

CITY OF BELLEVUE
CITY COUNCIL

Summary Minutes of Extended Study Session

October 8, 2007
6:00 p.m.

Council Conference Room
Bellevue, Washington

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

ABSENT: Councilmember Marshall

1. Executive Session

Deputy Mayor Chelminiak called the meeting to order at 6:00 p.m. and announced recess to Executive Session for approximately 15 minutes to discuss one item of property acquisition.

The meeting resumed at 6:21 p.m., with Mayor Degginger presiding.

2. Oral Communications: None.

3. Study Session

(a) Council Business and New Initiatives

Councilmember Lee thanked staff for inviting the Human Services Commission to the Bel-Red Corridor Study implementation planning meeting.

(b) Long-Range Financial Strategic Planning Workshop

City Manager Steve Sarkozy opened the workshop discussion, which is a response to Council's desire to take a long-term look at operations (General Fund) budget planning.

Finance Director Jan Hawn explained that the purpose of the long-range strategic planning effort is to provide a financially sustainable model for service delivery and for investing in priorities. A longer term (20 year) perspective of both the operating and capital plans will facilitate Council's discussions of priorities for future investments. Staff will provide Council with financing alternatives and an assessment of risks for each alternative.

Ms. Hawn recalled a discussion with Council on September 17 regarding utility asset replacement policies and planning. The next Council long-range planning workshop is scheduled for November 13, and an update on Development Services is also planned for November. The Bel-Red financial strategy discussion is scheduled for December 5, to be followed by discussion about the Supplemental CIP (Capital Investment Program) plan. A Parks voter initiative is tentatively scheduled for the February 2008 election.

Ms. Hawn reviewed the City's practices in reference to the Government Finance Officers Association's (GFOA) recommended practices for successful long-range financial planning. Bellevue has a clear process framework for the City Council and staff to address critical financial issues, service levels, and policy implications. The process also involves input and feedback from citizens. Ms. Hawn explained that Bellevue is a leader in financial planning in terms of GFOA guidelines as compared to other cities.

Councilmember Lee thanked staff for beginning the 20-year long-range planning process and commented on the importance of meaningful communication and political leadership.

Councilmember Balducci requested an outline of the long-range planning process. She encouraged opportunities for public comment regarding the financial planning effort.

Jonathan Swift, Budget Manager, presented the financial forecast. He explained that resources exceed expenditures by approximately \$3 million annually on an ongoing basis. The financial forecast looks 20 years into the future and is a starting point for service planning.

Mr. Swift noted Bellevue's strong economy and revenue base, including growth in sales tax and B&O (Business & Occupations) tax collections. The forecast assumes a continuation of current services and resources, the long-term impact of inflation, the impact of B&O apportionment and the streamlined sales tax, increased resources from the B&O audit, lower growth in costs for health benefits and asset replacement, and the impact of NORCOM. The forecast does not include assumptions regarding efficiency gains, service reductions, new revenue sources, the impact of Bel-Red Corridor development, or future service delivery changes such as a municipal court or regional jail.

Mr. Swift reviewed three forecast scenarios. The first reflects baseline growth with a resource availability of \$3 million (2 percent of General Fund budget) per year. This is based on the City's historical business cycles and on local economists' projections for the Puget Sound area. Alternative 1 (Low growth) projects an economic downturn and assumptions consistent with the national economy, with no resource availability annually. Alternative 2 (High growth) projects economic growth beyond local economists' assumptions with a resource availability of \$5 million per year.

Mr. Swift described financial sustainability as having projected resources in excess of expenditures on an ongoing basis. There is a projected \$2.9 million available per year in the baseline forecast through 2021. In some years the projected surplus is substantial. Near-term

risks include the impact of B&O tax apportionment, economic cycles, and legislative/mandated changes.

Responding to Mayor Degginger, Mr. Swift said that in 2002 the City experienced the first decline in 20 years of sales tax and B&O tax collections. It took four years for the City to return to pre-2002 resource levels.

Mr. Swift responded to questions of clarification.

Ms. Hawn presented the service assessment, which provides a detailed starting point for service planning for the next 20 years as well as an assessment of risks. It focuses on direct services (e.g., Fire, Police) but does not include a detailed assessment of support positions (e.g., Finance, Human Resources) or potential positions associated with the delivery of capital projects and Development Services. The service assessment is split into three time periods: 1) Short term (2009-2014), 2) Mid term (2015-2020), and 3) Long term (2021-2027). The assessment looks at the service and staffing model, customer expectations, and performance impacts, which provides the basis for staffing estimates.

Planning and Community Development Director Matt Terry reviewed key service drivers presented during the June 18 workshop:

- Growth in the residential population as well as in employment and daytime populations.
- Changing demographics that affect service delivery needs and approaches (i.e., diversity, aging, special needs individuals).
- Demands associated with an increasingly urban environment (e.g., infrastructure, aging facilities).
- External factors including state and federal legislation, institutional and cost shifts, and the range of partnership opportunities.

Mr. Terry responded briefly to questions of clarification.

Interim Police Chief Linda Pillo said the Police Department has a total of 271 budgeted positions, including 174 commissioned officers. She noted the effectiveness of the department's proactive community policing strategy which includes traffic enforcement, criminal investigation, substation officers, school resource officers, bicycle patrol, and the Special Enforcement Team. The department's state-of-the-art crime lab specializes in fingerprint analysis and computer forensics. Dispatch services are provided for two Police agencies and 14 Fire/EMS agencies. Additional activities include public records, property evidence retention/destruction, and regional partnerships.

Chief Pillo reviewed the Police Department's staffing model representing patrol squads, the traffic unit, K-9 personnel, Special Enforcement Team, courts/custody, investigations, community services, and four detectives in the Eastside Narcotics Task Force. She noted that Bellevue is rated the safest city in the northwest, local citizens rate public safety as one of the top three budget priorities, and four of five residents feel very or reasonably safe alone after dark in

Bellevue's downtown and neighborhood areas. Past actions to improve the department's service delivery include international accreditation, School Resource Officer program, community Police substations, Special Enforcement Team, volunteer program, and crime lab.

Chief Pillo said major drivers affecting ongoing Police services are population and density increases, increased diversity, and external factors (e.g., regional partnerships, mandated training). The average staffing ratio for cities of similar size to Bellevue is 1.8 officers per 1,000 residents. Bellevue's ratio is currently 1.49 officers per 1,000 residents. Chief Pillo noted that staffing has not increased since 2001. She reviewed statistics for service calls, calls per officer, dispatched incidents, response times, and crime trends. She noted the role of technology in assisting officers as they do their jobs.

Chief Pillo said public safety is an important factor in maintaining and encouraging economic development. She reviewed Police staffing estimates (new positions) for the short term, 2009-2014 (21 FTEs); mid term, 2015-2020 (7 FTEs); and long term, 2021-2027 (9 FTEs).

Responding to Councilmember Balducci, Chief Pillo said projected population increases and an increase in Internet-related fraud crimes as well as other technology related crimes are major challenges in terms of department staffing.

Responding to Councilmember Lee, Chief Pillo explained that there are fewer calls for South Bellevue. As a result, the district officer assists in other districts, resulting in longer response times when called to return to the South Bellevue district (District 6).

Chief Pillo responded to additional questions of clarification. She agreed with Mr. Lee that the use of technology has virtually unlimited potential, noting as one example its usefulness in identifying persons of interest by name or from a photograph using mobile technology.

Responding to Mayor Degginger, Chief Pillo described community-oriented activities including the Citizens Academy, substation officers, neighborhood meetings, middle and high school resource officers, and training (e.g., cultural diversity).

Responding to Deputy Mayor Chelminiak, Chief Pillo noted the department's current research into ways of gaining access into high-rise buildings. The Fire Department has a master key for downtown buildings. The Police Department currently works closely with the management of high-rise buildings to gain access.

Fire Chief Mario Trevino reviewed the Fire Department's primary services: 1) Fire suppression and rescue, 2) Emergency Medical Services (EMS), 3) Emergency Preparedness, and 4) Fire Prevention. Chief Trevino explained that the department staffs nine fire stations as well as the paramedic station located at Overlake Hospital for Medic I. Six stations are cross-staffed for fire suppression and EMS, and the minimum staffing level for stations is three fire fighters. Total on-duty staffing is 45 individuals. The Fire Department responded to 18,311 incidents (EMS – 14,002 and Fire-related – 4,309) in 2006. Chief Trevino noted that the 2006 Budget Survey and

the 2006 Annual Performance Measure Study indicated high citizen satisfaction levels with the Fire Department's services.

Chief Trevino reviewed the Fire Department's performance measures using as examples the number of fires confined to room of origin and the cardiac survival rate. Emergency incidents are expected to increase 42 percent by 2027 due to population growth, most of which will be concentrated in the downtown. In addition, the aging population will generate more EMS calls over time.

Chief Trevino explained that response times are affected by the distance from a fire station to an incident, traffic levels, the volume of incidents, and the type of building involved in a response. Bellevue's response time standard is to respond to 90 percent of all incidents in six minutes or less. He reviewed citywide response times and described the challenges of responding to incidents in the downtown. There is currently no fire station located in the downtown, and vertical response in high-rise buildings adds 1.5 to 2 minutes to average response times. The risk involved with downtown incidents is higher due to population density and the presence of critical infrastructure including hospitals, City Hall, and the downtown economic center.

Chief Trevino reviewed future fire staffing estimates to maintain the current level of service. In the short term (2009-2014), 28 FTEs will be needed to staff an additional engine/ladder company, a downtown fire station, and a second battalion. Mid-term staffing estimates are 16 additional FTEs between 2015 and 2020, and 24 FTEs between 2021 and 2027.

Responding to Councilmember Davidson, Chief Trevino said the Fire Department currently has 235 FTEs, which will increase by 8 FTEs on January 1, 2008.

Councilmember Balducci said she is pleased that the Fire Department approaches its service delivery through staffing as well as improved management and technology.

Responding to Ms. Balducci, Chief Trevino said the Bellevue Fire Department relies on mutual aid daily, which is automatically activated by the dispatch center based on current activity. Similarly, Bellevue assists surrounding jurisdictions as well. Councilmember Balducci supports the mutual aid arrangement. However, she cautioned against relying on it too extensively.

Responding to Deputy Mayor Chelminiak, Chief Trevino said the Fire Department recently contracted with an architectural firm to draft some alternative designs for a downtown fire station.

Responding to Mayor Degginger, Chief Trevino said cross-staffing has been used in Bellevue as a cost-efficient method. However, it is no longer recommended based on the growth of the community. In further response, Chief Trevino explained that educating the community about emergency preparedness can have a significant benefit in the event of an emergency in terms of relieving public safety personnel to handle the most critical situations.

At 8:46 p.m., Mayor Degginger declared a break. The meeting reconvened at 8:56 p.m.

Transportation Director Goran Sparrman said the Transportation Department's services include regional project coordination, transportation planning, design and construction of capital projects, traffic management, and streets maintenance. Citizen surveys have identified transportation as a top budget priority and as one of the most important issues for the City to address. Factors affecting the transportation system are population growth, traffic volume increases, infrastructure construction and replacement, regional projects, and federal mandates. Continued downtown development is expected to increase vehicle trips by 94 percent by 2020 and 107 percent by 2030. These increases assume that transit use will represent 44 percent of the trips by 2030.

Mobility strategies include:

- Enhancing the City's involvement in Sound Transit 2 planning through the design and implementation phases.
- Continuing efforts to fund and build capacity improvements.
- Working to optimize traffic operations.
- Implementing technological solutions, including Intelligent Transportation Systems (ITS), to manage the transportation system more effectively.
- Updating the downtown transportation and transit plan.
- Developing and implementing tools to manage the urban ROW and to address spillover traffic in residential areas.

Mr. Sparrman said staffing estimates for mobility projects (i.e., high capacity transit, downtown mobility, and ROW/traffic control center) indicate a need for 11 new FTEs in the short term (2009-2014) and two additional FTEs for the mid term (2015-2020).

Mr. Sparrman reviewed infrastructure operations and maintenance activities, noting that new infrastructure and technology are providing new opportunities for system operations. The number of traffic signals and street lights has increased significantly since 1990, without any increase in staffing to maintain the equipment. Street and infrastructure maintenance demands have increased as well. Mr. Sparrman explained that operational and maintenance practices (e.g., technology, outsourcing, and eliminating some tasks) have changed to keep pace with growth. As an example, he recalled that a few years ago the City replaced traffic signals with LED technology, resulting in a significant savings in dollars and the use of electricity.

Mr. Sparrman presented operations and maintenance staffing estimates of 10 new FTEs between 2009 and 2014, 5 FTEs between 2015 and 2020, and 2 more FTEs by 2027.

Councilmember Lee suggested calling the downtown transportation and transit plan the downtown mobility plan, to include all modes of travel (e.g., walking, bicycling). Mr. Sparrman concurred with the suggestion.

Responding to Councilmember Balducci, Mr. Sparrman said staffing levels are based in part on the extent of infrastructure to be maintained (e.g., number of signs to replace on an annual basis, lane miles requiring pavement markings). The other factor is qualitative in terms of dedicating staff to specific priorities such as high capacity transit and other emerging and/or regional issues.

Mr. Sarkozy noted the time and suggested deferring the remaining department presentations to another meeting.

Ms. Hawn reviewed total FTE needs through 2027 for the Fire, Police, Transportation, Planning and Community Development, and Parks and Community Services Departments. Staffing estimates are 82 new staff for 2009-2014, 36 new FTEs for 2015-2020, and 38 more FTEs between 2021 and 2027. She noted that short term estimates are more accurate than mid and long term estimates. There are currently 897 General Fund budgeted FTEs compared to 742 in 1988, reflecting an increase of 155 FTEs over 20 years. Projected staffing needs total 156 additional FTEs over the next 20 years.

Ms. Hawn said staff will continue to work to ensure that the base budget and programs are relevant and effective. This will include the use of research and implementation of best practices, citizen surveys, partnerships, technology investments, and creative funding approaches.

Councilmembers thanked staff for their work and commented on the importance of conducting long-range financial planning for the General Fund as traditionally has been done for the Capital Investment Program.

Staff responded to additional questions of clarification.

Mayor Degginger declared the meeting adjourned at 9:54 p.m.

Michelle Murphy
Deputy City Clerk

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