

CITY OF BELLEVUE
CITY COUNCIL

Summary Minutes of Study Session

July 21, 2014
6:00 p.m.

Council Conference Room
Bellevue, Washington

PRESENT: Mayor Balducci and Councilmembers Chelminiak, Lee, Robertson, Robinson, and Stokes

ABSENT: Deputy Mayor Wallace

1. Executive Session

Councilmember Robertson called the meeting to order at 6:04 p.m., and declared recess to Executive Session for approximately 30 minutes to discuss one item of property acquisition and one item of potential litigation.

The meeting resumed at 7:02 p.m., with Mayor Balducci presiding.

2. Study Session

(a) Energize Eastside Project – Use of a Technical Expert for Project Review

City Manager Brad Miyake recalled previous Council direction to staff to bring back information regarding the need for technical expertise on certain elements of Puget Sound Energy's Energize Eastside project. The purpose of tonight's discussion is to address questions previously raised by the Council and to discuss options for how to proceed.

Mike Brennan, Director of the Development Services Department (DSD), described the timeline for the Energize Eastside environmental review process, which includes the City's activities as well as the coordinated project review through a multi-jurisdiction collaboration. The latter will be executed through an Interlocal Agreement to select a consultant team to manage the environmental impact statement (EIS) process. It is anticipated that the Phase I Programmatic EIS will be initiated by the end of the year, and the Phase II Project EIS will be conducted 2015-2016.

Carol Helland, Land Use Director, said the City of Bellevue is the lead agency for the multi-jurisdictional collaboration and negotiations will be underway soon to establish the Interlocal Agreement. These discussions will address consultant selection, internal review process, resources needs, and timeline expectations. The group will ultimately select the consultant team.

Ms. Helland said this effort will use the shared procurement portal through the eCityGov Alliance. King County and the City of Redmond are the only two jurisdictions along the alignment that do not use that portal, and both have indicated they would be satisfied with the use of those consultant lists.

Ms. Helland said the programmatic EIS takes a broad look at the need for the Energize Eastside project and alternative methods to transmission (e.g., conservation, storage, generation and operational). This portion of the EIS is intended to inform the choices to be made later during the project-level EIS. The project-level EIS will narrow the review to an analysis of a range of alternative alignments and will review proposed construction and design elements, as well as mitigation.

Ms. Helland said the EIS process will answer the majority of questions that have been raised by Council and the community. However, Council will also have the opportunity to identify any additional areas to be studied that would influence their decision making (e.g., property value impacts).

Councilmember Lee said this topic has aroused a great deal of interest within the community. The issues are complex and citizens have provided strong input and information. He supports the multi-jurisdictional effort. However, he said Bellevue needs to establish its own needs within the context of the region. He expressed concern that negotiating the Interlocal Agreement could slow the process down. He wants the City to maintain the current momentum and engagement of Bellevue citizens and Puget Sound Energy. Mr. Lee would like the programmatic EIS to begin sooner than currently anticipated.

Councilmember Robinson said she is pleased with the proposed process, including the work to be done to establish local and Eastside electrical energy needs. She supports the regional collaboration and said there is strength in numbers. She suggested the project provide the opportunity for a joint public education program to remind citizens about conserving energy.

Councilmember Robertson asked whether there have been discussions with other cities about jointly funding due diligence work outside the scope of the EIS. Ms. Helland confirmed that Bellevue will raise that topic with other cities' staff to encourage them to discuss technical review outside of the EIS with their elected officials. She said the EIS review will be funded through permitting fees. Ms. Helland said the City of Renton has expressed an interest in an analysis of property value impacts.

Ms. Robertson posed three questions that she does not believe are captured in the materials provided to date: 1) What are the least intrusive methods for providing power to meet the Eastside's needs?, 2) What is the City's role and authority and/or options to shape the project?, and 3) Who else has oversight authority over the project, and how is that expected to influence the project?

Councilmember Robertson said she is in favor of an independent review, including initiating some of the work before the EIS begins. She suggested the consultant could help provide

information that would assist the EIS expert in the proper scoping. She is interested in both a peer review and independent work outside of the peer review. She suggested three experts – one for pre-EIS work, an EIS expert, and a legal expert.

Ms. Robertson said she was surprised that a property value analysis would not be considered in the EIS. Ms. Helland said economic impact is a NEPA (National Environmental Policy Act) issue. City projects, especially transportation, often include an economic impact analysis because they receive federal funds. Responding to Ms. Robertson, Ms. Helland said Bellevue can use the results of an analysis for information outside of the SEPA/EIS review.

Councilmember Robertson is in favor of an economic impact analysis as part of the EIS. She said she is not ready to take action on the proposed process tonight.

Ms. Helland said staff has been documenting issues raised by the Council and public to date. However, the City continues to receive information from interested individuals and groups (including CENSE). She encouraged stakeholders to continue to provide information to the City, especially on topics not yet identified or discussed.

Ms. Robertson said it would be great if staff continues to work to make sure the City is asking all of the right questions in order to bring forward a more detailed plan for Council action as soon as possible.

Mr. Brennan said the current information gathering phase will not exclude additional questions and issues that arise going forward.

Councilmember Chelminiak said he likes the process as it is laid out. We need to look at the purpose and the need for the project, which are similar but not necessarily the same. He supports the multi-jurisdictional approach to the programmatic and project-level EIS.

In terms of the City's independent review, Mr. Chelminiak said the City needs to be able to respond to the proposed Energize Eastside project: How does it affect City policies? How does it affect City properties? How does it affect residents and businesses? He would like to initiate the Bellevue-specific review very quickly. He would like to bring someone in who will begin analyzing the purpose and need for the project and help the City ask the right questions. Mr. Chelminiak said he appreciates the three questions posed by Councilmember Robertson.

Mr. Chelminiak would like to see an enhanced Bellevue-centric review that will provide the expertise for the City to discuss mitigation, economic impacts, and other key issues.

Mayor Balducci observed that the entire discussion presupposes a whole lot of understanding about what an EIS process looks like and what it does and does not do. She said most of her experience with an EIS process relates to transportation projects. She questioned whether SEPA actually identifies topics that cannot be included in an EIS review.

Ms. Helland said the issue of what is included is more about who funds the EIS review. There is a list of requirements to be met and these vary between SEPA and NEPA. Otherwise, the question is whether an applicant would pay for the additional review requested or whether all jurisdictions would share in the costs.

Mayor Balducci said she notices that, when it comes to decision time on projects, information within the EIS is given a different level of consideration than other information. She wants to be sure the City is able to obtain all of the information needed and available to guide decision-making. She does not want decisions to be limited to the information documented in the EIS.

Ms. Balducci reiterated the key topics: understanding the purpose and need for the project, the role of conservation projections, alternative means of providing power, and alternative routes/alignments/profiles.

(b) Development Services Update and request for Additional Staff to Respond to Increased Development Activity

City Manager Miyake opened staff's update on development activity and staffing needs.

Mr. Brennan said the presentation would highlight current and pending development projects and their impact on staffing needs.

Gregg Schrader, Assistant Director/Building Official, described the major Downtown and Bel-Red corridor projects, school construction projects, and neighborhood projects (Bellevue Youth Theatre, Lake Hills Shopping Center, Hidden Valley Park partnership with Bellevue Boys and Girls Club). Special projects include East Link light rail, Energize Eastside, Shoreline Master Program, Downtown Livability, single-family room rentals, and recreational marijuana.

Nicole Berrocal, Assistant Director of Development Services, described the increase in development application volumes since January 2011. She described a chart depicting how project valuations have increased significantly over the past four years as well. Permit processing timelines have consistently shortened over the past two quarters as a result of operational improvements including paperless permitting for all application types and approval to hire an additional 24 FTE staff.

Ms. Berrocal described a chart depicting staffing levels since 2005. She described the decrease in the use of professional consultant services over the past year as in-house staffing increased. She described reserve funds available since 2009, noting that the current Development Services Fund balance is roughly \$10 million. The Fund covers operating costs, prepaid liability, operating systems and core staffing.

Mr. Brennan said the Development Services Department's emphasis on continuous improvement includes strategic planning for the next 3-5 years, customer service training, a focus on performance management, paperless permitting, and enhancing a mobile workforce.

Mr. Brennan said customer feedback is positive with regard to the courtesy and efficiency of staff. There are concerns that the process could be easier to understand and that some permit processing is not as timely as they would like. Mr. Brennan said the City is working to improve the connection with customers through the Master Builders Association, retooling the customer surveys to create real-time online feedback, and technology investments.

Mr. Brennan described the paperless permitting process and the sharp increase in online permitting since all permits became available online in 2013. He commented on the benefits of a mobile workforce for both customers and staff including access to information in the field, time savings, and cost savings. Data gathering will assist staff in workload management and managing customer training opportunities.

Mr. Brennan requested authorization to staff two additional FTE positions: Mechanical Inspector and Building Inspector. Both positions are fully fee supported and do not require General Fund monies.

Mayor Balducci thanked staff for the comprehensive update. She acknowledged the need to increase staffing as development activity and the demand for services increases.

Mayor Balducci noted a Council consensus to approve adding the requested staff.

3. Council Business [*Regular Session Agenda Item 6*]

Councilmember Chelminiak said he attended a meeting of the Puget Sound Regional Council (PSRC) Growth Management Policy Board, a staff briefing on the Sound Transit operations and maintenance facility, and meetings related to the Energize Eastside project.

Councilmember Robinson attended a meeting of the Leadership Alliance Against Coal, which is concerned about the impacts of transporting coal and oil across the country by rail. The oil transported is particularly flammable and there have been a number of accidents involving coal and oil transport. Ms. Robinson said the rail traffic delays food deliveries which results in waste.

Councilmember Lee reported that he attended the Youth Leadership Camp and the Transportation Commission meeting. He met with a delegation from China at an event hosted by the Mayor of Tacoma.

Councilmember Robertson said she and the rest of the Council attended the Symetra Family Fourth celebration. She attended the Somerset neighborhood 4th of July family parade as well.

Councilmember Robertson reported that she has attended meetings with Puget Sound Energy, CENSE (Coalition of Eastside Neighborhoods for Sensible Energy), City staff, and the King County Growth Management Planning Council (GMPC).

Ms. Robertson said she has been involved in Sister Cities activities to prepare for the visit of Lord Mayor Jiranek from Bellevue's sister city Kladno in the Czech Republic.

Councilmember Stokes said that he, the City Manager, and Mike Brennan toured Lake Lanes to look at one of the Puget Sound Energy proposed alignments along the BNSF corridor.

Mayor Balducci noted materials in the Council's desk packet regarding the East Main light rail station area planning process, including copies of applications for serving on the Citizen Advisory Committee (CAC). The station is located on 112th Avenue just south of Main Street. Ms. Balducci asked Councilmembers to provide input over the next week. There are 11 positions on the CAC and 15 applications have been received.

Mayor Balducci said Bellevue has done very well in terms of rankings for federal funding through the Puget Sound Regional Council's process. Projects slated to receive funding are NE 15th Street (Bel-Red Corridor), 120th Avenue NE, Bellevue Mountains-to-Sound Greenway trail, Richards Road/Lake Hills Connector (overlay), and the Hospital Station multi-modal connection.

Mayor Balducci thanked Eric Miller and staff for their hard work to secure federal grants. She noted that, unfortunately, Jen Benn left recently to work for the Puget Sound Partnership.

Ms. Balducci said she has attended a number of meetings over the past few weeks related to Sound Transit's operations and maintenance facility proposed for Bellevue.

Ms. Balducci noted that the Japanese-American community held a reception to honor City Manager Brad Miyake, who is the first Japanese-American and first Asian to serve as City Manager.

Councilmember Stokes said he also attended the reception for Mr. Miyake.

Councilmember Lee complimented staff on the handling of traffic following the 4th of July celebration.

Councilmember Robinson noted that most or all Councilmembers were at the Bellwether art exhibit reception.

At 7:57 p.m., Mayor Balducci declared recess to Regular Session.

Myrna L. Basich, MMC
City Clerk

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