

CITY OF BELLEVUE
CITY COUNCIL

Summary Minutes of Extended Study Session

May 28, 2002
6:00 p.m.

Council Conference Room
Bellevue, Washington

PRESENT: Mayor Marshall, Deputy Mayor Degginger, Councilmembers Creighton, Davidson, Lee¹, Mosher², and Noble

ABSENT: None.

1. Executive Session

Deputy Mayor Degginger opened the meeting at 6:00 p.m. and announced recess to executive session for approximately 30 minutes to discuss one item of property acquisition and one item of pending litigation.

The study session resumed at 6:38 p.m. with Mayor Marshall presiding. At Mr. Degginger's request, Council agreed to reorder the agenda to discuss the Boeing property purchase before the budget presentations.

2. Oral Communications

- (a) Tom Conover, West Lake Hills Citizen Advisory Committee member, described discussions of the Circulation Subcommittee. He said the top issue identified by residents is pedestrian safety on 145th Place SE where children walk along the road to get to school. Improvements are tentatively scheduled for 2008. Mr. Conover asked Council to provide funding to complete the project in 2005.
- (b) Bill Serr, West Lake Hills Citizen Advisory Committee member, distributed binders to Councilmembers to hold all of their information regarding the West Lake Hills Neighborhood Investment Strategy project. He provided copies of his alternate recommendation package and explained that it represents essentially summarized priorities that are consistent with the CAC's recommendation. He questioned whether Bellevue's traffic signals are synchronized with Redmond's signals. Mr. Serr urged the City to move forward with the implementation of projects in West Lake Hills.

¹ Mr. Lee attended the executive session from 6:13 p.m. to 6:38 p.m. and the study session beginning at 6:46 p.m.

² Mr. Mosher left the meeting at approximately 10:20 p.m. at the beginning of agenda item 3(f).

- (c) Bernie Goddard expressed the following concerns regarding the City's potential purchase of Boeing property in the Eastgate area for purposes of park development: 1) Why isn't the City asking for limits related to height, lot coverage, and traffic? 2) What money will be used to purchase the property? 3) What types of sports fields are planned – youth or adult, local or regional facilities? Mr. Goddard objects to the City's negotiations to purchase the property and Boeing's land use proposals affecting its remaining undeveloped portion of the property.

3. Study Session

- (a) Council New Initiatives

Mr. Mosher said he recently received a letter about the City's permitting process. He feels there is an opportunity in the ongoing budget discussions to review permit requirements, particularly for smaller home improvement projects such as a deck or staircase.

- (b) West Lake Hills Neighborhood Investment Strategy – Preliminary Implementation Presentation

City Manager Steve Sarkozy recalled that a West Lake Hills Citizen Advisory Committee (CAC) was appointed by Council last year to address neighborhood needs and issues. The CAC's recommendations were presented to Council on May 13. At that time, staff was directed to review the findings and determine a preliminary implementation plan.

Dan Stroh, Planning Director, said the CAC's report provided 109 recommendations organized into five major themes: 1) revitalizing neighborhood shopping centers, 2) improving the safety and appearance of arterial streets, 3) maintaining and improving the value, appearance, and quality of the neighborhood, 4) preserving, protecting, and acquiring parks, open space, and trails, and 5) developing a stronger community identity.

Mr. Stroh reviewed the preliminary implementation strategy listing projects according to the following categories: 1) Current Capital Investment Program (CIP) plans for implementation by 2007, 2) Immediate projects requiring little or no capital investment, to be implemented within the next year, 3) Intermediate/Contingent projects to be undertaken by 2008 if contingencies are met, and 4) Future opportunities for implementation after 2009. Estimated capital costs (not including staff time) are as follows: Current, \$14 million; Immediate, \$200,000; Contingent, \$18 to \$27 million; and Future, \$7 to \$17 million.

Jonathan Dong, Senior Transportation Planner, reviewed projects to be implemented in West Lake Hills by 2003, another set of projects to be implemented by 2007, and projects for approval during the next CIP update that could be completed by 2009.

Five projects are funded for completion by 2003. Three of these projects were planned before the West Lake Hills CAC began its work and two were suggested as a result of this process:

- NE 6th Street speed bumps – cost: \$30,000.
- 150th and 151st SE traffic circles – cost: \$75,000.
- Bellevue Community College residential parking zone – cost: \$5,000.
- Sunset Park parking – This issue was raised by the Circulation Subcommittee of the West Lake Hills CAC. Street parking will be provided at no cost in the immediate future.
- Traffic revision at 139th Avenue SE – This project was also suggested by the Circulation Subcommittee and has already been implemented. Speed bumps have been placed to slow traffic and the left-turn restriction has been removed from the intersection.

The following projects are fully funded in the City’s CIP Plan for completion by 2007:

- Kamber Road improvements – Cost: \$2.5 million. Construction is underway.
- 140th Avenue corridor improvements – Cost: \$7 million. Construction is underway.
- SE 16th Street – Cost: \$2.4 million. Currently in design phase. Project includes capacity improvements, curbs and gutters.
- 148th Avenue NE – Cost: \$7 million. Project will add a southbound lane.
- 156th Avenue NE Pedestrian Improvement Study – Cost: \$450,000. Currently in design phase.
- Neighborhood Enhancement Program projects:
 - SE 16th Street sidewalks - \$100,000.
 - 143rd Avenue SE sidewalks - \$280,000.

Mr. Dong described additional projects that were recommended by the West Lake Hills CAC but are not yet funded under the City’s CIP Plan. The criteria applied for the selection of proposed projects are: 1) recommended by West Lake Hills CAC, 2) consistent with existing plans, 3) cost effective, 4) enhances another project, 5) project is able to be implemented using available transportation staff and resources, and 6) competitive under CIP process. Mr. Dong said the Transportation Department recommends the following projects for implementation in West Lake Hills by 2009:

- 156th Avenue NE pedestrian improvements – Cost to be determined.
- 145th Place SE improvements – Cost estimated at \$5.7 million.
- SE 24th Street sidewalks – Companion project to 145th Place SE improvements. Cost estimated at \$300,000.
- 156th Avenue NE - Corridor study of pedestrian and bicycle improvements for 156th Avenue NE. Will incorporate community input and environmental mitigation. Study cost estimated at \$100,000.
- SE 22nd Street improvements – Cost estimated at \$500,000. Project will provide sidewalk on south side.
- SE 16th Street sidewalks – The allocation of \$100,000 to this project within the Neighborhood Enhancement Program is not sufficient for implementation. The Transportation Department recommends an additional \$1 million to complete sidewalk improvements desired by the community.

Mr. Dong said staff will work on transit improvements identified by the CAC including opportunities for expanded transit service, improved locations for bus stops, and the modification of existing routes. Three current transportation studies are likely to identify additional projects: Bel-Red Overlake North-South Corridor Study, 148th Avenue NE Optimization Study, and the Eastgate/I-90 Study.

Mr. Dong summarized project costs according to the three categories of projects:

Five immediate projects	\$ 135,000
Seven current CIP projects	\$19,891,000
Six projects for CIP Update	\$ 8,000,000 (preliminary estimate)

He said the estimate for the last category of projects does not include costs for the 156th Avenue SE pedestrian improvements because the design study has not been completed. Mr. Dong said the next steps for staff are to: 1) prepare cost estimates for the six proposed CIP Update projects, 2) collect public feedback through the upcoming CIP process, and 3) prepare final recommendation for Council approval.

Responding to Mr. Lee, Mr. Dong said all of the CAC-recommended projects are consistent with the East Bellevue Transportation Study.

Responding to Mr. Mosher, Mr. Dong said staff has been focused on a package of improvements along 145th Place SE rather than interim measures. There are currently some sidewalks along the corridor and staff is open to considering intermediate projects. Mr. Mosher noted the City's constrained resources and suggested that interim solutions may be necessary.

Dr. Davidson questioned the absence of bus pullout lanes in Bellevue. Mr. Dong said King County Metro does not provide bus pullouts for most of its system because it makes it more difficult for buses to reenter traffic. Dr. Davidson requested details about the project at 139th and Kamber Road. Cheryl Kuhn, Community Affairs Coordinator, said the West Lake Hills CAC discussed this intersection and heard varying points of view about what should be done at a recent public meeting. The CAC then proposed a compromise solution to review intersections along Kamber Road once all work is completed. In further response to Dr. Davidson, Mr. Dong said once Kamber Road is completed and left-turn pockets are installed, staff will review circulation throughout the neighborhood to determine further needs.

Mayor Marshall suggested it would make more sense to review appropriate solutions now before work is completed on Kamber Road and 139th. She does not want to worry residents or falsely raise their hopes by postponing a review and decision until after the project is completed. Dr. Davidson feels the issue should be brought before Council and the public should be provided an opportunity to comment. Mayor Marshall concurred.

Responding to Mr. Noble, Mr. Dong said two projects affect the 156th Avenue corridor: 1) a design study for the section between SE 8th and SE 24th Streets, and 2) a corridor study for the section between SE 8th and NE 8th Streets. Mr. Dong explained that a design study and a corridor study are similar but a corridor study typically incorporates more public involvement,

traffic circulation analysis, and an impact study. A corridor study is a broader planning effort while a design study is more engineering focused.

Responding to Mrs. Marshall, Mr. Dong said the SE 16th Street sidewalk project for \$1 million includes a design study and construction of the project.

Mr. Creighton asked staff to provide maps for any future discussions about road projects.

Jerry Nissley, Parks Resource Manager, thanked staff and the West Lake Hills CAC for their work. He presented the Parks Department's implementation plan designed in response to the West Lake Hills neighborhood investment strategy effort:

- Arbor Day/Earth Day events held the week of April 20 throughout the Lake Hills Greenbelt and in Weowna Park and Robinswood Park. Activities included park and right-of-way enhancements, community tree plantings, interpretive programs, and the presentation of community stewardship awards. Cost: \$30,000.
- *Celebrate West Lake Hills* initiative to support creative, community-oriented uses for parking areas including a Farmers Market, a "Bite of West Lake Hills" event, and/or an art festival. Cost estimated at \$10,000 per event.
- Tree preservation and maintenance along Lake Hills Boulevard to improve the appearance of the right-of-way. Cost: \$2,000 to 3,000 per year.
- Tree care education through community garden workshops and partnerships with other agencies. Cost: \$5,000 per year.
- Improve directional signage on pedestrian and bicycle paths to include major private and public facilities. Cost: \$1,000 per year.
- Conduct senior needs assessment and explore potential amenities for the area's increasing senior population. Cost: \$10,000.
- Expand and connect existing trail system. Cost estimated at \$3 million.
- Potential parks and open space acquisition bond issue.
- Acquire Federal Little League baseball field and restore wetlands. Cost: \$200,000.
- Acquire Lake Hills Library facility (if library moves to another location) and renovate building to provide neighborhood meeting and gathering space. Cost: \$5,000,000.
- *NeighborWoods* initiative, a proposed matching grant program to expand the City's street trees. Trees would be maintained by adjacent residents and businesses. Cost: \$100,000 per year.
- Develop partnerships with Bellevue School District at neighborhood schools to accommodate community uses and reflect community character. Cost estimated at \$2 to 4 million.

Mr. Mosher suggested the installation of trails along 145th Place SE as an alternative to sidewalks.

Ms. Kuhn described the Planning and Community Development Department's implementation plan for West Lake Hills. Immediate plans include community building and education activities such as neighborhood organizing, a property maintenance pilot program, community events, match program enhancements (mailboxes, neighborhood entries), code enforcement, utility undergrounding, and the revitalization of neighborhood shopping centers. Projects falling into

the intermediate/contingent category are the establishment of a visual theme (including neighborhood gateways) and public art throughout the area.

Ms. Kuhn noted the existing CIP item to establish neighborhood gateways and suggested that Council designate West Lake Hills as the pilot area for this initiative. The community has identified SE 16th Street and 156th Avenue SE as an ideal location for some type of representational art depicting the area's heritage.

Mr. Stroh said additional City departments have been involved in the West Lake Hills neighborhood investment project including Finance, Utilities, Police, and Fire. The preliminary implementation proposal presented tonight demonstrates what is possible given current funding strategies. A number of projects are already underway in the area and "immediate" projects are targeted for implementation within the next year. Absent Council direction, staff will proceed with these immediate projects.

Mr. Stroh said project ideas requiring new capital funds will be discussed this fall during the CIP update process. If Council is interested in designating West Lake Hills as the first area for the gateway project currently funded in the CIP, Council should direct staff to do so.

Responding to Mayor Marshall, Mr. Stroh said significant staff time will be required to implement the "immediate" projects. The non-staff costs associated with these items total approximately \$200,000, which is comparable to the remaining balance of funds allocated to the West Lake Hills neighborhood investment strategy effort.

Mr. Mosher commended staff's work with the community. He expressed support for the neighborhood gateway suggestion and wondered if public art funds are available in the CIP.

Mr. Creighton would like staff to provide a dollar figure for the staff time that will be needed to implement the projects. Mayor Marshall concurred and explained that it is important for Council to understand how the implementation of West Lake Hills projects could impact other City projects and priorities.

Dr. Davidson expressed support for the project and thanked Bill Serr for spending the time to compile and distribute his summary and recommendations to Council.

Mr. Lee noted the substantial investments in the West Lake Hills area already underway and encouraged continued efforts. He thanked staff members for their dedication and agreed with fellow Councilmembers about the need to understand how these projects will affect other City priorities.

Mayor Marshall noted Council's interest in proceeding with the proposed immediate projects. She suggested coordinating the planning of community building events with the City's 50th birthday in 2003.

At 8:04 p.m., Mayor Marshall declared a break. The meeting resumed at 8:15 p.m.

Deputy Mayor Degginger suggested amending the agenda to discuss the Boeing property purchase before Regional Issues and the budget presentations. Council concurred.

(c) Boeing Property Purchase

Resolution No. 6700 authorizing execution of a Purchase and Sale Agreement with The Boeing Company for the acquisition of 17 acres of property located in the I-90 Business Park for park development purposes.

Planning and Community Development Director Matt Terry described a proposal to purchase 17 acres of property in the I-90 Business Park for park development purposes. Mr. Terry thanked Ken Johnson and Joel Gordon for their participation on the negotiation team.

Mr. Terry said the I-90 Business Park covers more than 100 acres including 29 acres that have not yet been developed. The City would like to acquire approximately 17 acres. Boeing would retain and develop the remaining 12 acres.

Parks and Community Services Director Patrick Foran said the proposal represents an important and possibly one-time opportunity to acquire this land for park development. Mr. Foran said the property is adjacent to 10 acres owned by Bellevue School District, which the City is also interested in acquiring. The site is strategically located near the Lake to Lake Trail and major transportation corridors. Desirable characteristics include a large, relatively flat area that could be developed for active recreation and/or a sports complex. The site is heavily wooded and contains trails and interesting topography.

Mr. Terry described the underlying interests of Boeing and the City in the negotiations. Boeing's desire to sell the property is conditioned on: 1) obtaining a transfer of development intensity to the remaining 12 acres, and 2) approval to rezone the Boeing property from light industrial (LI) to office and limited business (OLB). The City is interested in accommodating the development permitted under the 20-year-old concomitant agreement as long as: 1) the trip cap limitation of the agreement can be respected, 2) concurrency requirements can be met, and 3) adjacent residential areas are not adversely affected by the transaction.

Mr. Terry reviewed the key terms and conditions of the proposed purchase and sale agreement:

1. The purchase price for the property is \$3.5 million.
2. Boeing's three essential conditions are: a) a Comprehensive Plan amendment to designate the remaining Boeing property as appropriate for office and limited business (OLB) use, b) a rezone to effectuate the Comprehensive Plan change, and c) a mechanism allowing the transfer of development potential to Boeing's 12 remaining acres. Mr. Terry said the transfer of development potential is a common practice for the City in evaluating and approving planned unit developments (PUDs). In order to protect sensitive natural features of a site, PUDs typically are permitted to transfer development potential to a smaller portion of the site and to modify dimensional requirements to accommodate more compressed development. Key modifications to dimensional requirements anticipated for the Boeing site would affect

setbacks and allow development height up to 85 feet (60-foot heights would otherwise be permitted on the site).

3. Mr. Terry explained that the property is a former landfill site that has been capped and monitored by the Washington State Department of Ecology for many years. The City wants to ensure the site could be used for the types of uses intended without significant constraints. A deadline of July 16 has been established to allow the City to execute due diligence in assessing the feasibility of park development on the site. Council direction at this time to execute the agreement would still be subject to future Council approval to proceed upon completion of the due diligence work.
4. The City would like to accommodate parking for the park without using any of the 17 acres. Boeing agrees to provide 105 parking stalls in one of two locations, depending on conditions described in the agreement. Boeing further agrees to work with the City to accommodate peak parking demand for park uses that might exceed the 105 stalls.
5. The agreement contemplates that a joint access road would be developed by Boeing and the City to serve both the park and the private development.
6. The agreement provides for mutual trail, utility, and emergency access easements.
7. Each party of the agreement assumes responsibility for storm water management associated with their development. The City currently owns two storm water ponds serving the Boeing campus. These ponds would continue to function in this manner, and both the City and Boeing would be required to provide storm water facilities to support new development. The agreement contemplates a working relationship between the City and Boeing in which the City would have the discretion to accommodate some or all of the storm water management facilities to create a park amenity such as a water feature.
8. Boeing assumes all liability associated with the landfill forever, regardless of who owns the landfill site.
9. The City would be required to own and operate the methane gas collection system currently on the site. Substantial modifications to this system will be required to accommodate park development.

Mr. Terry said the property transaction could be completed by the end of the year if all conditions of the agreement are met.

Richard Andrews, City Attorney, explained that the agreement does not limit Council from exercising its authority with regard to the proposed Comprehensive Plan, Land Use Code, and rezone conditions presented by Boeing. Council is asked to review and approve an agreement to buy part of the vacant Boeing property in the Eastgate area. Council has administrative authority to approve the purchase of the property.

Mr. Andrews noted that the agreement is conditioned on the approval of Comprehensive Plan, Land Use Code, and zoning changes affecting the property, as described by Mr. Terry. Council's approval of the agreement would not represent approval of the changes requested to the Comprehensive Plan, Land Use Code, or zoning. Council is not allowed to agree to change the Comprehensive Plan, Land Use Code, or zoning on property in exchange for land or something else of value. Mr. Andrews said Council would only be agreeing to purchase the property if, after an extensive and open public process before the Planning Commission, the

Hearing Examiner, and City Council, it then decides it is in the best public interest to make the requested changes.

Continuing, Mr. Andrews said when the Comprehensive Plan and Land Use Code changes are presented to Council, the Council will review them in its legislative capacity. Requested zoning changes will be reviewed by Council in its quasi-judicial capacity. Council will be required to make decisions based on the public interest as determined under standards set forth in the City's Land Use Code. The rezone decision will be based on the evidence contained in the record presented to Council. Council may not consider the City's ability to purchase the property as a factor in determining whether the land use decision criteria have been met. Council cannot approve any such changes in exchange for the opportunity to buy the property but must instead decide whether the changes are warranted in their own right.

Mr. Terry requested Council direction to the City Manager to execute the purchase and sale agreement, keeping in mind that the City will continue its due diligence work until the July 16 deadline. Funds for the purchase would be provided from the Parks program area of the Capital Investment Program (CIP) Plan. If Council decides to execute the agreement, the due diligence work will be completed and staff will proceed with the Land Use Code changes necessary to implement the agreement. The Planning Commission is currently reviewing the Comprehensive Plan amendment initiated by Boeing. Both the Comprehensive Plan and Land Use Code changes would then be presented to Council in August for approval. If these changes are approved by Council, a rezone request could be initiated and completed by November of this year.

Mr. Terry noted that a park master planning and public involvement process would be initiated this fall and extend over four to six months, if the process move forward according to the proposed schedule. The goal is to allow the Parks and Community Services Board to develop a recommendation regarding the use of the site by spring of 2003.

Responding to Deputy Mayor Degginger, Mr. Andrews said a Council decision tonight to direct the City Manager to execute the purchase and sale agreement is independent of any future Council decisions regarding the Comprehensive Plan, Land Use Code, and zoning. Council's denial of Boeing's requested changes will effectively terminate the purchase and sale agreement.

Mayor Marshall questioned plans to start the park master planning process before the sale becomes final. Mr. Terry said initiation of the process is at Council's discretion. Staff feels that if the transaction moves forward, residents will be eager to start the master planning process.

Responding to Mr. Mosher, Mr. Terry said the City's ownership of the property will enhance the control of storm water management on the site. Park improvements would provide an opportunity to enhance water quality on the property as well.

Mr. Lee feels that even if the City purchases the property, it should not automatically move forward with master planning because development of the site will be dependent on available City resources. Mr. Terry acknowledged that the process could be terminated at many points along the way. However, the logic behind starting the master planning process is to accommodate the lengthy public involvement component.

Mr. Lee expressed concern about potential environmental issues affecting the site. He questioned Boeing's guarantee regarding liability for the former landfill. Joel Gordon, legal counsel, said The Boeing Company is obligated under the agreement to indemnify the City for any damages associated with the landfill liability. The City's due diligence until July 16 will evaluate any potential drawbacks, and the City can withdraw from the agreement based on any adverse findings of this work. Mr. Gordon said the landfill has been closed, monitored, and studied for a long period of time.

Responding to Mr. Lee, Mr. Terry said the due diligence work includes a review of the capital costs for reconstructing the methane system as well as ongoing operations and maintenance costs.

- Deputy Mayor Degginger moved to approve Resolution No. 6700 directing the City Manager to execute a Purchase and Sale Agreement for acquisition of the Boeing property in the I-90 Business Park, and Mr. Mosher seconded the motion.

Mr. Creighton summarized his evaluation of this proposal. He emphasized that the agreement includes a privately initiated Comprehensive Plan Amendment. He feels the proposal represents a rare opportunity to acquire a large property within the community. The Parks Department has assured Council that it will identify funds within its budget to purchase the property. Mr. Creighton noted unresolved issues such as the master planning process and the cost of developing the property. All things considered, he feels it is worth the City's effort to pursue this proposal based on the potential benefits for citizens.

Mayor Marshall and Deputy Mayor Degginger concurred with Mr. Creighton. Mr. Mosher agreed and added that the property's location next to the freeway avoids negative traffic impacts to area neighborhoods.

- The motion to approve Resolution No. 6700 carried by a vote of 7-0.

(d) Regional Issues

Mr. Sarkozy recalled King County Executive Ron Sims' prior announcement regarding the possible termination of District Court services to cities unless they are willing to engage in full cost recovery contracts. The purpose of tonight's discussion is a brief review of alternatives for Council to consider.

Jocelyn Mathiasen, Assistant to the City Manager, said a team of City staff has been working to identify and analyze alternatives for Bellevue's municipal court services. Five general scenarios have been discussed:

1. Renew contract with King County for District Court services.
2. Contract with another city to provide municipal court services.
3. Establish Bellevue Municipal Court.

4. Establish a municipal court that also provides court services to other jurisdictions on a fee basis.
5. Establish a regional court in partnership with other cities.

Ms. Mathiasen said three groups are working on this issue simultaneously: 1) Bellevue staff, 2) a regional group negotiating with King County, and 3) another regional group studying the potential of establishing a multi-jurisdiction regional court. Further analysis will be conducted and the results will be presented to Council in September.

Responding to Mr. Noble, Director of Intergovernmental Relations Diane Carlson said options 2 and 5 would likely require legislative verification of Bellevue's ability to implement these approaches.

Mr. Creighton commented that the ultimate solution should provide a court facility within Bellevue's city limits. Dr. Davidson expressed preliminary support for an option involving the collaboration of Eastside cities.

Ms. Carlson distributed a handout regarding King County District Court's redistricting discussions. The Regional Policy Committee is expected to address the topic on June 5. Mayor Marshall suggested that Council discuss the issue and the proposed interest statement/principles on June 3. Responding to Dr. Davidson, Ms. Carlson said several cities in south King County would like to be able to continue to receive court services from the County.

Moving on, Ms. Carlson requested Council direction for the City to continue participating in the Washington City and County Pipeline Safety Consortium for an additional year. David Kerr, Franchise Manager, said the Consortium was established in 2000 for a two-year period. The Consortium has been successful in its studies of the pipeline and efforts to enhance pipeline safety.

- ➡ Mr. Mosher moved to: 1) direct staff to prepare a proposal and resolution for Council approval to continue participating in the Washington City and County Pipeline Safety Consortium for one additional year, and 2) encourage the Consortium to apply for grant funding from the WUTC (Washington Utilities and Transportation Commission) Office of Pipeline Safety. Mr. Degginger seconded the motion.

Mr. Mosher expressed support for the Consortium's activities. Responding to Mr. Lee, Mr. Kerr said additional funding is not requested to continue the City's participation in the Consortium.

- ➡ The motion to: 1) direct staff to prepare a proposal and resolution for Council approval to continue participating in the Washington City and County Pipeline Safety Consortium for one additional year, and 2) encourage the Consortium to apply for grant funding from the WUTC (Washington Utilities and Transportation Commission) Office of Pipeline Safety carried by a vote of 7-0.

Mr. Sarkozy requested Council approval of a seven-year agreement with Yakima County for jail services. Ms. Carlson recalled Council's approval in February of a short-term agreement with

Yakima County and a City of Renton jail agreement. The City started transferring sentenced misdemeanants to Yakima County in March. Since that time, Bellevue has been working with other cities to negotiate a long-term agreement with Yakima County. The City also continues to participate in negotiations regarding King County's jail services.

Lori Riordan, Assistant City Attorney, explained the proposed interlocal agreement between multiple cities and Yakima County for jail services. The agreement will provide jail services through the end of 2009. Yakima County is currently working to secure permits and financing to construct a new jail facility, tentatively scheduled to open in July 2003. Ms. Riordan said the agreement specifies a minimum bed commitment for participating cities. Each city will receive a monthly bill for jail services, which include basic and expanded medical care, dental care, and psychiatric and mental health services. Yakima County is obligated to provide treatment programs consistent with the programs currently provided to Yakima inmates. Ms. Riordan said the cost of housing inmates is \$56 per day for the first year followed by a 5 percent annual increase. Yakima County does not charge a booking fee or additional transport cost.

Ms. Riordan said the agreement includes a joint indemnification/hold harmless provision in which each individual city and Yakima County are responsible for the conduct of their employees. Yakima County is responsible for capturing escaped inmates within the county. The agreement includes a "most-favored client" clause stating that Yakima County cannot give any other jurisdiction a better deal for contracted jail services.

Ms. Riordan said the interlocal agreement will become effective upon the approval of all 35 cities. The agreement becomes null and void if Yakima County is unable to obtain necessary permits and financing for its new jail facility by September 2002. Key provisions include the ability to extend the contract beyond 2009. Contract termination requires 12-month written notice to each city. Cities will be responsible for compensating Yakima County for any unused bed commitments on an annual basis. Each city will be allowed to request the unused bed capacity of another city when needed. Ms. Riordan said a Jail Administration Group (JAG) will be established to enable the cities to monitor the interlocal agreement and ongoing jail services.

Ms. Carlson reviewed a comparison of jail costs between King County, Issaquah, Yakima County, and Renton. A cost savings of \$2.7 million is projected for Bellevue by contracting with Yakima County through 2009. Yakima County would like a commitment from the group of 35 cities by June. Ms. Carlson said next steps for Bellevue include:

- Finalize King County jail agreement.
- Consider implementing staff dedicated to the court and custody management function.
- Form the Jail Administration Group (JAG).
- Begin looking at alternatives for pre-sentencing needs beyond 2009.

Responding to Deputy Mayor Degginger, Ms. Riordan said Yakima County assumes liability for any incidents that might occur during the transport of inmates to its facility.

In response to Mr. Mosher, Ms. Riordan said Bellevue's estimates of future inmate bed commitments are considered conservative. She noted that many criminals apprehended in Bellevue are not local residents.

Responding to Mr. Noble, Ms. Carlson said the City of Seattle is currently in a 90-day trial period with the Yakima County Jail. If Seattle decides to not approve the interlocal agreement, the cities would be need to renegotiate with Yakima County for jail services.

Responding to Mr. Lee, Ms. Riordan said Yakima County is required to comply with state and federal standards regarding the treatment of inmates.

In response to Mr. Creighton, Ms. Carlson said King County's average annual increase in jail costs has been typically more than five percent. Mr. Sarkozy said the annual five percent increase was established after reviewing historical cost information for King County's and the City of Renton's jail services.

Deputy Mayor Degginger commended staff for their work.

- Deputy Mayor Degginger moved to direct staff to finalize two interlocal agreements for jail services, one with King County cities and the other with Yakima County, for Council consideration and approval. Mr. Lee seconded the motion.
- The motion to direct staff to finalize two interlocal agreements for jail services, one with King County cities and the other with Yakima County, for Council consideration and approval carried by a vote of 7-0.

(e) Fire Department Budget Presentation

Fire Chief Peter Lucarelli noted that due to time constraints he will not cover all of the written material in his presentation. Three major policy issues for Council consideration are:

1) the expansion of Medic 14 Emergency Medical Services, 2) Fire and Life Safety inspection services, and 3) public safety facility needs. Chief Lucarelli referred Council to the written materials for detailed information on 2001 performance measures. Bellevue performed very well in terms of fires confined to room of origin. The cardiac arrest survival rate decreased slightly to 31 percent, compared to a target of 35 percent.

Chief Lucarelli said the City also missed its targets for fire and EMS response times. He attributed this in part to traffic congestion but more significantly to the implementation of a new computerized dispatching system which initially contained some errors in its mapping structure. Chief Lucarelli said the Fire Department has initiated a series of measures to improve response times, which are outlined in Council's packet materials.

Chief Lucarelli said the Fire Department has been working with other City departments to identify solutions to its administrative support needs. The Fire Department has been working with the Transportation Department to address issues affecting emergency response times including traffic calming devices and construction activity. Additional interdepartmental efforts

include the development services initiative (with Planning and Community Development), emergency preparedness (citywide), apparatus and equipment maintenance and replacement (with Utilities Department), emergency dispatching (with Police Department), and operation of the Public Safety Training Center (with Police).

Chief Lucarelli reviewed the three major policy issues beginning with the proposed expansion of Medic 14 emergency medical services (EMS). The 2002 King County EMS Strategic Plan Update calls for a 0.5 unit increase for Bellevue in 2003 and the expansion of a 12-hour medic unit to 24 hours for the Issaquah area served by Bellevue Fire Department. Chief Lucarelli said expansion of the 12-hour unit to 24 hours will benefit Bellevue residents, particularly those in west Bellevue. Currently units from downtown and west Bellevue are needed to respond to areas east of Bellevue after 8:00 p.m. If Council agrees to expand this service coverage, the City will receive approximately \$620,000 in additional EMS levy funding to cover the costs.

Responding to Mr. Lee, Chief Lucarelli said staff's analysis indicates it is more cost effective to hire full-time employees (FTEs) than to continue to pay overtime to meet increased staffing needs.

Moving on, Chief Lucarelli discussed the City's fire and life safety inspection services. He explained that a high level of expertise and training is required to provide proper code enforcement inspections of Bellevue's high-rise office buildings. He noted that Seattle and Bellevue are the only two cities in Washington with a Class 2 rating from the Washington State Insurance Rating Bureau. Tacoma and Spokane lost their Class 2 ratings last year due to a lack of resources to provide adequate inspections. Chief Lucarelli said Bellevue has experienced a 79 percent increase in inspectable square footage since 1994, compared to a 17 percent increase in inspectors.

Chief Lucarelli said alternatives for addressing inspection needs include the reallocation of current City resources, further evaluation of potential modifications to the annual inspection cycle, implementation of a fee for annual fire and life safety inspections, and acceptance of a lower class rating by the Washington State Insurance Rating Bureau. He said the City of Olympia is the only city to charge an inspection fee. Olympia charges a fee because of the number of state and government buildings which do not provide a tax base for ongoing inspection expenses.

Responding to Mr. Mosher, Chief Lucarelli said the Fire Department's philosophy is to ensure the safety of building occupants and firefighters. Inspectors do not follow quotas in their work but instead emphasize a collaborative approach with the community to meet safety objectives. Chief Lucarelli said the City Code should be used as a guide to supplement inspectors' expertise and problem-solving abilities.

At Deputy Mayor Degginger's request, there was Council consensus to extend the meeting to 10:30 p.m.

Mayor Marshall asked how the Fire Department plans to fund additional inspectors. Dr. Davidson commented that an inspection fee is essentially a tax. Mr. Creighton noted that

allowing the City's insurance rating to increase will cost taxpayers money as well due to its impact on their insurance rates.

Chief Lucarelli said Bellevue has one of the few fire departments in which firefighters conduct code enforcement inspections. Bellevue firefighters perform more than half of the City's inspections. Chief Lucarelli explained, however, that the City does not have the resources to perform inspections at nighttime public assemblages such as dinners and dances.

Mr. Creighton noted that insurance companies conduct inspections of their insured facilities. He wondered if the City could coordinate with these efforts as a secondary resource and efficiency measure.

Deputy Mayor Degginger said one benefit of firefighters performing inspections is it allows them to become familiar with buildings within the community.

Dr. Davidson proposed the consideration of a funding alternative in which a portion of B&O (business and occupation) tax revenues would be directed toward inspection expenses.

Turning to public safety facilities, Chief Lucarelli said the need for a new Fire Headquarters, Emergency Operations Center (EOC), and Public Safety Training Center was identified in 1990. These items were presented to voters in a public safety levy that failed in 1992. Chief Lucarelli said staff will provide a presentation on July 15 regarding the need for a downtown fire station. Alternatives for a new Fire Headquarters are: 1) include in proposed public safety building, 2) include as part of possible new downtown fire station, 3) rent additional office space, and 4) expand current facility.

Chief Lucarelli feels the Emergency Operations Center should be included in the proposed Police facility along with the communications center. He said the Fire and Police Departments will continue to compete for CIP funding for a public safety training facility. Alternatives include renting office and classroom space, incorporating Police training into the proposed Police facility (which would provide more access to the current training facility for the Fire Department), and reducing/eliminating regional training efforts.

Chief Lucarelli discussed three Council-initiated issues beginning with potential resource needs associated with the Downtown Implementation Plan. A consultant has performed a fire protection and life safety study, including an analysis of fire station locations, as part of the DIP update process. The results of this study will be presented to Council on July 15.

A second issue raised by Council questioned the City's efforts since the terrorist attacks of September 11th. Chief Lucarelli said a consultant has nearly completed the development of a terrorism annex section of the City's Emergency Operations Plan. Additional activities include: 1) the development of a strategic plan for dealing with terrorism, 2) the development of response protocols in conjunction with the communications center, 3) expansion of working relationships with federal, state, and local agencies involved in emergency response, 4) acquisition of personal protective equipment through a federal grant, 5) creation of an Interdepartmental Committee to review security measures at City facilities, 6) monitoring of initiatives from the Office of

Homeland Security, and 7) participation in a national emergency exercise (called TOPOFF, as in top officials) in May 2003 focusing on Chicago and Seattle.

In closing, Chief Lucarelli described an innovative proposal to provide economic incentives to building owners and developers who include fire and life safety features in their buildings.

(f) Parks and Community Services Budget Presentation

Parks and Community Services Director Patrick Foran opened the discussion by noting the three major policy documents implemented by the Parks and Community Services Department: 1) Recreation Program Plan, 2) Parks and Open Space Plan, and 3) Human Services Element of the Comprehensive Plan. The Parks Department works with a dozen citizen boards and commissions including the Parks and Community Services Board, Human Services Commission, North and South Bellevue Senior Advisory Boards, and the Youth Link Board.

Mr. Foran reviewed the Parks Department's work force:

- 41% Regular employees
- 23% Partially benefited employees
- 19% Contracted services
- 10% Volunteers
- 6% Partnerships
- 1% Limited-term employees.

He commented on the challenges of managing such a varied work force including compliance with laws governing part-time workers and volunteers, the efficient use of contractors, and the cost of recruiting and training temporary/seasonal employees.

Mr. Foran said a primary policy issue relates to the delivery of human services. Bellevue's role in human services is to maintain active involvement as a planner, facilitator, and funder and to support the private nonprofit network of agencies and providers. Human services funding cuts anticipated by the state and county will affect self-sufficiency programs, youth and family services, mental health care, and child care. Later this summer, United Way and the Bill and Melinda Gates Foundation will conduct an extensive review of the impacts of projected funding cuts in King County.

Mr. Foran discussed the following alternatives for human services funding:

- Modify the current Human Services funding formula.
- Provide one-time "bridge" funding to programs most severely affected.
- Continue to participate in and enhance legislative advocacy efforts.

He reviewed four funding options developed by the Human Services Commission:

1. Continue current practice of linking human services funding to inflation (historic growth rate of 3.4%). This provides a stable funding mechanism and reflects increases in human services costs.
 2. Inflation plus population – Provide a stable funding mechanism that reflects increasing costs of the human services community and the growing population. Historic growth rate of 5.9%.
- Deputy Mayor Degginger moved to extend the meeting to 11:00 p.m., and Dr. Davidson seconded the motion.
- The motion to extend the meeting to 11:00 p.m. carried by a vote of 6-0, with Mr. Mosher absent.

Continuing, Mr. Foran described additional funding options:

3. Percent of General Fund budget – This option provides for changes in human services funding in proportion to the General Fund, which could result in decreased funding in some years. Human services funding currently represents 1.3% of the overall General Fund budget. Historic growth rate is 5.4%.
4. Percent of City taxes – This option links human services funding to total City taxes. Currently human services funding represents 1.2% of overall taxes. Economic conditions could result in a declining base in some years. Historic growth rate is 6.2%.

Mr. Foran said the Human Services Commission favors funding option 2, based on inflation and population growth, because it provides consistency and predictability in funding and the ongoing delivery of services.

Mayor Marshall said King County residents have experienced a loss of more than \$10 million in human services funding. Mrs. Marshall noted the Human Services Commission's priority to support services that address the full spectrum of the community with an emphasis on programs in jeopardy of losing funding. She feels this does not accurately represent Council priorities. Of the four funding options, Mrs. Marshall concurs with the Commission's preference for option 2.

Deputy Mayor Degginger encouraged an emphasis on funding services that deliver the most impact rather than spreading resources too thinly among too many providers.

Mr. Noble agrees that Bellevue cannot fill all of the funding gaps. However, he would like to continue supporting human services at the City's historic funding levels. He favors funding option 1 or 2.

Dr. Davidson said it is difficult to choose a funding option in isolation from the broader budget discussions to occur over the coming months.

Mr. Lee encouraged a stronger emphasis on advocacy and partnership efforts.

Mayor Marshall noted Council consensus to not reduce human services funding and to not pursue bridge funding.

Moving on, Mr. Foran explained the youth initiative which includes the continuation of middle school after-school programs in partnership with Bellevue School District. Bellevue Youth Link's objectives include a teen activity center and increased involvement in youth policy planning.

Mayor Marshall requested a status report on some of the current youth initiatives, such as the skate park requested by local teens. She supports planning efforts but would like to know which projects have been or are being implemented.

Deputy Mayor Degginger would like the City to provide programs to youths residing in Bellevue but attending school in the Issaquah School District and private schools. Mr. Noble noted that non-Bellevue residents attend Bellevue schools as well. Mr. Foran said the intent of the recreation plan is to be more inclusive in the future.

Mr. Foran reviewed the Parks Department's role in facilitating community events such as the 4th of July celebration in Downtown Park.

Mayor Marshall declared the meeting adjourned at 10:55 p.m.

Myrna L. Basich
City Clerk

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