

CITY OF BELLEVUE
CITY COUNCIL

Summary Minutes of Extended Study Session

July 28, 2008
6:00 p.m.

Council Conference Room
Bellevue, Washington

PRESENT: Mayor Degginger, Deputy Mayor Balducci, and Councilmembers Bonincontri, Davidson, Lee, and Noble

ABSENT: Councilmember Chelminiak

1. Executive Session

Deputy Mayor Balducci called the meeting to order at 6:02 p.m. and announced recess to Executive Session for approximately 20 minutes to discuss one item of property acquisition.

The meeting resumed at 6:19 p.m., with Mayor Degginger presiding.

2. Oral Communications

- (a) Bob Killian said he lives across the street from the Jewish Day School, which has been undergoing remodeling for approximately 18-24 months. The school revised its plans in late 2007 and applied for a land use exemption to install two modular classrooms instead of a building on the northeast corner of the property. The exemption was granted. Mr. Killian expressed concern that the modular additions are located on the most visible portion of the property. He feels consideration of the land use exemption should have included the opportunity for public comment. Mr. Killian described and submitted photos of the site.

Mayor Degginger asked the City Manager to have staff review the issue.

3. Study Session

- (a) Council Business and New Initiatives

Deputy Mayor Balducci referred Council to a memo in the desk packet recommending extending the service of Daryl Wendle on the Transportation Commission. Mr. Wendle's regular term expired on May 31, 2008. However, due to recent resignations he has agreed to stay on the Commission through the end of the year to assist in completing current work program items.

- Deputy Mayor Balducci moved to approve extending the service of Daryl Wendle on the Transportation Commission through the end of 2008. Councilmember Davidson seconded the motion.
- The motion to approve extending the service of Daryl Wendle on the Transportation Commission through the end of 2008 carried by a vote of 6-0.

Councilmember Lee reminded the City Manager to provide a draft agreement with the City of Dalian, China, for Council discussion before the September trip.

(b) Regional Issues

City Manager Steve Sarkozy opened discussion regarding SR 520 tolling and pricing activities, including an early travel analysis. He introduced Bob Drewel, Puget Sound Regional Council (PSRC) Executive Director; Charlie Howard, PSRC Transportation Director; and David Hopkins, WSDOT Intergovernmental Director.

Mr. Drewel, Chair of the Tolling Implementation Committee, thanked the City for hosting related meetings and discussions including one scheduled for August 6 at Bellevue City Hall.

Mr. Howard reviewed the initial results of travel and financial models related to tolling. The results are based on assumptions regarding the cash flow needed for the SR 520 bridge replacement project, interest rates, and the date of tolling implementation. The State's bridge replacement schedule reflects the initiation of construction in 2009, opening of the new bridge in 2014, and completion of corridor improvements in 2016. The state legislature identified a number of funding sources for the nearly \$4 billion project including tolling revenue and the state gas tax, as well as federal bridge funds and other federal funding sources.

The Committee is hosting public open houses over the next few weeks, and will use public input to review and potentially identify alternatives. The criteria being used for evaluation are selecting a reasonable toll, total bridge funding to be generated, diversion effects of the tolls, potential bridge performance in terms of congestion relief, and the impact of tolls on low income users.

Mr. Howard reviewed four scenarios examined by the Committee: 1) Begin tolling the new SR 520 bridge in 2016, 2) Start tolling the 520 bridge in 2010, 3) Start tolling 520 and I-90 bridges in 2016, and 4) Start tolling the 520 bridge in 2010 and the I-90 bridge in 2016. He reviewed the projected impacts of each option, an analysis of who uses the bridge, and the assumptions used to develop the estimates and interpret them for each option. Of the four initial scenarios, none produce the legislature's target funding of \$1.5 to \$2 billion. Two raise less revenue and two generate more.

Mr. Drewel clarified that the role of the tolling committee is to identify and analyze options in order to provide the information to the public for consideration and review.

Continuing, Mr. Howard provided additional details on each scenario, including estimated traffic speeds and changes in traffic patterns. Potential tolls range from 40 cents to \$3.80 one way, depending on the time of day.

Staff responded to questions of clarification during the presentation.

Responding to Mayor Degginger, Mr. Howard said SR 522 will become more heavily travelled by individuals living on the north end of Lake Washington if tolls are implemented on the SR 520 bridge.

Mr. Howard reviewed projected toll revenue to be generated by each scenario. Six open houses are scheduled through mid-August, including one at Bellevue City Hall on August 6. The committee will continue to study the issue, including an analysis of the effect of rising gas prices on the tolling scenario results.

Councilmember Davidson observed that while traffic speeds on SR 520 will improve with tolling, traffic will continue to be congested at I-405 and other heavily travelled areas. Mr. Howard responded that volumes are expected to decrease with tolling, with people choosing to shop and attend activities on their side of the lake.

Responding to Councilmember Noble, Mr. Howard commented on assumptions related to the analysis of the effects of tolling scenarios on system-wide traffic patterns.

Responding to Deputy Mayor Balducci, Mr. Howard explained that the analysis assumes 45 new buses on SR 520 through Urban Partnership funding. He agreed that changes in transit usage are an important component of the analysis. Mr. Drewel noted that speed limits on SR 520 will increase when the six-lane bridge with shoulders is completed.

Ms. Balducci said the state legislature will need to identify its objective in terms of tolling, which at this point is based primarily on funding a new SR 520 bridge. However, reducing congestion and emissions are goals as well. Ms. Balducci suggested an analysis that would reflect the toll levels needed to most accurately fund the bridge, no less and no more.

Councilmember Lee concurred with Ms. Balducci's comments regarding the importance of defining the intended result. Responding to Mr. Lee, Mr. Howard said the toll for a segment, such as 92nd Avenue in Bellevue east to I-405, would be lower than the full toll for crossing the bridge. However, more analysis is needed to determine whether charging tolls for short segments would be worth pursuing in terms of the revenue it would generate. In further response, Mr. Howard said light rail on I-90 is assumed for the 2016 tolling scenario.

Councilmember Bonincontri observed that the number of people using non-SOV travel modes is growing. She is concerned that the tolling scenarios and estimates of revenue to be generated are based on outdated data regarding SOV travel, which is declining and will likely continue to decrease.

Mayor Degginger noted that Sound Transit will present a ballot measure in 2009. He wondered how future enhanced Sound Transit services will affect toll revenue projections. Consistent with Mr. Lee, Mr. Degginger is interested in whether the segment (non-bridge) tolls would generate sufficient revenue to justify their collection. Mr. Degginger asked about the revenue to be generated by each bridge. He acknowledged the function of having tolls on I-90 along with SR 520, as a way of discouraging drivers from diverting to I-90. However, he suggested that the I-90 toll would not have to be at the same level as the SR 520 tolls. Mayor Degginger would like to see these additional scenarios analyzed and presented to the state legislature.

Mr. Hopkins reported that modeling results indicate that differential tolls would even out traffic on the two bridges more than having the same toll on both bridges.

Responding to Councilmember Noble, Mr. Hopkins said the models assume the completion of center HOV lanes on I-90.

Mr. Howard described maps showing the impact of different tolling scenarios on overall congestion and the use of local arterials. Tolling either or both bridges results in lower traffic volumes on the bridges and on roads that access I-90 and SR 520.

Councilmember Davidson questioned how visitors to the area will be handled on the bridges. Mr. Howard said that 80 percent of users of the Narrows Bridge are regular commuters with transponders. Tolling systems often allow for a certain amount of non-paying drivers, which could be the case in this area as well.

Mayor Degginger thanked the guests for the presentation and their work on the project.

Mr. Howard announced that all open house meetings are scheduled from 5:00 p.m. to 7:30 p.m., with presentations at 6:00 p.m.:

July 29 – University of Washington Bothell – North Creek Events Center
July 31 – Renton – Spirit of Washington Events Center
August 5 – Seattle – Naval Reserve at South Lake Union
August 6 – Bellevue City Hall
August 7 – Kirkland Performance Center
August 13 – Mercer Island Community Center.

Moving to the Cascade Water Alliance update, Mr. Sarkozy welcomed Ed Oberg, Acting CEO for Cascade.

Mr. Oberg recalled his last presentation to the Council on March 17 which focused on the Tacoma Cascade Pipeline. The purpose of tonight's presentation is to discuss Cascade's short-term supply strategy. The short-term strategy extends to the point at which the Lake Tapps supply comes online (2024). The long-term supply strategy applies to needs after 2024. Approximately one quarter of Cascade's water comes from member independent supplies (e.g., groundwater, wells). The remaining supply currently comes through a contract with the City of

Seattle, which provides 30 million gallons per day (MGD). The volume of water through the contract with Seattle begins to decrease beginning January 1, 2024 and continues to decrease by five MGD per year until it stabilizes at an annual volume of five MGD.

The Cascade staff has been working with the Cascade Board and Bellevue staff to refine the short-term strategy. They have developed a recommendation for the Cascade Board that is approximately one-third of the cost of developing the Tacoma Cascade Pipeline for short-term supply.

Mr. Oberg reviewed the components of the revised short-term strategy. The first is a supplemental water supply contract with the City of Seattle, which would increase the current contract by three MGD beginning in 2009 and continuing through 2017. This would increase to five MGD between 2018 and 2023.

Without the Tacoma Cascade Pipeline in place, a second component is to bring Tacoma water into the Cascade system without any new infrastructure, which is known as wheeling water. Tacoma's infrastructure ties into the Lake Haven Water District in Federal Way, which connects to the Highline Water District in Burien and then to the Tukwila and Skyway districts, which are Cascade members.

The third component of the revised short-term strategy is to renegotiate the Tacoma contract. Cascade members will have more than enough water in the short term through the Seattle contract and wheeling arrangement. Cascade has had two meetings with the City of Tacoma, and a negotiation session is scheduled for next Monday. The concept is to move the obligation to purchase water from the beginning of the current agreement with Tacoma to the later portion of the contract period.

Mr. Oberg explained that the revised strategy provides four benefits: 1) Less costly alternative to building the Tacoma Cascade Pipeline, 2) Meets all projected water needs and avoids penalties associated with excess water usage under the Seattle contract, 3) Allows an extended development and construction period for the Tacoma Cascade Pipeline, and 4) Provides more time for Cascade to initiate and focus on a long-range water supply plan based on demand projections, all supply options, specifications for a pipeline or pipelines, and the implementation of the Lake Tapps supply.

Cascade has requested action from the City of Seattle in August regarding a supplemental supply contract. If this occurs, the Cascade Board will take action on the agreement during its August 27 meeting. Cascade will begin more detailed discussions with the affected water districts involved in the wheeling plan, continue contract negotiations with the City of Tacoma, and initiate a new long-range planning process.

Councilmember Noble thanked Mr. Oberg for the update. Responding to Mr. Noble, Mr. Oberg said Cascade's last water demand study was conducted in 2004. However, the slowdown in the economy has resulted in a lower growth rate and decreased water demand.

Responding to Mr. Noble, Mr. Degginger said it is doubtful that the development of Lake Tapps would not be needed as part of the long-term supply strategy. All regional forecasts for long-term population growth indicate that new water supplies will be needed.

Mayor Degginger noted that Cascade's first negotiations with Seattle extended over approximately three years. He commended Mr. Oberg for completing recent negotiations with Seattle within two to three months. Mr. Degginger said Cascade and Seattle are collaborating more effectively as a result of the negotiations.

Councilmember Lee thanked Mr. Oberg for the update and said he feels Cascade is moving in the right direction.

Councilmember Davidson said he appreciates the City of Seattle's work with the Cascade Water Alliance.

Mr. Oberg responded to additional brief questions of clarification.

At 8:03 p.m., Mayor Degginger declared a short break. The meeting resumed at 8:10 p.m.

(c) Light Rail Best Practices Committee's Recommendations – Public Comment Opportunity

Planning Director Dan Stroh opened staff's presentation regarding the Light Rail Best Practices Committee's recommendations on the Sound Transit East Link project.

Vicki Orrico, Planning Commission Chair, reported that Commissioners Matthews and Robertson were on the Light Rail Best Practices Committee. The Commission received several briefings on the work, and held a public hearing on July 9. Ms. Orrico said Surrey Downs residents have expressed concerns about impacts associated with light rail alignment and construction staging. She commended the Best Practices Committee for its work, noting that the Planning Commission made only minor revisions to the committee's recommendations.

Chair Orrico said the Planning Commission recommended by a vote of 6-0 to approve the Comprehensive Plan Amendments to the Transportation Element incorporating new light rail transit policies, and amending existing policies and figures to be consistent with changes to regional plans and policies.

Maria Koengeter, Senior Planner, explained that in response to Council discussion on July 14, staff provided revised wording, additional discussion questions, and clarifications of existing policies to the Planning Commission for further review. This input has been incorporated into the committee's recommendation, which is supported by the Planning Commission. Following public comment tonight, staff is seeking feedback from Council regarding the accuracy of the proposed revisions based on previous discussion, as well as any additional direction before staff prepares the report for final adoption. Ms. Koengeter referred the Council to page 3-83 of the meeting packet for a listing of how Council's comments were incorporated into the

Commission's recommendation. Ms. Koengeter and Michael Kattermann, Senior Planner, briefly reviewed the revisions.

Bernard van de Kamp, Regional Projects Manager, noted that on Thursday the Sound Transit Board voted to place the Sound Transit II package on the November ballot. Sound Transit anticipates release of the East Link draft environmental impact statement (DEIS) in October/November, to be followed by a 60-day public comment period. Sound Transit will hold public hearings and community meetings throughout this period. The input will be compiled and taken into consideration in identifying the locally preferred alternative. Sound Transit will review input from the public and government agencies and work to identify a preferred alternative. The final EIS and adoption of the preferred alternative will occur throughout 2009 and 2010. Final design is slated for 2010-2013, construction and start-up testing will occur during 2013-2021, and light rail operation will begin in approximately 2021.

Bellevue staff is planning to provide an informational session regarding the DEIS process and report prior to release of the document this fall. Mr. van de Kamp reviewed Bellevue's light rail planning process to date. He noted the City's interest in hearing comments regarding preferred routes and alignment. Many of the Best Practices Committee's recommendations relate to later stages of the project including construction mitigation and construction techniques, and to fitting light rail appropriately into neighborhoods.

In early 2009, following a briefing on the DEIS, Bellevue will move toward the identification of a locally preferred alternative. Mr. van de Kamp said staff anticipates continued high levels of community discussion and input. Bellevue's locally preferred alternative will be forwarded to the Sound Transit Board for its deliberations through early 2009. Staff suggests convening citizen advisory committees later in the process to address station locations and design. The final EIS (FEIS) will be completed by early 2010, followed by federal review and decision, and ultimately Sound Transit's adoption of the plan.

By 2011 and 2012, the City's efforts will shift from design to preparing for construction through its permitting process, construction management plan (with Sound Transit), and investment programming. Mr. van de Kamp said staff will explore the feasibility of a citizen advisory committee to monitor construction impacts. Staff will coordinate local transit planning with King County Metro to ensure that new and existing bus routes are modified to coordinate with light rail stations. The City will also address pedestrian amenities, maximizing traffic signal operations, and Police and Fire training.

Mayor Degginger thanked the audience for attending, and described the Council's appointment of the Light Rail Best Practices Committee to compile data regarding light rail planning and implementation in other jurisdictions. He invited the public to comment on the committee's report and the Planning Commission's recommendation regarding the report. He reviewed the rules for providing public testimony and noted that the comment period would be limited to one hour. He thanked citizens for their input throughout this process.

Mayor Degginger thanked the committee and staff for their work, and Deputy Mayor Balducci and Councilmember Davidson for their participation in the committee's activities.

- Deputy Mayor Balducci moved to open the public comment period, and Councilmember Bonincontri seconded the motion.
- The motion to open the public comment period carried by a vote of 6-0.

The following citizens came forward to comment:

- 1) Don Billen, Sound Transit, distributed copies of a letter from Sound Transit to the Council and noted that the Eastside will receive the most significant level of investment in the Sound Transit II package.
 - 2) Susan Ilvanakis spoke in support of a light rail alignment along 118th Avenue instead of 112th Avenue and Bellevue Way. She thanked the Light Rail Best Practices Committee for its work.
 - 3) Betsy Blackstock, a Surrey Downs resident, expressed support for the committee's draft report, which she feels articulates the community's interest in protecting neighborhoods from the negative impacts of light rail. She thanked the Council for appointing the committee and supporting its process.
 - 4) Sarah Chesemore, a Bellecrest/Surrey Downs resident, said she appreciates the part of the committee's report that focuses on creating stations as desirable destinations and public spaces. She encouraged the City Council to further study the issue of financial compensation for property owners who are negatively impacted by the light rail project.
- Deputy Mayor Balducci moved to close the public comment period, and Councilmember Bonincontri seconded the motion.
 - The motion to close the public comment period carried by a vote of 6-0.

Staff responded to questions of clarification from the Council.

Councilmember Lee expressed support for the Planning Commission's recommendation regarding approval of the Light Rail Best Practices Committee's report.

Referring to suggestions in Sound Transit's comment letter, Councilmember Noble did not support the suggestions and spoke in favor of keeping policies TR-75.5, TR-75.11, and TR-75.35 as written in the City's Comprehensive Plan Amendment (CPA) package.

Councilmember Bonincontri concurred with retaining the language of the latter two policies. She favors Sound Transit's suggested revision regarding TR-75.5, however.

Councilmember Balducci reviewed Sound Transit's suggested revision to TR-75.5, which deletes a phrase about preserving existing travel lane capacity. She noted Bellevue's general position that the City does not want to give up any existing lanes to light rail. However, she is open to the possibility that the loss of an existing lane could be compatible with an overall increase in travel capacity. Ms. Balducci proposed language to articulate the concept of maintaining and improving overall transportation capacity. She does not support Sound Transit's suggested revisions on the other two policies referenced above by Mr. Noble. Ms. Balducci strongly supports protecting neighborhoods and property values from construction impacts.

Councilmember Davidson repeated his earlier request for a comparison of ridership estimates for a Bellevue Way/112th Avenue SE alignment versus an alignment to the east along I-405. With regard to station boardings, Dr. Davidson noted a boarding estimate for one Bellevue station that exceeds actual boardings at a total of four stations in Portland, Oregon. He questioned the accuracy of this projection.

Dr. Davidson commended the Best Practices Committee for its work. He favors the implementation of bus rapid transit over light rail, and he noted that the policy recommendations would apply to the development of BRT as well.

Mayor Degginger supports retaining the CPAs as drafted by City staff and the Best Practices Committee. Mayor Degginger noted a general consensus to retain the policies without the revisions requested by Sound Transit.

(b) Regional Issues [Resumed]

Ms. Carlson referred the Council to page 3-17 of the meeting packet regarding information on membership in the U.S. Conference of Mayors. Bellevue is currently a member of the National League of Cities. The U.S. Conference of Mayors distinguishes itself from the NLC in that its member cities exceed 30,000 in population. Ms. Carlson observed that the U.S. Conference of Mayors is more active in Washington, D.C., than the NLC, and many of Bellevue's goals and issues align with those of the U.S. Conference of Mayors.

Mayor Degginger said he attended the U.S. Conference of Mayors annual meeting in June and found it useful and valuable. He is impressed with their work regarding climate change, energy efficiency, and water supply issues, to name a few. Mr. Degginger noted that the organization provides a strong lobbying function, and he favors becoming a member.

Responding to Councilmember Bonincontri, Ms. Carlson said the NLC and U.S. Conference of Mayors do not compete with each other, and a number of cities are members of both. The NLC focuses on a broader range of issues, in part because its membership includes smaller cities as well. Both organizations set priorities for working with Congress, and the issues are not inconsistent between the two groups. However, the U.S. Conference of Mayors reflects a stronger focus on urban and suburban areas.

Dr. Davidson stated his impression that the U.S. Conference of Mayors is dominated by larger cities and that it reflects a political bent despite being non-partisan. He is concerned about being involved with and providing financial support to two organizations at the national level.

Deputy Mayor Balducci observed that the U.S. Conference of Mayors' 10 priority issues match well with Bellevue's priorities.

Councilmember Lee noted his involvement with the NLC for many years. He feels the two organizations' goals and priorities are more or less the same. He supports membership in organizations that are able to influence Congress to benefit cities. Mr. Lee expressed some concern that Bellevue's two-year mayoral terms might not provide optimal continuity for active and ongoing participation, however.

Councilmember Noble agrees that the U.S. Conference of Mayors is a good organization. However, he feels the money could be better spent on local priorities and initiatives.

Moving on, Ms. Carlson provided a brief update on the 2008 state and federal legislative sessions.

Ms. Carlson referred the Council to page 3-43 of the meeting packet for information regarding King County's budget deficit. Councilmember Noble requested information on the findings and recommendations of the King County task force to address its budget practices and issues.

Responding to Councilmember Bonincontri, Ms. Carlson said King County continues to promote the annexation of remaining unincorporated areas.

Mayor Degginger commented that it is important to monitor King County's activities as reductions in services and funding can have a significant impact on cities.

Councilmember Noble noted his previous request to update the City's human services interest statement, particularly in light of King County's continued decrease in human services.

Dr. Davidson suggested that cities work together to address the impacts of King County's budget deficit on local jurisdictions.

As a final note, Ms. Carlson referred the Council to a handout regarding King County bus shelters in Bellevue.

At 9:52 p.m., Mayor Degginger declared the meeting adjourned.

Myrna L. Basich
City Clerk

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