

CITY OF BELLEVUE  
CITY COUNCIL

Summary Minutes of Study Session

June 16, 2014  
6:00 p.m.

Council Conference Room  
Bellevue, Washington

PRESENT: Mayor Balducci, Deputy Mayor Wallace, and Councilmembers Chelminiak, Lee, Robinson, and Stokes

ABSENT: Councilmember Robertson

1. Executive Session

The meeting was called to order at 6:13 p.m., with Mayor Balducci presiding. There was no Executive Session.

2. Study Session

(a) Energize Eastside Update

City Manager Brad Miyake recalled that this topic was presented on May 19. Puget Sound Energy's Energize Eastside project has raised concerns throughout Bellevue and other cities. On May 19, the Council directed staff to undertake a public engagement process and requested information on the regulatory framework.

Mike Brennan, Director of the Development Services Department (DSD), reported that a community forum was held on June 3. An update by PSE's Community Advisory Group (CAG) is scheduled for this evening, and a discussion of the policy and regulatory framework is anticipated in July.

Mr. Brennan said the CAG was formed by PSE as part of its public involvement process. The June 3 community forum was coordinated by the City Neighborhood Team to hear directly from Bellevue residents, business owners, and other stakeholders,

Penny Mable introduced herself as the facilitator of PSE's Community Advisory Group (CAG). She is employed by EnviroIssues, which has been hired by PSE to work with the CAG. She said

the purpose of the CAG is to provide advice from an informed citizen perspective to PSE's decision makers about potential routes for the above-ground transmission line.

Ms. Mabie noted her previous experience working with citizens in Kirkland and Redmond. She said those groups ultimately agreed on a preferred route, which PSE is implementing. She believes the process is working well and that everyone is learning a lot and having good conversations.

Mike McCormick Huentelman noted the list of CAG members provided on page SS 2-2 of the meeting packet and invited members present to comment to the Council.

Barbara Sauerbray said she has lived in Woodridge for 45 years and serves as an alternate on the CAG. She said the Woodridge neighborhood is potentially affected by two route segments, and peripherally by a third option. She is interested in a solution that is environmentally and physically safe, as unobtrusive as possible, and fair in its impact on ratepayers. She observed that the CAG has no regular members from Woodridge, which contains approximately 300 more residences than Wilburton and only 300 less than Somerset. Ms. Sauerbray said PSE offered a menu of 18 possible route variations and expected the CAG to arrive at a consensus. She believes this was an impossible task from the outset.

Lindy Bruce, a 24-year resident of the Sunset neighborhood, said that several neighborhoods are bisected by the combination power line/pipeline right-of-way (ROW) which is proposed as Route E with new 230 kV transmission lines and a substation. She is encouraged by the solidarity of the neighborhoods in addressing their concerns about the project. Ms. Bruce said a field trip of all transmission lines on the Eastside demonstrated why residents are distressed about adding more poles and wires. The outcomes she would like to see are a City-sponsored independent study of alternate routes that will not tower over neighborhoods, consideration of alternative technologies, a review of co-generation capabilities and incentives for Bellevue's new development, and a review of potential alternatives to overhead lines. She expressed concern that highly visible high voltage poles might not offer the best security for future electrical needs.

Scott Kaseburg, representing the Lake Lanes Association (Renton), said their association has been working closely with the Kenneydale Neighborhoods Association as well as neighborhood groups in Bellevue and other Eastside cities. He noted his experience with processes related to large-scale change including two terms on the Renton School District Board.

Mr. Kaseburg said the PSE process is not working well. When citizens bring up concerns about property values, PSE says they cannot consider that because everyone loves their house and that could push the lines to places in poor areas. He said home sales are already being affected by the power lines project. He expressed concerns regarding the negative impact on property values and the potential for property takings. He said there needs to be a process to consider multiple energy options and not just multiple routes. He said PSE's policy does not compensate homeowners for loss of value. However, that does not mean they are free of responsibility. Mr. Kaseburg urged the City to help PSE live up to its motto to "Do the right thing."

Floyd Rogers said he was nominated to the CAG by the Director of the Mountains-to-Sound Greenway, where he serves on the Board of Directors. He said all of PSE's routes cross over the Mountains-to-Sound trail near I-90. Mr. Rogers observed that most citizens are unaware of this project. He said there has also been some confusion about overlapping, ongoing processes regarding energy on the Eastside.

Mr. Rogers said he understands concerns about the visual impacts of overhead lines. However, he believes that undergrounding the lines would be far more disruptive to the environment and to individual properties. He said current laws and tariffs inhibit the more flexible approach to routing the line, which he believes should be a combination of underground and overhead lines. Mr. Rogers observed that some individuals are trying to get the CAG to do things beyond its scope.

Daniel Wren, speaking on behalf of Robert Shay, a CAG member from the Wilburton area, said he and Mr. Shay have been involved in the Wilburton community for more than 35 years. Mr. Shay is the President of the Wilburton Community Association. Mr. Wren acknowledged the need for additional electrical capacity. He asked the Council to help preserve the Burlington Northern rail corridor for future Bellevue trails. He said it is imperative that the future of the light rail system is not lost to the industrial maze of power lines, light rail storage, and/or light rail maintenance facilities.

Norm Hansen, representing the Bridle Trails Community Club on the CAG, expressed concern about the proposed large and high transmission lines. He said PSE is not willing to consider options that maintain neighborhood character and property values, and that eliminate visual impacts. He believes the PSE process is seen as a sham by the community. Mr. Hansen said neighborhoods are united in agreeing that a pathway for other options (e.g., undergrounding, new financing methods, etc.) is needed. He said that 6,000 Eastside residents live within 25 feet of the proposed line and are being asked to carry the burden of the overhead transmission line as high as a 12-story building.

Mr. Hansen said PSE will gain financially while causing negative impacts to private properties. He requested that the environmental impact statement (EIS) study other options besides overhead lines. He asked the Council to provide an adequate budget to support City efforts to protect residents and to preserve the One City image.

Deborah Grant, Director of Client Services for Hopelink, said Hopelink is one of the largest nonprofits in north and east King County and provides services to more than 60,000 individuals annually. As an example, Hopelink provides financial assistance to families struggling with paying their heating bills. Hopelink was asked to participate with the CAG to be a voice for lower income residents. She is involved to gain more knowledge that she can then provide and distribute to the people served by Hopelink. Hopelink has invited PSE to speak with their clients impacted by PSE's decisions.

Ms. Grant said Hopelink knows that increasing utilities costs will place a higher demand on the agency for assisting those in need. She is hopeful that the CAG process will be a balance of

voices to be heard and that the best possible solutions to help PSE reach their goals can be made by all participants.

David Hoffman of the Master Builders Association observed that the community has legitimate concerns that need to be heard. As an industry and business community, the MBA is concerned that PSE's data indicates the area will be out of new electrical power by 2018/2019. If that is the case, the economy would be adversely affected, including property values. Mr. Hoffman believes the CAG and PSE can strike a balance between the interests of residents and the business community. He is urging PSE to collect more data and to bring the King County Assessor in to quantify the monetary impacts on property values due to the proposed overhead power lines.

Steve O'Donnell, President of the Somerset Community Association, said he is also the co-founder of the Coalition of Eastside Neighborhoods for Sensible Energy (CENSE). CENSE was founded on the principles of safe, affordable, reliable, right-sized power solutions providing for growth, but not at the expense of industrial blight in the community. He requested that the City engage energy professionals before PSE makes its decisions. He expressed concern that BP's pipeline already runs through much of the same corridor proposed for the transmission lines.

Mr. O'Donnell said the community is concerned about the health effects of electromagnetic fields (EMF), and the proposed lines are four times the power of existing lines. He believes that residents and visitors would view the new lines as unsightly. Mr. O'Donnell said PSE's statistics have been called invalid, and PSE will not allow alternative routes to be studied. He said there must be a fair, thorough and accurate process. He asked the City to do what it can to put this project on hold and to avoid a 100-year mistake. He suggests that PSE study new technologies. He observed that towers 12 stories high are not consistent with Bellevue's image as a City in a Park. He asked the Council to protect neighborhoods and the community.

Mr. McCormick Huentelman read a comment letter from Dr. Sam Baxter, a member of the CAG representing Overlake Hospital Medical Center. The letter expresses support for PSE's efforts to ensure adequate energy for population growth and emerging energy requirements. He supports the purpose of the CAG to learn about the proposed route segments, provide a forum for meaningful community input, and to collaborate with PSE to determine project impacts and customer needs. Dr. Baxter's letter says he supports the role of the CAG members to develop an understanding of the Energize Eastside project and to represent their constituents.

Mr. Brennan thanked everyone who attended and participated in the June 3 community forum.

Mr. McCormick Huentelman said 275 individuals signed in at the community forum, and staff estimates there were approximately 300 attendees. Comments were gathered by specific topic areas (i.e., community engagement, neighborhood character, public health, environmental impacts, and the consideration of alternative routes and technologies). The City was asked why PSE was not present at the forum. Mr. McCormick Huentelman said the City asked that PSE provide information but that their staff not be present. The City wanted to hear from their own residents for that particular event and will provide a report to PSE on residents' input.

Mr. McCormick Huentelman said residents questioned the need for expanded electrical capacity, want an independent review of data, and want creative solutions and consideration of alternate technologies and routes. They want alternative routes to be fully vetted and cost estimates to be provided. There is a high level of concern about neighborhood impacts including visual/views and property values, public health impacts related to EMF exposure, transmission lines being too close to the BP pipeline, tree removal from unstable slopes, and the buzzing sounds of transmission lines.

Mr. McCormick Huentelman said residents love Bellevue and want to preserve its beauty and character. They appreciate the Council's desire to listen to their interests and look forward to seeing how their input will be considered as this process moves forward. He observed that there is a widening gap between the CAG and PSE's process, which is targeted to have a solution by this fall.

Mr. Brennan said next steps are a Council discussion in July about the policy and regulatory framework. The selection of an EIS consultant and EIS scoping process is anticipated this summer and fall. Bellevue is the lead agency in this inter-jurisdictional approach, and PSE will provide ongoing updates.

Mayor Balducci said the Council is just beginning to learn details about this project. She thanked the CAG members and all residents for speaking to the Council and for participating in this issue.

Councilmember Stokes said he is frustrated that residents are not getting answers to their questions. He wants to ensure that the EIS process truly assesses and answers questions and does not simply provide a framework for moving forward with a decision that is essentially already made. He is hearing conflicting notions that the EIS will be conducted but that PSE plans to make a decision fairly soon. Are we truly going to look at alternatives? Does the area really need the power? And if so, are there other ways to provide it? How can we get to a place to honestly and correctly make a decision for the next 50-100 years?

Mr. Brennan said staff will return with a discussion about the policy framework and will take a broad look at all issues with the help of consultants. Staff will also address PSE's process and what influence the City has and does not have.

Councilmember Robinson thanked Mr. Miyake and staff for their responsiveness to the Council. She appreciates the community forum and the public's involvement.

Deputy Mayor Wallace thanked staff as well. With respect to timing, some speakers have referred to a PSE decision point within the next month or so. He questioned whether that is accurate.

Mr. Brennan said his understanding is that PSE will not make a decision until closer to the fall but is currently proceeding with a narrowing process. The City will take a broader look at the

alternatives, need for capacity, and mitigation alternatives. Formal permit review will not be conducted until 2015-2016.

Deputy Mayor Wallace said that, drawing on experience with Sound Transit, it seems common for an agency to say that it is considering all options. However, he is concerned that decisions will occur without the Council being able to weigh all options and provide input. He wants to be sure the City is doing all it can to represent citizens.

Mr. Wallace wonders whether the capacity is actually needed or whether PSE is overbuilding. If reality leans toward the latter, Mr. Wallace would like the City to be able to request heightened mitigation. Mr. Brennan agreed with the need for a thorough assessment of power needs.

Councilmember Lee believes the community is very anxious and frustrated because the public does not have a full understanding of the process. Citizens are interested in the City's authority and ability to influence decisions regarding a project that will affect the community for a very long time. He supports hiring an independent review. He noted the need to pause the process, gather information, and to ultimately be in a better position to consider the project.

Councilmember Chelminiak thanked staff for their responsiveness to the Council and thanked the community for their concerns and participation. Questions he has include: Who has the authority to determine whether the project is appropriately scaled? Does that judgment rest with the Washington Utilities and Transportation Commission? Does PSE have that authority? He looks forward to the policy and regulatory framework discussion on July 7.

With regard to the consultant, Mr. Chelminiak suggested focusing on expertise in conducting the environmental impact statement (EIS) review. He is encouraged by the process to date and appreciates the work and community engagement thus far. He is concerned about whether PSE is over-investing in equipment and capacity, and he observed that there are things that can be done in terms of conservation.

Mayor Balducci concurred regarding the need for some level of expert review. She observed that understanding the policy and regulatory framework will help the Council to be able to determine a strategy for best representing the community's interests.

Mayor Balducci asked that, in addition to coming forward on July 7 with the substantive topics, staff be prepared to present a recommendation with regard to an outside consultant or expert.

Mayor Balducci summarized that Bellevue is continuing to grow and will need reliable electrical power. Questions include: What are the alternatives? Have they been adequately studied? How much power is needed? Are the conclusions going to be the best that we can do?

- (b) Discussion of Council's response to Sound Transit's Draft Environmental Impact Statement (DEIS) on the Sound Transit Operations and Maintenance Satellite Facility (OMSF) Alternatives

City Manager Miyake introduced staff to discuss the Council's response to the Draft Environmental Impact Statement (DEIS) regarding potential sites for the Sound Transit Operations and Maintenance Satellite Facility (OMSF). The Council previously expressed opposition to the proposed Bellevue sites and has subsequently received strong opposition from both the residential and business communities as well. A letter to Sound Transit expressed the Council's opposition. Staff is seeking to confirm the Council's position and to recommend that the Council send a letter responding to the Draft EIS by the June 23 deadline of the 45-day comment period.

Chris Salomone, Director of the Department of Planning and Community Development (PCD), recalled that one site under consideration is in Lynnwood. The three sites in Bellevue are known as Alternative 2, BNSF; Alternative 3, BNSF modified; and Alternative 4, SR 520 site. Since the Council's previous letter opposing siting the facility in Bellevue, staff has worked with Sound Transit to try to mitigate some of the impacts to these sites. A third-party Urban Land Institute (ULI) panel was convened with Sound Transit to evaluate the alternatives and to explore ways of mitigating, shrinking, screening, and creating economic opportunity at these sites.

Tonight staff is requesting that the Council provide input for a comment letter to Sound Transit regarding the Draft Environmental Impact Statement (DEIS).

Mr. Salomone said the ULI panel will present its review to the Sound Transit Board on June 26. The City's comments include that Sound Transit has not considered the land use planning and zoning of the Bel-Red corridor, economic opportunity costs for decades into the future, or major mitigation options. However, Mr. Salomone said Sound Transit has brought in a design team within the past few weeks to develop mitigation options.

Mayor Balducci noted that a copy of staff's draft letter was distributed to the Council on Friday via email. She requested the Council's feedback on the letter and suggestions for topics or issues that are missing.

Councilmember Chelminiak said he sent his comments to staff. He suggested strengthening the letter with regard to the City's efforts and objectives associated with developing the Bel-Red Plan and how the OMSF does not fit into that plan. Proposals include asking Bellevue to accommodate the OMSF plus a Metro bus barn. Mr. Chelminiak said this is land that could be developed, and Bellevue has taken its regional fair share of bus facilities.

Mr. Chelminiak said siting the OMSF in Bellevue affects tax revenue in King County as well as Bellevue. He would like to see these points mentioned in the letter. He would like to communicate that the region has established Vision 2040 to place greater density in areas served by transit with the objective of preventing urban sprawl.

Mr. Salomone said staff will continue to revise the letter as they receive input.

Councilmember Robinson observed that Councilmember Chelminiak's revisions to the letter are consistent with the City's goals and the County's goals of increasing transit-oriented

development (TOD) around light rail stations. This increases ridership and achieves both economic and environmental goals. Dr. Robinson supports the draft letter.

Deputy Mayor Wallace said he supports Mr. Chelminiak's comments and would state them even stronger. He believes that Sound Transit has not worked in good faith with the City with regard to the OMSF. Through all of the light rail conversations, the agency never revealed its plan for proposing this facility in the middle of Bellevue's TOD area. None of the impacts and mitigation have been studied including noise, visual, environmental, and economic.

Mr. Wallace said the OMSF should not be in Bellevue. He said the East Link project never addressed a large maintenance facility. Sound Transit considers the alignment and the maintenance facility as separate projects, but the projects present cumulative impacts that need to be addressed. He believes the Council cannot say the City has done its job as the permitting authority if it does not carefully analyze the OMSF.

Deputy Mayor Wallace believes the issue of the OMSF represents a collapse of the City's working relationship and East Link memorandum of understanding (MOU) with Sound Transit, and his trust is broken. He said this element of bad faith introduced into the conversation requires that the City look at the entire relationship with Sound Transit from the beginning.

Responding to the Mayor, Mr. Wallace confirmed that the issue of the OMSF calls into question the East Link MOU. He said there is a need to review the East Link alignment in light of the proposed maintenance facility in Bellevue. Mr. Wallace stated his understanding that a technical comment letter is being developed by staff.

Mr. Salomone confirmed that staff's letter addresses some of these issues. He stated his understanding that Mr. Wallace is concerned that the cumulative impacts of the light rail alignment and the OMSF were not considered in the original East Link Environmental Impact Statement (EIS) or in the OMSF draft EIS.

Mayor Balducci said she is hearing Mr. Wallace say that decisions around the OMSF are tied to the decisions around the East Link alignment. He confirmed that is his intent.

Mr. Wallace said the City is expecting a certain level of exceptional mitigation in Segment B of the light rail alignment, which was predicated in part on the provision that trains would not be running between 1:00 AM and 5:00 AM.

Mayor Balducci observed that the Council needs to know how many additional trips will be added between those hours based on locating the OMSF in Bellevue.

Councilmember Stokes said he agrees with both Councilmember Chelminiak's and Deputy Mayor Wallace's comments. He said it is crucial to communicate that the City wants the East Link project to be the best it can be for Bellevue. However, more information is needed regarding the OMSF including the extra nighttime traffic and economic impacts. He agreed with Deputy Mayor Wallace that the topic of the OMSF sets the whole process backward.

Mr. Stokes said he would like to learn more about what the original plan was for some sort of maintenance facility and why that was not a part of the overall East Link discussion. He suggested that, if Sound Transit wants public support for the ST3 package, the agency needs to be upfront and sensitive to the community's needs and concerns.

Mayor Balducci suggested revising the beginning of the letter to not state the City's opposition in the first sentences. She suggested starting the letter with comments about how hard the City, Sound Transit, and the public have worked to get this right, including efforts related to developing the Bel-Red Plan and the light rail alignment. The OMSF issue now comes along and completely ignores and violates that past work. She believes this is the message to send.

Ms. Balducci said the program for the OMSF has changed considerably over time. The ST2 package anticipated the need for a maintenance and storage facility but it was significantly smaller and there was the option of it being part of ST3 and located in Redmond. At one point Sound Transit presented to the Council and said the facility was not needed now after all. That was how the issue was left until after the MOU was adopted, and the maintenance facility as reintroduced had grown considerably in size and scope.

Ms. Balducci suggested adding Councilmember Robinson's comment that the sites under consideration in Bellevue conflict with the City's goals and the County's goals. Ms. Balducci said she would add that they go against Sound Transit's goals and TOD plan as well as the regional Vision 2040 Plan, Puget Sound Regional Council's Growth Management Plan, and climate change objectives.

Councilmember Lee concurred with Councilmembers' comments. He agreed with the need to communicate to Sound Transit that the OMSF is not consistent with the City's goals and the East Link MOU. He believes the City needs to be forceful in its position, especially with regard to Sound Transit violating the spirit of the MOU. Mr. Lee encouraged communicating a sense of the reality that Bellevue cannot accept the facility. He noted that the Council is united on this issue.

Mayor Balducci said she believes the City has a bit of an advantage in stating all it has done to work with and accommodate Sound Transit's project. A critical issue here are the foregone economic opportunities for future development if the City allows a huge area of land for the OMSF. She is concerned the facility will harm the potential for desired development in that area, and there are indications that this is already happening in terms of development interest. She encouraged Councilmembers to visit the area, especially the SR 520 alternative which would remove a number of small businesses. She said it is not realistic to expect that many would be able to relocate and continue to operate.

Mr. Salomone said Sound Transit is slated to make a decision on the preferred site on July 24. Preliminary engineering, Final Environmental Impact Statement (FEIS) review, and development of the Record of Decision is anticipated during the third quarter of 2015, with final

design to be completed by third quarter 2017. Construction and the opening of the facility is targeted for 2020.

Mayor Balducci said the Sound Transit Board capital committee will discuss the OMSF during its next meeting. She noted that, more often than not, the preferred alternative does become the final alternative. She assured the Council that she continues to express Bellevue's concerns in her role on the Sound Transit Board.

At 7:56 p.m., Mayor Balducci declared recess to the Regular Session.

Myrna L. Basich, MMC  
City Clerk

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