

CITY OF BELLEVUE  
CITY COUNCIL

Summary Minutes of Extended Study Session

June 9, 2008  
6:00 p.m.

Council Conference Room  
Bellevue, Washington

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

ABSENT: None.

1. Executive Session

Mayor Degginger called the meeting to order at 6:09 p.m. There was no Executive Session.

2. Oral Communications

- (a) Ellen Kerr, Co-President of Bridle Trails Community Club, submitted residents' concerns regarding electric service reliability in writing. They encourage Council to partner with Puget Sound Energy to formulate a long-term growth and rate plan to ensure adequate infrastructure and fair and reasonable rates. They ask that the Council hire an independent consultant to advise the City in working with PSE.
- (b) Barbara Linde, Presiding Judge for King County District Court, said she and her staff have enjoyed working with Bellevue staff to identify and analyze district court options. She highlighted service areas provided by King County that she feels would be difficult for the City to replicate in as cost-effective a manner if providing its own municipal court, including an online records and paperless system, interpreter scheduling and billing system, electronic jury and witness management, training, an automated reminder call system, and effective revenue collection. Judge Linde said the District Court would like to continue its relationship with the City of Bellevue.
- (c) Norm Hansen, a Bridle Trails resident, expressed support for the City's draft electric service reliability interest statement and encouraged long-range planning.

3. Study Session

(a) Council Business and New Initiatives

Councilmember Lee announced an event at Westminster Chapel on Friday regarding assistance to areas in China affected by the earthquake. He reported that Ruby Chow, the first Asian-American on the King County Council, passed away, and highlighted some of her contributions to the community.

Councilmember Noble reminded Council of the joint Eastside Human Services Forum and North Urban Human Services Alliance meeting on June 12.

(b) Electrical Service Reliability

Councilmember Bonincontri noted she will continue to recuse herself from discussions involving Puget Sound Energy as she is an employee of the company. She left the room until the end of the agenda item.

City Manager Steve Sarkozy opened discussion regarding the City's draft electric service reliability interest statement.

Dave Berg, Transportation Deputy Director, introduced Phil Bussey, PSE Corporate Affairs, and Jim Hutchinson, PSE Local Government and Community Relations. Mr. Berg recalled staff's presentation of the preliminary reliability report in February, at which time Council requested that staff develop an interest statement. In May, staff presented the equipment failure report and draft interest statement. Council asked staff to prepare an electric reliability candidate CIP (Capital Investment Program) project, and on May 15 Councilmember Noble addressed the Washington Utilities and Transportation Commission (WUTC) regarding the proposed merger involving PSE.

The purpose of tonight's discussion is to finalize the interest statement and for PSE to present its Integrated Resource Plan. Mr. Berg noted that candidate CIP projects must be submitted to the Finance Department by the end of June. Council will discuss proposed CIP projects this fall as part of the budget process. Later in the year, PSE will talk with the Council about winter storm preparedness.

Mr. Berg noted the draft interest statement in Council's desk packet, which is a revised version of the one printed in the meeting packet. He reviewed the interest statement and noted key changes between the two versions.

Staff responded to questions of clarification.

Councilmember Lee is interested in further analysis of the feasibility of undergrounding utilities, and in how this might be integrated into the City's long-term financial planning process.

Responding to Mayor Degginger, Mr. Sarkozy confirmed that that issue may be addressed by the Council during the budget process.

Mr. Berg noted that Council adoption of the interest statement will be scheduled as a Consent Calendar item.

Mr. Bussey reviewed PSE's Integrated Resource Plan, which contains a 20-year projection of the lowest reasonable cost approach to meet growing customer needs. PSE has added more than 150,000 customers during the past five years. PSE serves approximately 1 million electric customers and 750,000 gas customers. This analytical process involves stakeholder feedback as well. Since 2004, PSE has added nearly 800 megawatts of new electrical generation.

Mr. Bussey noted PSE's aggressive energy conservation plan, which results in operational efficiencies for the company. PSE will spend approximately \$150 million over the next two years on energy efficiency projects and incentives. PSE is the largest producer of wind power in the Northwest, and plans to expand solar energy as well.

Mr. Hutchinson described growth in downtown Bellevue, as well as in other areas including Factoria and the Bel-Red corridor. The 2007 Integrated Resource Plan identified five new substations needed in Bellevue, and two more stations have been added to the plan since that time. Two substations, Bridle Trails and Lochleven, were added in Bellevue during the past 15 years. However, PSE plans to complete/expand three new substations in Bellevue (Center, Factoria, and Bridle Trails) during the next year. A fourth project is a fiber optic and transmission line project. PSE is beginning public outreach activities regarding four additional substations. Two major gas projects will upgrade the existing system.

Mr. Hutchinson reviewed PSE's 2007 performance levels reflected in its service quality index. (SQI). These performance measure encompass the percent of satisfied customers, number of complaints, frequency and duration of outages, as well as a number of other service indicators. He noted that PSE has asked the WUTC to approve moving toward following a national industry standard for service indicators. PSE is agreeable, however, to retaining the definition of an outage as anything greater than one minute, which is more stringent than the national standards.

Responding to Deputy Mayor Balducci, Mr. Hutchinson said the adoption of the national standards will enhance the ability to compare PSE's performance with other utilities providers.

Responding to Mr. Lee, Mr. Hutchinson said PSE is always working to enhance technology and to upgrade systems in facilities accordingly as maintenance and expansion work is completed.

Mr. Hutchinson responded to additional brief questions.

Mayor Degginger thanked the presenters for the information.

At 7:48 p.m., Mayor Degginger declared a short break. The meeting resumed at 7:54 p.m.

(c) 2007 Buildable Lands Report

Mr. Sarkozy explained that cities and counties are required to periodically evaluate their capacities for growth based on actual development activity within a specific time period.

Dan Stroh, Planning Director, explained that the 2007 Buildable Lands Report provides the basis for the monitoring of state Growth Management Act (GMA) requirements.

Nicholas Matz, Senior Planner, noted that the 2007 report evaluates activity from 2001 to 2005, which coincided with an unusual economic downturn for the region. Overall housing growth was slightly ahead of pace to reach 2022 targets. Throughout the county, residential densities were higher, commercial and industrial uses expanded, but 25,000 jobs were lost. More than half of the Urban Growth Area's residential capacity is in mixed-use zones.

Major findings for Bellevue are: 1) There is sufficient residential, commercial and industrial capacity for 2022 household and job targets, 2) There is a trend towards higher (more efficient) residential densities, and 3) There are mixed indicators of progress in terms of meeting both household and job targets. Bellevue added nearly as many housing units between January 2006 and August 2007 as were added during the 2001-2005 reporting period.

Mr. Matz said Bellevue has sufficient housing and job capacity through 2022. The total capacity of 4,128 households and 45,903 jobs is more than what is needed to reach established targets. Residential densities are rising. However, less commercial and industrial space has been added.

Mr. Matz responded to brief questions of clarification. He confirmed that a resolution recognizing the Buildable Lands amendment to the Countywide Planning Policies will be presented for Council action on June 16, 2008.

Mr. Sarkozy noted that the City is meeting its growth targets primarily through downtown development. This is consistent with objectives to concentrate development, expand transit, and preserve individual neighborhoods.

(d) Municipal Court Operating and Capital Alternatives

Diane Carlson, Director of Intergovernmental Relations, noted materials provided to the Council regarding municipal court operating and capital alternatives, including a white paper prepared by consultant Anne Pflug.

Ms. Carlson recalled that the two alternatives under consideration are whether to continue to contract with the King County District Court or to establish a Bellevue Municipal Court. Facility alternatives are: 1) Relocate to existing Issaquah District Court and locate probation services

near downtown Bellevue, 2) Relocate court and probation office to an existing building downtown that could be owned by the City, and 3) Collocate court and probation with a yet-to-be-determined north or east misdemeanor jail facility.

Ms. Carlson said direction is needed by the end of June if the Council is interested in establishing independent municipal court operations beginning as early as January 2010. This would be necessary to meet contract termination requirements with King County District Court. Council direction regarding a facility option will be requested this fall, and relocation of the court could occur within one year of securing a facility.

Ms. Carlson reviewed the Bellevue Court caseload. Traffic and parking violations represent 91 percent of the caseload, while more resource-intensive misdemeanor cases represent only 9 percent of the cases. Bellevue residents make up 36 percent of the traffic infractions. Half of the misdemeanor defendants cannot or should not be driving to court, and therefore transit access is important. Approximately 7 percent of misdemeanor defendants need the services of an interpreter.

Ms. Carlson reviewed customer service performance measures, as well as anticipated customer service characteristics for the three alternative court locations (Surrey Downs, Downtown Bellevue, Issaquah). She briefly described the structure of King County judicial services. Ms. Carlson explained that the cost of King County District Court services has decreased in recent years. The call center has been improved. A number of services including the payment center, jury management, and interpretation services have been centralized to produce cost efficiencies.

Ms. Carlson reviewed the cost (operating and capital) and revenue assumptions for three alternatives: 1) Municipal court in City-owned building, 2) Issaquah Court, and 3) District Court in City-owned building. She noted that the analysis assumes higher revenue collections for a municipal court than for the district court option. Ms. Carlson compared projected operating and capital costs over a 10-year period for the three alternatives.

Councilmember Chelminiak would consider the Issaquah court as an interim site only.

Ms. Carlson described a number of considerations relative to the operational court alternatives. The City has had a long-term contract with King County for approximately 50 years, using the Surrey Downs location for the past 30 years. Establishing and operating an independent municipal court involves significant start-up costs. However, this alternative provides flexibility to the City in managing and financing capital facilities.

In terms of facility alternatives, the Issaquah court option reflects the lowest initial cost. However, a location near downtown Bellevue would be convenient for citizens and City Hall/Police staff. The City could continue to contract with the District Court under this scenario, or it could establish its own municipal court. A downtown location could also accommodate both court and probation services.

Ms. Carlson said the consultant recommends continuing to contract with King County District Court in the short term, and to move toward establishing a municipal court or joint city court for the long term. In terms of facility, the consultant recommends pursuing an interim facility at a City-owned site in the downtown. A long-term facility solution should be deferred to determine whether collocating the courts and jail is feasible.

Responding to Councilmember Noble, Ms. Pflug said a City-owned court facility could be either short- or long-term, depending on the building's capacity.

Responding to Mayor Degginger, Ms. Pflug said Bellevue will likely need a larger jail facility in the future as urbanization occurs.

Responding to Deputy Mayor Balducci, Ms. Carlson said that under the current District Court arrangement, 82 percent of Bellevue's 2007 revenues were sufficient to cover the City's share of operating costs, resulting in a net revenue gain for the City.

Responding to Councilmember Lee, Ms. Pflug said the consultant's report recommends that Bellevue develop its own municipal court (or joint city court) in the long term because it provides better control over the total cost of court and criminal justice operations and over technology investments. It would enable a city or cities to manage the court as efficiently as possible and to set their own customer service standards.

Councilmember Bonincontri feels a location near or in downtown Bellevue will provide better efficiencies for Court employees and visitors than an outlying location.

Mayor Degginger noted his support for moving toward creating a municipal court which will give the City control of court operations and costs.

Mr. Degginger welcomed Judge Linde to comment on the discussion. She noted that the City of Federal Way has had a number of challenges in setting up its own court, including court costs that are approximately double what they would be if contracting with King County District Court. Of the 12 cities served by District Court, nine collect in excess of the \$103 average per infraction collected by Bellevue. Judge Linde said that the estimated collection of \$122 per infraction under a municipal court scenario is an assumption that is not supported by data. She noted the many services provided by District Court to cities, including an online payment function as well as extensive online information. Judge Linde encouraged the Council to consider all information before making a decision about how to proceed with court services.

Staff responded to additional brief questions of clarification.

Councilmember Lee requested information regarding the technologies included in King County District Court's services, and what it would cost for Bellevue to implement similar technology within its own municipal court.

(e) Briefing on Bellevue Greenhouse Gas Emissions Inventory

Mr. Sarkozy noted the Greenhouse Gas Emission Inventory report distributed to the Council with the meeting's packet materials.

Sheida Sahandy, Assistant to the City Manager, introduced Amy Shatzkin, Regional Program Officer with ICLEI-Local Governments for Sustainability. ICLEI was founded in 1990 as the International Council for Local Environmental Initiatives. Ms. Sahandy recalled that this work follows Council adoption of Resolution Nos. 7517 and 7614, in February and August 2007 respectively, expressing a commitment to reduce the community's greenhouse gas emissions.

Staff will bring a draft Municipal Action Plan to the Council for the July 21 meeting. The plan is to then incorporate some of the proposals from the action plan into the budget process this fall. In January, staff will begin to implement the Municipal Action Plan and to develop a Community Action Plan.

Ms. Shatzkin explained that ICLEI is a peer networking organization for member cities and counties that provides nonprofit technical and policy support to governments addressing climate mitigation and adaptation. ICLEI is working with other organizations in the United States, including the Western Climate Initiative, of which the state of Washington is a participant. One benefit of beginning to address the issues now is to better prepare the City to participate in 2008 state legislation that requires the reporting of greenhouse gas emissions for its vehicle fleet. The Western Climate Initiative is due to release recommendations in August regarding a regional cap and trade system for carbon emissions. It is possible the City could receive credit for any early actions taken in advance of mandatory emissions regulations.

Ms. Shatzkin explained that climate protection refers to mitigation in terms of reducing greenhouse gas and energy use, and to adaptation which involves identifying and addressing the sectors most vulnerable to climate impacts. The greenhouse gas inventory is an important tool in the process of developing climate policies.

The framework developed by ICLEI to help local governments implement climate policies is the Cities for Climate Protection milestone process. Municipal and community operations are examined separately in conducting the greenhouse gas inventory. The purpose is not to compare against other cities, but to measure progress relative to the City's self-defined goals. The analysis found that Bellevue's emissions are slightly lower than communities of similar size that are responsible for their wastewater treatment. If Bellevue handled its own wastewater treatment, its emissions could be 50 to 75 percent higher.

Responding to Councilmember Lee, Ms. Shatzkin said there are several components included in greenhouse gas emissions, with carbon dioxide and methane being the most common. For purposes of analysis, the various emissions are assigned an equivalent carbon emission level. The baseline for analysis is 2001 because accurate data is not available prior to that time period.

Ms. Shatzkin reviewed the increase in emissions between 2001 and 2006 by sector (e.g., buildings, vehicle fleet, water/sewage utilities). She noted a fairly significant increase in emissions correlated with the move into the new City Hall.

Councilmember Chelminiak observed that the functions represented in the new City Hall existed before the move in a number of facilities. He noted there are benefits to the downtown location including increased commute trip reduction participation.

Responding to Mr. Chelminiak, Ms. Sahandy confirmed that the impact of programs such as MyBuildingPermit.com in reducing trips to City Hall is not reflected in the municipal emissions inventory. However, that type of activity will be included in the analysis to develop the Community Action Plan.

Turning to the community emissions inventory, Ms. Shatzkin said the analysis addressed electricity and natural gas usage, geographic transportation patterns, and the volume of waste produced by residents.

Responding to Deputy Mayor Balducci, Ms. Shatzkin confirmed the correlation between density and lower transportation-related emissions. Ms. Shatzkin reviewed community trends and goals, as well as emissions projections.

Responding to Councilmember Davidson, Ms. Shatzkin explained that ICLEI was initially created as an information gathering organization for local governments.

Mr. Lee feels that current data should be used as the baseline for developing the Municipal Action Plan, rather than considering the 2001 and 2006 data as the baselines. The next steps would be to determine whether specific actions can be funded within the City's budget, and to then continue to monitor the effectiveness of these actions in mitigating emissions as a guide for determining future investments.

Mr. Chelminiak questioned the extent to which the City's existing programs and actions, such as the preservation of wetlands, have been incorporated into the analysis. Ms. Shatzkin explained that the greenhouse gas inventory is a first step. She and Ms. Sahandy will continue to develop a more comprehensive picture of how the City's overall programs and operations are benefiting emission levels.

→ Deputy Mayor Balducci moved to extend the meeting until 10:10 p.m. Mr. Lee seconded the motion.

→ The motion to extend the meeting carried by a vote of 7-0.

Staff responded to additional brief questions of clarification.

Ms. Balducci thanked staff for the presentation. She expressed her support for the climate protection work, noting that Bellevue has taken actions on an ongoing basis to reduce adverse environmental impacts, including locating the new City Hall near the Transit Center.

At 10:05 p.m., Mayor Degginger declared the meeting adjourned.

Myrna L. Basich  
City Clerk

kaw