

CITY OF BELLEVUE  
CITY COUNCIL

Summary Minutes of Regular Session

April 19, 2010  
8:00 p.m.

Council Chamber  
Bellevue, Washington

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

ABSENT: None.

1. Call to Order

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

2. Roll Call, Flag Salute

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

(a) Volunteer of the Year Award

Shelly Shellabarger reported that volunteers provided 127,000 hours of community service for City of Bellevue programs in 2009. She noted that the City's Volunteer of the Year award is designed to recognize individuals who not only have made significant contributions to the community, but who have also gone above and beyond the call of duty by demonstrating leadership, innovation, creativity, collaboration and partnering.

Ms. Shellabarger presented the 2009 Volunteer of the Year award to Sharon and Dallas Graham for their work with the Bellevue Botanical Garden, including serving as co-chairs of the Garden d'Lights program.

Mayor Davidson and the Council congratulated and thanked the Grahams for their community service.

(b) Police Volunteer Recognition

Marji Trachtman presented the Police Department Volunteer of the Year award and a 15-Year Service Award to Pauline Beerman. To date Ms. Beerman has worked more than 3,000 hours, serving every Thursday at the Factoria Community Police Station answering phones, greeting visitors, and assisting citizens with whatever information or service they might need. Ms. Trachtman described examples of Ms. Beerman's helpfulness and professionalism, and

commended her dedication. On behalf of the Police Department, Ms. Trachtman presented a gift of a Police Department blanket to Ms. Beerman.

Ms. Beerman noted her son Gary in the audience. Mayor Davidson added that her son Kelly was sick and could not attend, but he had contacted the Mayor to pass along his appreciation. Ms. Beerman said it has been an honor and a privilege to work with the Police Department. She thanked everyone for the recognition.

Mayor Davidson and the Council thanked Ms. Beerman individually.

(c) Circle of Excellence Award from Association of Government Accountants

Rich Siegel reported that the Association of Government Accountants (AGA) has honored the City of Bellevue with a Circle of Excellence Award for five years or more of reporting its performance to City residents and other stakeholders. Mr. Siegel introduced Dr. Kenneth Smith, technical advisor to the AGA. Dr. Smith presented the award to the Council and briefly described the organization's activities.

Mayor Davidson thanked staff for their work in earning this award.

(d) Commercial Recycling Awards 2009

Denny Vidmar, Utilities Director, introduced the presentation of 2009 Commercial Recycling awards from Allied Waste.

Jeff Borgida, Allied Waste General Manager, presented the awards to La Tienda in the small commercial garbage category (87 percent recycling rate), Bellevue Healthcare in the medium-sized business category (80 percent recycling rate), and Pacific Bioscience Laboratories in the large commercial category (83 percent recycling rate).

David Giuliani and Dwayne Bobbitt, Pacific Bioscience Laboratories, accepted their award and commented on the importance of being good stewards of the environment and positive corporate citizens.

(e) Proclamation regarding Children's Response Center

Mayor Davidson read a proclamation recognizing April as Child Abuse Prevention Month.

Jeannine Alexander and Cyndi Sandoval, representing the Children's Response Center Advisory Board, accepted the proclamation and described the center's work.

3. Communications: Written and Oral

(a) Debi Lelinski, speaking on behalf of the Surrey Downs East Link Committee, commented on the proposed light rail alignment and reviewed the key principles of the Light Rail Best Practices Committee. She noted that Seattle has protected its downtown

and neighborhoods through extensive and expensive tunneling, and she questioned Sound Transit's policies with regard to similar construction on the Eastside. She stated her opposition to the proposed Term Sheet with Sound Transit, and to the use of additional Bellevue tax dollars to fund a tunnel. She urged the Council to withhold support of the Term Sheet.

- (b) Sue Baugh, Chair of the Bellevue Downtown Association's light rail subcommittee, expressed support for a downtown tunnel and the proposed Term Sheet with Sound Transit. This approach will best serve the downtown and the broader community.
- (c) Robert Shay, representing the Wilburton Community Association, urged Council approval of Ordinance No. 5947. He asked that the neighborhood association be included as a full participating partner in the study about how to bar traffic from the new NE 4<sup>th</sup> Street extension project into the neighborhood. He offered suggestions for addressing residents' concerns.
- (d) Ron Rauch, Chair of the Bellevue Downtown Association Board of Directors, urged the Council to approve the East Link Term Sheet, to enable negotiations with Sound Transit to continue.
- (e) Joan Devraun encouraged the Council to adopt the East Link Term Sheet, in order to continue working toward a downtown light rail tunnel. She noted her opposition to the B7 alignment because it will not serve Bellevue's downtown and residents as well as other Segment B options. She feels it would not be feasible to combine B7 with an alignment through the downtown core.
- (f) Kevin Kelly, Bellevue Chamber of Commerce, testified that the Chamber supports alternative C9T (Tunnel) through the downtown, with C14E as the backup. He commented that any alignment and agreement with Sound Transit should maximize overall traffic capacity within Bellevue, with a special emphasis on downtown mobility. The selected alternative should mitigate impacts during construction and operation periods, minimize property takings and condemnations, and preserve Sound Transit subarea equity. The light rail system should not cause new traffic problems for I-90 or I-405, and should integrate well with other transportation modes. The Chamber is opposed to any tax increase that may result from an agreement with Sound Transit, and is concerned about any possible negative effects with regard to the displacement of people and businesses. The Chamber believes that the new B2M option needs more vetting. The Chamber supports the B3M (Side-Running) alternative, or the B7 as a backup. *[At the Council's request, Mr. Kelly submitted his comments in writing as a follow-up to the meeting.]*
- (g) Will Knedlik, Chair of the State Route 520 Users Alliance, expressed support for a downtown light rail tunnel, and asked that it accommodate both buses and trains. He noted that the inclusion of bus rapid transit would allow Sound Transit to successfully compete for federal New Starts funds. He urged the City to ask Sound Transit to seek a full funding grant agreement for \$500 million to \$1 billion to fund Eastside transit needs.

Mr. Knedlik submitted his comments in writing.

- (h) Renay Bennett asked the Council to commit to an equitable, comprehensive, and comparable analysis of Sound Transit's preferred B2M and B3 alignments, as well as the City's B7 alignment. She reviewed comments from Council meetings during the past year in which Councilmembers committed to protecting neighborhoods; upholding Bellevue's policies, codes, and regulations; and seeking legal action with regard to light rail if necessary. She cautioned against losing credibility and influence with Sound Transit and other outside agencies if the community and City Council are not united. Ms. Bennett urged the Council to stand firm with regard to B7 and C2T, and to continue to support Bellevue taxpayers and citizens.
- (i) Marie Anderson, a Newport Hills resident, expressed concern regarding the noise associated with light rail. She explained that her daughter lives in Tukwila, and is now experiencing noise impacts associated with the recent implementation of light rail. Her daughter lives 2-3 blocks from the light rail line and reports that she hears trains every 7-8 minutes. The installation of a noise wall helped somewhat, but the overall atmosphere of the neighborhood has completely changed. Ms. Anderson expressed concern that light rail will negatively affect the overall quality of life in Bellevue.
- (j) T.J. Woosley commented on the Wilburton Connections project [Agenda Item 11(b)]. He expressed support for the project, but is concerned about the amount of right-of-way to be taken on 120<sup>th</sup> Avenue between NE 8<sup>th</sup> and NE 12<sup>th</sup> Streets. To lessen the takings somewhat and to improve both vehicle and bicycle travel, Mr. Woosley suggested moving the bike lanes to the BNSF right-of-way. Benefits include increased safety for bicyclists, reduced impacts to properties along 120<sup>th</sup> Avenue NE, and cost savings for the City due to fewer ROW acquisitions. Mr. Woosley further suggested that some of the cost savings could be applied to the completion of the bike trail along the rail corridor.
- (k) Gerard Lutz, Perkins Coie, spoke on behalf of Best Buy in the Wilburton area. Best Buy is requesting that the Council defer action on Resolution No. 8080 with regard to the NE 4<sup>th</sup> Street extension project, until the studies requested regarding NE 6<sup>th</sup> Street and traffic calming on NE 5<sup>th</sup> Street are completed. Mr. Lutz submitted a letter and attachments.

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

5. Report of the City Manager: None.

6. Council Business and New Initiatives

Noting the time of 9:15 p.m., Mayor Davidson agreed to forego Council reports this evening.

7. Approval of the Agenda

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

Councilmember Robertson noted requests to pull Item 8(b) from the Consent Calendar and to remove Item 10(a) from the agenda.

- Councilmember Robertson moved to approve the agenda, amended to pull Item 8(b) from the Consent Calendar and to postpone Item 10(a). Councilmember Chelminiak seconded the motion.
- Councilmember Chelminiak moved to divide the question and to consider Items 8(b) and 10(a) separately. Councilmember Balducci seconded the motion.

Councilmember Balducci stated that Item 8(b) addresses the legal contract fees related to Sound Transit. She suggested it be considered following Item 11(a), which is a discussion regarding the East Link Term Sheet.

Mayor Davidson said he would prefer to take up Item 8(b) immediately following action on the overall Consent Calendar. He called for a vote on pulling Item 8(b).

- The motion to pull Item 8(b) from the Consent Calendar carried by a vote of 7-0.
- Councilmember Degginger moved to reassign Agenda Item 8(b) to occur as Agenda Item 11(b). Councilmember Balducci seconded the motion.
- The motion carried by a vote of 6-1, with Councilmember Robertson opposed.

Mayor Davidson stated that the next question before the Council is the removal of Agenda Item 10(a) from tonight's agenda.

Responding to Councilmember Chelminiak, City Manager Steve Sarkozy said there was a late request directly to the City Attorney's Office for additional information on the Kelsey Creek rezone application.

City Attorney Lori Riordan explained that some legal issues have been raised about the process by which the rezone was handled. She received these questions at approximately 3:00 p.m. and has not had a chance to distribute them to the Council or to do the research necessary to answer the questions. She asked that the item be postponed to allow time for the appropriate legal research.

Councilmember Robertson noted that she raised the legal issues. Ms. Riordan said staff anticipates bringing the item back on May 3.

- The motion to remove Agenda Item 10(a) from tonight's consideration carried by a vote of 7-0.
- The motion to approve the agenda, as amended to reassign Item 8(b) as 11(b), and to remove Item 10(a), carried by a vote of 7-0.

8. Consent Calendar

→ Deputy Mayor Lee moved to approve the Consent Calendar, amended to move Item 8(b) to occur as Item 11(b). Councilmember Wallace 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 March 1, 2010 Study Session  
Minutes of March 1, 2010 Regular Session  
Minutes of March 8, 2010 Extended Study Session  
Minutes of March 15, 2010 Study Session  
Minutes of March 15, 2010 Regular Session  
Minutes of March 22, 2010 Extended Study Session
- (c) Resolution No. 8077 authorizing execution of a professional services agreement with Parametrix, in an amount not to exceed \$120,000, for engineering services for the Lakemont Sand Filter Wetpond Retrofit project (CIP Plan No. D-92).
- (d) Resolution No. 8078 authorizing execution of a professional services agreement with Herrera Environmental Consultants, in an amount not to exceed \$300,000, for the East Creek and Richards Creek Fish Passage Improvement and Stream Modification project (CIP Plan No. D-86).
- (e) Resolution No. 8079 ratifying the Emergency Declaration of the City Manager for construction of emergency public works to address water main breaks on NE 26th Street and 166th Avenue NE (Ardmore Neighborhood).

9. Public Hearings: None.

10. Land Use

- (a) \*Kelsey Creek rezone Consideration of application of Nat Franklin of Franklin West, LLC (Kelsey Creek Center) for a rezone to repeal the prior concomitant zoning agreements (CZAs) for Kelsey Creek Center and replace them with a new CZA or a development agreement. The project is a 16-acre area at the corner of 148<sup>th</sup> Avenue SE and Main Street that used to be anchored by the vacant Kmart Department Store. The site is zoned Community Business (CB) and is located within the jurisdictional area of the East Bellevue Community Council.

Ordinance No. 5946 approving the rezone application of Nat Franklin West, LLC (Kelsey Creek Center) to repeal the prior concomitant zoning agreements for Kelsey Creek Center and replace them with a new concomitant zoning agreement relating to approximately 16 acres located at the corner of 148<sup>th</sup> Avenue SE and Main Street, with conditions.

*[Discussed with the City Council on April 5, 2010.]*

*This is a Process III application within the jurisdiction of the East Bellevue Community Council; therefore, the Hearing Examiner provides a written recommendation to Council, which is the decision-making body. An appeal of the Hearing Examiner's recommendation was not filed.*

*The Hearing Examiner recommends Council approval, with conditions. The East Bellevue Community Council will then take action to approve/deny the City Council's decision.*

[Item postponed by Council vote under Agenda Item 7.]

11. Other Ordinances, Resolutions and Motions

(a) Sound Transit East Link "Term Sheet"

Motion to authorize the City Manager to execute the Term Sheet between the City and Sound Transit for Including C9T as a Preferred Alternative for the East Link Project Final EIS.

City Manager Steve Sarkozy recalled the Council's direction to staff, during the February 11 joint meeting with the Sound Transit Board, to continue to work toward resolving the funding needs for a downtown tunnel. The Term Sheet presented for discussion tonight is intended to be a mechanism for moving forward toward this goal, as well as toward the desired outcomes for all of the light rail segments.

Mr. Sarkozy noted that on Tuesday, he submitted to the Council his recommendation expressing his strong support for the Term Sheet as presented in tonight's desk packet. The City, Bellevue Chamber of Commerce, and the Bellevue Downtown Association support a downtown tunnel alignment. Sound Transit and the City are equally interested in finding cost savings and continuing value engineering for the overall East Link project.

Mr. Sarkozy acknowledged that the City's contribution of \$150 million, as proposed in the Term Sheet, is significant and that it is too early to firmly commit to anything at this time. He noted the need for further cost analysis and an assessment of competing local priorities before any formal and binding agreement is reached. He suggested that the non-binding Term Sheet maintains a positive working relationship with Sound Transit, and the signing of the term sheet facilitates moving forward.

Diane Carlson, Director of Intergovernmental Relations, reviewed the proposed Sound Transit-City of Bellevue Term Sheet framework for including light rail alternative C9T as the locally preferred alternative. Staff is requesting Council direction tonight. She reviewed the major components of the Term Sheet including the fundamental principles for a future Memorandum of Understanding regarding the City's potential contributions to meeting the tunnel funding

requirements. Ms. Carlson recalled that the Sound Transit capital committee moved the C9T and C11A options into the preliminary engineering phase, provided that the City and Sound Transit are able to agree on the Term Sheet. The Term Sheet recognizes the environmental impact statement (EIS) process and that consideration will be given to additional information provided by the City and others.

Ms. Carlson explained that the Term Sheet is not binding to either the City or Sound Transit but is a commitment to negotiate in good faith. Contributions and efforts to reduce costs are proposed by both Sound Transit and Bellevue to increase the fiscal capacity for the tunnel option.

Mr. Sarkozy acknowledged that this is a difficult decision for Council. He feels the City is best served by keeping the process moving forward. Mr. Sarkozy reiterated that staff recommends approval of the Term Sheet.

Mayor Davidson suggested reviewing and discussing the 4/16/2010 version of the Term Sheet, which shows redlined edits to the document.

Mr. Sarkozy interjected that the process used for developing the Term Sheet, which was sent to the Council early last week under separate cover, was that Councilmembers should provide any updates to Ms. Carlson or himself, and that they would try to incorporate any modifications received by last Thursday and that were amenable to Sound Transit. Staff attempted to accommodate as many modifications as possible.

Responding to Deputy Mayor Lee, Deputy City Attorney Kate Berens summarized Mr. Lee's requested changes. He requested that there be an acknowledgment in the Term Sheet that the final light rail alignment decision within Bellevue would be made by the City Council. Ms. Berens explained that the requested change was considered inconsistent with Sound Transit's authority regarding the siting of the East Link system, and therefore was not included in the Term Sheet.

→ Councilmember Balducci moved to approve the Term Sheet as presented, and Mayor Davidson seconded the motion.

Councilmember Balducci reviewed the process which began last May. It was clear that Sound Transit would not be able to fill the \$500 million funding gap for a downtown Bellevue tunnel. However, the possibility for a tunnel was kept alive, and the types of potential City contributions ultimately identified are generally acceptable to Sound Transit. The current level of engineering work has decreased the funding gap to \$285 million. Ms. Balducci reviewed potential funding sources including project-related tax and fee waivers, right-of-way contributions, and perhaps re-prioritizing the City's Capital Investment Program (CIP) Plan.

Ms. Balducci said the Term Sheet is a way to express the City's commitment as a financial partner, and the final agreement must have a provision related to shared risks and cost savings. She observed that the Term Sheet is a preliminary general statement of commitment, which will make the Sound Transit Board feel more comfortable with further study of the tunnel option. It

accomplishes 30 percent engineering work for the tunnel alignment, which will put the City and Sound Transit in a better position to assess the costs and risks. Ms. Balducci said that Bellevue retains control to determine whether the project is too risky, and the Term Sheet preserves the possibility of having a tunnel, which the City and Council believes will provide the best performance through downtown Bellevue.

Mayor Davidson noted his interest in making a motion, and turned his gavel over to Deputy Mayor Lee.

Responding to Councilmember Degginger, City Clerk Myrna Basich said the Council Rules allow the Mayor to relinquish the gavel for this purpose.

→ Mayor Davidson moved to amend the motion to include a contingency clause in which Sound Transit recognizes that Bellevue's preferred alternatives are B7 and C9T, and in which Sound Transit agrees to elevate the B7 option as one of four preferred alignments so that it can be studied on an equal basis. The Segment B and C preferred alternatives would then be B2M, B7, C9T, and C11A. Mayor Davidson noted his intent that concurrence with the Term Sheet would be contingent on Sound Transit making these recommendations. Councilmember Robertson seconded the motion.

Mayor Davidson said that discussions with Joni Earl, Sound Transit CEO, indicate that Bellevue would need to make a second motion committing an additional \$2.2 million for preliminary engineering work on the B7 route.

City Manager Sarkozy explained that when the option suggested by the Mayor was discussed with Ms. Earl this morning as a possibility, she indicated that Bellevue would need to be willing to fund the additional analysis, so that Sound Transit is not incurring any additional financial liability through the design process.

In response to Deputy Mayor Lee, Mr. Sarkozy said the estimated cost of the additional analysis is \$2.2 million.

Councilmember Robertson questioned how this differs from the studies that Sound Transit is legally obligated to conduct, whether the B7 is a preferred alternative or not. She questioned whether the level of detail would be much greater and whether Sound Transit would pay for the portion of the work that they are obligated to do by law.

Mr. Sarkozy stated that, under the State Environmental Policy Act (SEPA) process, Sound Transit is carrying all alignments through the final EIS process, and will report out equally the environmental impacts and other issues as required by SEPA. Sound Transit is furthering the engineering of some of the preliminary preferred alternatives including C11A, B2M, and the Segment D alignment. Sound Transit is considering the C9T alternative as a preferred alternative, and the City would be asking that the B7 be considered further by partnering with Sound Transit. The desired goal is to have equal engineering on the B7, B2M, C9T, and C11A options upon completion of preliminary engineering.

Responding to Councilmember Chelminiak, Mr. Sarkozy said the estimated cost of bringing the B7 option to the 30 percent engineering level is \$2.2 million. He said that Ms. Earl indicated that, while she cannot speak for the Sound Transit Board, the City's costs would be incurred based on an hourly rate charge by CH2M Hill. The hope is that this would be approved by the Sound Transit Board.

Councilmember Balducci said she believes that the \$2.2 million would complete 15 percent engineering instead of 30 percent engineering. Mr. Sarkozy corrected himself and concurred.

Deputy Mayor Lee stated that he would like more definitive numbers on the cost estimates.

Councilmember Degginger questioned the source of the proposed \$2.2 million, considering the gap in the current budget. Mr. Sarkozy confirmed that the City does not have money budgeted for this purpose. As the light rail project moves forward, the City will be asked to provide professional services to monitor Sound Transit's work, which also is not budgeted. However, Mr. Sarkozy believes this is important project for the City, and he would suggest transferring funds from another CIP project/account (i.e., PW-R-159).

Councilmember Degginger stated his understanding that the purpose of that account was to provide some additional resource support for analysis as the City went through the East Link process and had a need for additional expertise. He believes that only about \$200,000 remains uncommitted. Mr. Degginger noted his difficulty with voting in favor of action with an immediate funding need when the funding source is unknown. He will not support the proposed approach involving \$2.2 million. Mr. Degginger commented on how far the City has come through this process, involving a great deal of work by the Council and staff.

He asked Councilmember Balducci, as a member of the Sound Transit Board, to comment on how this might be perceived by the rest of Board.

Councilmember Balducci said that while she cannot know how this will be perceived by the Board, there is something attractive to her about this idea, given that a majority of this Council is philosophically committed to the B7 concept. However, her position is that the information to date simply does not support the B7 alternative. The access is not there, the ridership is not there, and the costs are \$100 million higher than the B2 option. The environmental impacts can be quantified in way that shows B7 to be on par or worse than the other Segment B options. Ms. Balducci indicated that if a majority of Council is willing to fund engineering work that will help answer questions, taking the risk about what that analysis will conclude in terms of the costs and benefits of the B7 option, then the work is attractive to her.

Ms. Balducci observed that committing to specific alignments in the Term Sheet would be legally problematic for Sound Transit. She shares Councilmembers' concerns about costs and wants to see the costs in writing. Unlike the \$150 million represented by the Term Sheet, in which there is time and different ways to contribute, the \$2.2 million is needed now. Ms. Balducci said that, as a Sound Transit Board member, she will support whatever is decided by the Council. She emphasized that the City would need to find a way to make this contingency acceptable and legally feasible for Sound Transit.

- With Deputy Mayor Lee still chairing the meeting, Mayor Davidson moved to extend the meeting until 11:00 p.m. Councilmember Balducci seconded the motion.
- The motion to extend the meeting carried by a vote of 6-1, with Councilmember Robertson opposed.

Mayor Davidson expressed concern that the Term Sheet is too open-ended in terms of what the City might be expected to contribute. He is looking for something that would encourage him to support the Term Sheet, which would be to elevate alternative B7 to an adequate level of engineering analysis. Dr. Davidson observed that at one point he was told that the B7 and B3 had roughly the same costs. Now he is hearing there is a \$4 million difference. He has offered to be cooperative with Sound Transit but has not seen enough in return. He reiterated his concern that the Term Sheet is essentially an open door to \$150 million, which is why he proposed the contingency clause regarding more extensive study of the B7.

Councilmember Chelminiak observed that the first element of the motion requests a clause in which Sound Transit recognizes the B7 and C9T as Bellevue's preferred alignments. In terms of the budget the Term Sheet represents \$150 million, and there is an additional request for \$2.2 million. Mr. Chelminiak recalled the extensive process to date, and the Council's full support for a downtown tunnel. He feels that the Term Sheet opens, rather than closes, doors and keeps the tunnel option alive. With regard to the contingency requested by the motion, Mr. Chelminiak questioned why this is coming up now, how much money will actually be needed, and what will be the reaction of the Sound Transit Board.

Mr. Chelminiak expressed concern that the contingency clause could close the door on tunnel negotiations. He would prefer to see a process that adopts the Term Sheet, with perhaps adding a clause that Sound Transit recognizes Bellevue's preferred alternatives as options B7 and C9T. Perhaps the City could come back and work on this issue, but he does not see how the work could be funded. Mr. Chelminiak reminded the Council that every dollar spent at this point is a dollar less available for mitigation.

Councilmember Degginger questioned the wisdom of bringing the B7 clause into the Term Sheet. He observed that this reflects politics rather than the specific details regarding a tunnel. He noted the risk that if the B7 is more expensive now than other options, the budget gap will likely become wider. Mr. Degginger stated that if the City wants a downtown tunnel, it needs to be willing to contribute toward the costs. With regard to the Term Sheet, he suggested revising it to indicate that the City will contribute to costs up to \$150 million. There will be continued opportunity to further reduce project costs and/or modify the project. Mr. Degginger urged that the City not lose ground at this point with regard to its desire for a tunnel.

Councilmember Robertson said she might be able to support the motion to amend, but the concept has challenges for which important details are not currently available. She stated that this is the first she has heard of the Mayor's idea, and there is limited time to grapple with the Term Sheet. While it will not be legally binding, it establishes a framework for any future agreement. Ms. Robertson is fully committed to a downtown tunnel, and she stands behind the

March 24 letter sent to Sound Transit. However, she is deeply troubled by the pressure to expedite approval of the Term Sheet, and the underlying tone that if Bellevue does not sign the Term Sheet, Sound Transit will not advance the C9T downtown tunnel as its preferred alternative. The C9T alignment best ensures the success of the East Link system.

Councilmember Robertson reiterated that she first saw the Term Sheet last Monday, and the Council was asked to provide input to staff by Thursday. She observed that the given review period would be too short even if the Council had better information about costs and implications, and that it is impossible to make a decision given the lack of information. Ms. Robertson noted a deficit of nearly \$100 million in the seven-year capital plan.

Ms. Robertson said there are several elements of the Term Sheet that are of concern to her including giving away public right-of-way to Sound Transit. She opined that if the City gives all of its right-of-way to Sound Transit, there will be no remaining incentive for the agency to keep light rail off Bellevue streets and in dedicated corridors. She would like a detailed analysis by legal counsel about all aspects of the document. Ms. Robertson said the Council has still not received the final report on downtown tunnel funding from the CEO group. The Council does not have engineering data and the requested cost information. Ms. Robertson feels it would be malfeasance on her part to approve the Term Sheet without having full information, a thorough legal review, and ample time to consider and review the Term Sheet. While she feels certain that a light rail tunnel best serves Bellevue citizens, she cannot definitively state that the Term Sheet also meets that standard.

Councilmember Robertson encouraged the City continue to work with Sound Transit to close the budget shortfall for the tunnel, and to notify Sound Transit that more information is needed before the Term Sheet can be executed. She stated that Bellevue has consistently shown good faith in working with Sound Transit to achieve a light rail tunnel. The Council's letter of March 24 clearly outlines the City's intentions. She feels this should be sufficient enough for the Sound Transit Board to have the comfort and confidence to move the tunnel alternative to the next level of engineering. Ms. Robertson said it will be a detriment to the entire region if Sound Transit refuses to select C9T as a preferred alternative. She stated that Bellevue has done its part to help keep the project moving in the right direction, and she expects that the Sound Transit Board will do the right thing for Bellevue and the region.

With regard to Dr. Davidson's motion on the B7 contingency clause, and the proposal that the City fund additional study, Councilmember Wallace said his perspective from the beginning has been about mitigating project impacts to Bellevue's roads, businesses, and neighborhoods. He does not support spending \$2.2 million of taxpayers' monies to study something that Sound Transit has previously committed to studying, which is the B7 alignment. Sound Transit has said it will study the B7 just as it will study the B3 and every other alignment in Segment B.

Mr. Wallace reiterated that it is unacceptable to pay for Sound Transit's work. He agrees with Councilmember Degginger that the City does not have the funds to spend. Councilmember Wallace suggested that Bellevue conduct an independent study to help Councilmembers assess Sound Transit's information and to suggest options for mitigating impacts.

Councilmember Balducci stated that it is frustrating to hear comments that the process has been rushed. The Council has been studying and discussing the project for more than a year, and last May the Sound Transit Board asked the City to identify possible funding sources by early this year. The City did not provide this information to Sound Transit until recently. Ms. Balducci observed that it is understandable for the Sound Transit Board to want some reassurance from Bellevue before it is willing to commit taxpayer dollars to advancing engineering work on certain options. She believes that it is fair to request the Term Sheet at this time.

Responding to Ms. Balducci, Ms. Berens said legal staff reviewed the Term Sheet. She referred the Council to paragraph (k) on the second page of the Term Sheet, which articulates the parties' understanding regarding the non-binding nature of the document. Ms. Berens said the Term Sheet is a commitment to discuss in good faith a number of potential provisions for a future Memorandum of Understanding. If the parties cannot ultimately reach agreement on a MOU, neither party has any further obligations with regard to the Term Sheet.

Councilmember Balducci said she would like to support the motion to amend, and to propose a friendly amendment. She noted that this is a 50- to 100-year project, and the decision to have a tunnel is of significant value to Bellevue. She feels it is important to fund preliminary engineering for B7, which goes beyond the environmental review of the Final Environmental Impact Statement (FEIS).

→ As a friendly amendment, Councilmember Balducci moved to accept the Term Sheet on the condition that the City and Sound Transit will create some form of separate agreement which states that the B7 alignment will be advanced through preliminary engineering, and at the same level as the B2M. The City of Bellevue would offer to pay for the difference with the understanding that the City would cooperate in the study. The decision about the final form of the agreement for funding the study, and only the form of the agreement, would be delegated to the Mayor's authority between now and Thursday.

Responding to Dr. Davidson, Councilmember Balducci confirmed that an agreement about funding further study of the B7 will be a separate document. The discretion she proposes to delegate to the Mayor is the decision regarding the form of the future agreement, which will address the performance of preliminary engineering on B7 and how the parties would commit to pay for it.

→ Mayor Davidson accepted the friendly amendment. As seconder, Councilmember Robertson accepted as well.

Councilmember Chelminiak questioned the progression of the motions.

Councilmember Balducci reviewed that there was a motion to adopt the Term Sheet. There was then a motion by Dr. Davidson to amend the Term Sheet to add a condition regarding preliminary engineering for the B7 alternative and identifying specific preferred alternatives for Segments B and C. Ms. Balducci suggested that if writing Dr. Davidson's proposed language into the Term Sheet becomes a reason for Sound Transit to reject the Term Sheet, the Council would delegate to the Mayor the authority to come up with a separate document in another

format that is sufficient to memorialize that piece of the agreement.

Councilmember Chelminiak observed that the agreement represents money that the Council will be spending.

Responding to Deputy Mayor Lee, Councilmember Balducci said all she is suggesting is that the agreement requested in the Mayor's proposed amendment could be handled separately from the Term Sheet document.

Responding to Mr. Sarkozy, Councilmember Balducci confirmed that she is referring to the financial contribution to advance the B7 preliminary design. Mr. Sarkozy said he believes that could be done with a letter of transmittal attached to the Term Sheet, in which the City commits to paying for preliminary engineering to be conducted by CH2M Hill. The letter would state a preference for the B7 option and commit to locally funding further engineering on this option. Mr. Sarkozy said staff can bring back to the next meeting some suggested potential funding sources. This would allow the Mayor to respond to the Sound Transit Board by Thursday's deadline.

Responding to Deputy Mayor Lee, Mr. Sarkozy said tonight's Term Sheet would be approved subject to, as the amendment states, Sound Transit's restating the B7 preference identified by the Council and stating that Bellevue would pay for preliminary engineering for B7 with its own dollars.

In further response, Mr. Sarkozy speculated that Sound Transit would see the benefit in this because it moves toward full knowledge of four alternatives in Segments B and C. This is the City stepping up to fund an engineering analysis of B7, which goes beyond the required environmental process. This would allow moving forward with the Term Sheet, knowing that a formal Memorandum of Understanding would be developed in early 2011.

Responding to Councilmember Robertson, Mr. Sarkozy said the Council's approval of the Term Sheet would be contingent upon Sound Transit accepting City funds and its commitment to fund.

Councilmember Wallace observed that there is no way of knowing how much the engineering work will cost, and he noted that \$4 million is approximately 13 percent of Bellevue's property tax revenue per year. He suggested exploring a lower cost option for achieving the intended goal.

Councilmember Chelminiak concurred with Councilmember Wallace.

Councilmember Degginger said he is not comfortable spending \$4 million, particularly without putting more thought into an appropriate funding source. He reasoned that the Council could address the Term Sheet on Segment C tonight. Staff and Council could then get information on Segment B and send a letter next week, or later, regarding funding preliminary engineering work for the B7 alternative. Mr. Degginger questioned whether there might be a different way of achieving the Council's objectives in terms of what additional information it would like.

Deputy Mayor Lee said he is in favor of moving forward, but he has a responsibility to represent the best interests of Bellevue citizens. He will not support the amendment until he has adequate information.

Mr. Sarkozy summarized that the amended motion is to carry the B7 alternative forward through preliminary engineering as a condition for approval of the Term Sheet, with the City to fund the preliminary engineering work. If the Term Sheet is not approved, the tunnel alternative will not receive preliminary engineering and will likely not be considered a viable option. Preliminary engineering work to bring the B7 option to a 30 percent level would cost approximately \$4 million. The cost of taking the B7 to the 15 percent level is approximately \$2.2 million. With the amendments, if the Term Sheet is adopted, B7, B2M, C9T and C11A would move through preliminary design.

→ The motion to amend failed by a vote of 2-5, with Mayor Davidson and Councilmember Balducci in favor.

Mr. Lee proposed that Bellevue take responsibility in order to represent residents, get adequate information fairly, and to study the alignments and choose the best route based on the information. He cannot support the Term Sheet without reaching agreement with Sound Transit on financial and technical details. It must give the City of Bellevue, and its elected officials who understand their constituents, the ability to make these decisions on behalf of Bellevue.

Councilmember Wallace stated he has questions regarding the Term Sheet. He noted that new information has come out recently, including Sound Transit's proposed B2M route. He questioned how the B2M route might affect, and whether it is compatible with, the C9T alignment.

Mr. Sarkozy said the specifics of the C9T route are still unresolved, as are the details of the B2M option. The work plan includes a review of the NE 2<sup>nd</sup> Street transition option, as well as the original tunnel portal at the Red Lion location.

Responding to Councilmember Wallace, Councilmember Balducci said the transition between Segment B and Segment C is in the vicinity of SE 6<sup>th</sup> Street. Both the B7 and B2M pass Main Street into the downtown.

Councilmember Wallace said at this point he cannot definitely say he supports the C9T, without knowing the Segment B connection. C9T could be radically different depending on whether it connects to B2M, B3, or B7. With regard to the B2M-C9T connection, is this running at-grade, elevated, in a trench, on the side or middle of the road?

Councilmember Balducci said that question is more of a design issue versus the current focus on alignment.

Councilmember Wallace said it would be great to continue moving forward as partners in this process and working to cooperatively design an alignment. It is premature to be asked to contribute \$150 million when the City does not know the alignment, costs, impacts, and

mitigation requirements. While the City and Council have been discussing the East Link project for a very long time, the Term Sheet was distributed to the Council last Monday.

Mr. Wallace said he cannot make what might be one of the biggest decisions the City has ever made based on the lack of information about its implications. However, he is committed to what was expressed in the Council's letter in recent weeks, which is a willingness to negotiate an agreement with Sound Transit regarding possible cost contributions toward a tunnel. Mr. Wallace referenced meeting minutes stating that Mr. Sarkozy said the right-of-way contributions would apply only to the C9T route. He questioned whether this understanding is correct, and if so, he suggested clarifying that point in the Term Sheet.

Mr. Sarkozy stated that his understanding, which has been articulated by the Deputy City Attorney as well, is that all of the potential financial contributions elements are subject to ongoing and final negotiations with Sound Transit, as the City and Sound Transit review the alignments and potential design details. The commitment reflected in the Term Sheet is to explore those options in good faith as well as a financial contribution up to \$150 million. It is not a binding agreement until a Memorandum of Understanding is established, which is targeted for Spring 2011.

→ Councilmember Wallace moved to amend language in the Term Sheet to state up to \$150 million. Councilmember Degginger seconded the amendment.

Councilmember Lee stated he will not support the amendment, as this is all double talk. Sound Transit has already taken the position that the tunnel will not move forward without a contribution of \$150 million from the City.

Councilmember Balducci referenced page 3 of the Term Sheet, which has language stating that a "binding agreement regarding funding would be negotiated consistent with the following," (if there is a completed EIS that selects the tunnel). The City will provide \$150 million, Sound Transit will identify \$75 million in savings and \$95 million in additional fiscal capacity from Sound Transit's budget, and the two parties will discuss procedures for addressing the appropriate allocation of East Link cost savings and/or increases. To say up to \$150 million is not consistent with language in the Term Sheet which was added at Bellevue's request.

→ Councilmember Chelminiak moved to extend the meeting by 30 minutes to 11:30 p.m. Councilmember Balducci seconded extension.

→ The motion to extend the meeting to 11:30 p.m. carried by a vote of 6-1, with Councilmember Robertson opposed.

Councilmember Degginger stated it is clear that this is not final agreement, but it is a step in a negotiation process. He appreciates concerns regarding the timing of the Term Sheet, but everyone has known that if there is going to be a tunnel, it will require financial contributions from the City.

Councilmember Wallace suggested that the first step should be to determine how to close the cost gap cooperatively. If the costs of the tunnel are ultimately higher, than Bellevue will provide up to \$150 million. The City's contribution should be the last dollars in, not the first dollars in, and it should not be a hard commitment to hand over \$150 million if it is not necessary.

Councilmember Chelminiak stated he will support the amendment stating "up to \$150 million."

→ The motion to amend language in the Term Sheet to state up to \$150 million. carried by a vote of 5-2, with Deputy Mayor Lee and Councilmember Balducci opposed.

Councilmember Wallace said he still has lots of questions. His preference would be to send a letter to Sound Transit urging them to continue to work cooperatively with the City, and explaining that the Council had only one week to review the Term Sheet and needs more time to have its questions answered.

Councilmember Balducci strongly supports what Councilmember Degginger said before the vote on the motion. The Term Sheet is intended to be a formal statement of commitment to continue to follow along with a process that jointly began in February, in order to advance the tunnel option and to satisfy the Sound Transit Board in making a commitment to study the tunnel and to provide engineering work that will help answer many of questions raised.

Councilmember Balducci referenced an email from Joel Glass, Co-Chair of the Light Rail Best Practices Committee. She said in writing her response to Mr. Glass, it became clear to her that the Term Sheet is the right thing to do. She reiterated that the Term Sheet is preliminary and maintains control for the City. The list of potential funding sources is not exclusive, but the Term sheet is intended to provide maximum flexibility for the City.

Councilmember Balducci said she believes the Council should approve the Term Sheet and continue to define what the City wants to study and is willing to pay for in Segment B. If desired by a majority of the Council, additional analysis is an opportunity to make a case that the B7 alternative is better than it looks on paper at this point, and she will support that. She is skeptical that further study will indicate that the B7 competes and performs well, but she is willing to take the step to study it further. She does not want to miss this opportunity in the process.

Deputy Mayor Lee said he appreciates what Councilmember Balducci said in recognizing the Council's majority preference for the B7, and he appreciates her hard work in studying and addressing the issues. However, he has come to the opposite conclusion. He feels the Council needs to step back and listen. He wants a Term Sheet that states that Bellevue is an equal partner and has the right to make decisions that affect Bellevue. He quoted Joel Glass' email opposing the Term Sheet as presented and characterizing it as a "surrender" that will disproportionately benefit Sound Transit.

Councilmember Robertson stated that the Council has consistently supported the tunnel option and worked diligently with Sound Transit. She finds it hard to believe that Sound Transit Board members would expect the Council to make a decision on the Term Sheet within a week, and that they would be so unreasonable that they would ignore all of the work by the City and not

advance the tunnel option for preliminary engineering. She fully intends that the City will enter into a Term Sheet with Sound Transit when the Council has more information and the time to consider all impacts. She reiterated that the City has shown good faith throughout this process.

Councilmember Chelminiak observed that it is frustrating to be asked to make decisions when many variables are unknown, but this is the process that the City is in. If the Council does not approve the Term Sheet, impacts to friends and neighbors are inevitable. Mr. Chelminiak said it is time to make a decision. If in favor of the tunnel, vote to approve the Term Sheet. If opposed to the tunnel, vote no.

→ The motion to approve the Term Sheet, amended to add the words “up to” before \$150 million, carried by a vote of 4-3, with Deputy Mayor Lee, Councilmember Robertson, and Councilmember Wallace opposed.

Mayor Davidson commented that he was not sure how he would vote at the beginning of the evening. He noted the priority he places on the B7 alternative, and the Council’s interest in further analysis of this option.

- (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 \$55,000, to a total of \$100,000 for legal services.

Councilmember Robertson explained that she asked that this be pulled from the Consent Calendar and moved to this part of the Agenda. She proposed increasing the contract maximum reflected in Resolution No. 8063 from \$100,000 to \$250,000. This contract provides outside legal services for light rail issues in Bellevue. Although she expects the City to closely track expenditures, there is significant legal work to be done and a higher maximum will allow work to proceed without publically giving away the pace or scope of the work, while it is going on.

→ Councilmember Robertson moved to approve Resolution No. 8063, amended to increase the contract maximum to \$250,000. Deputy Mayor Lee seconded the motion.

Councilmember Chelminiak questioned the dollars available in PW-R-159. Deputy City Manager Brad Miyake said it is roughly \$200,000. Councilmember Chelminiak observed that the funds are insufficient to cover the contract. He asked why this fund has been used to pay legal bills, noting his understanding that it was established for technical work consistent with the type of analysis the Council has been discussing tonight.

Mr. Sarkozy said these are the only funds available. The City has taken all of the Sound Transit dollars out of this fund. It could just as easily be set up as a separate Capital Investment Program (CIP) account.

Councilmember Chelminiak said he is in favor of increasing the amount of money available in order to pay the bills, but increasing to \$250,000 at this time is not the right move. He has no idea how the money has been used to date. He questioned how the legal work is assigned and monitored.

Responding to Councilmember Degginger, City Attorney Lori Riordan said the bills incurred through the end of February total approximately \$49,000. The March bill was approximately \$16,000, and the April bill is pending. In further response, Ms. Riordan said approximately \$75,000 is needed to pay for legal counsel to date.

→ As a substitute motion, Councilmember Degginger moved to authorize a contract amount of \$75,000. Councilmember Chelminiak seconded the substitute motion.

Councilmember Degginger said he is troubled to learn that this account is being used to pay legal bills. Council did not authorize the fund for that purpose, and he is not interested in taking what is left in fund and making it available for that purpose.

Councilmember Balducci noted that the substitute motion allows for just enough money to pay the outstanding bills. However, it is important to have the ability to contract for expertise that is beyond that provided by in-house staff. The legal counsel allows the City to respond effectively and thoroughly throughout completion of the FEIS, the selection of the alignment, and the submittal of permit applications. She understands the funding issue. However, she feels that staff's requested contract amount of \$100,000 is reasonable.

Councilmember Degginger reiterated his concern with the source of the funds.

→ The substitute motion to approve Resolution No. 8063, amended to authorize contract expenditures of \$75,000, failed by a vote of 2-5, with Councilmembers Chelminiak and Degginger in favor.

Councilmember Robertson restated her motion to increase the contract limit to \$250,000. She would like to approve the amount now, but is comfortable with allocating it to a different fund.

Councilmember Chelminiak spoke in favor of transparency, and noted that this motion overspends the budget.

Responding to Councilmember Balducci, Mr. Sarkozy said staff will come back to the Council with an identified funding source, and request the establishment of an expanded CIP account or a separate account. There is some money in the Supplemental CIP Plan as well as other monies in the general CIP Plan that could be reallocated.

Councilmember Balducci questioned the appropriate procedure for this motion, in which the Resolution is authorizing funding that is not currently identified. Mr. Sarkozy said the Council would need to reallocate a dollar amount to come back into that fund from another source, which would probably be the Supplemental CIP Plan. The preferred way is to allocate the full amount that is available in that fund, and then come back at a subsequent meeting and replenish the account to an amount that the Council feels is necessary from an appropriate source.

Councilmember Balducci questioned why the Resolution requests \$100,000 instead of \$250,000.

Ms. Riordan said sufficient need has not been determined at this point to ramp the contract amount up to that level. It seemed inappropriate, in light of the ever-diminishing amount of money in that CIP account, to ask for a larger increase without having the broader conversation about this particular CIP project and funding needs going forward.

Councilmember Balducci expressed support for the City Attorney's original request.

→ Councilmember Balducci moved a substitute motion to approve Resolution No. 8063 as originally proposed, and Councilmember Degginger seconded the motion.

→ The motion to approve Resolution No. 8063 as written carried by a vote of 4-3, with Councilmembers Lee, Robertson, and Wallace opposed.

(c) Wilburton Connections Project

In response to Mayor Davidson, Transportation Director Goran Sparrman expressed concern with postponing this item for two weeks, due to federal grant funding involved in the projects.

→ Councilmember Balducci moved to extend the meeting until midnight, and Councilmember Chelminiak seconded the motion.

→ The motion to extend the meeting until midnight carried by a vote of 5-1, with Councilmember Robertson opposed. [Councilmember Lee had briefly stepped away from the table.]

City Manager Steve Sarkozy introduced discussion regarding transportation projects within the Wilburton Connections project.

Transportation Director Goran Sparrman recalled that the Council received a presentation last week on the projects for which action is requested tonight. Staff believes it is appropriate to implement the conceptual engineering phase for a new project, which is the 120<sup>th</sup> Avenue NE Improvements project created by proposed Ordinance No. 5947.

Mr. Sparrman said staff is also requesting Council approval of the traffic analysis on NE 5<sup>th</sup> Street, with the purpose of making sure that neighborhood impacts are eliminated or mitigated as the City moves forward with the other transportation projects.

The last action requested by the Council is to maintain the City's ability for funding flexibility by applying for a public works loan. Action tonight would allow staff to apply for the money. If the loan is approved, staff will return to the Council, which will have full authority to approve or reject acceptance of the loan.

Councilmember Balducci asked for assurance that tonight's action will enable the City to develop a design that is acceptable to Wilburton residents. Mr. Sparrman confirmed that staff is working closely with the neighborhood and does not have a final solution in mind. He noted that it will be a bit of a balancing act to resolve how to allow mobility while also preventing cut-through traffic

into the neighborhood. Councilmember Balducci noted that she heard strong support from the Council last week for moving forward with a design and with packaging the projects in phases in order to best mitigate impacts.

Mr. Sparrman clarified that what staff is recommending tonight is to proceed with conceptual engineering. This will allow staff and the Council to determine what kind of cross-section is desired for the section of 120<sup>th</sup> Avenue NE as it crosses NE 8<sup>th</sup> Street. This action does not fund right-of-way acquisition or construction.

Councilmember Balducci asked staff to speak to comments from Mutual Materials and Best Buy.

Mr. Sparrman said it is true that the NE 6<sup>th</sup> Street alignment would impact Mutual Materials along its north property line. In addition, the alternative analyzed by staff for NE 4<sup>th</sup> Street would impact Mutual Materials at its south property line. That alignment would also impact the Bellevue School District facility as it comes through the north end of where the District stores its buses. This raised questions as to how the City would replace this lost property, which was a key factor in selecting a different preferred alignment for the NE 4<sup>th</sup> Street extension project.

Speaking to the Best Buy issue, Mr. Sparrman called attention to the letter distributed to Council tonight, which primarily raises SEPA-type issues. The City is following SEPA and NEPA guidance for the NE 4<sup>th</sup> Street project. Mr. Sparrman said the Wilburton Subarea update involved a full environmental analysis at the programmatic level. Staff is also conducting a project level environmental assessment.

Councilmember Wallace questioned the cost estimates for condemnation, and what would happen if the costs turn out to be much higher than anticipated. He questioned the process for making adjustments to the road if it appears that it is more expensive to go the proposed route than perhaps another alternative.

Mr. Sparrman replied that, in general, if staff identifies unexpected cost factors for projects, staff will engage in a value engineering analysis and look for options. The objective is always to find the project with the lowest costs and least property impacts.

Councilmember Wallace questioned whether the Transpo Group's study will look at the effect of turning right from NE 4<sup>th</sup> Street onto 120<sup>th</sup> Avenue NE heading south, and ending up at 116<sup>th</sup> Avenue. He noted that this location currently experiences heavy traffic volumes at rush hour.

Nancy LaCombe, Capital Projects Manager, said the traffic analysis so far is looking at NE 5<sup>th</sup> Street from 120<sup>th</sup> Avenue NE to 124<sup>th</sup> Avenue NE with regard to mitigating neighborhood impacts. The NE 4<sup>th</sup> Street project should address some of the traffic that is continuing south on 120<sup>th</sup> Avenue and going down to 116<sup>th</sup> Avenue NE. The analysis will be looking at the whole area to determine the effects on traffic flow.

Deputy Mayor Lee noted that Best Buy has asked Council to table action until the NE 6<sup>th</sup> Street project receives further environmental review. He asked staff if they had discussed this issue with Best Buy and the property owner.

Mr. Sparrman said tonight is the first time that he heard the request to delay the project and to link it up with NE 6<sup>th</sup> Street. He explained the consequences for the project schedule, which includes the loss of the opportunity to secure federal dollars for the project.

(1) 120<sup>th</sup> Avenue NE Improvements

Ordinance No. 5947 authorizing: 1) Amendment of the 2009-2015 Capital Investment Program (CIP) Plan to create a new CIP project entitled 120<sup>th</sup> Avenue NE Improvements (Segment 2) – NE 8<sup>th</sup> to NE 12<sup>th</sup> Street (Proposed CIP Plan No. PW-R-164) with an initial project budget of \$190,000; and 2) Transfer of a total of \$190,000 in Mobility & Infrastructure Initiative from CIP Plan G-80 to fund CIP Plan PW-R-164.

→ Councilmember Robertson moved to adopt Ordinance No. 5947, and Councilmember Balducci seconded the motion.

→ The motion to adopt Ordinance No. 5947 carried by a vote of 7-0.

(2) NE 4<sup>th</sup> Street Extension

Resolution No. 8080 authorizing execution of a Consultant Agreement with PB Americas, Inc., in an amount not to exceed \$1,341,656, to complete the final design and prepare plans, specifications and estimates to advance implementation of the NE 4<sup>th</sup> Street Extension from 116<sup>th</sup> to 120<sup>th</sup> Avenues NE (CIP Plan No. PW-R-160).

Resolution No. 8081 authorizing execution of a Consultant Agreement with The Transpo Group Inc., in an amount not to exceed \$93,012, to conduct a traffic assessment and public involvement process supporting a traffic calming plan for NE 5<sup>th</sup> Street (from 120<sup>th</sup> to 124<sup>th</sup> Avenues NE) to serve as mitigation for potential impacts anticipated as a result of the NE 4<sup>th</sup> Street Extension.

Motion to authorize Transportation Department staff to file an application for a FY2012 Public Works Trust Fund Construction Program loan of up to \$10,000,000 to provide funding for the construction phase of the project.

→ Councilmember Balducci moved to approve Resolution Nos. 8080 and 8081, and to separately authorize Transportation Department staff to file an application for a FY2012 Public Works Trust Fund Construction Program loan of up to \$10 million, to provide funding for the construction phase of the project. Councilmember Wallace seconded the motion.

→ The motion to approve Resolution Nos. 8080 and 8081, and the motion to authorize Transportation Department staff to file an application for a FY2012 Public Works Trust Fund Construction Program loan, carried by a vote of 7-0.

12. Unfinished Business: None.

13. Continued Oral Communications: None.

14. New Business: None.

15. Executive Session: None.

16. Adjournment

Mayor Davidson declared the meeting adjourned at 11:53 p.m.

Myrna L. Basich, MMC  
City Clerk

/kaw