

CITY OF BELLEVUE
CITY COUNCIL

Summary Minutes of Study Session

November 3, 2014
6:00 p.m.

Council Conference Room
Bellevue, Washington

PRESENT: Mayor Balducci, Deputy Mayor Wallace and Councilmembers Chelminiak, Lee, Robinson, and Stokes

ABSENT: Councilmember Robertson

1. Executive Session

The meeting was called to order at 6:08 p.m. by Mayor Balducci, who presided. She noted that the Executive Session was cancelled.

2. Study Session

- (a) Preliminary 2015-2016 Operating Budget and the 2015-2021 Capital Investment Program (CIP), with the focus on the 2015-2016 Operating Budget Overview

City Manager Brad Miyake noted that this is the second of five scheduled budget discussions leading to the anticipated December 1 adoption of the 2015-2016 Operating Budget and the 2015-2021 Capital Investment Program (CIP).

Finance Director Jan Hawn said the evening's presentation would focus primarily on the Operating Budget, including a proposal related to Development Services Fees and a proposal related to Basic Life Support (BLS) transport fees. She highlighted the remaining budget calendar.

Toni Rezab, Assistant Director of Finance, said the 2015-2016 Operating Budget totals \$953 million. She described total operating revenues by category, noting that taxes make up 31 percent of total operating revenues. Utility Services Fees represent 28 percent of total operating revenues.

Responding to Deputy Mayor Wallace, Ms. Rezab said double budgeting refers to interfund transfers. For example, the General Fund buys services from the Information Technology Fund, and this is reflected in the budget appropriations.

Ms. Rezab described total operating expenditures by Fund (i.e., General Fund, Utilities, Development Services, Parks Enterprise, Internal Services, and others). She presented a table showing the change in dollars from the 2013-2014 to the 2015-2016 Operating Budget for each Fund. She presented a graph demonstrating FTE (full-time equivalent) positions in the Operating Budget since 2007.

Ms. Rezab presented the 2015-2016 sales tax forecast, including projections for increased sales tax revenues due to development, as well as a graph showing historical sales tax collections. Ms. Rezab said sales tax revenues are split 75 percent to the General Fund and 25 percent to the General CIP Fund.

Ms. Rezab presented the total biennial operating budgets for each of the Outcome areas. The Economic Growth and Competitiveness Outcome reflects \$42 million, involving 57 staff in several departments. This Outcome adds the new Economic Development Strategy and Broadband investments.

The Healthy and Sustainable Environment Outcome proposals total \$190 million and include 182 staff positions in the Departments of Utilities, Parks, Transportation, and Planning and Community Development.

The Improved Mobility Outcome biennial budget is \$40 million, involving 105 staff positions in the Transportation Department.

Ms. Rezab said the Innovative, Vibrant and Caring Community Outcome contains proposals totaling \$73 million, involving staff in multiple departments. The Quality Neighborhoods Outcome budget is \$6 million to maintain existing services and involves 14 staff positions in the Parks and Development Services Departments. Ms. Rezab noted that projects in other Outcome areas contribute to high-quality neighborhoods (e.g., transportation projects). She recalled that the Results Team recommended combining these two Outcome areas.

The Responsive Government Outcome biennial budget is \$193 million, with proposals involving 277 FTEs in the City Manager's, City Attorney's, and City Clerk's Offices, and the Human Resources, Parks, Planning and Community Development, and Utilities Departments. New items include an intergovernmental relations staff position, succession planning, and continued support of the One City efforts.

The Safe Community Outcome budget is \$173 million, involving 540 staff positions in 2015-2016. This budget maintains existing services, adds three detectives, ensures the continuation of Community Police Substations, adds power stretchers, and funds the new court facility.

Ms. Hawn asked the Fire and Police Chiefs to comment on the performance metrics for public safety.

Interim Fire Chief Risen commented on how the Fire Department ensures that it has adequate capacity in terms of equipment and staffing. He recalled that the Fire Department has been

accredited since 1988 and achieved re-accreditation in 2013. Bellevue is one of three Fire Class II rated jurisdictions in the state.

Responding to Mayor Balducci, Chief Risen said achieving Fire Class I status is essentially impossible without extraordinary levels of resources. It would involve a number of additional activities including monthly fire inspections of all commercial buildings, five-person engine companies, more ladder trucks, a very high-capacity water system, etc. He said the rating system was originally developed for the insurance industry. The Fire Department conducts performance monitoring on an annual basis through the International City/County Management Association (ICMA) and on a monthly basis through coordination with the Fire Department's contract cities and King County Emergency Medical Services.

Chief Risen said the Fire Department's key performance measures are average emergency response time (5.24 minutes), fires confined to room of origin (92 percent), and cardiac arrest survival rate (59 percent). The Department's response time goal is six minutes or less, 90 percent of the time. In 2013, the Fire Department achieved this goal for 69 percent of its emergency calls. Bellevue is in the top two percent of fire departments in the nation with regard to confining the fire to the room of origin. Bellevue and King County are in the top one percent in the nation with regard to the cardiac arrest survival rate.

Chief Risen said the Fire Department's requested additions to the budget did not make the funding threshold. However, he described minor adjustments to staffing and reiterated that the Fire Department's performance measures are strong. He noted that calls drop off after 8:00 p.m.

Responding to Councilmember Robinson, Chief Risen said that, 90 percent of the time, the first equipment to the scene is fire apparatus versus an aid/medic unit.

Responding to Councilmember Stokes, Chief Risen said the Department reviews any response time exceeding eight minutes. This is generally related to equipment already being in use. However, outcomes are strong and it is not possible to be everywhere at all times.

Mayor Balducci thanked Chief Risen for the information. She requested data on the call volumes before and after 8:00 p.m.

Councilmember Lee thanked Chief Risen for the presentation. He said public safety is the top priority for the city. He noted the goal to achieve a six-minute response time 90 percent of the time and said he would like to continue to improve in this area.

Mayor Balducci noted that the Council is reviewing the Preliminary Budget as presented by the City Manager. She said it would be helpful if Councilmembers who have an interest in increasing the Fire Department budget make that clear as soon as possible in the form of a proposal.

Deputy Mayor Wallace complimented the Police and Fire Departments for their strong performance. He observed that a one-percent increase in the property tax would fund three to

four additional staff positions. He noted that growth in the public safety budget continues to occur at roughly the rate of inflation. Mr. Wallace questioned whether projected service demands indicate the need for public safety funding increases at a higher rate over the next four to six years.

Deputy Mayor Wallace said the City of Seattle uses all private ambulances for BLS (Basic Life Support) responses. He questioned how the Bellevue Fire Department approaches that issue.

Chief Risen said increased growth and population density, especially in the Downtown and Bel-Red corridor, will require additional public safety service capacity. However, the Department is tracking that growth and is prepared to increase staffing and/or equipment as needed.

With regard to emergency medical transport, Chief Risen said Bellevue has three staffed BLS aid units which handle approximately 70 percent of the patients annually. Patients with more critical injuries are transported by paramedic units funded by King County ALS (Advanced Life Support) services. Chief Risen said it is important to keep private ambulances engaged on a daily basis to ensure availability when demand is high.

Chief Risen said most transports in Seattle are by private ambulance. However, the City of Seattle does have some aid cars for a limited number of transports. He said this policy is based largely on unit availability and capacity.

Deputy Mayor Wallace said he is interested in follow-up information on how Chief Risen looks at private services as adding capacity and how that affects the Fire Department's need to grow and add staffing.

Councilmember Stokes commented that the Fire Department is performing well. He questioned the basis for the six-second average response time goal and the measure regarding fires confined to the room of origin. He said overall outcomes and the Department's effectiveness are high based on the City's ranking in the top two percent of fire departments in the nation with regard to response times and the top one percent for cardiac arrest survival rate. Mr. Stokes said it would be interesting to see whether additional resources, and at what level, would enhance overall outcomes.

Chief Risen said the Fire Department closely monitors its performance measures and will communicate with the Council regarding the need for additional resources as appropriate.

Councilmember Chelminiak suggested adding to the Budget memory bank/follow-up list, for future reference, the proposal for adding one 24-hour Fire Department position (four FTE staff).

Interim Police Chief Jim Montgomery recalled that, approximately 15 years ago, Bellevue and other cities of comparable size and demographics established a consortium of Benchmark Cities to track statistics and identify best practices.

Chief Montgomery described Bellevue's crime rates by type of crime. Bellevue has a very low violent crime rate. However, thefts from autos in Bellevue is 10.9 per 1,000 citizens compared to the average of 6.4 per 1,000. Chief Montgomery acknowledged the need to focus more on thefts from autos and to continue to remind citizens to lock their cars, park in lighted areas where possible, and to never leave valuables, especially electronic devices, in their cars.

Chief Montgomery described staffing and workload comparables. Many East Coast cities have higher officer staffing levels. However, Bellevue and other cities in the west typically use non-officers/professional support staff for certain job functions. Bellevue's response time from receipt of the call to arrival at the scene averages 5.50 minutes compared to the benchmark average of 5.55 minutes. The average number of calls per officer is 288 for Bellevue compared to 329 for benchmark cities. Chief Montgomery noted that police officers' duties go beyond responding to calls.

Chief Montgomery presented performance measures related to traffic accidents. Bellevue is well below the benchmark cities in accidents, both with and without injuries. Crashes resulting in a citation being issued are 70 percent for Bellevue compared to the benchmark average of 54 percent.

Responding to Mayor Balducci, Chief Montgomery confirmed that the incidence of traffic accidents is influenced by street design and other aspects of the transportation system.

Chief Montgomery reported that Bellevue receives an annual average of 10 formal citizen complaints about officers compared to 30 complaints per year for the benchmark cities. Bellevue officers receive more than twice the number of training hours as officers from other benchmark cities.

Councilmember Robinson recalled the rash of home burglaries in 2013 and questioned whether more officers have been hired since that time to address that specific problem. Noting that he was not serving in Bellevue at that time, Chief Montgomery said a significant number of staffing vacancies had occurred before 2013. The Police Department has hired 23 new police officers since that time. However, the capacity of the Police Academy slows down the process of getting the officers out on the streets. Academy training is approximately six months followed by three months of field training.

Mayor Balducci thanked Chief Montgomery for his past leadership as a former Bellevue Police Chief and his involvement in establishing the group of Benchmark Cities.

Mayor Balducci noted the Budget proposal to add three detectives (i.e., digital forensics, vice, and special assault). She said Councilmembers hear mostly about burglaries and property crimes, and she asked the Chief to comment on the new detective positions.

Responding to Mayor Balducci, Chief Montgomery said Bellevue and the region have experienced a sharp increase in prostitution and human trafficking. The City is working with King County to significantly increase the effectiveness of addressing these crimes. Increasing

electronic fraud highlights the need for the increased digital forensics capacity. Special assaults refers to victims of domestic violence and crimes against children (e.g., physical and sexual abuse).

With regard to property crimes, Chief Montgomery said Bellevue is benefitting greatly from its crime analysis unit which is able to focus the Police Department's efforts on these crimes. He said the Department recently hired a full-time crime prevention detective to reduce the likelihood of property crimes. He said the Department can always use more staff. However, the Police Department realizes it must balance its needs with other departments' needs. He said Bellevue performs favorably overall as reflected in the performance measures.

Mayor Balducci thanked Chiefs Risen and Montgomery for their efforts to meet the City's significant public safety obligations while understanding that other important functions of City government need to be funded. She thanked them for their work on the Budget.

Responding to Councilmember Lee, Ms. Rezab said she will provide more information on the sales tax forecasts developed by the City and the two outside sources.

Mayor Balducci requested more information on the proposed staffing positions for the diversity program and for intergovernmental relations.

Ms. Balducci recalled a past question raised by a Councilmember about the ability to shift any surplus red light camera revenues, beyond what is paid to the vendor and King County's District Court, to certain projects. She observed that the City's District Court contract costs in 2018 and beyond do not appear to be affordable. Mayor Balducci said she would like to discuss that issue at an appropriate time.

Responding to Councilmember Lee, Ms. Rezab said the total Operating Budget is roughly \$900 million while the last seven-year CIP Plan is approximately \$400 million. She confirmed that the General Fund, within the Operating Budget, is typically smaller than CIP Plan. Mayor Balducci recalled that the Council, in recent years, shifted maintenance funding from the Capital Budget to the Operating Budget. This has resulted in growth in the Operating Budget.

Ms. Rezab said she will provide a comparison of the last few biennial budgets for future discussion.

Councilmember Lee suggested that the Council could be more responsive to the community with increased staff support, particularly in the form of a legislative assistant. He suggested discussing additional training funds and educational opportunities for the Council as well.

Mayor Balducci thanked staff for the presentation.

[Agenda Items Re-ordered]

(c) Budget: Proposed Update of 2015 Development Services Hourly Rates and Building Permit Fees

Mike Brennan, Director of the Development Services Department, described a proposed routine inflationary adjustment (2.0 percent to 2.2 percent) to the 2014 consolidated fees for development services functions including building, land use, fire, transportation, and utilities plan review and inspection. This maintains the alignment between fees charged for services and the City's established cost recovery policies.

Mr. Brennan said the fees compare very favorably with neighboring cities. If supported by the Council, the ordinance adopting the fee adjustment will be included in the final Budget Adoption package in December.

Councilmember Robinson said she appreciates what the City is doing to make permitting more predictable and to provide high-quality services.

Mr. Brennan said 23 staff were hired during the past 18 months, and the Department is close to being fully staffed to meet the significant increase in permitting and development activity. The Department is seeing improvement in the turnaround time on permit processing this year and continues to monitor performance on a weekly basis.

Mr. Brennan noted that the Council's next written major projects update will include statistics on permitting activities.

(b) Budget: Proposed Basic Life Support (BLS) Transport Fee Increase included in 2015-2016 Preliminary Budget

Chief Risen said the Fire Department proposes an increase in the Basic Life Support (BLS) transport fee from \$600 plus \$14 per mile per occurrence, as established in 2012, to \$638 plus \$15 per mile. He said this is based on inflation and to provide funding for needed safety equipment.

Mayor Balducci noted that the Deputy Mayor requested more information on the request earlier in the day. Deputy Mayor Wallace clarified his interest in cost of services information related to both Development Services fees and BLS Transport Fees.

Responding to Councilmember Robinson, Chief Risen said most private insurance companies provide some level of payment. The amount of any deductible is typically waived for Bellevue patients. Medicare covers a set fee of approximately \$300, which drives the overall fee collection rate down. Responding to Mayor Balducci, Chief Risen said the City does not pursue payment of the remaining balance for Medicare patients.

Responding to Deputy Mayor Wallace, Chief Risen said private ambulances charge the same fee. Before the fee was adopted in 2012, the City did not charge for transport services provided by

City personnel. Any charges by a private ambulance were resolved between that company and the patient.

3. Discussion of Upcoming Items

- (a) Application of Jack Burns (Bel-Kirk Office Park) to rezone 7.62 acres to change the Land Use Zoning District Designation from Light Industry (LI) to Office (O).

City Manager Miyake said the rezone application of Jack Burns (Bel-Kirk Office Park) is scheduled for Council action on November 17.

Carol Helland, Land Use Director, said the rezone application is related to a Comprehensive Plan Amendment in 2013 that allowed a change in the Land Use Zoning District Designation from Light Industry (LI) to Office (O).

Responding to Mayor Balducci, Ms. Helland confirmed that the Comprehensive Plan Update changed the map designation to reflect that the appropriate zoning for this parcel is Office. The pending application applies the zoning and provides consistency between the Comprehensive Plan maps and zoning code.

Responding to Councilmember Robinson, Ms. Helland confirmed that the property is constrained by steep slopes and a pipe stream (i.e., creek). Any redevelopment will trigger compliance with existing Land Use Code regulations including Design Review and the Critical Areas Code. In further response, Ms. Helland said there should not be any conflict with the future potential for using the BNSF rail corridor as a trail system.

4. Council Business [*Regular Session Agenda Item 6*]

Councilmember Chelminiak reported that he spoke to the Bellevue Essentials class on the topic of public safety. He said he has attended a number of fundraising events recently including for The Kindering Center, which is a national leader in the services it provides. He attended a meeting of the Governing Board of the Committee to End Homelessness.

Councilmember Stokes said he attended the King County Regional Policy Committee meeting. He attended the Bellevue Downtown Association (BDA) breakfast which featured a panel discussion on arts and cultural amenities. He thanked Deputy Mayor Wallace for attending the Cascade Water Alliance Board meeting for him.

Councilmember Robinson said she participated in two South Bellevue Community Center zip line experiences. One involved a meeting with City staff and a consultant who is an expert in ensuring accessibility to public facilities for individuals in wheelchairs. Ms. Robinson attended the opening of a new exhibit at the Bellevue Arts Museum. She toured the Velocity housing development at the South Kirkland Park and Ride facility.

Councilmember Lee attended the groundbreaking for the future Chick-fil-A on 116th Avenue NE (site of former Denny's restaurant). Mr. Lee attended the Police Department's annual Volunteer Appreciation Luncheon and the Startup Weekend Bellevue event.

Councilmember Lee reported that he and the Mayor attended the Crossroads Mini City Hall 20th anniversary celebration.

Deputy Mayor Wallace attended the light rail East Main Station open house hosted by the City. He attended meetings of the Cascade Water Alliance and the Sound Transit-City East Link Leadership Group.

Mayor Balducci said the City of Bellevue and others have been working hard to influence the state legislature to adopt a transportation funding package. She said there is a growing interest among elected officials to consider creating some type of regional funding group. The Puget Sound Regional Council (PSRC) Executive Board recently initiated a work item with the Transportation Policy Board, chaired by Mayor Balducci, to develop ideas for how this could work. This will involve research into transportation funding models used by other cities and states.

Ms. Balducci reported that she attended a meeting of the Sound Cities Association based on her role with the Transportation Policy Board.

Mayor Balducci said she attended Sound Transit's long-range planning workshop. She participated in a tour of the Mercer Slough Environmental Education Center with a delegation from Taiwan, which was followed by a performance of Taiwan's Taiyuan Puppet Theatre at Bellevue College.

At 8:05 p.m., Mayor Balducci declared recess to Regular Session.

Myrna L. Basich, MMC
City Clerk

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