years, with Olympus Press, in the amount of \$75,000, for outsourced printing services.

Resolution No. 8066 authorizing execution of a two-year contract, with an option to renew for an additional two years, with Capitol City Press, in the amount of \$75,000, for outsourced printing services.

Resolution No. 8067 authorizing execution of a two-year contract, with an option to renew for an additional two years, with Printex Press, in the amount of \$75,000, for outsourced printing services.

Resolution No. 8068 authorizing execution of a two-year contract, with an option to renew for an additional two years, with Copiers NW, in the amount of \$75,000,

for outsourced printing services.

- (e) Resolution No. 8069 authorizing execution of a two-year General Services contract with GCA Services Group, Inc., in an amount up to \$58,675, for janitorial services at the Lewis Creek Visitor Center, Lake Hills Community Center, Lake Hills Ranger Station and Resource Management facility.
- (i) Resolution No. 8070 authorizing execution of a professional services agreement with Herrera Environmental, in an amount not to exceed \$123,700, for engineering services for the Upper Vasa Creek Check Dam Repairs Project (CIP Plan No. D-59).
- (j) Motion to award Bid No. 10010 for Sanitary Sewer Repairs to Shoreline Construction, in an amount not to exceed \$409,552.95, as lowest responsible and responsive bidder (CIP Plan No. S-24).
- (k) Motion to award Bid No. 10011 for AC Water Main Replacement - Phase 1, to Earthwork Enterprises, Inc., in an amount not to exceed \$1,254,775.24, as lowest responsible and responsive bidder (CIP Plan No. W-16).
- (l) Motion to award Bid No. 10015 for Water Service Saddle Replacement to Bonner Brothers Inc., in an amount not to exceed \$325,939.05, as lowest responsible and responsive bidder (CIP Plan No. W-99).

Item Postponed:

- (b) Resolution No. 8063 authorizing execution of an amendment to the professional services agreement with Hillis, Clark, Martin & Peterson to increase the contract amount by \$30,000, to a total of \$75,000 for legal services.

Items Pulled for Separate Action:

- (c) Motion to approve payment of claims for the period March 13, 2010 through April 2, 2010 and payroll for the period March 1, 2010 through March 15, 2010.

Mr. Sarkozy said that Agenda Item 8(c) was pulled to allow Councilmember Wallace to recuse himself on this specific item. Mr. Sarkozy explained that this item includes payment to Wallace Properties for property management services at the City-owned Lincoln Center building. The contract with Wallace Properties was adopted in 2009 before the City Council election.

Councilmember Wallace recused himself and temporarily stepped down from the Council dais.

→ Councilmember Balducci moved to approve Agenda Item 8(c) for the payment of claims and payroll. Councilmember Chelminiak seconded the motion.

- The motion to approve Agenda Item 8(c) carried by a vote of 5-0, with Councilmember Wallace recused.

Mr. Wallace then returned to the dais.

- (f) Motion to award Bid No. 10002, 116th Avenue SE Sidewalk and Traffic Calming Project to Dumpman Construction, in the amount of \$132,775.00, as lowest responsible and responsive bidder. This project will construct a sidewalk on the east side of 116th Avenue SE between SE 60th Street and SE 61st Place, and install two landscaped medians on 116th Avenue SE between SE 64th Street and SE 65th Place to improve pedestrian safety and address excessive vehicle speeds in the area (CIP Plan Nos. PW-W/B-56 and PW-M-7).
- (g) Motion to award Bid No. 10003, SE 24th Street Sidewalk to D & G Backhoe, Inc., in the amount of \$71,565.00, as lowest responsible and responsive bidder. This project will install curb, gutter and sidewalk on the north side of SE 24th Street between 139th Avenue SE and Kamber Road (CIP Plan Nos. NEP-1 and PW-M-3.)
- (h) Motion to award Bid No. 10004, NE 8th Street Sidewalk Replacement to Kamins Construction, Inc., in the amount of \$147,780.54, as lowest responsible and responsive bidder. This project will repair the existing curb, gutter and sidewalk with a 6-foot wide sidewalk, 4-foot wide planter strip, curb and gutter on the north side of NE 8th Street, west of 156th Avenue NE. In addition, the adjacent travel lane will be repaved (CIP Plan Nos. NEP-1 and PW-M-1).

Mr. Sarkozy noted that these items all involve sidewalk projects. Item 8(f) constructs sidewalks and medians on 116<sup>th</sup> Avenue SE to address pedestrian safety and excessive vehicle speeds. This has been a longstanding neighborhood issue, and a number of alternatives have not been effective. Item 8(g) is a Neighborhood Enhancement Program (NEP) project that provides a missing link of sidewalk on SE 24<sup>th</sup> Street. Item 8(h) is the replacement of a section of sidewalk on NE 8<sup>th</sup> Street as well as repairs to the adjacent planter strip, curb, and gutter.

Councilmember Robertson stated that she requested pulling the items because she is concerned that this is getting ahead of the overall budget process. She supports the projects and believes that the bids look favorable. However, as the Council is moving through the budget process, it will be prioritizing spending with a very large gap in the capital budget.

Councilmember Robertson questioned the two Neighborhood Enhancement Program (NEP) projects, Items (g) and (h). Both were voted as the fourth highest priority by the neighborhoods, and she is wondering what happened to the neighborhoods' higher priorities.

Laurie Gromala, Assistant Director of Transportation, explained that the other priorities are Parks-related projects that are in process. In the Crossroads area, one project is a walkway between Crossroads Park and the mall, as well as landscaping work.

Councilmember Robertson clarified that she just wanted to be sure that the neighborhoods' higher priorities projects will be implemented. Ms. Gromala confirmed that the projects will be completed.

Councilmember Chelminiak stated that the projects are in the budget that was adopted in December 2009.

- Councilmember Balducci moved to approve Agenda Items 8(f), (g), and (h) providing for sidewalk projects. Councilmember Chelminiak seconded the motion.

Councilmember Balducci said that she understands the concern about budget constraints. When the Council adopted the 2010 budget, the Council talked about how the City would pay for some of the capital projects planned for this year. She noted that some large projects were eliminated. However, she expects that projects allocated within the 2010 budget will be funded throughout the year, unless staff reports to the Council that there is an additional funding shortfall for the current year. Ms. Balducci stated her understanding that the budget challenge applies to the 2011-2012 budget, while she supports moving forward with projects allocated in the adopted 2010 budget.

Mr. Sarkozy confirmed that this is correct. Brad Miyake, Deputy City Manager, explained that a number of projects were delayed during budget discussions last year due to the downturn in the economy. However, the sidewalk projects under discussion were among those approved for implementation in the short term.

Responding to Deputy Mayor Lee, Mr. Miyake said staff will bring back an updated financial forecast in late April.

Councilmember Chelminiak noted a savings of a couple hundred thousand dollars on a total of approximately \$350,000. The projects are responsive to the community's interests and are being delivered at a substantial cost savings to taxpayers.

- The motion to approve Agenda Items 8(f), (g), and (h) carried by a vote of 6-0.

9. Public Hearings: None.

10. Land Use: None.

11. Other Ordinances, Resolutions and Motions

- (a) Resolution No. 8071 authorizing designation of a recovery zone for purposes of Sections 1400U-1, 1400U-2 and 1400U-3 of the Internal Revenue Code of 1986, as amended, and the American Recovery and Reinvestment Act of 2009 for the purpose of issuing bonds.

Mr. Sarkozy introduced Tom Boydell, Economic Development Manager, to review Resolution No. 8071 authorizing the declaration of the City as a Recovery Zone with respect to bonding

authority related to federal stimulus funding.

Mr. Boydell explained that the federal government's stimulus efforts last year established two programs: 1) Build America bonds, and 2) Recovery bonds. Citywide staff (i.e., Finance, Legal, Economic Development, Planning) have determined that the City is not able to take advantage of the bonds for its own direct borrowing and projects. This is due in part to technical limitations and hidden costs within the program. However, in recent conversations with the State and King County, it was determined that Bellevue could use some of the recovery bonds to benefit others, including the private sector. The City of Bellevue would not do any direct borrowing, but has the option of transferring bonding authority for three categories of recovery bonds. The authority for Energy Conservation bonds could be transferred to the State, which could pool the money and work to ensure that the Clean Energy Bonds are put to a greater use. This mechanism could potentially be used to benefit the Bellevue Transit Center.

The second category is Economic Development Bonds, which have high issuance costs due to a number of requirements. It therefore does not make much sense to borrow under this program unless the amount is relatively large. King County's allocation is ten times Bellevue's allocation in this program. As a result, the City and King County have discussed the potential for the City's transfer of its \$2.4 million authority to King County, which could pool the money and better spread the cost of borrowing. King County would be required to use the money for a project in Bellevue.

The third category of bonds is Recovery Zone Facility (Private Activity) Bonds, which are essentially an extension of a program that has been around for several decades known as Industrial Revenue Bonds. The latter has limited uses and applications. However, the federal government is allowing a temporary modification to expand to a broader range of uses. The City would not borrow the funds but would review the projects and submit them to the State, which would act as the conduit issuer. Possible uses include the Lake Hills Commercial Center Revitalization project, the Spring District, and the Newport Hills Commercial Center project.

Staff recommends: 1) Accepting and transferring the authority granted for Economic Development Bonds to another local jurisdiction for its use to pay for a public infrastructure or building project within Bellevue; 2) Not accepting qualified Energy Conservation Bonds authority, which allows reversion to the State for pooling; and 3) Accepting Facility (Private Activity) Bonds authority. The first step is to pass a Resolution declaring Bellevue as a Recovery Zone.

Responding to Councilmember Balducci, Mr. Boydell explained that declaring Bellevue as a Recovery Zone involves meeting the federal government requirement that Bellevue has had adverse impacts (e.g., job losses, business bankruptcies) from the economic crisis. The federal government's screening has determined that Bellevue meets this qualification. However, Bellevue is required to formally acknowledge the adverse impacts by declaring itself as a Recovery Zone. This designation is limited to the purposes of these bonds and carries no other implications.

Councilmember Balducci stated she would feel more comfortable if the Resolution reflected that the federal government has made this determination about Bellevue. She noted statements in the Resolution regarding significant poverty, unemployment, home foreclosure rates, and general distress. She would like to understand the basis for these statements within the context of making a legal declaration on behalf of the City.

Mr. Boydell suggested referring this question to the City Attorney. He noted that the Resolution does not need to be approved tonight.

Deputy City Attorney Kate Berens noted that the Findings section of the Resolution provides specific data regarding unemployment, bankruptcy filings, office vacancy rates, and other local economy indicators.

Councilmember Balducci said this satisfies her concerns.

- Councilmember Chelminiak moved to approve Resolution No. 8071, and Councilmember Balducci seconded the motion.
  - The motion to approve Resolution No. 8071 carried by a vote of 6-0.
- (b) A Regional Coalition for Housing (ARCH)

Resolution No. 8072 authorizing execution of all documents necessary to enter into Agreements for the funding of affordable housing projects, as recommended by the ARCH Executive Board for the SAHG (St. Andrews Housing Group) Totem Lake Apartments for an amount of \$372,500.

Mr. Sarkozy noted that this group of Resolutions has previously been discussed with the Council. Staff recommends approval of all of the Resolutions.

- Councilmember Robertson moved to approve Resolution No. 8072, and Councilmember Chelminiak seconded the motion.
- The motion to approve Resolution No. 8072 carried by a vote of 6-0.

Resolution No. 8073 authorizing entering into agreements recommended by the ARCH Executive Board for the FFC (Foundation for the Challenged) Group Homes for an amount of \$60,000.

- Councilmember Chelminiak moved to approve Resolution No. 8073, and Councilmember Robertson seconded the motion.
- The motion to approve Resolution No. 8073 carried by a vote of 6-0.

Resolution No. 8074 authorizing entering into agreements recommended by the ARCH Executive Board for the ARCH Downpayment Assistance Program for an

amount of \$45,000.

- Councilmember Balducci moved to approve Resolution No. 8074, and Councilmember Chelminiak seconded the motion.

Councilmember Wallace noted Article 8, Section 7, of the Washington State Constitution, which prohibits loans to people other than the poor or infirm. He questioned whether 80 percent of median income is poor. He stated that Councilmembers have a duty to uphold the State Constitution.

Mr. Sarkozy said staff will provide a response to Mr. Wallace's concern before execution of the agreements, if approved by the Council.

Deputy Mayor Lee said he is sympathetic to Councilmember Wallace's concern. However, Mr. Lee's position is that the City is providing funding for the program, while it is ARCH's responsibility to administer the program. He expressed support for the motion.

- The motion to approve Resolution No. 8074 carried by a vote of 5-1, with Councilmember Wallace opposed.

Resolution No. 8075 approving the 2010 ARCH Budget and Work Plan.

Mr. Sarkozy recalled that the 2010 ARCH Budget and Work Plan were previously discussed with the Council. The City's contribution to the program is \$136,792 for 2010.

- Councilmember Chelminiak moved to approve Resolution No. 8075, and Councilmember Robertson seconded the motion.
- The motion to approve Resolution No. 8075 carried by a vote of 6-0.

Resolution No. 8076 authorizing execution of the Amended and Restated ARCH Interlocal Agreement providing for centralized administration of the ARCH Housing Trust Fund.

- Councilmember Chelminiak moved to approve Resolution No. 8076, and Councilmember Robertson seconded the motion.

Councilmember Chelminiak commended ARCH's work to provide affordable housing projects on the Eastside.

Councilmember Balducci said she wants to make sure that the Council is not adopting ongoing unfunded operating costs. Mr. Sarkozy confirmed this understanding. In further response, Mr. Sarkozy said the project is dependent upon the commitments of other ARCH cities.

Councilmember Wallace echoed Councilmember Chelminiak's comments with regard to the good work by ARCH. The region is on the verge of an affordable housing crisis because the cost

of housing is so high. While he has a philosophical problem with providing second mortgages to people making 80 percent of median income, he does not want people to conclude that he does not support ARCH's efforts, as he is proud of the program's accomplishments.

→ The motion to approve Resolution No. 8076 carried by a vote of 6-0.

12. Unfinished Business: None.

13. Continued Oral Communications: None.

14. New Business: None.

15. Executive Session

→ Councilmember Robertson moved to extend the meeting until 11:00 p.m., and Councilmember Wallace seconded the motion.

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

Deputy Mayor Lee announced recess to Executive Session for approximately one hour to discuss one item of potential litigation.

16. Adjournment

The Executive Session was concluded at 11:04 p.m., and Deputy Mayor Lee declared the meeting adjourned.

Myrna L. Basich, MMC  
City Clerk

/kaw