

CITY OF BELLEVUE
CITY COUNCIL

Summary Minutes of Regular Session

December 1, 2008
8:00 p.m.

Council Chamber
Bellevue, Washington

PRESENT: Mayor Degginger and Councilmembers Bonincontri, Chelminiak, Davidson, and Noble

ABSENT: Deputy Mayor Balducci and Councilmember Lee

1. Call to Order

The meeting was called to order at 8:00 p.m., with Mayor Degginger presiding.

2. Roll Call, Flag Salute

Upon roll call, all Councilmembers except Deputy Mayor Balducci and Councilmember Lee were present. Cascade District Eagle Scouts led the flag salute.

(a) Special Recognition of Presidential Volunteer Award Recipients

Shelly Shellabarger, Volunteer Program Coordinator, presented the President's Volunteer Service Awards to 15 individuals and seven groups who have met or exceeded requirements for volunteer service, and have demonstrated exemplary citizenship through volunteering.

Mayor Degginger commended the high level of volunteerism in Bellevue and the commitment of residents to their community.

3. Communications: Written and Oral

- (a) Diane Pottinger provided introductory comments regarding the Boy Scouts of America's Eagle Scout program. Cascade District Eagle Scouts described their community projects.
- (b) Jay Baranowski, Meritage Development Group, expressed concern that the City's proposed changes to FAR (Floor-Area Ratio) calculations will lower property valuations.
- (c) Leslie Lloyd, Bellevue Downtown Association, thanked the Council for its ongoing work on funding mobility projects. She expressed concern regarding proposed transportation impact fee increases.

(d) Eric Nickels, Nickels Realty, spoke in opposition to the proposal to create a local improvement district (LID) to fund infrastructure investments in the Bel-Red corridor.

(e) Betsy Blackstock commended Surrey Downs organizers and residents for a very successful food drive.

4. Reports of Community Council, Boards and Commissions: None.

5. Report of the City Manager

City Manager Steve Sarkozy commented on the passing of L. Joe Miller on Thanksgiving Day. Mr. Miller served as City Manager from 1961 to 1977, and his influence is seen in the establishment of arterial roadway infrastructure, enhancements to the Fire and Police Departments including participation in the regional Medic One program, expansion of the city through annexations, numerous parks acquisitions, implementation of the storm drainage system, and the establishment of a strong sign code ordinance.

6. Council Business and New Initiatives

Councilmember Noble attended a meeting of the Executive Board for the regional Mental Illness and Drug Dependency Forum.

Dr. Davidson attended meetings of the Puget Sound Salmon Recovery Council, the WRIA-8 (Lake Washington/Lake Sammamish/Cedar River) forum, and MWPAAC (Metropolitan Water Pollution Abatement Advisory Committee).

Councilmember Bonincontri attended meetings of the Puget Sound Regional Council (PSRC) Growth Management Planning Board and the PSRC federal project selection subcommittee.

Mayor Degginger reported that Bellevue hosted a group of mayors from Western Washington metropolitan cities to discuss issues of common interest.

7. Approval of the Agenda

→ Councilmember Chelminiak moved to approve the agenda, and Councilmember Bonincontri seconded the motion.

→ The motion to approve the agenda carried by a vote of 5-0.

8. Consent Calendar

→ Councilmember Chelminiak moved to approve the Consent Calendar, and Councilmember Noble seconded the motion.

→ The motion to approve the Consent Calendar carried by a vote of 5-0, and the following items were approved:

- (a) Minutes of November 10, 2008 Extended Study Session
Minutes of November 17, 2008 Study Session
Minutes of November 17, 2008 Regular Session
- (b) Resolution No. 7827 authorizing execution of a professional services agreement with Evergreen Adjustment Service, Inc., in an amount not to exceed \$125,000, to provide liability claims adjustment services.
- (c) Resolution No. 7828 authorizing execution of a professional services agreement with PricewaterhouseCoopers, LLP, in an amount not to exceed \$56,825, to provide actuarial services for the Third Party Liability and Workers' Compensation Programs.
- (d) Resolution No. 7829 authorizing execution of the FlexPass agreement with King County and Sound Transit for the purchase and distribution of the annual 2009 FlexPass to City employees.
- (e) Resolution No. 7830 authorizing execution of a Department of Homeland Security (DHS) Subgrant Agreement with the Washington State Military Department to accept grant funds in the amount of \$1,764,344, for NORCOM equipment and planning, sustainment of the Urban Area Strategic Initiative (UASI) Grant Coordinator, and enhancing Community Preparedness.
- (f) Resolution No. 7831 authorizing execution of a four-year General Services Agreement with SCS Engineers, Inc., in an amount not to exceed \$150,960, for operation, maintenance, and monitoring of the Eastgate Property landfill gas extraction system.
- (g) Resolution No. 7832 authorizing execution of three contracts with R&R Construction, for a total contract amount not to exceed \$135,938.35, for playground installation at Hillaire Neighborhood Park, Robinswood Community Park, and Hidden Valley Community Park (CIP Project No. P-R-11).
- (h) Resolution No. 7833 superseding Resolution No. 7812 and authorizing execution of a five-year lease with an automatic five-year extension with Seattle SMSA Limited Partnership d/b/a Verizon Wireless at Coal Creek Natural Area.
- (i) Motion to approve an increase to the construction contract with SLM Construction Bid No. 8230, for an additional amount not to exceed \$23,217.18, for services and materials furnished for hidden conditions found during the bulkhead repair project at Newcastle Beach Park (Parks CIP Project No. P-R-11).
- (j) Resolution No. 7834 authorizing execution of: 1) An agreement with King County METRO in the amount of \$286,000 for the ten-month Phase II Downtown Bellevue Transportation Demand Management (TDM) Market Enhancement

Project; and 2) An agreement with the Bellevue Downtown Association (BDA) in the amount of \$233,500 for implementation services in support of the ten-month Phase II Downtown Bellevue TDM Market Enhancement Project.

- (k) Motion to award Bid No. 8324, Lake Washington Boulevard Trail Repair, as part of the Major Maintenance Program to Pioneer Excavating, LLC, in the amount of \$107,039.10, as lowest responsible and responsive bidder for removal and reconstruction of approximately 310-lineal feet of asphalt surface (CIP Plan No. PW-M-19).
- (l) Resolution No. 7835 authorizing execution of a five-year lease agreement, with an automatic five-year extension, with New Cingular Wireless PCS, LLC at the Woodridge Water Reservoir Site, located at 1843 125th Avenue SE.
- (m) Resolution No. 7836 authorizing execution of an amendment to a four-year contract with The Purple School, LLC, in the amount of \$130,000, for during and after-school foreign language programs offered at Highland Community and Northwest Arts Centers Cultural Arts programs.
- (n) Resolution No. 7837 authorizing execution of all documents necessary to: 1) Approve the Acceptance of Merger between Residence East, a Washington Nonprofit Corporation and Alpha Supported Living Services (ASLS), a Washington Nonprofit Corporation organized to provide services for individuals with developmental disabilities; and, 2) To transfer the structure located at 600 124th Avenue NE, from the City to ASLS, as allowed per Section 11 of the initial agreement between the City and Residence East.

9. Public Hearings: None.

10. Land Use

- (a) Consideration of the application of Children's Hospital to rezone three parcels at 1500 – 116th Avenue NE from Office (O) and Light Industry (LI) to Medical Institution District Development Area 3 (MIDA 3) without conditions. Applicant's intention is to construct an ambulatory health care center on two of the parcels. File No. 08-128428 LQ.

[Discussed with Council on November 17, 2008. This is a Process III application, in which the Hearing Examiner provides a written recommendation to Council, which is the decision-making body. Should Council deny the application, the decision would be appealable to Superior Court. The Hearing Examiner recommends Council approval with no conditions.]

City Manager Steve Sarkozy recalled previous Council discussions regarding the rezone application of Children's Hospital to facilitate construction of an ambulatory health care center on 116th Avenue NE.

Land Use Director Carol Helland provided a brief overview of the project.

Ordinance No. 5844 approving the rezone application of Children's Hospital to rezone three parcels at 1500 116th Avenue Northeast from Office (O) and Light Industry (LI) to Medical Institution District Development Area 3 (MI DA3), without conditions.

→ Councilmember Chelminiak moved to adopt Ordinance No. 5844, and Councilmember Noble seconded the motion.

→ The motion to adopt Ordinance No. 5844 carried by a vote of 5-0.

11. Other Ordinances, Resolutions and Motions

- (a) Ordinance No. 5845 adopting the Human Services Commission's 2009-2010 Human Services funding recommendations and authorizing entering into contracts with local human services agencies in accordance with the recommendations.

Mr. Sarkozy recalled the previous presentation of the Human Services Commission's funding recommendations to the Council.

→ Councilmember Noble moved to adopt Ordinance No. 5845, and Councilmember Chelminiak seconded the motion.

→ The motion to adopt Ordinance No. 5845 carried by a vote of 5-0.

- (b) Ordinance No. 5846 regarding development services under the Bellevue City Code; updating fees for applications requiring construction, land use, fire, survey, sign, transportation, utility, and clearing & grade review and inspection services; repealing Ordinance No. 5784.

Mr. Sarkozy recalled a presentation to the Council on November 24 regarding proposed Development Services fees based on the department's annual review of services and fees.

→ Councilmember Chelminiak moved to adopt Ordinance No. 5846, and Councilmember Bonincontri seconded the motion.

→ The motion to adopt Ordinance No. 5846 carried by a vote of 5-0.

- (c) Ordinance No. 5847 establishing revised charges for water service, water consumption, and water service for fire protection; repealing Ordinance Nos. 5704 and 5786; and establishing an effective date.

Staff responded to questions of clarification regarding proposed water service rates.

Councilmember Davidson expressed support for maintaining service levels. He made a motion in favor of the Environmental Services Commission's recommendation to add staffing as requested by the Utilities Department. The motion did not receive a second.

Mayor Degginger noted general Council support from the discussion on November 24 to approve 10 of the requested positions at this time.

→ Councilmember Chelminiak moved to adopt Ordinance No. 5847, and Councilmember Noble seconded the motion.

→ The motion to adopt Ordinance No. 5847 carried by a vote of 5-0.

(d) Ordinance No. 5848 establishing revised sewerage service charges; repealing Ordinance Nos. 5705 and 5787; and establishing an effective date.

Mr. Sarkozy noted that the Ordinance reflects previous Council direction regarding sewer service rates.

→ Councilmember Chelminiak moved to adopt Ordinance No. 5848, and Councilmember Noble seconded the motion.

→ The motion to adopt Ordinance No. 5848 carried by a vote of 5-0.

(e) Ordinance No. 5849 establishing revised storm and surface water drainage rates and charges for the Storm & Surface Water Utility of the City; repealing Ordinance Nos. 2429, 2577, 3080, 3688, 3980, 4198, 4309, 4456, 4616, 4722, 4947, 5115, and 5706; and establishing an effective date.

→ Councilmember Chelminiak moved to adopt Ordinance No. 5849, and Councilmember Noble seconded the motion.

→ The motion to adopt Ordinance No. 5849 carried by a vote of 5-0.

(f) Ordinance No. 5850 establishing the amount of property taxes to be levied for the year 2009, the first year of the City of Bellevue's 2009-2010 fiscal biennium.

Mr. Sarkozy recalled previous Council discussion regarding the establishment of the 2009 property tax rate. He noted that the City continues to maintain a low property tax rate with a 2009 rate of \$0.94/\$1,000 assessed valuation. As a comparison, Seattle's property tax rate is \$2.61/\$1,000 AV and Redmond's rate is \$1.37/\$1,000 AV.

Councilmember Davidson noted that Councilmember Lee is absent this evening, but Mr. Lee had suggested that Rainy Day Reserve funds be used to further lower the property tax rate.

Budget Manager Jonathan Swift explained that the Rainy Day Reserve is intended to be used in cases of economic downturn. He further commented that property tax adjustments are

considered a more appropriate long-term finance strategy.

- Councilmember Bonincontri moved to adopt Ordinance No. 5850, and Councilmember Chelminiak seconded the motion.
- The motion to adopt Ordinance No. 5850 carried by a vote of 5-0.

Resolution No. 7838 providing for the banking of levy capacity pursuant to RCW 84.55.092.

Mayor Degginger noted that Resolution No. 7838 preserves the banked property tax capacity that has built up for several years due to the City Council's direction to not increase property tax rates.

- Councilmember Chelminiak moved to approve Resolution No. 7838, and Councilmember Noble seconded the motion.
- The motion to approve Resolution No. 7838 carried by a vote of 5-0.
- (g) Ordinance No. 5851 adopting the 2009-2010 Budget and 2009-2015 Capital Investment Program (CIP) Plan; setting forth the estimated revenues and appropriations; establishing job classifications and pay ranges; and establishing an effective date.
- Councilmember Noble moved to adopt Ordinance No. 5851, and Councilmember Chelminiak seconded the motion.

Staff responded to brief questions of clarification.

Mayor Degginger thanked Council and staff for their hard work on the Budget and CIP Plan throughout the past year.

- The motion to adopt Ordinance No. 5851 carried by a vote of 5-0.
- (h) Ordinance No. 5852 updating the school impact fee schedule for Issaquah School District No. 411; amending Section 22.18.100 of the Bellevue City Code; providing for severability; and establishing an effective date.
- Councilmember Chelminiak moved to adopt Ordinance No. 5852, and Councilmember Bonincontri seconded the motion.

Councilmember Davidson explained that he is opposed to impact fees for schools because they affect only new home buyers. He acknowledged that property taxes do provide a portion of school funding, and he prefers property taxes as a more equitable way to distribute the tax burden.

→ The motion to adopt Ordinance No. 5852 carried by a vote of 4-1, with Dr. Davidson opposed.

12. Unfinished Business: None.

13. Continued Oral Communications: None.

14. New Business: None.

15. Executive Session: None.

16. Adjournment

At 9:17 p.m., Mayor Degginger declared the meeting adjourned.

Myrna L. Basich
City Clerk

/kaw