

CITY OF BELLEVUE
CITY COUNCIL

Summary Minutes of Study Session

May 21, 2007
6:00 p.m.

Council Conference Room
Bellevue, Washington

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

ABSENT: None.

1. Executive Session

The meeting was called to order at 6:02 p.m., with Mayor Degginger presiding.

2. Study Session

(a) Development Services Update

City Manager Steve Sarkozy introduced staff's presentation regarding development activity in downtown Bellevue.

Mike Brennan, Deputy Director for Development Services, noted that construction activity in the downtown is at a peak, with 17 tower cranes in place.

Joe Guinasso, PCD Administrative Services Director, briefly reviewed a bar graph showing total valuation issued in permits from 1998 to 2007 (estimated). In 2006, a total of \$760 million in project valuation was issued. Valuation issued in 2007 is projected at \$580 million. More than 14,000 applications were received in 2006, and 13,700 permits were issued. This trend continues in 2007. Building Division staff performed nearly 50,000 inspections in 2006, and 60,000 are anticipated in 2007.

Mr. Guinasso reviewed the Development Services triangle reflecting that customer needs, budget/revenue, and staffing and resources are necessary for achieving sustainable performance. From 2004 to 2007, 32 staff positions were added. Development Services continues to recruit to fill eight existing vacancies. Thirty nine new employees have been added since January 2006, and the division is working to reduce consultant contracts as staff are added. Approximately

\$600,000 will be spent on consultant contracts in 2007. Current staff overtime is an additional expense as well.

Mr. Guinasso reviewed the number of review and inspection staff positions since 1998. In 2001, there were 81 review and inspection positions, which includes Building, ROW, Utilities, and Fire inspectors.

Mr. Brennan thanked Council for allowing Development Services to add staff and needed funding in recent years to keep pace with construction activity. However, training and mentoring of new staff remains a challenge. Additional factors affecting performance are the number of permits requiring more revisions, extended response times by applicants, and design professionals and contractors stretching to meet commitments. In terms of the percentage of permit reviews meeting the performance target, approximately 60 percent are meeting the target in 2007. The performance target is determined for each permit, and actual performance includes the City's time as well as the applicant's time in responding to revisions.

Mr. Brennan reviewed preliminary results of the 2006 customer service survey, which indicates that 85 percent of customers feel Bellevue is doing a good job in reviewing permit applications and inspecting projects. Permit staff are found to be helpful, courteous, and informed about plan, document, and submittal requirements. Survey respondents commend continued performance improvement in the pre-application and plan review phases. Areas needing attention are review timelines and inspection issues including clear communication of corrections and modifications within the Code, as well as consistent results between departments.

Mr. Brennan noted that the busy development activity is a balancing act between aggressive construction schedules, car and pedestrian mobility, safety, and noise management. Rules and strategies to address these issues include the Noise Control Code, ROW management, response to complaints, communication with contractors, and community education.

Mr. Brennan reported major accomplishments of the past year including the online inspection request process, centralization of the Fire Department's annual inspection tracking information, 2007 Development Services fee updates, and implementation of the Critical Areas Ordinance. He noted two unusual events, the crane accident and windstorm, last year.

Upcoming projects include:

- Building and Fire Code updates,
- Building Cost of Service Study,
- Rate update in the Fall,
- Review of consultant contracts,
- Scoping of low impact and green building incentives, and
- Addressing NPDES (National Pollutant Discharge Elimination System) implications.

Responding to Councilmember Noble, Mr. Brennan said the survey indicated that areas with room for improvement are consistency in inspections and timeliness in permit processing.

However, Development Services continues to receive positive feedback regarding customer service. In further response, Mr. Brennan said the inconsistency issue is largely related to the ongoing addition of new staff.

Responding to Mr. Lee, Mr. Brennan said the City will not compromise the enforcement of codes and standards in the interest of expediting projects. Mr. Brennan assured Mr. Lee that Bellevue strictly follows codes and standards and provides training to ensure standards are being met.

Deputy Mayor Chelminiak noted questions from residents about why sidewalks are closed so often during construction. Laurie Gromala, Assistant Director for Traffic Management, explained that the Code allows buildings to be built up to the back of sidewalks. Construction staging, including loading areas, requires space that extends up to the sidewalks. Closing sidewalks is necessary to ensure public safety, and the City makes sure there is always a pedestrian walkway on one side of a street.

Mr. Chelminiak said he received a complaint that sidewalks were closed on both sides of the street along a section of NE 10th Street. The City responded quickly and flaggers were provided to assist pedestrians in crossing. Responding to Mr. Chelminiak, Ms. Gromala encouraged citizens to call or email the Transportation Department with this type of concern. She acknowledged that the contractor in this case was not following the rules of operation, and the matter was taken care of immediately.

Mr. Lee encouraged consideration of tunnel connections for pedestrians. Responding to Mr. Lee, Mr. Brennan said the valuation of issued permits is based on square footage and not on market values.

Mayor Degginger thanked staff for the presentation.

(b) Domestic Partners Benefits

Mr. Sarkozy recalled Council direction to staff on April 23 to proceed with bringing the issue of domestic partner benefits forward for Council consideration.

City Attorney Lori Riordan noted that the meeting packet provides findings of domestic partner benefits by other employers. A state law passed during the most recent state legislative session regarding the registration of domestic partners will go into effect on July 22. The law allows heterosexual partners over the age of 62 and homosexual partners to register.

Staff's proposal is for the City to provide benefits to both same sex and opposite sex partners of City employees. This applies to the same benefits currently applied to married couples and their children including medical, dental, and vision coverage; life and disability insurance; access to the Employee Assistance program; and access to leave benefits related to domestic partners. Staff proposes extending bereavement leave benefits in situations in which a family member of a domestic partner dies. It is further proposed that sick leave to care for children be extended to

domestic partners to care for their children in certain circumstances. COBRA (Option for continuing medical benefits when an employee leaves the City) benefits would be offered as well.

Ms. Riordan noted the various forms of families today including natural children, stepchildren, and adopted children. All children would qualify as dependents in the same manner as children of married couples under domestic partner benefits.

Most employers do not offer retirement benefits for domestic partners. However, an employee can designate anyone as a beneficiary, and therefore staff is not recommending the City provide this benefit. The same applies to long-term disability as well, as it is considered a retirement benefit and it is not currently offered to spouses of employees.

Ms. Riordan discussed the survivor life policy, which is intended to be a substitute for Social Security benefits that is provided to a survivor of an employee. This has been a difficult benefit for the City to provide at all, as there is only one provider who will write this type of coverage. There is no guarantee the coverage will be continued, and it is an expense that provides little benefit because there are not many employees who pass away while employed by the City. The MEBT (Municipal Employees Benefit Trust) and 457 Deferred Compensation Plan Committees have been considering for some time substituting something for the survivor life benefit. This would be providing term insurance at group rates.

Ms. Riordan explained that staff is drafting a declaration to be signed by employees and partners, which will contain statements stating they are in a committed relationship similar to a marriage. Documentation of three items of proof will be required such as joint bank accounts, joint home ownership, and registration with the State as domestic partners. Signing of the declaration will be subject to penalty of perjury, and consequences could include termination of employment. Married employees will be required to sign a declaration as well.

Next steps include legislative changes to the City Code (Chapter 3.79). Ms. Riordan said Deputy Mayor Chelminiak has requested that elements of proof of domestic partnership be specified in the Code.

Ms. Riordan said Code changes will be needed in sections dealing with contracting policies and the prohibition on family members supervising other family members, as well as other related policies. Draft legislation will be brought back on June 4 for Council review. Staff will then need to revise the Human Resources procedures manual to incorporate benefit changes. The benefits, when adopted, will apply immediately to unrepresented employees. However, it will be necessary to negotiate the policy change with bargaining units. Staff is working on related forms as well as a communication plan for employees. The declaration to be signed by married employees will be integrated into the open enrollment period held every November.

Responding to Councilmember Marshall, Ms. Riordan said employees are currently allowed to make changes to benefits following life-altering events such as divorce or the addition of a dependent, and this would be followed for domestic partners as well.

Responding to Councilmember Lee, Ms. Riordan said the potential annual cost of benefits for domestic partners and their dependents is \$165,483 to \$413,708. This is based on an analysis of other cities that provide the benefits as well as an estimate that 2% to 5% will qualify for the coverage.

Responding to Councilmember Balducci, Ms. Riordan said proof of a domestic partnership will be made by a couple qualifying for three of a list of six to seven items or criteria.

Councilmember Davidson said he finds it hard to vote on proceeding with offering these benefits without knowing the criteria to be used for qualifying as a domestic partnership. He expressed concern about providing benefits for unmarried opposite sex partners since they can legally marry.

Responding to Deputy Mayor Chelminiak, Ms. Riordan said the consequences of falsely submitting a declaration of domestic partnership could include termination of employment and possibly criminal charges. The City would seek to recover the money paid out in benefits to the employee.

In further response, Ms. Riordan said it is intended that married employees would sign a declaration but would not be required to submit documents of proof. Married people are already entitled to benefits as Washington is a community property state.

Councilmember Noble concurred with Dr. Davidson's reluctance regarding benefits for unmarried opposite partners. Responding to Mr. Noble, Ms. Riordan said the City will require all employees to sign the declaration as well as reserve the right to request documentation from employees regarding proof of a domestic partnership.

Responding to Mr. Chelminiak, Ms. Riordan said employees with domestic partners will be required to notify the City of the termination of a relationship as is required for married employees who divorce.

Responding to Mr. Lee, Ms. Riordan acknowledged the potential risk of offering domestic partner benefits. However, other employees have implemented a similar policy with few issues. She confirmed that staff will continue to refine its analysis and recommendations over the next 60 to 70 days.

Responding to Mayor Degginger, Ms. Riordan said many employers do not request any declaration or documentation.

- ➡ Councilmember Balducci moved to direct staff to prepare legislation for Council's approval, and to prepare amendments to the City's policies, procedures, and benefits plans under the direction of the City Manager, to implement a policy of providing certain benefits for employees' domestic partners and dependent children that are currently

provided to employees' spouses and dependent children, as soon as possible. Mayor Degginger seconded the motion.

➡ The motion carried by a vote of 7-0.

3. Council Business [Regular Session Agenda Item 6]

Councilmember Marshall noted the list in the desk packet of recommended reappointments to Boards and Commissions.

➡ Councilmember Marshall moved to approve the following reappointments to Boards and Commissions:

Arts Commission – Judith Holder and Roxanne Shepherd
Environmental Services Commission – James Roberts and Brad Helland
Human Services Commission – Stefanie Beighle and Douglas Hoople
Planning Commission – Jennifer Robertson, James Bach, and Douglas Mathews

Mr. Noble seconded the motion.

➡ The motion to approve the above-listed reappointments to Boards and Commissions carried by a vote of 7-0.

Ms. Balducci attended a meeting of the PSRC Transportation Policy Board, as well as Bellevue's Farmers Market and a Wraparound Program community event.

Mr. Chelminiak staffed one of the Bike to Work Day stations and attended the Mercer Slough Environmental Education Center groundbreaking. He attended the Eastside Business Awards luncheon and meetings of the Growth Management Policy Board, the Parks and Community Services Board, and a group of Japanese business leaders. He encouraged Councilmembers to visit the Kindering Center, which is one program receiving funding from the City.

Mr. Noble concurred with Mr. Chelminiak's positive comments about the Kindering Center.

Dr. Davidson attended meetings of the WRIA 8 Salmon Recovery Council and the MSRC (Municipal Research Services Center) Board.

Mr. Lee also expressed support for the Kindering Center and noted the challenge of how to help these children cope with life as they become adults. He attended the Wraparound Program event, the annual Minority Business Organization conference, and the Regional Transit Committee meeting.

Mayor Degginger accepted an award on behalf of the City from the Cascade Land Conservancy for the Mercer Slough Environmental Education Center project. He and Deputy Mayor Chelminiak attended the groundbreaking for the I-405 Nickel project. Mr. Degginger attended

meetings of the King County Flood Control Task Force and a group from Meydenbauer Convention Center discussing the facility's expansion.

4. Executive Session

At 7:44 p.m., Mayor Degginger declared recess to Executive Session for approximately 15 minutes to discuss one item of potential property disposition.

The Executive Session concluded at 7:57 p.m., and the Council reconvened in the Council Chamber for the Regular Session.

Myrna L. Basich
City Clerk

kaw