

CITY OF BELLEVUE
CITY COUNCIL

Summary Minutes of Study Session

March 1, 2010
6:00 p.m.

Council Conference Room
Bellevue, Washington

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

ABSENT: None.

1. Executive Session

Deputy Mayor Lee called the meeting to order at 6:00 p.m., and declared recess to Executive Session for approximately 20 minutes to discuss one item of pending litigation.

The Study Session resumed at 6:17 p.m. with Mayor Davidson presiding.

2. Study Session

- (a) East Link – Continued Discussion of Alignment Alternatives and City Council Preferences

City Manager Steve Sarkozy opened the continued discussion of the East Link light rail project alignment alternatives. He stated that the City Council is on the record as supporting the B3 Modified/Side Running approach. The Council has indicated an interest in changing its position on the Segment B alignment. In addition, a later agenda item focuses on light rail Segment D and the NE 15th Corridor through the Bel-Red area.

Mr. Sarkozy noted the memo in the desk packet from Councilmember Robertson regarding Segment B and the B7 alternative. He apologized that his office did not get the memo to the Council before tonight's meeting.

Mayor Davidson suggested that the Council attempt to write the letter to Sound Transit. He noted that Councilmember Robertson previously offered to draft a memo regarding the B7 alignment and to distribute it for discussion, and Mayor Davidson agreed to this approach. The draft memo,

provided in Council's desk packet, is not meant to be the base for the letter to be written but represents Councilmember Robertson's perspective.

Mayor Davidson asked Diane Carlson, Director of Intergovernmental Relations, to come to the table to take notes on the Council's position in order to formulate a letter to Sound Transit addressing Segment B. The letter he envisions is threefold: 1) It should express the current Council position preferring alternative B7, 2) It should withdraw the Council's previous request to evaluate the B7 Modified alternative, and 3) It should pledge continued productive discussions with Sound Transit to develop a decision menu for the East Link alignment in Bellevue.

Mayor Davidson stated that some of the issues to be reflected in the letter include the considerable time spent on discussion by the Council, and the public outreach effort regarding Segment B. There has been very little new information on the B3 Side Running option. The City submitted a B7 Modified alternative for study and consideration by Sound Transit, in the hopes of finding a route that would serve the South Bellevue Park and Ride lot and still follow the B7 route. The Council now wishes to withdraw that request based on information the City has received, including a letter from the National Parks Service indicating that the route is not a viable option.

Councilmember Degginger stated that he has not seen the National Parks Service letter. He asked if there would be a vote on the alignment before the letter to Sound Transit is written.

Mayor Davidson indicated he was looking for a head nod, similar to the adoption of the Council's previous preference for the B3 alignment.

Councilmember Degginger suggested that the letter should reflect how many Councilmembers are in support of and opposed to the B7 option.

Responding to Councilmembers Chelminiak and Degginger, Mr. Sarkozy said the National Parks Service letter will be sent out to the Council this week.

Mayor Davidson reviewed Councilmember Robertson's memo regarding the B7 option. The memo suggests that the B7 alignment must be studied to determine whether the cost estimate is correct and whether costs can be reduced. It highlights the need for additional environmental analysis to compare options B3 Modified and B7, as well as further analysis of noise and construction impacts. Ms. Robertson would like to see a timeline to guide the Council on decision dates and deadlines for the East Link process for at least the next 12 months.

Councilmember Degginger stated that the Council has not completed its current discussion about Segment B alternatives. However, the issues that were important during Council's discussions last year were alignment ridership, parking, connections for transit, fewest environmental impacts, fewest residential impacts, and fewest traffic impacts. He noted that all of these are still important today. While the political environment has clearly changed, the facts have remained essentially the same. Alignment B3 has highest ridership, provides the largest park and ride facility, offers more connections to transit, and is located where park and ride impacts can be

mitigated. He reviewed the constraints on the B7 alignment including the inability to build a park and ride lot at a location that people can access. City staff conducted a thorough analysis to identify ways to mitigate this constraint, but determined that it was not feasible.

Mr. Degginger noted severe residential impacts to people living on 118th SE. He said he has a hard time understanding how a letter supporting B7 can be based on facts. He agrees with the need to continue working with Sound Transit. It has been a challenging process to make sure the Council comes up with the best alignment for the community and to balance the tradeoffs. He has trouble seeing the wisdom of a letter at this time, and is concerned about how it will be perceived by Sound Transit.

Councilmember Wallace said that with respect to the letter, he would like it to clearly articulate the reasons for supporting B7 and what led to this conclusion. He reviewed what has changed in the past year, including Council's March 2009 letter to Sound Transit requesting a number of modifications and mitigation measures, at least one of which was ignored by Sound Transit, which is the jog down SE 8th Street from 112th to 114th. This would avoid significant impacts to the Sturtevant Slough and would reduce noise impacts. Mr. Wallace said no one other than he has offered any options to improve the B7 alternative. The draft Environmental Impact Statement (DEIS) concluded that it would have only 1,000 boardings per day at the Greenbaum Furniture site. Mr. Wallace said staff indicated that would cause difficulties at 118th, which seems reasonable, but no one has offered any suggestions for moving the park and ride, or for perhaps not having a station there at all. No one is looking at B7 to see how it can be improved.

Mr. Wallace said noise issues have not been addressed. Noise impacts have changed because a noise wall was constructed with the widening of I-405, which is not reflected in the DEIS. No one has studied any other options for reducing the noise impacts for condominiums along 118th, and no one has come up with a good explanation for how to mitigate the noise impacts for Enatai and Surrey Downs. Everyone appreciates the impacts to Sturtevant Slough north of SE 8th Street. It appears from the joint meeting with Sound Transit, and from the data that has come out in the concept design report, that Sound Transit staff is looking at running the trains up 112th instead of going across the Sturtevant Slough. This has even worse impacts on the Surrey Downs neighborhood than with the B3 alternative. Mr. Wallace feels a lot has changed and that it is reasonable to revisit Segment B. He questioned how to avoid impacts to the Winters House. He thinks it would be helpful to articulate this rationale in the letter to Sound Transit, and to work with the agency to obtain answers to these questions and to make an informed decision.

Councilmember Chelminiak stated that Councilmember Wallace has articulated all of the difficulties the Council is facing in getting light rail from I-90 to the Downtown. The City is in the process of looking for those answers. Mr. Chelminiak observed that at this point the decision is not between the B7 and the B3 Side Running options. The process that is underway has all of these Segment B alignments in play, and none have been ruled out by Sound Transit. Within the process that Sound Transit is under now, and without asking them to do any more work to bring Segment B up to a 30-percent engineering range, which he understands they are not interested in doing, Mr. Chelminiak believes the City can ask those questions in a letter to Sound Transit. He could support asking the questions regarding the noise wall along 118th and I-405 and any other

changes that affect noise. He recalled Ms. Robertson's previous inquiry regarding the quality, value, and function of the affected wetlands. Councilmember Chelminiak feels questions are good at this time as opposed to blanket statements taking strong positions, when little or no new evidence has been presented to justify a change in position. He agrees with asking Sound Transit to review additional options for park and ride facilities.

Mr. Chelminiak is not willing to accept a route that does not provide light rail access for South Bellevue residents. He observed that it would be in the worst interest of Bellevue to build a facility that does not have access from Mercer Island, through South Bellevue, and into downtown Bellevue.

Councilmember Chelminiak would prefer a direct statement to Sound Transit that four members of the Bellevue City Council prefer alternative B7. He prefers to not take a vote, because anything less than a unanimous vote will not send a powerful message to Sound Transit. This would enhance the Mayor's ability to work with Sound Transit as well as Councilmember Balducci's ability to represent Bellevue on the Sound Transit Board. He is not interested in stating that Bellevue is withdrawing its request regarding the B7 Modified option. However, he suggested that the letter could acknowledge that Sound Transit does not intend to study it.

Councilmember Robertson said it is important to send a letter now so that Sound Transit and the public know the Council's position. She commented that the Council's letter last year did not mention the split vote. She said there are a number of unanswered questions on B7. She knows that B7 is still on the table, but she said Sound Transit is moving along with its version of the B3 Modified option rather than with B7. She has preferred B7 since she spent one year studying light rail on the Light Rail Best Practices Committee. She prefers this option because it involves a dedicated right-of-way and based on its noise, neighborhood, and environmental issues. She feels B7 sets up light rail for Phase 3 and preserves the roadway.

Ms. Robertson recalled that B7 was Council's contingency preference last year. New information has been developed since that time including the noise issue and the protection of the Winters House. She agrees with the need for a park and ride lot before the B7 alignment reaches downtown from I-90. She said it is time to send a letter to Sound Transit outlining the Council's position and requesting additional study. She would like City staff to develop more information as well. Ms. Robertson reiterated that last year three Councilmembers preferred B7, including Councilmember Noble who previously served in her current position.

Councilmember Degginger corrected that last year's letter did indicate that some Councilmembers preferred option B7. He recalled that alternative B7 was a well studied issue, and that the fatal flaw issues related to traffic impacts and park and ride capacity were raised by former Councilmember Noble. Mr. Noble was concerned about whether or not B7 could work because he knew there needed to be a park and ride lot that worked. He was absolutely in favor of and dedicated to the effectiveness of the park and ride system. Mr. Degginger opined that he does not believe that Mr. Noble would have been supportive of designing and building light rail at a location that could not accommodate a robust park and ride structure. Mr. Degginger noted that he was reminded of Mr. Noble's comments when he recently reviewed the Council's

discussions of the previous year. Councilmember Degginger recalled that Mr. Noble questioned Transportation Director Goran Sparrman about the functionality of the B7 alignment and whether a station and park and ride lot at 118th and SE 8th Street would be fatally flawed. Mr. Sparrman said staff determined that it would not be possible to have a functioning system within this constraint of the B7 option.

Mayor Davidson stated that Mr. Noble ultimately voted for the B7 alignment.

Mayor Davidson noted his own questions related to environmental issues. He observed that the information on environmental impacts appeared to be written by engineers and not by fish biologists. He feels more study is needed regarding how the wetlands and ecosystem function.

Councilmember Balducci expressed appreciation for the Sound Transit Board's willingness to meet with the Bellevue City Council. She supports continuing to work with Sound Transit to identify an alignment that is acceptable to the Council and also one that can be built. Regarding the Council's previous request that Sound Transit study the B7 Modified alternative, Ms. Balducci said she agrees with Mayor Davidson's suggestion to let Sound Transit know that Bellevue is no longer interested in this option. Ms. Balducci said Sound Transit has conducted some technical analysis of this suggested alternative.

Councilmember Balducci acknowledged that four Councilmembers appear to be in support of option B7. Given the interest in revising the Council's preferred Segment B option, Ms. Balducci said she would like to restate her position in favor of option B3 as the preliminary preferred alternative. She noted that the process is reaching a decision point on a preliminary preferred alternative that will be studied further as part of the FEIS. Upon completion of the FEIS, there will be more time for comments and the final decision on an alignment. Regarding requests for more information and concerns about the information to date, Ms. Balducci said this is exactly the appropriate time in the process for these questions. This information will lead to a final decision early next year.

Based on all of the information available to date, Ms. Balducci said she continues to support the B3 route as the best preliminary alternative for the overall transit system. The purpose is to serve transit users and to provide options for people who want to take transit. She observed that discussions about B7 have not centered on transit ridership and services, but have focused primarily on avoiding impacts. Ms. Balducci said that access to the South Bellevue Park and Ride facility is critical, given its location at the juncture of I-90 and I-405 and the significant transit market that already exists. If transit service is directed away from this hub, the light rail system is essentially abandoning the users of the park and ride lot.

Councilmember Balducci acknowledged that more work will be done to refine the costs, but at this point the preliminary cost estimates for each alternative are similar to each other. She recalled that one intent of the B3 Modified proposal was to reduce costs. However, the costs for this option did not decrease by much and are roughly the same as the costs for B7. Ms. Balducci stated that both alignments have impacts, including wetland impacts. She recalled an environmental report indicating that the B7 route impacts the two most sensitive areas (Near I-90

where Chinook salmon gather, and the fish ladder), while the B3 route does not involve these impacts. There are noise impacts to residences and businesses along both alignments, and these will need to be mitigated for all alternatives. The B3 route impacts the Winters House, and a promising mitigation approach has been identified.

Councilmember Balducci said she continues to support the B3 Modified option. She would not support a statement declaring that the B7 route is the best alternative, but she would support a statement that says the majority of the Council thinks it is the best alternative. Ms. Balducci said she would prefer to not send a letter to Sound Transit at this time in terms of an overall strategy. She encouraged a focus instead on how get to some of the significant objectives of the City including a downtown tunnel and the mitigation of impacts. Given the funding challenges, Ms. Balducci encouraged the Council to continue to work through the discussion process with Sound Transit toward a set of tradeoffs that will lead to agreement on a project design. She feels that sending another letter at this point is not moving Bellevue toward the end goal. If there is a majority interest in sending a letter, Councilmember Balducci encouraged that it be written in a manner that is not harmful to ongoing negotiations with Sound Transit.

Mayor Davidson questioned whether a letter stating a Council majority in support of B7 would be less objectionable if it adds the caveat that this position is based on information currently available. Councilmember Balducci agreed that his statement is an accurate one.

Deputy Mayor Lee said the Council needs to provide a clear message to Sound Transit and the community. The Council did that last year when it proposed the B3 Modified alternative. More information has become available, and the City has conducted its own analysis. Citizen groups have provided additional insight and information. He said he has never been more convinced that the B7 alignment is the right one. He feels it is important to communicate the Council's position in a letter to Sound Transit, as suggested by Councilmember Robertson. The letter should express both the majority and minority opinions, and the Council needs to be transparent.

Mr. Lee said we talk about transit service. However, transit can be designed and that is why the South Bellevue Park and Ride works. If the Council picks B7, the transit service can be designed to support the B7 line. He noted that he is a strong transit advocate, and a future transit system can be designed. Mr. Lee opined that freeways are designed to move traffic. A major transit system should not be located near neighborhoods with considerable environmental constraints. Transit should be placed where cars can get in and out.

Deputy Mayor Lee said four Councilmembers, including himself, are convinced that B7 is the best alignment for light rail coming through Mercer Island and into Downtown Bellevue. He agreed with Councilmember Balducci about the need to continue to work collaboratively with the Sound Transit Board. The Council should use this opportunity to be collaborative and to agree to objectives to get light rail built throughout the region. He noted the need to keep costs down, keep impacts low, and work together. Mr. Lee said Councilmembers are proposing that the Council's preference for B7 be communicated at this time to the Sound Transit Board. He supports Councilmember Robertson's proposal and spoke in favor of writing a letter to Sound Transit.

Councilmember Degginger commented that he was looking at the letter sent by the Council last year. The letter raises issues that are still relevant, including advancing some discussion of traffic impacts along 118th, evaluating future opportunities for regional transit connections, reviewing projected ridership, and identifying mitigation opportunities. At that time, the Council did ask Sound Transit to review certain aspects of option B7. Sound Transit did address some of those issues, although perhaps not to the extent requested by Bellevue. Mr. Degginger suggested that the proposed letter to Sound Transit address the criteria of ridership, park and ride access, and environmental impacts with regard to the Segment B options.

Mayor Davidson attempted to draw the conversation toward closure by summarizing the intent of the proposed letter. It should indicate that the current majority of the Council feels that B7 is the appropriate alignment. He noted that he has kept a list of other comments that have been suggested for the letter. Dr. Davidson said he heard Councilmember Degginger's concerns, and he suggested working to incorporate additional concerns expressed by other Councilmembers as well. Mayor Davidson stated a preference to avoid providing a list in the letter. He said the Council needs to collectively determine what information it wants to request.

Councilmember Chelminiak raised the issue about strategy, and about how will this be received at Sound Transit. He noted that Councilmember Balducci indicated that Sound Transit has received previous letters and is working on Bellevue's comments and issues. He respectfully disagreed with the Deputy Mayor that Sound Transit did not do anything or that they ignored the City's concerns. He commented that this is an ongoing process of review and decisions.

Councilmember Chelminiak expressed concern that Sound Transit will be confused by a new letter from the Bellevue City Council. Will they interpret it to mean that Bellevue wants B7 or nothing? Mr. Chelminiak said it is important to couch the Council's position in a manner that is respectful of the process that is going forward in accordance with the law. He appreciates that Sound Transit responded to Bellevue's request to study the B3 Side Running concept and to move it forward into the FEIS process. He is concerned that providing new direction to Sound Transit could result in no further study of the Segment B options, but only consideration of B7.

Mayor Davidson said he believes that the letter will not surprise Sound Transit, and if it is worded appropriately it will be received well by the Sound Transit Board

Mayor Davidson directed staff to write a letter reflecting tonight's comments and to bring it back for Council review and adoption. He suggested that the letter be relatively brief.

Councilmember Wallace expressed a preference for Councilmember Robertson's draft. He feels it is time to ask Sound Transit to look at other options for combining light rail access to the South Bellevue Park and Ride lot with usage of the BNSF rail corridor. Looking at the letter from the Council last year, he suggested drawing from the flavor of what that letter had to say. He further suggested drawing from the Light Rail Best Practices Report and the City's Comprehensive Plan in writing this new letter.

Responding to Councilmember Robertson, Mr. Sarkozy suggested that staff distribute a draft letter by Thursday for Council review.

Councilmember Balducci stated that if the letter is intended to include the level of detail and argumentative statements that are in previous letters and in this draft memo, there will not be Council agreement on the letter. If the Council wants to have a statement of clear policy from this Council, then it needs to be "short and sweet." Ms. Balducci observed that there are statements in Councilmember Robertson's memo that she cannot agree with and/or are not factual.

(b) NE 15th Corridor Consultant Agreement for Engineering Services

Mr. Sarkozy opened staff's update on East Link Segment D through the Bel-Red corridor

Transportation Director Goran Sparrman reviewed that Segment D runs from the hospital district on 116th Avenue NE, east to the Overlake area and the Bellevue-Redmond boundary. Staff is seeking Council approval to move forward with a design contract to begin conceptual engineering for the NE 15th/16th Street corridor, which will accommodate a portion of the East Link line.

Bernard van de Kamp, Regional Projects Manager, recalled discussion with the Council on October 12, 2009, regarding the Spring District project in the Bel-Red corridor. This project represents redevelopment of the former Safeway distribution site by Wright Runstad. The Sound Transit Board directed staff to study alternatives for navigating the 120th/124th segment, including a retained cut alternative rather than running light rail on the NE 15th/16th Street median. Mr. van de Kamp said a grade separation analysis will be conducted with regard to the NE 20th Street/136th Place NE area.

Mr. van de Kamp recalled that the Bel-Red Plan was adopted last February, and Sound Transit's light rail planning for Segment D is beginning to reflect the City's new plans and policies. He said it is envisioned that light rail will cross 120th Avenue at-grade and become grade-separated at 124th Avenue. A full traffic analysis will be conducted as part of the FEIS. City staff is reviewing Sound Transit's initial design submittals, which are based on the Council's selection last year of the D2A option as the preliminary preferred alternative.

Councilmember Wallace asked staff to describe the retained cut option. Mr. van de Kamp explained that the current direction of Sound Transit is to go with the North Hybrid alternative, which is primarily an at-grade alternative between 120th and 124th. It would cross over 120th at street level to a station, and then become elevated over 124th Avenue NE. It would continue as an elevated line until merging back into the NE 15th/16th corridor. An alternative to this would be a retained cut alignment following the same path, but it would stay at roughly the same level as the BNSF corridor. This route goes underneath 120th and contains a below-grade station on the Spring District site, then continues east to go under 124th. The retained cut option is not currently being pursued by Sound Transit, but it is an option. It would be more costly than the first alignment described above.

In further response to Mr. Wallace, Mr. van de Kamp said the current thinking is to move forward with the 15th/16th corridor as envisioned in the Bel-Red plan. The concept is to separate the light rail and roadway and to build them independently, which is in part responsive to concerns from the Council that the plan for NE 15th would be too wide if it contained all of the pedestrian and mobility elements. Mr. van de Kamp said much of the space between the north edge of the NE 15th corridor and the south edge of the East Link alignment could be developed while some of the space will provide public access. Sound Transit's current plan for 136th NE and NE 20th is an at-grade crossing. The East Link draft environmental impact statement did not reflect the Bel-Red redevelopment plan, but the final EIS will reflect that plan.

Councilmember Wallace commented that the same noise issues for at-grade alignments will be present in the Bel-Red area. He suggested that noise issues need to be studied for Segment D as well as for Segment B. Mr. van de Kamp said Sound Transit intends to reflect the actual operating experience of the Central Link project in the East Link FEIS noise analysis.

Deputy Mayor Lee noted that staff has mentioned Sound Transit's plans and considerations, and the City's input to Sound Transit. He stated that he would like to have staff keep track of these so they are not lost.

Councilmember Balducci noted that the retained cut idea is not new and that it came up during the original discussions of Segment D. She thought the idea was proposed by Wright Runstad. She opined that it does allow for some interesting land use and design forms, and it responds to concerns that the NE 15th Street corridor remains manageable and does not become a wide pedestrian barrier. She wants to see where the design goes. She also feels it is important to remind everyone that the Sound Transit Board motion did not just direct that the City explore this, but it directed that it be explored and considered if partnerships can be found. Ms. Balducci said this is another potential area of the budget to be monitored and considered within the context of tradeoffs with other light rail costs.

Mr. Sarkozy noted the importance of including the design of the NE 15th Street corridor in the City's work plan to ensure good long-term planning of light rail and the Bel-Red area.

Mr. Sparrman said staff is requesting Council direction tonight to create a new Capital Investment Program (CIP) project (PW-R-163) called the NE 15th Street Multi-Modal Corridor, Segment 1, which extends from 116th Avenue NE to 124th Avenue NE. Staff is requesting a transfer of Mobility and Infrastructure Initiative funds to the new CIP project, and authorization to proceed with a consultant agreement for pre-design engineering of the NE 15th Street corridor. Mr. Sparrman explained how the work relates to light rail planning including street crossings and pedestrian facilities. The NE 15th Street project provides transportation system benefits to the broader arterial system beyond the Bel-Red corridor.

Dave Berg, Deputy Director of Transportation, reviewed the project costs, design options, and pre-design phasing plan. Phase 1 brings the full corridor, 116th Avenue NE to Northup Way, to a five-percent engineering level. Phase 2 achieves the 15-percent engineering level for the section

between 116th and 124th Avenues NE. Products of the work will be a Comprehensive Plan Amendment, Corridor Plan and Standards, and Spring District Interlocal Cooperative Agreement with Sound Transit.

Project costs are \$450,000 for Phase 1 and \$881,000 for Phase 2, for a total cost of \$1.3 million. Mr. Berg said \$331,584 is available in the Bel-Red Early Implementation Plan [CIP Plan No. PW-R-153], and remaining funding would come from the new CIP project [PW-R-163] using Mobility and Infrastructure Initiative funds. Mr. Berg summarized that staff is requesting three actions from the Council: 1) Creation of the new CIP project, 2) Transfer of Mobility and Infrastructure Initiative funds to the new project, and 3) Authorization of a consultant agreement for pre-design engineering for the NE 15th Street corridor.

Responding to Councilmember Balducci, Mr. Berg explained that the \$1 million in Mobility and Infrastructure funding comes from CIP Plan No. G-80, which was set up to receipt the property tax revenue from the first 3 percent property tax rate increase authorized by the Council in 2009. The funding for Phase 2 would come through bonding a portion of that initial 3 percent property tax increase, which has already been approved.

In further response to Councilmember Balducci, Mr. Berg confirmed that there is a decision point following Phase 1. Council could choose to authorize the full contract now and still have this decision point, or the Council could choose to fund Phase 1 only at this time.

Councilmember Balducci noted the use of the term corridor concept, which sounds like perhaps one plan will be developed. She would like to see options from which the Council could choose desired elements and configurations. Mr. Sparrman responded that staff plans to do the latter. Staff recognizes that the corridor must meet multiple needs, and intends to present options to the Council and to discuss the tradeoffs for each option and configuration.

Responding to Mayor Davidson, Mr. Sparrman explained that the last 3 percent property tax increase generated a revenue stream, which was bonded to create approximately \$10 million, some of which Council had committed to the NE 4th Street project and others. Staff is requesting that \$1 million left over from completed projects be transferred to the new NE 15th Street project.

Councilmember Wallace encouraged the Council to authorize Phase 1 only at this time. He spoke to the need to be able to put staff in a position to communicate with Sound Transit and Wright Runstad, and to set up discussions for potential grants for this project. The project is taking up a huge portion of the capital budget. Mr. Wallace feels that the Council needs to get further along in its budget discussions, and at the same time get more answers to questions about this road project before moving forward with Phase 2.

Mr. Wallace pointed to the project map and stated that he is not convinced that the first section of the corridor provides sufficient benefits and value to the road network to justify the costs. He does not see the need to go to 15 percent design yet. With adjustments to the grades of 120th and 124th, Mr. Wallace questioned whether it would make sense to add 120th and 124th, south to Bel-Red Road, into the 5 percent design level now, or whether that is something that can be

evaluated through this design contract. Mr. Berg said the work will evaluate, at a relatively cursory level, whether the grades are going to work at Bel-Red Road and the new NE 15th Street corridor.

Councilmember Wallace said it would be helpful to understand the costs to take the other segments in the corridor plan to the 5 percent level, in order to understand full costs and value engineering opportunities. He would like to understand the construction costs of each separate piece, in order to evaluate the costs and benefit of each. Having read the contract, he said it is difficult to understand which parts of the contract apply to the two separate phases. He would like the opportunity to approve Phase 1 separately, and to review a separate contract for that work only.

Responding to Councilmember Balducci, Councilmember Wallace clarified that he is concerned about the cost of the segment from 116th Avenue NE to 120th Avenue NE, which includes a bridge over the BNSF right-of-way. He wonders whether the benefits justify the cost of \$87 million. He questioned whether that section of the project is necessary to the overall function of the traffic system.

Councilmember Balducci opined that this is the primary component of the NE 15th Street project, which was approved as the centerpiece of the Bel-Red transportation system.

Responding to Ms. Balducci, Councilmember Wallace said he would like to revisit the costs and justification for this project.

Mayor Davidson asked Councilmember Wallace if he was suggesting using Bel-Red Road or NE 12th Street, and then going north on 120th, instead of providing the bridge over the BNSF right-of-way. Councilmember Wallace said he would like to know how the traffic system functions without that piece and what the impacts are if it is not constructed. He reiterated that it is very expensive.

Councilmember Degginger stated that he hopes the Council is not going to revisit the entire Bel-Red Corridor Plan, which the Council, staff, and citizens spent more than two years to develop. However, he agrees with a need to better understand the pre-design work phasing. He suggested it would be helpful to better understand what will be accomplished and delivered with each phase. His general philosophy is to be supportive of retaining help to obtain good information that will enable appropriate decisions with respect to the cross-sectional area of NE 15th Street. This will help the City work through issues with Sound Transit and Wright Runstad.

Mr. Degginger recalled that the Council set priorities for the use of bonded funds. He is not comfortable taking \$1 million of those funds for this project until at least understanding how the rest of the bond monies will be spent. He confirmed to Mr. Sparrman that his question pertains to all of the monies raised through the 3 percent property tax increase for 2009, and how those funds are to be allocated. Councilmember Degginger said he will feel more comfortable about tonight's proposal after he sees the phasing, milestones, and deliverables of the consultant agreement.

Mayor Davidson suggested that questions be emailed to staff, who can then prepare a summary of the questions and answers for the Council.

Councilmember Balducci noted the action item on the Regular Session agenda regarding this project. Mr. Sparrman said this reflects staff's urgency to go to Sound Transit with factual engineering information, as Sound Transit is currently designing how to cross 120th and 124th Avenues.

Mayor Davidson stated that he appreciates the sense of urgency, but the Council needs more information before it can move forward.

Councilmember Wallace reiterated that he has no objection to moving forward with Phase 1.

Mr. Sarkozy summarized that the Council is interested in a clarification of the project scope and answers to specific questions that have been raised.

Councilmember Balducci wants to make sure the contract is clear about the decision points between phases as well.

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

Myrna L. Basich, MMC
City Clerk

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