



# CITY OF MERCER ISLAND

## CITY COUNCIL REGULAR VIDEO MEETING

Tuesday, September 21, 2021, at 5:00 PM

### COUNCIL MEMBERS:

Mayor Benson Wong, Deputy Mayor Wendy Weiker,  
Councilmembers: Lisa Anderl, Jake Jacobson,  
Salim Nice, Craig Reynolds, David Rosenbaum

### LOCATION & CONTACT:

Mercer Island City Hall – Via Zoom  
9611 SE 36th Street | Mercer Island, WA 98040  
Phone: 206.275.7793 | [www.mercerisland.gov](http://www.mercerisland.gov)

In compliance with the Americans with Disabilities Act, those requiring accommodation for Council meetings should notify the City Clerk's Office at least 24 hours prior to the meeting at 206.275.7793.

The virtual meeting will be broadcast live on MITV Channel 21 and live streamed on the City Council's [YouTube Channel](#)

**Registering to Speak:** Individuals wishing to speak live during Appearances will need to register their request with the City Clerk at **206.275.7793** or email the [City Clerk](#) and leave a message before 4 PM on the day of the Council meeting. Please reference "Appearances" on your correspondence. Each speaker will be allowed three (3) minutes to speak. A timer will be visible online to speakers, City Council, and meeting participants. Please be advised that there is a time delay between the Zoom broadcast and the YouTube or Channel 21 broadcast.

**Public Appearances:** Notify the [City Clerk](#) in advance that you wish to speak on camera and staff will be prepared to permit temporary video access when you enter the live Council meeting. Please remember to activate the video option on your phone or computer, ensure your room is well lit, and kindly ensure that your background is appropriate for all audience ages. Screen sharing will not be permitted, but documents may be [Emailed to Council](#).

**Join by Telephone at 5:00 PM:** To listen to the meeting via telephone, please call **253.215.8782** and enter Webinar ID **879 3960 6958** and Password **892697** if prompted.

**Join by Internet at 5:00 PM:** To watch the meeting over the internet via your computer, follow these steps:

- 1) Click this [link](#)
- 2) If the Zoom app is not installed on your computer, you will be prompted to download it.
- 3) If prompted for Webinar ID, enter **879 3960 6958**; Enter Password **892697**
- 4) The City Clerk will call on you by name or refer to your email address when it is your turn to speak. Please confirm that your audio works prior to participating.

**Submitting Written Comments:** Written comments may be submitted at the Mercer Island [Let's Talk Council Connects](#) page. Written comments received by 3 PM on the day of the meeting will be forwarded to all Councilmembers and a brief summary of the comments will be included in the minutes of the meeting.

### CALL TO ORDER & ROLL CALL, 5 PM

### PLEDGE OF ALLEGIANCE

### AGENDA APPROVAL

### CITY MANAGER REPORT

### APPEARANCES

(This is the opportunity for anyone to speak to the City Council on any item. As it is election season, however, please be reminded that state law (specifically, RCW 42.17A.555) prohibits the use of City facilities for campaign-related purposes with limited exceptions. Accordingly, please do not make campaign-related comments during this time.)

## CONSENT AGENDA

1. Approval of **Certification of Claims** for the periods ending:
  - A) August 26, 2021, in the amount of \$1,349,355.64
  - B) September 3, 2021, in the amount of \$752,983.15
  - C) September 9, 2021, in the amount of \$220,018.58**Recommended Action:** Certify that the City Council has reviewed the documentation supporting claims paid and approved all checks or warrants issued in payment of claims.
2. Approval of Claims Reporting for **Electronic Funds Transfer** for the month ending July 2021 in the amount of \$2,526,081.85  
**Recommended Action:** Certify that the City Council has reviewed the documentation supporting claims paid and approved all checks or warrants issued in payment of claims.
3. Approval of **Minutes** for the following meetings:
  - A) July 6, 2021, Regular Video Meeting
  - B) July 20, 2021, Regular Video Meeting
  - C) August 24, 2021, Special Video Meeting (Executive Session)
4. Approval of the **Payroll Certification** for the following periods ending:  
AB 5934: August 27, 2021, Payroll Certification, in the amount of \$787,176.23  
AB 5945: September 10, 2021, Payroll Certification, in the amount of \$830,397.53  
**Recommended Action:** Approve the August 27 and September 10, 2021, Payroll Certifications and authorize the Mayor to sign the certifications on behalf of the entire City Council.
5. AB 5924: Volunteer Appreciation Month Proclamation No. 276  
**Recommended Action:** Mayor Wong proclaims September 2021 Volunteer Appreciation Month in Mercer Island.
6. AB 5938: 2021-2022 Work Plan Update  
**Recommended Action:** Receive report.

## REGULAR BUSINESS

7. AB 5940: Development Code Amendment ZTR19-003 Signage (Ord. No. 21C-21 First Reading)  
**Recommended Action:** Set Ordinance No. 21C-21 for second reading and adoption at the Council Meeting on October 5, 2021, or soon thereafter.
8. AB 5941: State-Mandated Code Amendments  
**Recommended Actions:**
  - 1) Conduct **Public Hearings** on Ordinance Nos. 21C-19, 21C-22, and 21C-23 and consider public testimony.
  - 2) Adopt Ordinance No. 21C-19, amending Mercer Island City Code 19.16.010, Definitions, relating to the definitions of Family and Housekeeping Units.
  - 3) Adopt Ordinance No. 21C-22, amending Mercer Island City Code 19.16.010, Definitions, relating to Adult Family Homes.
  - 4) Adopt Ordinance No. 21C-23 amending Mercer Island City Code 19.16.010, Definitions, relating to Emergency Shelters and Housing, Transitional Housing, and Permanent Supportive Housing.
9. AB 5942: Second Quarter 2021 Financial Status Update & 2021-2022 Budget Amendments (Ord. No. 21-20).  
**Recommended Action:** Adopt Ordinance No. 21-20, amending the 2021-2022 Biennial Budget.

10. AB 5933: Town Center Moratorium: Proposed Retail Use Adjacent to Street Frontages, Commercial Floor Area Ration and No Net Loss Requirements

**Recommended Actions:** Provide direction to staff to proceed with necessary code amendments to MICC 19.11 as follows:

- 1) Update MICC 19.11.020(B)(4) Retail Use Required Adjacent to Street Frontages as identified in Exhibit 1;
- 2) Institute a new TC Commercial FAR requirement as presented, which will be subjected to parcels identified in Exhibit 2; and
- 3) Include a new selective TC no net loss requirement to post 2005 redevelopment parcels only as identified in Exhibit 3.

11. AB 5943: Second Review and Adoption of the City's Updated Financial Management Policies

**Recommended Action:** Adopt Resolution No. 1602 to update the City's Financial Management Policies.

12. AB 5944: Authorizing and Appropriation for Outreach Services from Area Shelters for the Homeless and Update on Implementation of Ordinance 21C-02

**Recommended Action:** Authorize the City Manager to negotiate and execute an agreement with both The Sophia Way and Congregations for the Homeless in an amount not to exceed \$20,000 (\$10,000 for each organization) for outreach worker services for individuals experiencing homelessness through the end of 2022.

**OTHER BUSINESS**

13. Planning Schedule

14. Councilmember Absences & Reports

**ADJOURNMENT**

# CERTIFICATION OF CLAIMS

I, the undersigned, do hereby certify under penalty of perjury that the materials have been furnished, the services rendered, or the labor performed as described herein, that any advance payment is due and payable pursuant to a contract or is available as an option for full or partial fulfillment of a contractual obligation, and that the claim is a just, due and unpaid obligation against the City of Mercer Island, and that I am authorized to authenticate and certify to said claim.



\_\_\_\_\_  
Finance Director

I, the undersigned, do hereby certify that the City Council has reviewed the documentation supporting claims paid and approved all checks or warrants issued in payment of claims.

\_\_\_\_\_  
Mayor

\_\_\_\_\_  
Date

<u>Report</u>	<u>Warrants</u>	<u>Date</u>	<u>Amount</u>
Check Register	208820-208883	8/26/2021	\$1,349,355.64
			\$1,349,355.64



**Accounts Payable Report by GL Key**

PO #	Check #	Vendor:	Transaction Description	Check Amount
<b>Org Key: 001000 - General Fund-Admin Key</b>				
P0111961	00208883	YUE, XIAOBANG	Refund for 2020 open gym pass	42.40
<b>Org Key: 402000 - Water Fund-Admin Key</b>				
	00208822	Alan Lung & Charlene Chung	refund overpay 0108409251	524.86
	00208846	HO FAMILY LLC	refund overpay 00415036002	494.83
	00208825	Bartsch, John	refund overpay 003183801	450.09
	00208860	Nancy & Kevin Leung	refund overpay 01083807003	150.01
	00208870	Sung Hoon Cheung	refund overpay 00774676602	133.92
	00208871	SUSAN & CARTER HARRINGTON	refund overpay 01083741001	104.07
	00208835	Deborah & Jonathan Millard	refund overpay 00737222102	5.92
<b>Org Key: 814075 - Mercer Island Emp Association</b>				
	00208856	MI EMPLOYEES ASSOC	PAYROLL EARLY WARRANTS	227.50
<b>Org Key: 814076 - City &amp; Counties Local 21M</b>				
	00208882	WSCCCE AFSCME AFL-CIO	PAYROLL EARLY WARRANTS	2,504.75
<b>Org Key: 814077 - Police Association</b>				
	00208864	POLICE ASSOCIATION	PAYROLL EARLY WARRANTS	2,550.77
<b>Org Key: CA1150 - Attorney-Litigation</b>				
P0111826	00208855	McNaul Ebel Nawrot	Invoice #100571 Professional	105,868.48
<b>Org Key: CA1300 - Public Records</b>				
P0111960	00208861	NEXTREQUEST CO	Invoice #18081	10,918.59
<b>Org Key: CM1100 - Administration (CM)</b>				
P0111970	00208858	MUNICODE	Policy/Procedures Software INV	550.50
<b>Org Key: CR1100 - Human Resources</b>				
P0111970	00208858	MUNICODE	Policy/Procedures Software INV	550.50
<b>Org Key: FR1100 - Administration (FR)</b>				
P0111947	00208872	SYSTEMS DESIGN WEST LLC	Transport Billing Fees (07/21)	1,333.55
<b>Org Key: GB0101 - Public Works Building Repairs</b>				
P0111948	00208826	Bellingham Lock & Safe	PW GATES/RESERVOIR	23,366.34
<b>Org Key: GGM001 - General Government-Misc</b>				
P0111965	00208832	COMCAST	services from aug 22 - sept 21	111.46
<b>Org Key: GGM005 - Genera Govt-L1 Retiree Costs</b>				
	00208851	LEOFF HEALTH & WELFARE TRUST	POLICE RETIREES	6,123.89
	00208850	LEOFF HEALTH & WELFARE TRUST	FIRE RETIREES	3,223.11
	00208845	HILTNER, PETER	LEOFF1 Medicare Reimb	619.50
	00208829	CARLSON, LARRY	RETIREE MEDICARE REIMBURSEMENT	445.50
	00208843	HAGSTROM, JAMES	LEOFF1 Medicare Reimb	361.30
P0111963	00208854	LYONS, STEVEN	LEOFF1 Retiree Medical Expense	294.91
	00208869	SMITH, RICHARD	LEOFF1 Medicare Reimb	249.70
	00208840	FORSMAN, LOWELL	LEOFF1 Medicare Reimb	240.70
	00208836	DEEDS, EDWARD G	LEOFF1 Medicare Reimb	240.60
	00208868	SCHOENTRUP, WILLIAM	LEOFF1 Medicare Reimb	240.60
	00208854	LYONS, STEVEN	LEOFF1 Medicare Reimb	235.60

**Accounts Payable Report by GL Key**

PO #	Check #	Vendor:	Transaction Description	Check Amount
	00208824	BARNES, WILLIAM	LEOFF1 Medicare Reimb	222.40
	00208842	GOODMAN, J C	LEOFF1 Medicare Reimb	220.40
	00208874	THOMPSON, JAMES	LEOFF1 Medicare Reimb	196.40
	00208878	WALLACE, THOMAS	LEOFF1 Medicare Reimb	183.10
	00208839	ELSOE, RONALD	LEOFF1 Medicare Reimb	182.50
	00208837	DEVENY, JAN P	LEOFF1 Medicare Reimb	182.00
	00208849	KUHN, DAVID	LEOFF1 Medicare Reimb	182.00
	00208881	WHEELER, DENNIS	LEOFF1 Medicare Reimb	181.70
	00208827	BOOTH, GLENDON D	LEOFF1 Medicare Reimb	181.00
	00208821	ADAMS, RONALD E	LEOFF1 Medicare Reimb	180.70
	00208823	AUGUSTSON, THOR	LEOFF1 Medicare Reimb	179.80
	00208859	MYERS, JAMES S	LEOFF1 Medicare Reimb	179.80
	00208838	DOWD, PAUL	LEOFF1 Medicare Reimb	175.00
	00208867	RUCKER, MANORD J	LEOFF1 Medicare Reimb	167.20
	00208853	LOISEAU, LERI M	LEOFF1 Medicare Reimb	165.70
	00208820	ABBOTT, RICHARD	LEOFF1 Medicare Reimb	165.50
	00208847	JOHNSON, CURTIS	LEOFF1 Medicare Reimb	154.80
	00208880	WEGNER, KEN	LEOFF1 Medicare Reimb	144.60
	00208865	RAMSAY, JON	LEOFF1 Medicare Reimb	136.20
P0111962	00208839	ELSOE, RONALD	LEOFF1 Retiree Medical Expense	131.60
P0111962	00208839	ELSOE, RONALD	LEOFF1 Retiree Medical Expense	57.72
<b>Org Key: GGM606 - Excess Retirement-Fire</b>				
	00208824	BARNES, WILLIAM	LEOFF1 Excess Benefit	2,011.41
	00208833	COOPER, ROBERT	LEOFF1 Excess Benefit	1,969.01
	00208847	JOHNSON, CURTIS	LEOFF1 Excess Benefit	1,120.83
	00208868	SCHOENTRUP, WILLIAM	LEOFF1 Excess Benefit	1,039.40
	00208865	RAMSAY, JON	LEOFF1 Excess Benefit	615.86
<b>Org Key: GT0102 - ArcGIS Enterprise Deployment G</b>				
P0111950	00208841	GLSINC	JUNE 2021 GIS SERVICES	245.22
P0111949	00208841	GLSINC	JULY 2021 GIS SERVICES	61.30
<b>Org Key: GX9996 - Employee Benefits-Police</b>				
	00208851	LEOFF HEALTH & WELFARE TRUST	POLICE	45,653.92
	00208851	LEOFF HEALTH & WELFARE TRUST	POLICE SUPPORT	5,304.96
<b>Org Key: GX9997 - Employee Benefits-Fire</b>				
	00208850	LEOFF HEALTH & WELFARE TRUST	FIRE ACTIVE	48,984.55
	00208851	LEOFF HEALTH & WELFARE TRUST	BILLING ADJUSTMENTS	0.03
<b>Org Key: MT3200 - Water Pumps</b>				
	00208830	CENTURYLINK	fire vhf radio @ reservoir	59.74
<b>Org Key: MT3300 - Water Associated Costs</b>				
	00208852	LEYDE, CASEY	respond to low res WO31056	42.00
<b>Org Key: MT3800 - Storm Drainage</b>				
	00208875	TROY, BRIAN CASEY	work clothes	150.77
<b>Org Key: MT4200 - Building Services</b>				
P0111953	00208828	BULGER SAFE & LOCK	BROKEN SPRING ON DOOR CLOSER M	720.60

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PO #	Check #	Vendor:	Transaction Description	Check Amount
<i>Org Key: MT4403 - Customer Response - Water</i>				
	00208848	KELLEY, CHRIS M	emergency locate response	18.26
<i>Org Key: MT6100 - Park Maintenance</i>				
P0111951	00208862	OCCUPATIONAL HEALTH CTRS OF WA	DOT PHYSICAL RECERTIFICATION	109.00
<i>Org Key: MT6900 - Aubrey Davis Park Maint</i>				
P0111955	00208876	UNITED SITE SERVICES	LID PARK BOAT LAUNCH RESTROOM	451.50
P0111966	00208873	T-MOBILE	MONTHLY SVC CHARGE FOR BOAT LA	20.00
<i>Org Key: PA0101 - Recurring Parks Minor Capital</i>				
P0111209	00208826	Bellingham Lock & Safe	PARK FACILITY ACCESS CONTROL S	9,774.77
<i>Org Key: PR4100 - Community Center</i>				
P0111926	00208832	COMCAST	COMMUNITY CENTER INTERNET AUG	288.48
P0111956	00208834	CORRECTIONAL INDUSTRIES ACCTG	STAFF T-SHIRTS	87.86
<i>Org Key: SP0100 - Residential Street Resurfacing</i>				
P0111914	00208879	WATSON ASPHALT PAVING CO	2021 Arterial and Residential	308,142.19
<i>Org Key: SP0102 - East Mercer Way Overlay (SE 53</i>				
P0111914	00208879	WATSON ASPHALT PAVING CO	2021 Arterial and Residential	560,205.66
<i>Org Key: WU0100 - Emergency Water System Repairs</i>				
P0111663	00208866	RH2 ENGINEERING INC	RESERVOIR PUMP-MOTOR	907.64
<i>Org Key: WU0103 - Water Reservoir Improvements</i>				
P0111948	00208826	Bellingham Lock & Safe	PW GATES/RESERVOIR	8,629.62
<i>Org Key: WU0110 - 82 Ave SE, N of SE 24 St Water</i>				
P0111071	00208863	Pacific Civil & Infrastructure	2021 WATER SYSTEM IMPROVEMENT	185,194.71
<i>Org Key: WU0117 - Meter Replacement Implementati</i>				
P0102980	00208844	HDR ENGINEERING INC	WATER METER REPLACEMENT	778.00
<i>Org Key: YF1100 - YFS General Services</i>				
P0111964	00208877	VERIZON WIRELESS	VERIZON YFS JUN 24-JUL23	681.14
<i>Org Key: YF1200 - Thrift Shop</i>				
P0111968	00208831	CHINOOK BOOK	Thrift shop marketing	299.00
P0111969	00208857	MI HARDWARE - YFS	Paint for Thrift shop	54.14
Total				1,349,355.64

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Check No	Check Date	Vendor Name/Description	PO #	Invoice #	Invoice Date	Check Amount
00208820	08/26/2021	ABBOTT, RICHARD LEOFF1 Medicare Reimb		RETSEPT21B	09/01/2021	165.50
00208821	08/26/2021	ADAMS, RONALD E LEOFF1 Medicare Reimb		RETSEPT21B	09/01/2021	180.70
00208822	08/26/2021	Alan Lung & Charlene Chung refund overpay 0108409251		081921	08/19/2021	524.86
00208823	08/26/2021	AUGUSTSON, THOR LEOFF1 Medicare Reimb		RETSEPT21B	09/01/2021	179.80
00208824	08/26/2021	BARNES, WILLIAM LEOFF1 Medicare Reimb		RETSEPT21A	09/01/2021	2,233.81
00208825	08/26/2021	Bartsch, John refund overpay 003183801		081921	08/19/2021	450.09
00208826	08/26/2021	Bellingham Lock & Safe PW GATES/RESERVOIR	P0111948	302818	05/28/2021	41,770.73
00208827	08/26/2021	BOOTH, GLENDON D LEOFF1 Medicare Reimb		RETSEPT21B	09/01/2021	181.00
00208828	08/26/2021	BULGER SAFE & LOCK BROKEN SPRING ON DOOR CLOSER M	P0111953	W0-205585	08/10/2021	720.60
00208829	08/26/2021	CARLSON, LARRY RETIREE MEDICARE REIMBURSEMENT		090121	09/01/2021	445.50
00208830	08/26/2021	CENTURYLINK fire vhf radio @ reservoir		2633-AUG21	08/16/2021	59.74
00208831	08/26/2021	CHINOOK BOOK Thrift shop marketing	P0111968	12850	08/24/2021	299.00
00208832	08/26/2021	COMCAST services from aug 22 - sept 21	P0111926	0057728-AUG21	08/21/2021	399.94
00208833	08/26/2021	COOPER, ROBERT LEOFF1 Excess Benefit		RETSEPT21A	09/01/2021	1,969.01
00208834	08/26/2021	CORRECTIONAL INDUSTRIES ACCTG STAFF T-SHIRTS	P0111956	T085997	07/29/2021	87.86
00208835	08/26/2021	Deborah & Jonathan Millard refund overpay 00737222102		081921	08/19/2021	5.92
00208836	08/26/2021	DEEDS, EDWARD G LEOFF1 Medicare Reimb		RETSEPT21B	09/01/2021	240.60
00208837	08/26/2021	DEVENY, JAN P LEOFF1 Medicare Reimb		RETSEPT21B	09/01/2021	182.00
00208838	08/26/2021	DOWD, PAUL LEOFF1 Medicare Reimb		RETSEPT21B	09/01/2021	175.00
00208839	08/26/2021	ELSOE, RONALD LEOFF1 Retiree Medical Expense		RETSEPT21B	09/01/2021	371.82
00208840	08/26/2021	FORSMAN, LOWELL LEOFF1 Medicare Reimb		RETSEPT21B	09/01/2021	240.70
00208841	08/26/2021	GLSINC JUNE 2021 GIS SERVICES	P0111949	GIS-15585	08/11/2021	306.52
00208842	08/26/2021	GOODMAN, J C LEOFF1 Medicare Reimb		RETSEPT21B	09/01/2021	220.40
00208843	08/26/2021	HAGSTROM, JAMES LEOFF1 Medicare Reimb		RETSEPT21B	09/01/2021	361.30
00208844	08/26/2021	HDR ENGINEERING INC WATER METER REPLACEMENT PROGRA	P0102980	1200365930	08/11/2021	778.00
00208845	08/26/2021	HILTNER, PETER LEOFF1 Medicare Reimb		RETSEPT21B	09/01/2021	619.50

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Check No	Check Date	Vendor Name/Description	PO #	Invoice #	Invoice Date	Check Amount
00208846	08/26/2021	HO FAMILY LLC refund overpay 00415036002		081921	08/19/2021	494.83
00208847	08/26/2021	JOHNSON, CURTIS LEOFF1 Medicare Reimb		RETSEPT21A	09/01/2021	1,275.63
00208848	08/26/2021	KELLEY, CHRIS M emergency locate response		072121	07/21/2021	18.26
00208849	08/26/2021	KUHN, DAVID LEOFF1 Medicare Reimb		RETSEPT21B	09/01/2021	182.00
00208850	08/26/2021	LEOFF HEALTH & WELFARE TRUST FIRE RETIREES		090121	09/01/2021	52,207.66
00208851	08/26/2021	LEOFF HEALTH & WELFARE TRUST POLICE RETIREES		090121	09/01/2021	57,082.80
00208852	08/26/2021	LEYDE, CASEY respond to low res WO31056		071821	07/18/2021	42.00
00208853	08/26/2021	LOISEAU, LERI M LEOFF1 Medicare Reimb		RETSEPT21B	09/01/2021	165.70
00208854	08/26/2021	LYONS, STEVEN LEOFF1 Retiree Medical Expense		RETSEPT21B	09/01/2021	530.51
00208855	08/26/2021	McNaul Ebel Nawrot Invoice #100571 Professional	P0111826	100571-REISSUE	07/26/2021	105,868.48
00208856	08/26/2021	MI EMPLOYEES ASSOC PAYROLL EARLY WARRANTS		082721	08/27/2021	227.50
00208857	08/26/2021	MI HARDWARE - YFS Paint for Thrift shop	P0111969	143743	07/12/2021	54.14
00208858	08/26/2021	MUNICODE Policy/Procedures Software INV	P0111970	00360767	07/08/2021	1,101.00
00208859	08/26/2021	MYERS, JAMES S LEOFF1 Medicare Reimb		RETSEPT21B	09/01/2021	179.80
00208860	08/26/2021	Nancy & Kevin Leung refund overpay 01083807003		081921	08/19/2021	150.01
00208861	08/26/2021	NEXTREQUEST CO Invoice #18081	P0111960	18081	08/20/2021	10,918.59
00208862	08/26/2021	OCCUPATIONAL HEALTH CTRS OF WA DOT PHYSICAL RECERTIFICATION	P0111951	71406178	05/14/2021	109.00
00208863	08/26/2021	Pacific Civil & Infrastructure 2021 WATER SYSTEM IMPROVEMENT	P0111071	PP#3	07/31/2021	185,194.71
00208864	08/26/2021	POLICE ASSOCIATION PAYROLL EARLY WARRANTS		082721	08/27/2021	2,550.77
00208865	08/26/2021	RAMSAY, JON LEOFF1 Medicare Reimb		RETSEPT21A	09/01/2021	752.06
00208866	08/26/2021	RH2 ENGINEERING INC RESERVOIR PUMP-MOTOR ASSESMENT	P0111663	82940	08/10/2021	907.64
00208867	08/26/2021	RUCKER, MANORD J LEOFF1 Medicare Reimb		RETSEPT21B	09/01/2021	167.20
00208868	08/26/2021	SCHOENTRUP, WILLIAM LEOFF1 Medicare Reimb		RETSEPT21A	09/01/2021	1,280.00
00208869	08/26/2021	SMITH, RICHARD LEOFF1 Medicare Reimb		RETSEPT21B	09/01/2021	249.70
00208870	08/26/2021	Sung Hoon Cheung refund overpay 00774676602		081921	08/19/2021	133.92
00208871	08/26/2021	SUSAN & CARTER HARRINGTON refund overpay 01083741001		081921	08/19/2021	104.07

**Accounts Payable Report by Check Number**

Check No	Check Date	Vendor Name/Description	PO #	Invoice #	Invoice Date	Check Amount
00208872	08/26/2021	SYSTEMS DESIGN WEST LLC Transport Billing Fees (07/21)	P0111947	20211661	08/18/2021	1,333.55
00208873	08/26/2021	T-MOBILE MONTHLY SVC CHARGE FOR BOAT LA	P0111966	519850018-JULY21	07/09/2021	20.00
00208874	08/26/2021	THOMPSON, JAMES LEOFF1 Medicare Reimb		RETSEPT21B	09/01/2021	196.40
00208875	08/26/2021	TROY, BRIAN CASEY work clothes		081321	08/13/2021	150.77
00208876	08/26/2021	UNITED SITE SERVICES LID PARK BOAT LAUNCH RESTROOM	P0111955	INV-00185810	07/05/2021	451.50
00208877	08/26/2021	VERIZON WIRELESS VERIZON YFS JUN 24-JUL23	P0111964	9884730166	06/24/2021	681.14
00208878	08/26/2021	WALLACE, THOMAS LEOFF1 Medicare Reimb		RETSEPT21B	09/01/2021	183.10
00208879	08/26/2021	WATSON ASPHALT PAVING CO 2021 Arterial and Residential	P0111914	PP#1	07/31/2021	868,347.85
00208880	08/26/2021	WEGNER, KEN LEOFF1 Medicare Reimb		RETSEPT21B	09/01/2021	144.60
00208881	08/26/2021	WHEELER, DENNIS LEOFF1 Medicare Reimb		RETSEPT21B	09/01/2021	181.70
00208882	08/26/2021	WSCCCE AFSCME AFL-CIO PAYROLL EARLY WARRANTS		082721	08/27/2021	2,504.75
00208883	08/26/2021	YUE, XIAOBANG Refund for 2020 open gym pass	P0111961	26484	08/23/2021	42.40
					Total	1,349,355.64

# CERTIFICATION OF CLAIMS

I, the undersigned, do hereby certify under penalty of perjury that the materials have been furnished, the services rendered, or the labor performed as described herein, that any advance payment is due and payable pursuant to a contract or is available as an option for full or partial fulfillment of a contractual obligation, and that the claim is a just, due and unpaid obligation against the City of Mercer Island, and that I am authorized to authenticate and certify to said claim.



\_\_\_\_\_  
Finance Director

I, the undersigned, do hereby certify that the City Council has reviewed the documentation supporting claims paid and approved all checks or warrants issued in payment of claims.

\_\_\_\_\_  
Mayor

\_\_\_\_\_  
Date

<u>Report</u>	<u>Warrants</u>	<u>Date</u>	<u>Amount</u>
Check Register	208884-208967	9/3/2021	\$752,983.15
			\$752,983.15

**Accounts Payable Report by GL Key**

PO #	Check #	Vendor:	Transaction Description	Check Amount
<b>Org Key: 402000 - Water Fund-Admin Key</b>				
P0111997	00208929	H D FOWLER	INVENTORY PURCHASES	4,945.09
P0111987	00208962	VERITIV OPERATING COMPANY	INVENTORY PURCHASES	1,661.29
P0112000	00208966	WALTER E NELSON CO	INVENTORY PURCHASES	1,639.92
P0111978	00208922	FERGUSON ENTERPRISES LLC	INVENTORY PURCHASES	482.24
P0111995	00208929	H D FOWLER	INVENTORY PURCHASES	259.74
P0111990	00208959	STAPLES ADVANTAGE	INVENTORY PURCHASES	216.57
P0111973	00208928	GRAINGER	INVENTORY PURCHASES	31.64
<b>Org Key: CA1100 - Administration (CA)</b>				
P0112024	00208948	OGDEN MURPHY WALLACE	Invoice #853374 Professional	2,010.00
P0112026	00208948	OGDEN MURPHY WALLACE	Invoice #854012 Professional	750.00
	00208961	US BANK CORP PAYMENT SYS	Operating Supplies	35.00
	00208961	US BANK CORP PAYMENT SYS	Operating Supplies	35.00
<b>Org Key: CA1150 - Attorney-Litigation</b>				
P0112027	00208940	McNaul Ebel Nawrot	Invoice #100872 - Professional	119,592.76
<b>Org Key: CA1200 - Prosecution &amp; Criminal Mngmnt</b>				
P0112025	00208932	HONEYWELL, MATTHEW V	Invoice #1235 Professional Ser	300.00
<b>Org Key: CM1100 - Administration (CM)</b>				
P0111434	00208918	DELL MARKETING L.P.	2021 Computer Replacements/Add	1,999.94
	00208961	US BANK CORP PAYMENT SYS	Recruitment advertising - open	130.00
	00208961	US BANK CORP PAYMENT SYS	Office supply & computer monit	23.40
<b>Org Key: CM1400 - Communications</b>				
	00208961	US BANK CORP PAYMENT SYS	Annual renewal	219.10
	00208961	US BANK CORP PAYMENT SYS	Operating Supplies	15.96
<b>Org Key: CO6100 - City Council</b>				
	00208961	US BANK CORP PAYMENT SYS	Computer Supplies	53.95
	00208961	US BANK CORP PAYMENT SYS	Computer Supplies	35.97
<b>Org Key: CR1100 - Human Resources</b>				
	00208961	US BANK CORP PAYMENT SYS	Services - Software Maint/Supt	1,285.00
	00208961	US BANK CORP PAYMENT SYS	Recruitment advertising	182.95
	00208961	US BANK CORP PAYMENT SYS	Recruitment advertising	130.00
	00208961	US BANK CORP PAYMENT SYS	Recruitment advertising	130.00
	00208961	US BANK CORP PAYMENT SYS	Recruitment advertising	130.00
	00208961	US BANK CORP PAYMENT SYS	Job Ad	130.00
	00208961	US BANK CORP PAYMENT SYS	Job Ad	130.00
	00208961	US BANK CORP PAYMENT SYS	Recruitment advertising	130.00
	00208961	US BANK CORP PAYMENT SYS	Job Advertisement	125.00
	00208961	US BANK CORP PAYMENT SYS	Job Advertisement	125.00
	00208961	US BANK CORP PAYMENT SYS	Recruitment advertising	119.00
	00208961	US BANK CORP PAYMENT SYS	Operating Supplies	96.78
	00208961	US BANK CORP PAYMENT SYS	Recognition	50.00
	00208961	US BANK CORP PAYMENT SYS	Recruitment advertising	45.00
	00208961	US BANK CORP PAYMENT SYS	Wellness Committee Survey Winn	25.00
	00208961	US BANK CORP PAYMENT SYS	Orientation binders	22.31
<b>Org Key: DS0000 - Development Services-Revenue</b>				



**Accounts Payable Report by GL Key**

PO #	Check #	Vendor:	Transaction Description	Check Amount
	00208894	BRUCE ZHANG	REFUND	5,078.40
	00208943	MIXDORF, SUND OG	deposit refund	3,124.67
	00208955	SEABORN PILE DRIVING CO	REFUND DEPOSIT	471.84
	00208947	NORTHWEST ELECTRIC & SOLAR LLC	REFUND OVERPAYMENT	177.00
	00208925	George Gas Piping	REFUND	141.60
<b>Org Key: DS1100 - Administration (DS)</b>				
P0111434	00208918	DELL MARKETING L.P.	2021 Computer Replacements/Add	7,000.07
	00208961	US BANK CORP PAYMENT SYS	Services - Technology Fee	767.39
	00208961	US BANK CORP PAYMENT SYS	Operating Supplies	550.50
	00208961	US BANK CORP PAYMENT SYS	Services - Technology Fee	329.20
	00208961	US BANK CORP PAYMENT SYS	Services - Financial	54.10
	00208961	US BANK CORP PAYMENT SYS	Operating Supplies	35.27
	00208961	US BANK CORP PAYMENT SYS	Operating Supplies	5.34
<b>Org Key: FN1100 - Administration (FN)</b>				
	00208961	US BANK CORP PAYMENT SYS	Operating Supplies	79.03
P0112030	00208964	VERIZON WIRELESS	CITY CELL PHONES, AC, OH, AM,	47.02
P0112030	00208964	VERIZON WIRELESS	CITY CELL PHONES, AC, OH, AM,	42.02
	00208961	US BANK CORP PAYMENT SYS	ARPA reporting webinar registr	35.00
<b>Org Key: FN2100 - Data Processing</b>				
	00208961	US BANK CORP PAYMENT SYS	Office Supplies	27.84
<b>Org Key: FN4501 - Utility Billing (Water)</b>				
P0111977	00208941	METROPRESORT	AUG 2021 PRINTING & MAILING OF	148.78
P0111977	00208941	METROPRESORT	AUG 2021 PRINTING & MAILING OF	145.23
P0112002	00208941	METROPRESORT	AUG 2021 PRINTING & MAILING OF	66.67
P0112002	00208941	METROPRESORT	AUG 2021 PRINTING & MAILING OF	65.12
P0112030	00208964	VERIZON WIRELESS	CITY CELL PHONES, AC, OH, AM,	47.02
P0112030	00208964	VERIZON WIRELESS	CITY CELL PHONES, AC, OH, AM,	42.02
<b>Org Key: FN4502 - Utility Billing (Sewer)</b>				
P0111977	00208941	METROPRESORT	AUG 2021 PRINTING & MAILING OF	148.79
P0111977	00208941	METROPRESORT	AUG 2021 PRINTING & MAILING OF	145.23
P0112002	00208941	METROPRESORT	AUG 2021 PRINTING & MAILING OF	66.67
P0112002	00208941	METROPRESORT	AUG 2021 PRINTING & MAILING OF	65.12
<b>Org Key: FN4503 - Utility Billing (Storm)</b>				
P0111977	00208941	METROPRESORT	AUG 2021 PRINTING & MAILING OF	148.80
P0111977	00208941	METROPRESORT	AUG 2021 PRINTING & MAILING OF	145.25
P0112002	00208941	METROPRESORT	AUG 2021 PRINTING & MAILING OF	66.66
P0112002	00208941	METROPRESORT	AUG 2021 PRINTING & MAILING OF	65.12
<b>Org Key: FR1100 - Administration (FR)</b>				
	00208913	CENTURYLINK	FIRE STATION 92 T1	1,579.95
	00208961	US BANK CORP PAYMENT SYS	Amazon Membership	14.30
<b>Org Key: FR1200 - Fire Marshal</b>				
	00208961	US BANK CORP PAYMENT SYS	Hazmat Signage	6.34
	00208961	US BANK CORP PAYMENT SYS	Haz Mat Signage	6.34
<b>Org Key: FR2100 - Fire Operations</b>				

**Accounts Payable Report by GL Key**

PO #	Check #	Vendor:	Transaction Description	Check Amount
	00208961	US BANK CORP PAYMENT SYS	Tire Repair - A192	177.81
	00208961	US BANK CORP PAYMENT SYS	Stock Batteries	88.06
	00208961	US BANK CORP PAYMENT SYS	Batteries	17.37
<i>Org Key: GB0102 - MICEC Building Repairs</i>				
	00208961	US BANK CORP PAYMENT SYS	Operating Supplies	911.57
<i>Org Key: GB0103 - FS91 and FS92 Building Repairs</i>				
	00208961	US BANK CORP PAYMENT SYS	Refrigerator Replacement - Sta	2,137.35
<i>Org Key: GB0104 - Luther Burbank Admin Repairs</i>				
P0111958	00208890	Bellingham Lock & Safe	CITY FACILITY SECURITY UPGRADE	2,816.81
<i>Org Key: GB0105 - Thrift Shop Building Repairs</i>				
P0111958	00208890	Bellingham Lock & Safe	CITY FACILITY SECURITY UPGRADE	4,140.81
<i>Org Key: GB0107 - Honeywell Site Remediation</i>				
P0111015	00208921	FARALLON CONSULTING LLC	PROJECT 1292-002 2021 SOIL	8,384.66
<i>Org Key: GE0101 - Fire Training Tools &amp; Equipme</i>				
	00208961	US BANK CORP PAYMENT SYS	Wildland Firefighting Gloves	386.89
<i>Org Key: GGM005 - Genera Govt-L1 Retiree Costs</i>				
P0111991	00208919	DEVENY, JAN P	LEOFF1 Retiree Medical Expense	33,687.16
P0111984	00208965	WALLACE, THOMAS	LEOFF1 Retiree Medical Expense	6,000.00
P0111986	00208954	SCHOENTRUP, WILLIAM	LEOFF1 Retiree Medical Expense	1,290.73
P0111985	00208923	FORSMAN, LOWELL	LEOFF1 Retiree Medical Expense	566.88
P0112010	00208939	KUHN, DAVID	LEOFF1 Retiree Medical Expense	385.28
P0112011	00208945	MYERS, JAMES S	LEOFF1 Retiree Medical Expense	263.07
P0112009	00208893	BOOTH, GLENDON D	LEOFF1 Retiree Medical Expense	154.88
<i>Org Key: GT0102 - ArcGIS Enterprise Deployment G</i>				
P0111959	00208927	GLSINC	MAY 2021 GIS SERVICES	1,532.61
<i>Org Key: GT0108 - Technology Equipment Replaceme</i>				
	00208961	US BANK CORP PAYMENT SYS	Capital-Computer Equipment	2,956.04
P0111434	00208918	DELL MARKETING L.P.	2021 Computer Replacements/Add	1,540.77
	00208961	US BANK CORP PAYMENT SYS	Capital-Computer Equipment	825.09
	00208961	US BANK CORP PAYMENT SYS	Capital-Computer Equipment	462.42
	00208961	US BANK CORP PAYMENT SYS	Capital-Computer Equipment	220.10
<i>Org Key: IS2100 - IGS Network Administration</i>				
	00208961	US BANK CORP PAYMENT SYS	Services-Information Security	737.90
	00208912	CENTURYLINK	COMMUNITY CENTR BACKUP PER T1	663.94
	00208895	CENTURYLINK	PRI SPAN	648.99
	00208961	US BANK CORP PAYMENT SYS	Services-Information Security	399.00
	00208961	US BANK CORP PAYMENT SYS	Computer Supplies	391.72
	00208902	CENTURYLINK	FIRE STAT 92	202.41
P0112031	00208964	VERIZON WIRELESS	IGS LOANER, WIFI & ONCALL	162.05
	00208961	US BANK CORP PAYMENT SYS	Tuition & Registrations	125.00
	00208914	CENTURYLINK	COMMUNITY CENTER	124.56
	00208911	CENTURYLINK	PUBLIC WORKS RADIO	96.05
	00208961	US BANK CORP PAYMENT SYS	Computer Supplies	95.88
	00208961	US BANK CORP PAYMENT SYS	Computer Supplies	87.50

**Accounts Payable Report by GL Key**

PO #	Check #	Vendor:	Transaction Description	Check Amount
	00208898	CENTURYLINK	MAINT 911 BACKUP LINE	71.05
	00208896	CENTURYLINK	FIRE/BURGLAR ALARM	67.97
	00208903	CENTURYLINK	LUTHER BURBANK 911	67.33
	00208907	CENTURYLINK	THRIFT STORE 911 BACKUP	67.33
	00208901	CENTURYLINK	FIRE STATION 92 ALARM	65.06
	00208900	CENTURYLINK	FIRE/BURGLAR ALARM	60.97
	00208905	CENTURYLINK	FIRE/BURGLAR ALARM	60.97
	00208961	US BANK CORP PAYMENT SYS	Computer Supplies	45.80
	00208961	US BANK CORP PAYMENT SYS	Computer Supplies	44.02
P0112030	00208964	VERIZON WIRELESS	CITY CELL PHONES, AC, OH, AM,	40.01
	00208961	US BANK CORP PAYMENT SYS	Professional Services	24.99
	00208961	US BANK CORP PAYMENT SYS	Computer Supplies	16.50
	00208961	US BANK CORP PAYMENT SYS	Professional Services	13.21
	00208961	US BANK CORP PAYMENT SYS	Professional Services	6.53
	00208961	US BANK CORP PAYMENT SYS	Computer Supplies	-16.50
<b>Org Key: MT2100 - Roadway Maintenance</b>				
P0111434	00208918	DELL MARKETING L.P.	2021 Computer Replacements/Add	1,999.95
P0111954	00208935	KING COUNTY FINANCE	Project # 1135624 ISLCREST WAY	529.58
	00208952	PUGET SOUND ENERGY	PSE THROUGH AUG 24, 2021	240.10
<b>Org Key: MT2300 - Planter Bed Maintenance</b>				
P0111952	00208920	EXELTECH	2102 MERCER ISLAND LANDSCAPE D	3,941.45
<b>Org Key: MT3100 - Water Distribution</b>				
P0111974	00208933	IBS INC	MISC. HARDWARE	18.56
<b>Org Key: MT3150 - Water Quality Event</b>				
P0110185	00208885	AM TEST INC	2021 WATER QUALITY SAMPLES	300.00
P0111994	00208930	HACH COMPANY	SINGLET PH 10.01 BUFFER SOLUTI	191.32
P0111994	00208930	HACH COMPANY	SINGLET COMB, PH 4.01 & 7.0 (1	133.62
P0111980	00208931	HOME DEPOT CREDIT SERVICE	PAINT SUPPLIES	125.87
P0111979	00208931	HOME DEPOT CREDIT SERVICE	PAINT SUPPLIES	65.54
<b>Org Key: MT3300 - Water Associated Costs</b>				
P0112001	00208958	SOUND SAFETY PRODUCTS	CREDIT RETURNED CLOTHES	-2.22
<b>Org Key: MT3400 - Sewer Collection</b>				
P0111996	00208929	H D FOWLER	SEWER PIPE & FITTINGS	357.74
<b>Org Key: MT3500 - Sewer Pumps</b>				
P0111988	00208889	AT&T MOBILITY	2021 TELEMETRY	513.34
	00208951	PUGET SOUND ENERGY	PSE THROUGH AUG 24, 2021	234.71
	00208910	CENTURYLINK	UTILITIES DEPARTMENT	212.40
	00208909	CENTURYLINK	UTILITIES DEPARTMENT	168.64
	00208908	CENTURYLINK	UTILITIES DEPARTMENT	124.45
<b>Org Key: MT3600 - Sewer Associated Costs</b>				
	00208961	US BANK CORP PAYMENT SYS	Water Certification Exam Class	400.00
	00208961	US BANK CORP PAYMENT SYS	Water Operator Certification A	87.00
	00208961	US BANK CORP PAYMENT SYS	Water Operator Certification F	1.74
<b>Org Key: MT3800 - Storm Drainage</b>				

**Accounts Payable Report by GL Key**

PO #	Check #	Vendor:	Transaction Description	Check Amount
P0112001	00208958	SOUND SAFETY PRODUCTS	SAFETY BOOTS & MISC. WORK CLOT	223.27
P0111972	00208884	A.M. LEONARD INC	MCLEOD TOOL	164.27
<i>Org Key: MT4150 - Support Services - Clearing</i>				
P0112012	00208963	VERIZON WIRELESS	PW VERIZON JULY 24-AUG 23	4,464.43
P0112017	00208917	DATAQUEST LLC	Pre-employment background chec	185.50
P0111998	00208916	CRYSTAL AND SIERRA SPRINGS	PW WATER DELIVERY	108.49
P0110073	00208915	COMCAST	2021 PW WIFI SERVICE	86.41
<i>Org Key: MT4200 - Building Services</i>				
	00208951	PUGET SOUND ENERGY	PSE THROUGH AUG 24, 2021	5,993.77
	00208951	PUGET SOUND ENERGY	PSE THROUGH AUG 24, 2021	1,524.43
P0111917	00208960	SUPPLY SOURCE INC,THE	PINE-SOL ALL PERPOSE CLEANER (	203.73
	00208961	US BANK CORP PAYMENT SYS	Phone cases for custodian cell	67.19
	00208961	US BANK CORP PAYMENT SYS	office supplies	42.94
	00208961	US BANK CORP PAYMENT SYS	office supplies	42.93
<i>Org Key: MT4300 - Fleet Services</i>				
P0111975	00208942	MI SCHOOL DISTRICT #400	2021 MISD SCHOOL DISTRICT FUEL	11,365.64
P0111989	00208886	AMERIGAS-1400	2021 PROPANE DELIVERY	971.75
	00208961	US BANK CORP PAYMENT SYS	Fuel - CMI 495	47.83
	00208961	US BANK CORP PAYMENT SYS	CMI 495 Fuel	44.11
<i>Org Key: MT4501 - Water Administration</i>				
	00208897	CENTURYLINK	RESERVOIR FIRE / BURGLAR ALARM	63.38
<i>Org Key: MT4502 - Sewer Administration</i>				
P0109806	00208936	KING COUNTY TREASURY	JAN-DEC 2021 MONTHLY SEWER CHA	407,950.44
<i>Org Key: MT6100 - Park Maintenance</i>				
P0111434	00208918	DELL MARKETING L.P.	DELL LAPTOPS PW	2,495.28
P0111976	00208950	PART WORKS INC., THE	CARTRIDGE ASSEMBLIES & PUSH BU	320.57
P0111983	00208967	WHISTLE WORKWEAR	SAFETY BOOTS	208.35
	00208961	US BANK CORP PAYMENT SYS	Office, iphone and dock suppli	44.16
	00208961	US BANK CORP PAYMENT SYS	Office, iphone and dock suppli	28.85
	00208951	PUGET SOUND ENERGY	PSE THROUGH AUG 24, 2021	26.68
	00208961	US BANK CORP PAYMENT SYS	Office, iphone and dock suppli	25.98
	00208961	US BANK CORP PAYMENT SYS	Office, iphone and dock suppli	24.95
	00208961	US BANK CORP PAYMENT SYS	Office, iphone and dock suppli	20.29
	00208961	US BANK CORP PAYMENT SYS	Office, iphone and dock suppli	11.99
	00208961	US BANK CORP PAYMENT SYS	Office, iphone and dock suppli	9.99
	00208961	US BANK CORP PAYMENT SYS	Office, iphone and dock suppli	9.98
<i>Org Key: MT6500 - Luther Burbank Park Maint</i>				
	00208904	CENTURYLINK	LUTHER BURBANK PARK	129.23
P0111973	00208928	GRAINGER	BROOMS, DUST PANS & MOP HEADS	98.18
	00208906	CENTURYLINK	LUTHER BURBANK PARK	64.59
<i>Org Key: MT6600 - Park Maint School Fields</i>				
	00208951	PUGET SOUND ENERGY	PSE THROUGH AUG 24, 2021	300.59
<i>Org Key: MT6800 - Trails Maintenance</i>				
	00208961	US BANK CORP PAYMENT SYS	Operating Supplies	161.07

**Accounts Payable Report by GL Key**

PO #	Check #	Vendor:	Transaction Description	Check Amount
	00208961	US BANK CORP PAYMENT SYS	Operating Supplies	157.99
<i>Org Key: MT6900 - Aubrey Davis Park Maint</i>				
	00208961	US BANK CORP PAYMENT SYS	Irrigation controller	289.87
	00208961	US BANK CORP PAYMENT SYS	Irrigation controller	152.10
	00208961	US BANK CORP PAYMENT SYS	Rainmaster irrigation	122.14
	00208961	US BANK CORP PAYMENT SYS	Office, iphone and dock suppli	44.97
	00208951	PUGET SOUND ENERGY	PSE THROUGH AUG 24, 2021	4.34
<i>Org Key: PA0123 - Luther Burbank Minor Capital L</i>				
P0111474	00208937	KPFF CONSULTING ENGINEERS	Luther Burbank Near-Term Repai	2,107.00
P0109261	00208888	ANCHOR QEA LLC	Luther Burbank Shoreline Aquat	1,676.00
<i>Org Key: PA0125 - Mercerdale Playground Improvem</i>				
P0111263	00208934	KCDA PURCHASING COOPERATIVE	PLAY EQUIPMENT AT MERCERDALE P	16,997.04
P0111420	00208891	BERGER PARTNERSHIP PS, THE	Landscape Architecture Service	135.00
<i>Org Key: PO1100 - Administration (PO)</i>				
	00208961	US BANK CORP PAYMENT SYS	Operating Supplies	43.93
	00208961	US BANK CORP PAYMENT SYS	Computer Supplies/Accessories	27.50
<i>Org Key: PO1350 - Police Emergency Management</i>				
P0112015	00208957	SKYLINE COMMUNICATIONS INC	SEPT 2021 EOC INTERNET SERIVCE	206.55
<i>Org Key: PO1700 - Records and Property</i>				
	00208961	US BANK CORP PAYMENT SYS	Replacement computer accessori	313.52
	00208961	US BANK CORP PAYMENT SYS	Uniform shirts	294.34
	00208961	US BANK CORP PAYMENT SYS	Desktop Supplies - Evidence/Re	14.30
<i>Org Key: PO2100 - Patrol Division</i>				
	00208961	US BANK CORP PAYMENT SYS	Scanners for Records and Opera	1,083.38
	00208961	US BANK CORP PAYMENT SYS	Refreshments for PD meeting	148.05
	00208961	US BANK CORP PAYMENT SYS	Personnel and Training Supplie	73.35
	00208961	US BANK CORP PAYMENT SYS	Evidence Supplies	54.17
	00208961	US BANK CORP PAYMENT SYS	Mailing Costs to return order	50.88
	00208961	US BANK CORP PAYMENT SYS	Refreshments for PD meeting	45.09
	00208961	US BANK CORP PAYMENT SYS	Refreshments for PD meeting	28.12
	00208949	ORMSBY, ANNA	UPS PACKAGING/MAILING TRAFFIC	25.93
	00208961	US BANK CORP PAYMENT SYS	Vest Pouch for #175	13.20
<i>Org Key: PO3100 - Investigation Division</i>				
	00208961	US BANK CORP PAYMENT SYS	Detective Phone Accessories	52.74
<i>Org Key: PO4300 - Police Training</i>				
P0112014	00208892	Blue to Gold	Report writing course registra	2,725.00
	00208961	US BANK CORP PAYMENT SYS	Firearms Supplies - Sight and	183.41
	00208961	US BANK CORP PAYMENT SYS	Office Supplies P-touch printe	126.57
<i>Org Key: PR1100 - Administration (PR)</i>				
P0111434	00208918	DELL MARKETING L.P.	2021 Computer Replacements/Add	4,000.07
<i>Org Key: PR4100 - Community Center</i>				
	00208951	PUGET SOUND ENERGY	PSE THROUGH AUG 24, 2021	4,505.33
	00208961	US BANK CORP PAYMENT SYS	bio bags for MICEC	79.24

**Accounts Payable Report by GL Key**

PO #	Check #	Vendor:	Transaction Description	Check Amount
	00208899	CENTURYLINK	COMMUNITY CENTER 911	60.97
	00208961	US BANK CORP PAYMENT SYS	vacuum bags	58.77
	00208961	US BANK CORP PAYMENT SYS	PM test	1.00
<i>Org Key: PR5600 - Cultural &amp; Performing Arts</i>				
	00208961	US BANK CORP PAYMENT SYS	Canopy tents for Recreation Di	1,316.80
	00208961	US BANK CORP PAYMENT SYS	Mostly Music in the Park poste	38.00
<i>Org Key: SU0113 - SCADA System Replacement-Sewer</i>				
P0111971	00208887	CHIP GEORGE INC	PS16 Cellular Conversion	886.30
	00208961	US BANK CORP PAYMENT SYS	Computer Supplies	239.65
	00208961	US BANK CORP PAYMENT SYS	Computer Supplies	169.99
P0111982	00208931	HOME DEPOT CREDIT SERVICE	ELECTRICAL FITTINGS	184.41
P0111981	00208931	HOME DEPOT CREDIT SERVICE	DRILL BITS & ELECTRICAL FITTIN	143.16
<i>Org Key: SW0100 - Sub Basin 42.1 &amp; 42.1a Waterco</i>				
P0106532	00208946	NATURAL SYSTEMS DESIGN	SUB BASIN 42 WATERCOURSE	4,849.12
<i>Org Key: WU0102 - SCADA System Replacement-Water</i>				
	00208961	US BANK CORP PAYMENT SYS	Computer Supplies	169.99
<i>Org Key: WU0103 - Water Reservoir Improvements</i>				
P0111379	00208953	RH2 ENGINEERING INC	RESERVOIR IMPROVEMENTS ASSESSM	25,074.43
<i>Org Key: YF1100 - YFS General Services</i>				
	00208961	US BANK CORP PAYMENT SYS	Operating Supplies	755.29
	00208944	MONTAGUE, LIANA	LMFT / CPD LICENSE RENEW	496.00
	00208924	FRANKLIN, DEREK	ANNUAL ZOOM LICENSE	165.04
	00208961	US BANK CORP PAYMENT SYS	Operating Supplies	97.67
	00208961	US BANK CORP PAYMENT SYS	Operating Supplies	55.05
P0112017	00208917	DATAQUEST LLC	Pre-employment background chec	53.00
	00208961	US BANK CORP PAYMENT SYS	Operating Supplies	35.00
	00208961	US BANK CORP PAYMENT SYS	Operating Supplies	-14.32
	00208961	US BANK CORP PAYMENT SYS	Operating Supplies	-35.00
	00208961	US BANK CORP PAYMENT SYS	Operating Supplies	-38.52
<i>Org Key: YF1200 - Thrift Shop</i>				
P0111918	00208926	GLOBAL INDUSTRIAL	Yellow carts for goods	901.50
P0111918	00208926	GLOBAL INDUSTRIAL	Yellow carts for goods	901.49
	00208951	PUGET SOUND ENERGY	PSE THROUGH AUG 24, 2021	532.88
	00208961	US BANK CORP PAYMENT SYS	Operating Supplies	29.67
	00208961	US BANK CORP PAYMENT SYS	Operating Supplies	28.80
	00208961	US BANK CORP PAYMENT SYS	Operating Supplies	27.10
	00208961	US BANK CORP PAYMENT SYS	Operating Supplies	13.20
	00208961	US BANK CORP PAYMENT SYS	Operating Supplies	13.20
	00208961	US BANK CORP PAYMENT SYS	Operating Supplies	3.00
<i>Org Key: YF2600 - Family Assistance</i>				
	00208961	US BANK CORP PAYMENT SYS	For Emergency Assistance clien	436.51
	00208961	US BANK CORP PAYMENT SYS	For Emergency Assistance clien	241.35
P0109895	00208956	SHOREWOOD #14885	Rental assistance for Emergenc	236.00
	00208961	US BANK CORP PAYMENT SYS	For Emergency Assistance clien	111.96
	00208938	KROGER - QFC (SOUTHEND)	CELL PHONE AND CALLING PLAN	88.07

Accounts Payable Report by GL Key

PO #	Check #	Vendor:	Transaction Description	Check Amount
	00208961	US BANK CORP PAYMENT SYS	For Emergency Assistance clien	58.56
	00208961	US BANK CORP PAYMENT SYS	For Emergency Assistance clien	55.84
	00208961	US BANK CORP PAYMENT SYS	For Emergency Assistance clien	36.16
			Total	752,983.15

**Accounts Payable Report by Check Number**

Check No	Check Date	Vendor Name/Description	PO #	Invoice #	Invoice Date	Check Amount
00208884	09/03/2021	A.M. LEONARD INC MCLEOD TOOL	P0111972	C121228982	08/12/2021	164.27
00208885	09/03/2021	AM TEST INC 2021 WATER QUALITY SAMPLES	P0110185	122870	08/16/2021	300.00
00208886	09/03/2021	AMERIGAS-1400 2021 PROPANE DELIVERY	P0111989	3125549372	08/14/2021	971.75
00208887	09/03/2021	CHIP GEORGE INC PS16 Cellular Conversion	P0111971	4611	08/25/2021	886.30
00208888	09/03/2021	ANCHOR QEA LLC Luther Burbank Shoreline Aquat	P0109261	03978	08/23/2021	1,676.00
00208889	09/03/2021	AT&T MOBILITY 2021 TELEMETRY	P0111988	287294353437X081	08/13/2021	513.34
00208890	09/03/2021	Bellingham Lock & Safe CITY FACILITY SECURITY UPGRADE	P0111958	306026	07/30/2021	6,957.62
00208891	09/03/2021	BERGER PARTNERSHIP PS, THE Landscape Architecture Service	P0111420	33835	08/16/2021	135.00
00208892	09/03/2021	Blue to Gold Report writing course registra	P0112014	UNIV-MERCERIPD-B	08/31/2021	2,725.00
00208893	09/03/2021	BOOTH, GLENDON D LEOFF1 Retiree Medical Expense	P0112009	083121	08/31/2021	154.88
00208894	09/03/2021	BRUCE ZHANG REFUND		2010-169A	08/18/2021	5,078.40
00208895	09/03/2021	CENTURYLINK PRI SPAN		2071-SEPT21	08/23/2021	648.99
00208896	09/03/2021	CENTURYLINK FIRE/BURGLAR ALARM		9598-SEPT21	08/23/2021	67.97
00208897	09/03/2021	CENTURYLINK RESERVOIR FIRE / BURGLAR ALARM		8462-SEPT21	08/23/2021	63.38
00208898	09/03/2021	CENTURYLINK MAINT 911 BACKUP LINE		8350-SEPT21	08/23/2021	71.05
00208899	09/03/2021	CENTURYLINK COMMUNITY CENTER 911		8035-SEPT21	08/23/2021	60.97
00208900	09/03/2021	CENTURYLINK FIRE/BURGLAR ALARM		3500-SEPT21	08/23/2021	60.97
00208901	09/03/2021	CENTURYLINK FIRE STATION 92 ALARM		2988-SEPT21	08/23/2021	65.06
00208902	09/03/2021	CENTURYLINK FIRE STAT 92		2782-SEPT21	08/23/2021	202.41
00208903	09/03/2021	CENTURYLINK LUTHER BURBANK 911		2017-SEPT21	08/23/2021	67.33
00208904	09/03/2021	CENTURYLINK LUTHER BURBANK PARK		1366-SEPT21	08/23/2021	129.23
00208905	09/03/2021	CENTURYLINK FIRE/BURGLAR ALARM		1230-SEPT21	08/23/2021	60.97
00208906	09/03/2021	CENTURYLINK LUTHER BURBANK PARK		0920-SEPT21	08/23/2021	64.59
00208907	09/03/2021	CENTURYLINK THRIFT STORE 911 BACKUP		0818-SEPT21	08/23/2021	67.33
00208908	09/03/2021	CENTURYLINK UTILITIES DEPARTMENT		6989-SEPT21	08/23/2021	124.45
00208909	09/03/2021	CENTURYLINK UTILITIES DEPARTMENT		6988-SEPT21	08/23/2021	168.64



**Accounts Payable Report by Check Number**

Check No	Check Date	Vendor Name/Description	PO #	Invoice #	Invoice Date	Check Amount
00208910	09/03/2021	CENTURYLINK UTILITIES DEPARTMENT		6987-SEPT21	08/23/2021	212.40
00208911	09/03/2021	CENTURYLINK PUBLIC WORKS RADIO		6646-SEPT21	08/23/2021	96.05
00208912	09/03/2021	CENTURYLINK COMMUNITY CENTR BACKUP PER T1		5359-SEPT21	08/23/2021	663.94
00208913	09/03/2021	CENTURYLINK FIRE STATION 92 T1		8993-SEPT21	08/23/2021	1,579.95
00208914	09/03/2021	CENTURYLINK COMMUNITY CENTER		0994-SEPT21	08/23/2021	124.56
00208915	09/03/2021	COMCAST 2021 PW WIFI SERVICE	P0110073	0365550-AUG21	08/07/2021	86.41
00208916	09/03/2021	CRYSTAL AND SIERRA SPRINGS PW WATER DELIVERY	P0111998	14555831 080721	08/07/2021	108.49
00208917	09/03/2021	DATAQUEST LLC Pre-employment background chec	P0112017	15615/15616	07/31/2021	238.50
00208918	09/03/2021	DELL MARKETING L.P. 2021 Computer Replacements/Add	P0111434	9095392/3964466	08/05/2021	19,036.08
00208919	09/03/2021	DEVENY, JAN P LEOFF1 Retiree Medical Expense	P0111991	082621	08/26/2021	33,687.16
00208920	09/03/2021	EXELTECH 2102 MERCER ISLAND LANDSCAPE D	P0111952	2102-03	08/10/2021	3,941.45
00208921	09/03/2021	FARALLON CONSULTING LLC PROJECT 1292-002 2021 SOIL	P0111015	0040728	08/17/2021	8,384.66
00208922	09/03/2021	FERGUSON ENTERPRISES LLC INVENTORY PURCHASES	P0111978	0994183-1	07/15/2021	482.24
00208923	09/03/2021	FORSMAN, LOWELL LEOFF1 Retiree Medical Expense	P0111985	082521	08/25/2021	566.88
00208924	09/03/2021	FRANKLIN, DEREK ANNUAL ZOOM LICENSE		082421	08/24/2021	165.04
00208925	09/03/2021	George Gas Piping REFUND		2106-116	06/30/2021	141.60
00208926	09/03/2021	GLOBAL INDUSTRIAL Yellow carts for goods	P0111918	118058866	08/17/2021	1,802.99
00208927	09/03/2021	GLSINC MAY 2021 GIS SERVICES	P0111959	GIS-15259	06/15/2021	1,532.61
00208928	09/03/2021	GRAINGER INVENTORY PURCHASES	P0111973	9019471581/8316	08/11/2021	129.82
00208929	09/03/2021	H D FOWLER INVENTORY PURCHASES	P0111996	I5871160	08/10/2021	5,562.57
00208930	09/03/2021	HACH COMPANY SINGLET PH 10.01 BUFFER SOLUTI	P0111994	12594133	08/16/2021	324.94
00208931	09/03/2021	HOME DEPOT CREDIT SERVICE PAINT SUPPLIES	P0111981	6088185	08/24/2021	518.98
00208932	09/03/2021	HONEYWELL, MATTHEW V Invoice #1235 Professional Ser	P0112025	1235	08/24/2021	300.00
00208933	09/03/2021	IBS INC MISC. HARDWARE	P0111974	762752-2	08/10/2021	18.56
00208934	09/03/2021	KCDA PURCHASING COOPERATIVE PLAY EQUIPMENT AT MERCERDALE P	P0111263	300569873	08/26/2021	16,997.04
00208935	09/03/2021	KING COUNTY FINANCE Project # 1135624 ISLCREST WAY	P0111954	113698-113699	09/14/2021	529.58

**Accounts Payable Report by Check Number**

Check No	Check Date	Vendor Name/Description	PO #	Invoice #	Invoice Date	Check Amount
00208936	09/03/2021	KING COUNTY TREASURY JAN-DEC 2021 MONTHLY SEWER CHA	P0109806	30032363	09/01/2021	407,950.44
00208937	09/03/2021	KPFF CONSULTING ENGINEERS Luther Burbank Near-Term Repai	P0111474	386854	08/18/2021	2,107.00
00208938	09/03/2021	KROGER - QFC (SOUTHEND) CELL PHONE AND CALLING PLAN		082021	08/20/2021	88.07
00208939	09/03/2021	KUHN, DAVID LEOFF1 Retiree Medical Expense	P0112010	083121	08/31/2021	385.28
00208940	09/03/2021	McNaul Ebel Nawrot Invoice #100872 - Professional	P0112027	100872	08/23/2021	119,592.76
00208941	09/03/2021	METROPRESORT AUG 2021 PRINTING & MAILING OF	P0112002	IN636270	08/26/2021	1,277.44
00208942	09/03/2021	MI SCHOOL DISTRICT #400 2021 MISD SCHOOL DISTRICT FUEL	P0111975	2021-07.31FUEL	08/13/2021	11,365.64
00208943	09/03/2021	MIXDORF, SUND OG deposit refund		DSR21-002	08/20/2021	3,124.67
00208944	09/03/2021	MONTAGUE, LIANA LMFT / CPD LICENSE RENEW		080921	08/09/2021	496.00
00208945	09/03/2021	MYERS, JAMES S LEOFF1 Retiree Medical Expense	P0112011	083121	08/31/2021	263.07
00208946	09/03/2021	NATURAL SYSTEMS DESIGN SUB BASIN 42 WATERCOURSE	P0106532	2021-602	08/15/2021	4,849.12
00208947	09/03/2021	NORTHWEST ELECTRIC & SOLAR LLC REFUND OVERPAYMENT		2106-043	06/30/2021	177.00
00208948	09/03/2021	OGDEN MURPHY WALLACE Invoice #854012 Professional	P0112024	853374	08/18/2021	2,760.00
00208949	09/03/2021	ORMSBY, ANNA UPS PACKAGING/MAILING TRAFFIC		081321	08/13/2021	25.93
00208950	09/03/2021	PART WORKS INC., THE CARTRIDGE ASSEMBLIES & PUSH BU	P0111976	INV70714	09/09/2021	320.57
00208951	09/03/2021	PUGET SOUND ENERGY PSE THROUGH AUG 24, 2021		082421A	08/24/2021	13,122.73
00208952	09/03/2021	PUGET SOUND ENERGY PSE THROUGH AUG 24, 2021		082421A	08/24/2021	240.10
00208953	09/03/2021	RH2 ENGINEERING INC RESERVOIR IMPROVEMENTS ASSESSM	P0111379	83153	08/18/2021	25,074.43
00208954	09/03/2021	SCHOENTRUP, WILLIAM LEOFF1 Retiree Medical Expense	P0111986	082521	08/25/2021	1,290.73
00208955	09/03/2021	SEABORN PILE DRIVING CO REFUND DEPOSIT		PRE21-017	08/18/2021	471.84
00208956	09/03/2021	SHOREWOOD #14885 Rental assistance for Emergenc	P0109895	083021	08/30/2021	236.00
00208957	09/03/2021	SKYLINE COMMUNICATIONS INC SEPT 2021 EOC INTERNET SERIVCE	P0112015	IN46266	09/01/2021	206.55
00208958	09/03/2021	SOUND SAFETY PRODUCTS CREDIT RETURNED CLOTHES	P0112001	196842/3-95336/4	08/27/2021	221.05
00208959	09/03/2021	STAPLES ADVANTAGE INVENTORY PURCHASES	P0111990	3483832765	08/04/2021	216.57
00208960	09/03/2021	SUPPLY SOURCE INC, THE PINE-SOL ALL PERPOSE CLEANER (	P0111917	2102080	08/10/2021	203.73
00208961	09/03/2021	US BANK CORP PAYMENT SYS Operating Supplies		5539AUG21	08/06/2021	23,843.90

**Accounts Payable Report by Check Number**

Check No	Check Date	Vendor Name/Description	PO #	Invoice #	Invoice Date	Check Amount
00208962	09/03/2021	VERITIV OPERATING COMPANY INVENTORY PURCHASES	P0111987	655-22668815	08/09/2021	1,661.29
00208963	09/03/2021	VERIZON WIRELESS PW VERIZON JULY 24-AUG 23	P0112012	9886899647	08/23/2021	4,464.43
00208964	09/03/2021	VERIZON WIRELESS CITY CELL PHONES, AC, OH, AM,	P0112030	9886899653	08/23/2021	380.14
00208965	09/03/2021	WALLACE, THOMAS LEOFF1 Retiree Medical Expense	P0111984	082521	08/25/2021	6,000.00
00208966	09/03/2021	WALTER E NELSON CO INVENTORY PURCHASES	P0112000	822738	08/16/2021	1,639.92
00208967	09/03/2021	WHISTLE WORKWEAR SAFETY BOOTS	P0111983	231643	08/23/2021	208.35
					Total	<u>752,983.15</u>

# CERTIFICATION OF CLAIMS

I, the undersigned, do hereby certify under penalty of perjury that the materials have been furnished, the services rendered, or the labor performed as described herein, that any advance payment is due and payable pursuant to a contract or is available as an option for full or partial fulfillment of a contractual obligation, and that the claim is a just, due and unpaid obligation against the City of Mercer Island, and that I am authorized to authenticate and certify to said claim.



\_\_\_\_\_  
Finance Director

I, the undersigned, do hereby certify that the City Council has reviewed the documentation supporting claims paid and approved all checks or warrants issued in payment of claims.

\_\_\_\_\_  
Mayor

\_\_\_\_\_  
Date

<u>Report</u>	<u>Warrants</u>	<u>Date</u>	<u>Amount</u>
Check Register	208968-209035	9/9/2021	\$220,018.58
			\$220,018.58

**Accounts Payable Report by GL Key**

PO #	Check #	Vendor:	Transaction Description	Check Amount
<b>Org Key: 001000 - General Fund-Admin Key</b>				
P0112049	00209004	Matsuura, Joy	Picnic rental FA-4963 cancell	350.00
<b>Org Key: 402000 - Water Fund-Admin Key</b>				
P0112033	00208987	FERGUSON ENTERPRISES LLC	INVENTORY PURCHASES	5,316.67
P0112019	00209014	PLATT ELECTRIC	INVENTORY PURCHASES	555.75
P0112035	00208988	GRAINGER	INVENTORY PURCHASES	304.89
P0112037	00209029	WALTER E NELSON CO	INVENTORY PURCHASES	69.23
P0112029	00208991	HOME DEPOT CREDIT SERVICE	INVENTORY PURCHASES	43.47
<b>Org Key: 814075 - Mercer Island Emp Association</b>				
	00209008	MI EMPLOYEES ASSOC	PAYROLL EARLY WARRANTS	232.50
<b>Org Key: AS1100 - Administrative Services</b>				
P0112111	00209026	VERIZON WIRELESS	VERIZON JULY 24-AUG23 ANG/ALI	89.45
<b>Org Key: CR1100 - Human Resources</b>				
P0112043	00208997	Kelly, Linda	HR Recruiting Support Aug 2021	700.00
P0112042	00208977	Cabot Dow Associates	HR Bargaining Support Aug 2021	262.50
<b>Org Key: CT1100 - Municipal Court</b>				
	00208982	COMPLETE OFFICE	Office Supplies 7/1-7/31	102.25
<b>Org Key: DS1100 - Administration (DS)</b>				
P0112110	00209026	VERIZON WIRELESS	VERIZON JULY 24-AUG 23 CPD	502.18
P0112108	00209026	VERIZON WIRELESS	VERIZON JULY 24-AUG23 CM	349.03
P0112108	00209026	VERIZON WIRELESS	VERIZON JUL 24-AUG23 CM	116.35
<b>Org Key: DS1200 - Bldg Plan Review &amp; Inspection</b>				
P0112094	00208985	DEPT OF ENTERPRISE SERVICES	MONTHLY BUSINESS CARDS	72.67
<b>Org Key: FN4501 - Utility Billing (Water)</b>				
P0112044	00209006	METROPRESORT	AUG 2021 PRINTING & MAILING OF	67.48
P0112044	00209006	METROPRESORT	AUG 2021 PRINTING & MAILING OF	63.62
<b>Org Key: FN4502 - Utility Billing (Sewer)</b>				
P0112044	00209006	METROPRESORT	AUG 2021 PRINTING & MAILING OF	67.48
P0112044	00209006	METROPRESORT	AUG 2021 PRINTING & MAILING OF	63.62
<b>Org Key: FN4503 - Utility Billing (Storm)</b>				
P0112044	00209006	METROPRESORT	AUG 2021 PRINTING & MAILING OF	67.46
P0112044	00209006	METROPRESORT	AUG 2021 PRINTING & MAILING OF	63.62
<b>Org Key: FR1100 - Administration (FR)</b>				
P0112056	00208986	EASTSIDE FIRE & RESCUE	Interim Fire Chief Services -	14,000.00
<b>Org Key: FR2100 - Fire Operations</b>				
P0112055	00208981	COMCAST	Internet Charges/Fire	110.22
P0112054	00208981	COMCAST	Internet Charges/Fire	90.27
P0112053	00208981	COMCAST	Internet Charges/Fire	11.33
<b>Org Key: FR2500 - Fire Emergency Medical Svcs</b>				
P0112052	00209002	LIFE ASSIST INC	10 LED Flashlights	269.75
<b>Org Key: GGM004 - Gen Govt-Office Support</b>				

**Accounts Payable Report by GL Key**

PO #	Check #	Vendor:	Transaction Description	Check Amount
P0112041	00208968	ADOCS	Copier Service Fees August 202	331.69
P0112078	00209035	Xerox Financial Services	Copier Rental Fees INV #279866	284.08
P0112051	00209016	RICOH USA INC (FIRE)	Copier Rental/Fire 09/2021	278.77
P0112064	00208983	CONFIDENTIAL DATA DISPOSAL	City Shredding conducted on	225.00
P0112050	00209015	RICOH USA INC	Cost Per Copy/Fire	95.12
<i>Org Key: IS2100 - IGS Network Administration</i>				
P0112091	00209003	MAGNAS LLC	LONG DISTANCE CALLING 083121	101.54
<i>Org Key: MT2150 - Pavement Marking</i>				
P0112034	00208970	ALPINE PRODUCTS INC	PAVEMENT MARKERS	2,218.90
<i>Org Key: MT3150 - Water Quality Event</i>				
P0112023	00208989	H D FOWLER	305-24.50 X 3/4" IP SADDLE NCI	416.76
P0112047	00209006	METROPRESORT	AUG 2021 BACKFLOW REMINDER NOT	355.38
P0112047	00209006	METROPRESORT	AUG 2021 BACKFLOW REMINDER NOT	254.87
P0112022	00208990	HACH COMPANY	SINGLET PH 10.01 BUFFER SOLUTI	73.90
P0112022	00208990	HACH COMPANY	SINGLET COMBO, PH 4.01 & 7.0 (	47.46
P0112022	00208990	HACH COMPANY	BEAKER 250 ML	18.47
<i>Org Key: MT3300 - Water Associated Costs</i>				
P0112018	00209019	SOUND SAFETY PRODUCTS	SAFETY BOOTS & MISC. WORK CLOT	527.97
	00208982	COMPLETE OFFICE	Office Supplies 7/1-7/31	398.84
	00208996	KELLEY, CHRIS M	MISC. WORK CLOTHES	187.39
P0112038	00209034	WORKWEAR PLACE, THE	MISC. WORK CLOTHES	99.07
<i>Org Key: MT3600 - Sewer Associated Costs</i>				
P0112074	00209012	OCCUPATIONAL HEALTH CTRS OF WA	HEP B VACC	137.00
<i>Org Key: MT3800 - Storm Drainage</i>				
P0112021	00209024	UNITED RENTALS NORTH AMERICA	MINI EXCAVATOR RENTAL	2,523.61
<i>Org Key: MT4101 - Support Services - General Fd</i>				
	00208982	COMPLETE OFFICE	Office Supplies 7/1-7/31	145.67
P0112032	00209005	MERCER ISLAND REPORTER	PW RENEWAL OF MI REPORTER	70.00
<i>Org Key: MT4210 - Building Landscaping</i>				
P0111992	00208974	BRIGHTHORIZON LAWN CARE	FACILITIES LANDSCAPING	14,046.95
<i>Org Key: MT4300 - Fleet Services</i>				
P0112005	00208978	CALIBER - BELLEVUE	BODY REPAIR FOR FL-496	1,622.68
P0112076	00209018	SEATTLE BOAT COMPANY	Patrol 14 Fuel 1412 hours - Fu	677.01
P0112088	00209018	SEATTLE BOAT COMPANY	Marine Patrol Fuel - Patrol 11	652.32
P0112004	00208969	ALL BATTERY SALES & SERVICE	BATTERIES	552.04
P0112088	00209018	SEATTLE BOAT COMPANY	Marine Patrol Fuel - Patrol 11	408.78
P0112020	00209017	SCARFF FORD	REPAIR PARTS	288.02
P0112004	00208969	ALL BATTERY SALES & SERVICE	CREDIT BATTERY CORE RETURN	-30.00
<i>Org Key: MT4450 - Cust Resp - Clearing Acct</i>				
	00208972	BAKER, DENNIS L	CALL OUT/LOCATE/SHOP	29.12
<i>Org Key: MT6100 - Park Maintenance</i>				
P0112039	00208995	KELLEY IMAGING SYSTEMS	6 ROLLS MATTE POLYPROPLYLENE B	201.91
<i>Org Key: MT6500 - Luther Burbank Park Maint</i>				

**Accounts Payable Report by GL Key**

PO #	Check #	Vendor:	Transaction Description	Check Amount
	00208982	COMPLETE OFFICE	Office Supplies 7/1-7/31	147.75
P0112074	00209012	OCCUPATIONAL HEALTH CTRS OF WA	DOT RECERT	109.00
<i>Org Key: MT6900 - Aubrey Davis Park Maint</i>				
P0112083	00209025	UNITED SITE SERVICES	LID PARK TOILET/HAND SANI	451.50
P0112084	00209025	UNITED SITE SERVICES	ADA/HAND SANTI/WEEKLY SVC	258.30
<i>Org Key: PA0100 - Open Space Management</i>				
P0111289	00209010	MONARCH LANDSCAPING WA LLC	21-16F Island Crest Park Open	3,103.10
	00209020	Stone, Lizzy	PESTICIDE APPLICATOR LICENSE	246.29
	00209020	Stone, Lizzy	OLYMPIA HOTEL PEST LIC EXAM	73.92
<i>Org Key: PA0109 - Aubrey Davis Park Trail Safety</i>				
P0110899	00209027	WA ST DEPT OF TRANSPORTATION	JZ AUBREY DAVIS PARK SAFETY	78.10
<i>Org Key: PA0129 - Pioneer Park/Engstrom OS Fores</i>				
P0112085	00209025	UNITED SITE SERVICES	PIONEER PARK WEEKLY RESTROOM S	151.66
P0112028	00208991	HOME DEPOT CREDIT SERVICE	MISC. LUMBER & HARDWARE	52.00
<i>Org Key: PO0000 - Police-Revenue</i>				
	00209028	WA STATE DOL	LICENSE FEES	291.00
	00209028	WA STATE DOL	LICENSE FEES	255.00
	00209028	WA STATE DOL	LICENSE FEES	216.00
<i>Org Key: PO1100 - Administration (PO)</i>				
P0112068	00208971	AT&T MOBILITY	Patrol Phone Service - Invoice	833.47
	00208982	COMPLETE OFFICE	Office Supplies 7/1-7/31	784.19
P0112109	00209026	VERIZON WIRELESS	VERIZON JULY 24-AUG 23 POLICE	724.20
P0112060	00209032	WASPC	WASPC Dues for Commander Seife	75.00
<i>Org Key: PO1800 - Contract Dispatch Police</i>				
P0112077	00209001	LEXIPOL LLC	LEXIPOL Policy Manual Annual F	9,292.14
P0112057	00209031	WASHINGTON STATE PATROL	CPL Background Fees - Invoice	238.00
<i>Org Key: PO2100 - Patrol Division</i>				
P0112067	00208999	KROESENS UNIFORM COMPANY	Uniforms - Invoices: 64854, 64	2,307.51
P0112071	00208999	KROESENS UNIFORM COMPANY	Uniform Supplies - Invoice #:	70.45
P0112071	00208999	KROESENS UNIFORM COMPANY	Uniform Supplies - Invoice #:	57.80
P0112093	00208985	DEPT OF ENTERPRISE SERVICES	MIPD REFERRAL AGREEMENT FORM	41.97
P0112071	00208999	KROESENS UNIFORM COMPANY	Uniform Supplies - Invoice #:	27.53
P0112061	00209009	MI HARDWARE - POLICE	Patrol Supplies - Invoices:	21.35
P0112071	00208999	KROESENS UNIFORM COMPANY	Uniform Supplies - Invoice #:	20.37
P0112070	00208980	CLEANERS PLUS 1	Uniform Adjustment - Invoice #	13.21
<i>Org Key: PO2200 - Marine Patrol</i>				
P0112099	00208993	John Dunato and Company Inc	Emergency Vessel Salvage and T	4,988.82
P0112065	00209033	WEST MARINE PRO	MP Supplies - Auto PFD's - Inv	3,307.01
P0112058	00209030	WASHINGTON CHAIN & SUPPLY INC	Chain Order for Buoys - Invoice	1,014.30
<i>Org Key: PO2201 - Dive Team</i>				
P0112066	00209023	UNDERWATER SPORTS INC.	Dive Team Equipment - Invoice	3,017.85
P0112073	00208976	BUBBLES BELOW	Service of AGA Masks - Dive Te	2,839.22
P0112069	00209012	OCCUPATIONAL HEALTH CTRS OF WA	Dive Physical FF Gaines - June	479.50

**Accounts Payable Report by GL Key**

PO #	Check #	Vendor:	Transaction Description	Check Amount
<i>Org Key: PO3100 - Investigation Division</i>				
P0112059	00209022	THOMSON REUTERS - WEST	West Investigative Services -	442.91
P0112072	00208992	IBSEN TOWING CO BELLEVUE	Impound by CIS - Invoice #	303.88
<i>Org Key: PR1100 - Administration (PR)</i>				
P0112095	00209007	MI DIRECTORY	ADDITIONAL CATEGORY LISTING AD	115.00
<i>Org Key: PR4100 - Community Center</i>				
P0111992	00208974	BRIGHTHORIZON LAWN CARE	FACILITIES LANDSCAPING	9,995.00
P0112039	00208995	KELLEY IMAGING SYSTEMS	6 ROLLS MATTE POLYPROPLYLENE B	201.91
P0112048	00209000	LEGEND DATA SYSTEMS INC	Blank membership cards for dro	115.05
<i>Org Key: PR5600 - Cultural &amp; Performing Arts</i>				
P0112096	00209011	MORGAN SOUND INC	SOUND SERVICES - EQUIP/LABOR/T	2,123.17
<i>Org Key: SP0102 - East Mercer Way Overlay (SE 53)</i>				
P0111764	00208973	BLUE MOUNTAIN	STREET RELATED UTILITY IMPROVE	32,029.26
P0111764	00208973	BLUE MOUNTAIN	STREET RELATED UTILITY IMRPOVT	28,294.78
<i>Org Key: SU0113 - SCADA System Replacement-Sewer</i>				
P0103284	00208975	BROWN AND CALDWELL CONSULTANTS	PH1 SCADA EQUIPMENT REPLACEMEN	33,194.07
P0112016	00209014	PLATT ELECTRIC	MISC. ELECTRICAL FITTINGS	725.05
P0112016	00209014	PLATT ELECTRIC	CREDIT RETURNED PARTS	-278.13
<i>Org Key: WU0102 - SCADA System Replacement-Water</i>				
P0103284	00208975	BROWN AND CALDWELL CONSULTANTS	PH1 SCADA EQUIPMENT REPLACEMEN	3,539.06
<i>Org Key: WU0110 - 82 Ave SE, N of SE 24 St Water</i>				
P0111499	00208998	KRAZAN & ASSOCIATES INC	2021 WATER SYSTEMS IMPROVEMENT	905.00
<i>Org Key: WU0116 - RRA/ ERP Updates &amp; Water Syste</i>				
P0109465	00208979	CAROLLO ENGINEERS INC	Risk & Resilience Assessment (	13,839.03
<i>Org Key: YF1100 - YFS General Services</i>				
P0112039	00208995	KELLEY IMAGING SYSTEMS	6 ROLLS MATTE POLYPROPLYLENE B	201.91
P0112090	00208985	DEPT OF ENTERPRISE SERVICES	YFS ENVELOPES	138.52
<i>Org Key: YF1200 - Thrift Shop</i>				
P0111992	00208974	BRIGHTHORIZON LAWN CARE	FACILITIES LANDSCAPING	3,648.99
<i>Org Key: YF2600 - Family Assistance</i>				
P0112105	00209013	PEBBLE @ MIPC, THE	Preschool scholarship for EA c	1,659.00
P0112105	00209013	PEBBLE @ MIPC, THE	Preschool scholarship for EA c	787.50
P0112106	00209021	SUNNYBEAM SCHOOL	Preschool scholarship for EA c	370.00
P0112104	00208984	CREATIVE LEARNING CENTER	Preschool scholarship for EA c	273.00
P0112104	00208984	CREATIVE LEARNING CENTER	Preschool scholarship for EA c	273.00
P0109894	00208994	KC HOUSING AUTHORITY	Rental Assistance for Emergenc	179.00
P0109894	00208994	KC HOUSING AUTHORITY	Rental Assistance for Emergenc	173.00
Total				220,018.58



**Accounts Payable Report by Check Number**

Check No	Check Date	Vendor Name/Description	PO #	Invoice #	Invoice Date	Check Amount
00208968	09/09/2021	ADOCS Copier Service Fees August 202	P0112041	AR13192	09/02/2021	331.69
00208969	09/09/2021	ALL BATTERY SALES & SERVICE BATTERIES	P0112004	61256248/249	07/28/2021	522.04
00208970	09/09/2021	ALPINE PRODUCTS INC PAVEMENT MARKERS	P0112034	TM-204244	08/19/2021	2,218.90
00208971	09/09/2021	AT&T MOBILITY Patrol Phone Service - Invoice	P0112068	X08192021	08/11/2021	833.47
00208972	09/09/2021	BAKER, DENNIS L CALL OUT/LOCATE/SHOP		090121	09/01/2021	29.12
00208973	09/09/2021	BLUE MOUNTAIN STREET RELATED UTILITY IMPROV	P0111764	PP#2	07/31/2021	60,324.04
00208974	09/09/2021	BRIGHT HORIZON LAWN CARE FACILITIES LANDSCAPING	P0111992	001	08/08/2021	27,690.94
00208975	09/09/2021	BROWN AND CALDWELL CONSULTANTS PH1 SCADA EQUIPMENT REPLACEMENT	SP0103284	14416594	08/20/2021	36,733.13
00208976	09/09/2021	BUBBLES BELOW Service of AGA Masks - Dive Te	P0112073	2,8,7,4,10	08/23/2021	2,839.22
00208977	09/09/2021	Cabot Dow Associates HR Bargaining Support Aug 2021	P0112042	AUG21	08/31/2021	262.50
00208978	09/09/2021	CALIBER - BELLEVUE BODY REPAIR FOR FL-496	P0112005	2901042937	07/30/2021	1,622.68
00208979	09/09/2021	CAROLLO ENGINEERS INC Risk & Resilience Assessment (	P0109465	FB13607	08/12/2021	13,839.03
00208980	09/09/2021	CLEANERS PLUS 1 Uniform Adjustment - Invoice #	P0112070	73197	08/01/2021	13.21
00208981	09/09/2021	COMCAST Internet Charges/Fire	P0112055	0460112-081821	08/18/2021	211.82
00208982	09/09/2021	COMPLETE OFFICE Office Supplies 7/1-7/31		080121	08/01/2021	1,578.70
00208983	09/09/2021	CONFIDENTIAL DATA DISPOSAL City Shredding conducted on	P0112064	207597	08/31/2021	225.00
00208984	09/09/2021	CREATIVE LEARNING CENTER Preschool scholarship for EA c	P0112104	8968	09/20/2021	546.00
00208985	09/09/2021	DEPT OF ENTERPRISE SERVICES MONTHLY BUSINESS CARDS	P0112090	731105798	04/07/2021	253.16
00208986	09/09/2021	EASTSIDE FIRE & RESCUE Interim Fire Chief Services -	P0112056	4197	08/31/2021	14,000.00
00208987	09/09/2021	FERGUSON ENTERPRISES LLC INVENTORY PURCHASES	P0112033	1016614	08/30/2021	5,316.67
00208988	09/09/2021	GRAINGER INVENTORY PURCHASES	P0112035	9036251362	08/26/2021	304.89
00208989	09/09/2021	H D FOWLER 305-24.50 X 3/4" IP SADDLE NCI	P0112023	I5885296	08/24/2021	416.76
00208990	09/09/2021	HACH COMPANY BEAKER 250 ML	P0112022	12582902/2610215	08/24/2021	139.83
00208991	09/09/2021	HOME DEPOT CREDIT SERVICE INVENTORY PURCHASES	P0112028	8080012	09/01/2021	95.47
00208992	09/09/2021	IBSEN TOWING CO BELLEVUE Impound by CIS - Invoice #	P0112072	21-09-5941	09/02/2021	303.88
00208993	09/09/2021	John Dunato and Company Inc Emergency Vessel Salvage and T	P0112099	20054	06/27/2021	4,988.82

**Accounts Payable Report by Check Number**

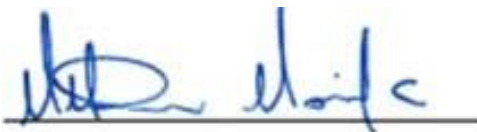
Check No	Check Date	Vendor Name/Description	PO #	Invoice #	Invoice Date	Check Amount
00208994	09/09/2021	KC HOUSING AUTHORITY Rental Assistance for Emergenc	P0109894	090121	09/01/2021	352.00
00208995	09/09/2021	KELLEY IMAGING SYSTEMS 6 ROLLS MATTE POLYPROPLYLENE B	P0112039	IN890573	08/27/2021	605.73
00208996	09/09/2021	KELLEY, CHRIS M MISC. WORK CLOTHES		083021	08/30/2021	187.39
00208997	09/09/2021	Kelly, Linda HR Recruiting Support Aug 2021	P0112043	21001	09/01/2021	700.00
00208998	09/09/2021	KRAZAN & ASSOCIATES INC 2021 WATER SYSTEMS IMPROVEMENT	P0111499	INVI618659-5832	07/31/2021	905.00
00208999	09/09/2021	KROESENS UNIFORM COMPANY Uniforms - Invoices: 64854, 64	P0112071	64796	08/18/2021	2,483.66
00209000	09/09/2021	LEGEND DATA SYSTEMS INC Blank membership cards for dro	P0112048	132441	08/30/2021	115.05
00209001	09/09/2021	LEXIPOL LLC LEXIPOL Policy Manual Annual F	P0112077	INVEL3988	09/01/2021	9,292.14
00209002	09/09/2021	LIFE ASSIST INC 10 LED Flashlights	P0112052	1128842	08/27/2021	269.75
00209003	09/09/2021	MAGNAS LLC LONG DISTANCE CALLING 083121	P0112091	550510-0821	08/31/2021	101.54
00209004	09/09/2021	Matsuura, Joy Picnic rental FA-4963 cancell	P0112049	33374	09/03/2021	350.00
00209005	09/09/2021	MERCER ISLAND REPORTER PW RENEWAL OF MI REPORTER	P0112032	MI-167096	08/19/2021	70.00
00209006	09/09/2021	METROPRESORT AUG 2021 PRINTING & MAILING OF	P0112047	IN636541	09/02/2021	1,003.53
00209007	09/09/2021	MI DIRECTORY ADDITIONAL CATEGORY LISTING AD	P0112095	14549	03/17/2021	115.00
00209008	09/09/2021	MI EMPLOYEES ASSOC PAYROLL EARLY WARRANTS		091021	09/10/2021	232.50
00209009	09/09/2021	MI HARDWARE - POLICE Patrol Supplies - Invoices:	P0112061	143807/143866	08/31/2021	21.35
00209010	09/09/2021	MONARCH LANDSCAPING WA LLC 21-16F Island Crest Park Open	P0111289	CD50155787	07/30/2021	3,103.10
00209011	09/09/2021	MORGAN SOUND INC SOUND SERVICES - EQUIP/LABOR/T	P0112096	MSI106919	08/26/2021	2,123.17
00209012	09/09/2021	OCCUPATIONAL HEALTH CTRS OF WA HEP B VACC	P0112069	71844293	06/24/2021	725.50
00209013	09/09/2021	PEBBLE @ MIPC, THE Preschool scholarship for EA c	P0112105	090121	09/01/2021	2,446.50
00209014	09/09/2021	PLATT ELECTRIC INVENTORY PURCHASES	P0112016	1V21458/1W15984	08/11/2021	1,002.67
00209015	09/09/2021	RICOH USA INC Cost Per Copy/Fire	P0112050	5062718911	09/01/2021	95.12
00209016	09/09/2021	RICOH USA INC (FIRE) Copier Rental/Fire 09/2021	P0112051	105287495	08/20/2021	278.77
00209017	09/09/2021	SCARFF FORD REPAIR PARTS	P0112020	30715	08/25/2021	288.02
00209018	09/09/2021	SEATTLE BOAT COMPANY Patrol 14 Fuel 1412 hours - Fu	P0112088	993-19585-57412	08/14/2021	1,738.11
00209019	09/09/2021	SOUND SAFETY PRODUCTS SAFETY BOOTS & MISC. WORK CLOT	P0112018	113142/4	08/31/2021	527.97

**Accounts Payable Report by Check Number**

Check No	Check Date	Vendor Name/Description	PO #	Invoice #	Invoice Date	Check Amount
00209020	09/09/2021	Stone, Lizzy OLYMPIA HOTEL PEST LIC EXAM		071321	07/13/2021	320.21
00209021	09/09/2021	SUNNYBEAM SCHOOL Preschool scholarship for EA c	P0112106	2573	10/01/2021	370.00
00209022	09/09/2021	THOMSON REUTERS - WEST West Investigative Services -	P0112059	844957517	09/01/2021	442.91
00209023	09/09/2021	UNDERWATER SPORTS INC. Dive Team Equipment - Invoice	P0112066	20022875A	07/21/2021	3,017.85
00209024	09/09/2021	UNITED RENTALS NORTH AMERICA MINI EXCAVATOR RENTAL	P0112021	191735351-007	08/18/2021	2,523.61
00209025	09/09/2021	UNITED SITE SERVICES LID PARK TOILET/HAND SANI	P0112085	114-12305576	08/19/2021	861.46
00209026	09/09/2021	VERIZON WIRELESS VERIZON JULY 24-AUG23 ANG/ALI	P0112109	9886899646	08/23/2021	1,781.21
00209027	09/09/2021	WA ST DEPT OF TRANSPORTATION JZ AUBREY DAVIS PARK SAFETY	P0110899	RE41JZ1035L003	08/16/2021	78.10
00209028	09/09/2021	WA STATE DOL LICENSE FEES		053121	05/31/2021	762.00
00209029	09/09/2021	WALTER E NELSON CO INVENTORY PURCHASES	P0112037	825919	09/02/2021	69.23
00209030	09/09/2021	WASHINGTON CHAIN & SUPPLY INC Chain Order for Buoys - Invoic	P0112058	1167365084	06/15/2021	1,014.30
00209031	09/09/2021	WASHINGTON STATE PATROL CPL Background Fees - Invoice	P0112057	I22001146	09/01/2021	238.00
00209032	09/09/2021	WASPC WASPC Dues for Commander Seife	P0112060	DUES2021-00584	09/01/2021	75.00
00209033	09/09/2021	WEST MARINE PRO MP Supplies - Auto PFD's - Inv	P0112065	7291	09/06/2021	3,307.01
00209034	09/09/2021	WORKWEAR PLACE, THE MISC. WORK CLOTHES	P0112038	1502	09/01/2021	99.07
00209035	09/09/2021	Xerox Financial Services Copier Rental Fees INV #279866	P0112078	2798667	09/04/2021	284.08
					Total	<u>220,018.58</u>

## CERTIFICATION OF CLAIMS

I, the undersigned, do hereby certify under penalty of perjury that the materials have been furnished, the services rendered, or the labor performed as described herein, that any advance payment is due and payable pursuant to a contract or is available as an option for full or partial fulfillment of a contractual obligation, and that the claim is a just, due and unpaid obligation against the City of Mercer Island, and that I am authorized to authenticate and certify to said claim.



\_\_\_\_\_  
Finance Director

I, the undersigned, do hereby certify that the City Council has reviewed the documentation supporting claims paid and approved all checks or warrants issued in payment of claims.

\_\_\_\_\_  
Mayor

\_\_\_\_\_  
Date

Report	Date	Amount
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EFT Payments

July 2021

**\$2,526,081.85**

# Accounts Payable EFT Report

Item 2.

Date	Description	Vendor Name/Description	Dollar Amount
7/1/2021	Preauthorized ACH Debit	DIRECT WITHDRAWAL ADP Tax ADP Tax <i>Employee (payroll withholding)</i> <i>Employer Portion</i>	Payroll Taxes 183,291.75 \$135,113.24 \$48,178.51
7/1/2021	Preauthorized ACH Debit	DIRECT WITHDRAWAL NAVIA BENEFIT SOFLEXIBLE B	Employee Withholding - Payroll 490.85
7/1/2021	Preauthorized ACH Debit	DIRECT WITHDRAWAL PAYA TRX FEES	Merchant Fee - Utility Billing 7.60
7/1/2021	Preauthorized ACH Debit	MERCHANT SVCS MERCH FEE 00000000259217	Merchant Fee - CPD 1,741.30
7/1/2021	Preauthorized ACH Debit	MERCHANT SVCS MERCH FEE 8037460410	Merchant Fee - Boat Launch 571.98
7/1/2021	Outgoing Money Transfer	KROGER	Emergency Assistance Food Pantry 9,600.00
7/2/2021	Preauthorized ACH Debit	DIRECT DEPOSIT BANKCARD 948908660000035	Merchant Fee - Utility Billing 4,662.92
7/2/2021	Preauthorized ACH Debit	DIRECT WITHDRAWAL AUTHNET GATEWAY BILLING	Merchant Processing Fee 15.00
7/2/2021	Preauthorized ACH Debit	DIRECT WITHDRAWAL AUTHNET GATEWAY BILLING	Merchant Processing Fee 25.00
7/2/2021	Preauthorized ACH Debit	DIRECT WITHDRAWAL AUTHNET GATEWAY BILLING	Merchant Processing Fee 30.00
7/2/2021	Preauthorized ACH Debit	DIRECT WITHDRAWAL NATIONWIDE PAYMENTS	Employee Withholding - Payroll 1,050.00
7/2/2021	Preauthorized ACH Debit	DIRECT WITHDRAWAL NATIONWIDE PAYMENTS	Employee Withholding - Payroll 16,081.66
7/2/2021	Preauthorized ACH Debit	DIRECT WITHDRAWAL PAYA MONTH END	Merchant Fee - Utility Billing 10.00
7/2/2021	Preauthorized ACH Debit	DIRECT WITHDRAWAL PAYA TRX FEES	Merchant Fee - Utility Billing 6.65
7/2/2021	Preauthorized ACH Debit	MERCHANT SERVICEMERCH FEES930553411164783	Merchant Fee - Thrift Shop 974.66
7/2/2021	Outgoing Money Transfer	FF Dues	Employee Withholding - Payroll 2,252.48
7/2/2021	Outgoing Money Transfer	ICMA	Employee Withholding - Payroll 33,875.29
7/2/2021	Outgoing Money Transfer	VEBA	Employee Withholding - Payroll 5,906.46
7/6/2021	Preauthorized ACH Debit	DIRECT WITHDRAWAL FISERV MERCHANT FEE	Merchant Processing Fee 6.45

# Accounts Payable EFT Report

Item 2.

Date	Description	Vendor Name/Description	Dollar Amount
7/6/2021	Preauthorized ACH Debit	DIRECT WITHDRAWAL FISERV MERCHANT FEE	Merchant Processing Fee 6.45
7/6/2021	Preauthorized ACH Debit	DIRECT WITHDRAWAL FISERV MERCHANT FEE	Merchant Processing Fee 8.70
7/6/2021	Preauthorized ACH Debit	DIRECT WITHDRAWAL FISERV MERCHANT FEE	Merchant Processing Fee 358.40
7/6/2021	Preauthorized ACH Debit	DIRECT WITHDRAWAL PAYA REJECT FEE	Merchant Fee - Utility Billing 15.00
7/6/2021	Preauthorized ACH Debit	DIRECT WITHDRAWAL PAYA TRX FEES	Merchant Fee - Utility Billing 58.90
7/6/2021	Preauthorized ACH Debit	DIRECT WITHDRAWAL WASHINGTON-DSHS WA	Employee Withholding - Payroll 869.49
7/7/2021	Preauthorized ACH Debit	DIRECT WITHDRAWAL INVOICE CLOUD INVOICE CL	Merchant Fee - Utility Billing 108.25
7/7/2021	Preauthorized ACH Debit	DIRECT WITHDRAWAL PAYA TRX FEES	Merchant Fee - Utility Billing 0.95
7/7/2021	Preauthorized ACH Debit	DIRECT WITHDRAWAL PAYA TRX FEES	Merchant Fee - Utility Billing 0.95
7/7/2021	Preauthorized ACH Debit	DIRECT WITHDRAWAL PAYA TRX FEES	Merchant Fee - Utility Billing 6.65
7/7/2021	Preauthorized ACH Debit	DIRECT WITHDRAWAL PAYA TRX FEES	Merchant Fee - Utility Billing 9.50
7/7/2021	Preauthorized ACH Debit	VANTIV_INTG_PYMTBILLNG 295483290884	Merchant Fee - Parks 323.80
7/7/2021	Preauthorized ACH Debit	VANTIV_INTG_PYMTBILLNG 295483291882	Merchant Fee - Parks 56.85
7/7/2021	Preauthorized ACH Debit	VANTIV_INTG_PYMTBILLNG 295483292880	Merchant Fee - Parks 31.90
7/7/2021	Outgoing Money Transfer	THE ESCROW SOURCE	Earnest Deposit 50,000.00
7/8/2021	Preauthorized ACH Debit	DIRECT WITHDRAWAL NAVIA BENEFIT SOFLEXIBLE B	Employee Withholding - Payroll 219.92
7/8/2021	Preauthorized ACH Debit	DIRECT WITHDRAWAL PAYA TRX FEES	Merchant Fee - Utility Billing 2.85
7/8/2021	Preauthorized ACH Debit	DIRECT WITHDRAWAL WA STATE DOL WA DRIVER	Driver Abstract 13.00
7/9/2021	Preauthorized ACH Debit	DIRECT WITHDRAWAL NAVIA BENEFIT SOFLEXIBLE B	Employee Withholding - Payroll 128.65
7/9/2021	Preauthorized ACH Debit	DIRECT WITHDRAWAL PAYA TRX FEES	Merchant Fee - Utility Billing 38.95

# Accounts Payable EFT Report

Item 2.

Date	Description	Vendor Name/Description	Dollar Amount
7/9/2021	Preauthorized ACH Debit	DIRECT WITHDRAWAL WA DEPT RET SYS DRS EPAY Remit Retirement Contribution	138,099.92
		Employee (payroll withholding) \$63,010.75	
		Employer Portion \$75,089.17	
7/12/2021	Preauthorized ACH Debit	DIRECT WITHDRAWAL PAYA TRX FEES Merchant Fee - Utility Billing	10.45
7/12/2021	Preauthorized ACH Debit	DIRECT WITHDRAWAL Vimly Benefit SoVimly Bene Employee Insurance Premiums	169,825.15
		Employee (payroll withholding) \$25,028.92	
		Employer Portion \$144,796.23	
7/13/2021	Preauthorized ACH Debit	DIRECT WITHDRAWAL PAYA TRX FEES Merchant Fee - Utility Billing	6.65
7/13/2021	Preauthorized ACH Debit	DIRECT WITHDRAWAL PAYA TRX FEES Merchant Fee - Utility Billing	16.15
7/14/2021	Preauthorized ACH Debit	DIRECT WITHDRAWAL PAYA TRX FEES Merchant Fee - Utility Billing	1.90
7/15/2021	Preauthorized ACH Debit	DIRECT WITHDRAWAL ADP Tax ADP Tax Payroll Taxes	190,513.82
		Employee (payroll withholding) \$139,908.89	
		Employer Portion \$50,604.93	
7/15/2021	Preauthorized ACH Debit	DIRECT WITHDRAWAL ADP WAGE PAY WAGE PAY Net Payroll	542,945.81
7/15/2021	Preauthorized ACH Debit	DIRECT WITHDRAWAL NAVIA BENEFIT SOFLEXIBLE B Employee Withholding - Payroll	24.73
7/15/2021	Preauthorized ACH Debit	DIRECT WITHDRAWAL PAYA TRX FEES Merchant Fee - Utility Billing	10.45
7/16/2021	Preauthorized ACH Debit	DIRECT WITHDRAWAL NATIONWIDE PAYMENTS Employee Withholding - Payroll	1,050.00
7/16/2021	Preauthorized ACH Debit	DIRECT WITHDRAWAL NATIONWIDE PAYMENTS Employee Withholding - Payroll	13,388.25
7/16/2021	Preauthorized ACH Debit	DIRECT WITHDRAWAL PAYA TRX FEES Merchant Fee - Utility Billing	49.40
7/16/2021	Outgoing Money Transfer	FF Dues Employee Withholding - Payroll	2,252.48
7/16/2021	Outgoing Money Transfer	ICMA Employee Withholding - Payroll	34,478.00
7/16/2021	Outgoing Money Transfer	VEBA Employee Withholding - Payroll	5,885.62
7/19/2021	Preauthorized ACH Debit	DIRECT WITHDRAWAL CAYAN HOLDINGS LPAYMENT Merchant Fee - Thrift Shop	101.68
7/19/2021	Preauthorized ACH Debit	DIRECT WITHDRAWAL PAYA TRX FEES Merchant Fee - Utility Billing	8.55

## Accounts Payable EFT Report

Item 2.

Date	Description	Vendor Name/Description	Dollar Amount
7/19/2021	Preauthorized ACH Debit	DIRECT WITHDRAWAL WASHINGTON-DSHS WA Employee Withholding - Payroll	869.49
7/20/2021	Preauthorized ACH Debit	DIRECT WITHDRAWAL PAYA REJECT FEE Merchant Fee - Utility Billing	15.00
7/20/2021	Preauthorized ACH Debit	DIRECT WITHDRAWAL PAYA REJECTS Merchant Fee - Utility Billing	1,127.69
7/20/2021	Preauthorized ACH Debit	DIRECT WITHDRAWAL PAYA TRX FEES Merchant Fee - Utility Billing	1.90
7/20/2021	Preauthorized ACH Debit	DIRECT WITHDRAWAL PAYA TRX FEES Merchant Fee - Utility Billing	2.85
7/20/2021	Preauthorized ACH Debit	DIRECT WITHDRAWAL PAYA TRX FEES Merchant Fee - Utility Billing	7.60
7/20/2021	Preauthorized ACH Debit	DIRECT WITHDRAWAL WA DEPT REVENUE TAX PYMT Remit Leasehold Excise Tax	6,346.13
7/21/2021	Preauthorized ACH Debit	DIRECT WITHDRAWAL PAYA TRX FEES Merchant Fee - Utility Billing	0.95
7/21/2021	Preauthorized ACH Debit	DIRECT WITHDRAWAL WA DEPT RET SYS DRS EPAY Remit Retirement Contribution	126,899.40
		Employee (payroll withholding)	\$57,487.05
		Employer Portion	\$69,412.35
7/22/2021	Preauthorized ACH Debit	DIRECT WITHDRAWAL Cayan LLC EDI PYMNTS Merchant Fee - Thrift Shop	5.60
7/22/2021	Preauthorized ACH Debit	DIRECT WITHDRAWAL NAVIA BENEFIT SOFLEXIBLE B Employee Withholding - Payroll	393.20
7/22/2021	Preauthorized ACH Debit	DIRECT WITHDRAWAL PAYA TRX FEES Merchant Fee - Utility Billing	44.65
7/23/2021	Preauthorized ACH Debit	DIRECT WITHDRAWAL ADP PAYROLL FEESADP - FEES ADP Payroll Services	1,791.93
7/23/2021	Preauthorized ACH Debit	DIRECT WITHDRAWAL ADP PAYROLL FEESADP - FEES ADP Payroll Services	2,268.62
7/23/2021	Preauthorized ACH Debit	DIRECT WITHDRAWAL AFLAC INSURANCE Employee Withholding - Payroll	777.39
7/23/2021	Preauthorized ACH Debit	DIRECT WITHDRAWAL PAYA TRX FEES Merchant Fee - Utility Billing	4.75
7/23/2021	Preauthorized ACH Debit	DIRECT WITHDRAWAL UNUMGROUP955 INSURANCE Employee Withholding - Payroll	190.50
7/23/2021	Preauthorized ACH Debit	DIRECT WITHDRAWAL UNUMGROUP955 INSURANCE Employee Withholding - Payroll	203.00
7/26/2021	Preauthorized ACH Debit	DIRECT WITHDRAWAL PAYA TRX FEES Merchant Fee - Utility Billing	8.55



## Accounts Payable EFT Report

Item 2.

Date	Description	Vendor Name/Description	Dollar Amount
7/27/2021	Preauthorized ACH Debit	DIRECT WITHDRAWAL PAYA REJECT FEE	Merchant Fee - Utility Billing 15.00
7/27/2021	Preauthorized ACH Debit	DIRECT WITHDRAWAL PAYA REJECTS	Merchant Fee - Utility Billing 278.10
7/27/2021	Preauthorized ACH Debit	DIRECT WITHDRAWAL PAYA TRX FEES	Merchant Fee - Utility Billing 2.85
7/27/2021	Preauthorized ACH Debit	DIRECT WITHDRAWAL PAYA TRX FEES	Merchant Fee - Utility Billing 9.50
7/27/2021	Preauthorized ACH Debit	DIRECT WITHDRAWAL PAYA TRX FEES	Merchant Fee - Utility Billing 11.40
7/28/2021	Preauthorized ACH Debit	DIRECT WITHDRAWAL PAYA REJECT FEE	Merchant Fee - Utility Billing 15.00
7/28/2021	Preauthorized ACH Debit	DIRECT WITHDRAWAL PAYA TRX FEES	Merchant Fee - Utility Billing 0.95
7/28/2021	Preauthorized ACH Debit	DIRECT WITHDRAWAL WA DEPT REVENUE TAX PYMT	Excise Tax Paid 64,784.92
		Water Utility	\$42,979.87
		Sewer Utility	\$16,155.93
		Stormwater Utility	\$2,699.47
		Thrift Shop	\$2,645.30
		General	\$304.35
7/29/2021	Preauthorized ACH Debit	DIRECT WITHDRAWAL ADP Tax ADP Tax	Payroll Taxes 181,622.67
		Employee (payroll withholding)	\$133,280.81
		Employer Portion	\$48,341.86
7/29/2021	Preauthorized ACH Debit	DIRECT WITHDRAWAL ADP WAGE PAY WAGE PAY	Net Payroll 535,415.73
7/29/2021	Preauthorized ACH Debit	DIRECT WITHDRAWAL NAVIA BENEFIT SOFLEXIBLE B	Employee Withholding - Payroll 813.15
7/29/2021	Preauthorized ACH Debit	DIRECT WITHDRAWAL PAYA TRX FEES	Merchant Fee - Utility Billing 9.50
7/29/2021	Preauthorized ACH Debit	DIRECT WITHDRAWAL WA STATE DOL WA DRIVER	Driver Abstract 26.00
7/29/2021	Outgoing Money Transfer	KROGER	Emergency Assistance Food Pantry 9,600.00
7/30/2021	Preauthorized ACH Debit	DIRECT WITHDRAWAL LABOR&INDUSTRIESL&I ELF	Quarterly Tax 127,321.62
7/30/2021	Preauthorized ACH Debit	DIRECT WITHDRAWAL NATIONWIDE PAYMENTS	Employee Withholding - Payroll 1,050.00
7/30/2021	Preauthorized ACH Debit	DIRECT WITHDRAWAL NATIONWIDE PAYMENTS	Employee Withholding - Payroll 12,936.92

# Accounts Payable EFT Report

Item 2.

Date	Description	Vendor Name/Description	Dollar Amount
7/30/2021	Preauthorized ACH Debit	DIRECT WITHDRAWAL PAYA TRX FEES	Merchant Fee - Utility Billing 57.95
7/30/2021	Outgoing Money Transfer	FF Dues	Employee Withholding - Payroll 2,252.48
7/30/2021	Outgoing Money Transfer	ICMA	Employee Withholding - Payroll 31,485.07
7/30/2021	Outgoing Money Transfer	VEBA	Employee Withholding - Payroll 5,885.62
<b>Total</b>			<b>\$ 2,526,081.85</b>



# CITY COUNCIL MINUTES REGULAR VIDEO MEETING July 6, 2021

Item 3.

## EXECUTIVE SESSION

Mayor Benson Wong called the Executive Session to order at 5:00 pm from a remote location to consider the purchase or lease of real estate when public knowledge of such consideration would cause a likelihood of increased price pursuant to RCW 42.30.110(1)(b) and to discuss with legal counsel pending or potential litigation pursuant to RCW 42.30.110(1)(i) for approximately one hour.

Mayor Benson Wong, Deputy Mayor Weiker, and Councilmembers Lisa Anderl, Jake Jacobson, Salim Nice, Craig Reynolds, and David Rosenbaum participated remotely using a teleconferencing platform provided by Microsoft Teams.

At 5:58 pm Mayor Wong adjourned the executive session.

## CALL TO ORDER & ROLL CALL

Mayor Wong called the meeting to order at 6:02 pm from a remote location.

Mayor Benson Wong, Deputy Mayor Wendy Weiker, and Councilmembers Lisa Anderl, Jake Jacobson, Salim Nice, Craig Reynolds (6:16 pm), and David Rosenbaum participated remotely using a teleconferencing platform provided by Zoom.

Jessi Bon, City Manager, participated remotely from City Hall, 9611 SE 36th Street, Mercer Island, Washington. The City Attorney and Mercer Island City Leadership Team participated from remote locations.

## PLEDGE OF ALLEGIANCE

Deputy Mayor Weiker delivered the Pledge of Allegiance.

## AGENDA APPROVAL

It was moved by Nice; seconded by Jacobson to  
**Amend the agenda to add consideration for acquiring real property by the City of Mercer Island as discussed in Executive Session and the possible adoption of Resolution No. 1600 and Ordinance No. 21-15.**

Passed 6-0

FOR: 6 (Anderl, Jacobson, Nice, Rosenbaum, Weiker, and Wong)

ABSENT: 1 (Reynolds)

## CITY MANAGER REPORT

City Manager Bon reported on the following items:

- Response to Extreme Heat
  - Cooling Center
  - Temporary Fireworks Ban
- Board & Commission Updates (Virtual Meetings & Return to In-Person Meetings)
- Board & Commission Recruitment – Round 2
- City Service Updates
  - East Mercer Way Landslide Repair
  - Summer Road Construction

- Drinking Fountains
- ADA Transition Plan
- Risk and Resilience Assessment
- Emergency Management Volunteer Lead Changes
- Community and Regional Updates
  - Where's Waldo
  - Mercer Island Library
  - Best Starts for Kids Levy Renewal
- Some Good News
  - Grant Awarded for Luther Burbank Dock Renovation
  - Get Active, Stay Active Grant
  - Windermere Foundation Grant
  - Student Resource Officer Changes

## APPEARANCES

Addie Smith, Mercer Island – thanked the Bellevue City Council of approving its multi-housing project program, noting that Mercer Island does not support such a project. She also encouraged registered voters to vote for new candidates in the election.

Marissa Orenstein, Mercer Island – explained that her cat was recently killed by a coyote on the Island and asked that the Council do something to address the increasing number of domestic animals being killed by coyotes.

Kevin Cobden, Mercer Island – also expressed concern for the coyote that killed Mr. Orenstein's cat and encouraged City Council to address the issue before the coyote attacks a person.

## CONSENT AGENDA

### Approve Accounts Payable Reports for the periods ending:

June 11, 2021 in the amount of \$321,670.91  
 June 18, 2021 in the amount of \$234,179.54  
 June 25, 2021 in the amount of \$574,834.70

### AB 5894: June 18, 2021 Payroll Certification

**Recommended Action:** Approve the June 18, 2021, Payroll Certification (Exhibit 1) in the amount of \$797,275.74 and authorize the Mayor to sign the certification on behalf of the entire City Council.

### AB 5904: Parks and Recreation Month Proclamation No. 274

**Recommended Action:** Mayor Wong proclaims July 2021 as Parks and Recreation Month on Mercer Island.

### AB 5902: Antisemitism Proclamation No. 275 (pulled and moved to Regular Business)

### AB 5900: City Manager Performance Review and Evaluation Report (pulled and moved to Regular Business)

### AB 5901: Community-Based Counseling Staffing Appropriation

**Recommended Action:** Appropriate up to \$60,000 from 2020 General Fund year-end balance to hire a 1.0 LTE Community-Based Counselor through December 31, 2021.

It was moved by Jacobson; seconded by Anderl to:

**Approve the Consent Agenda and the recommendations contained therein, as amended.**

PASSED: 7-0

FOR: 7 (Anderl, Jacobson, Nice, Reynolds, Rosenbaum, Weiker, and Wong)

## REGULAR BUSINESS

**(No AB): Consideration for acquiring real property by the City of Mercer Island as discussed in Executive**

## Session and the possible adoption of Resolution No. 1600 and Ordinance No. 21-15

Staff explained that the property at 4004 Island Crest Way is for sale and is located at one of the four corners of SE 40<sup>th</sup> Street and Island Cres Way, which is listed within the City's Comprehensive Plan, Transportation Element. Staff further explained that the City's acquisition of the property would help the City address current needs for the intersection, as well as future capacity growth needs at the intersection of SE 40<sup>th</sup> Street and Island Crest Way. Further discussion outlined a broker's opinion of value for the property, which supports a fair market value purchase price of \$1,175,000.

It was moved by Nice; seconded by Jacobson to:

**Approve Resolution No. 1600 authorizing the purchase of real property and authorizing the City Manager to sign documents required to complete the purchase of real property.**

Passed 6-0

FOR: 6 (Anderl, Jacobson, Nice, Rosenbaum, Weiker, and Wong)

ABSENT: 1 (Reynolds)

It was moved by Nice; seconded by Jacobson to:

**Adopt Ordinance No. 21-15 incorporating certain budget revisions to the 2021-2022 Biennial Budget and Amending Ordinance No. 20-29, 21-07, and 21-11**

Passed 7-0

FOR: 7 (Anderl, Jacobson, Nice, Reynolds, Rosenbaum, Weiker, and Wong)

### **AB 5902: Antisemitism Proclamation No. 275 (pulled off Consent by Rosenbaum)**

Councilmember Rosenbaum thanked the City Council and staff for the proclamation and addressed its importance.

It was moved by Rosenbaum; seconded by Anderl to:

**Authorize Mayor Wong to sign Proclamation No. 275 proclaiming an ongoing commitment to be an inclusive community.**

Passed 7-0

FOR: 7 (Anderl, Jacobson, Nice, Reynolds, Rosenbaum, Weiker, and Wong)

### **AB 5900: City Manager Performance Review and Evaluation Report (pulled off Consent by Wong)**

City Council thanked City Manager for her service and highlighted her performance during the Pandemic.

It was moved by Anderl; seconded by Nice to:

**Accept City Manager Jessi Bon's performance review and evaluation report from February 2020 through April 2021.**

Passed 7-0

FOR: 7 (Anderl, Jacobson, Nice, Reynolds, Rosenbaum, Weiker, and Wong)

### **AB 5910: Town Center Moratorium: Economic Analysis Revised Outputs and Legislative Options Consideration**

Jeff Thomas, Community Planning and Development Interim Director, and Sarah Bluvas, Economic Development Coordinator outlined several legislative options for Council consideration:

1. Do nothing.
2. Amend the TC Sub Area Plan and Zoning Map to remove the moratorium area from the TC and rezone to an exclusive commercial zone such as "General Commercial," "Community Business," or "Neighborhood Business."
3. (A) Amend MICC 19.11.020 Figure 2 to require blanket "retail street frontage" throughout the TC or only blanket throughout the moratorium boundary.  
(B) Amend MICC 19.11.020 Figure 2 to complete surgical additions / deletions to the current map.  
(C) Repeal MICC 19.11.020 (B) and Figure 2 that require "retail street frontage" in the TC and replace with the regulations existing prior to the adoption of Ordinance No. 16C-06.
4. Amend MICC 19.11.020 to add a "no net loss" commercial retail square footage requirement throughout the TC administered on a parcel-by-parcel basis.

5. Amend MICC 19.11.020 to add a “commercial floor area ratio” requirement for properties subject to the requirement in Figure 2.

Staff explained that should City Council direction include amendments to the Town Center development regulations, changes would be presented to the Planning Commission in September. Any Planning Commission recommendation would then be brought forward to City Council in late 2021 for consideration and adoption.

In response to Council direction, staff agreed to return City Council at its August 31 special meeting to present a Town Center methodology that supported the following:

- Updates to MICC 19.11.020(B)(4) Retail Use Required Adjacent to Street Frontages;
- A new Town Center commercial Floor Area Requirement (FAR); and
- The applicability of a new Town Center no net loss requirement.

**AB 5907: Interim Ordinance No. 21C-16 updating and replacing interim development regulations to allow more outdoor seating for eating and drinking establishments during the declared COVID-19 emergency and setting a Public Hearing date.**

Sarah Bluvas, Economic Development Coordinator, explained that Ordinance No. 21C-03, which was adopted on February 16, 2021, and reinstated interim development regulations to allow more outdoor seating for eating and drinking establishments, was due to expire on August 16, 2021. To update and replace the interim regulations for a six-month period, City staff sought adoption of Interim Ordinance No. 21C-16. Ordinance No. 21C-16 would permit outdoor seating for eating and drinking establishments during the declared COVID-19 emergency even if no indoor seating restrictions were effective. It also sets a Public Hearing date of August 31, 2021, as required by statute for an Interim Ordinance.

Staff also explained that upon adoption of this Ordinance, staff would alert the current permit-holder of the renewal process as well as continue marketing the outdoor seating opportunities through the City’s business outreach channels. In addition to the commerce on public property permit, businesses would also be required to provide a certificate of insurance and indemnification (hold harmless). Finally, staff outlined a plan to return later this year to discuss pilot project opportunities to extend and/or formalize these regulations for a longer time horizon.

It was moved by Anderl; seconded by Nice to:

**Adopt Interim Ordinance No. 21C-16 updating and replacing interim regulations to allow more outdoor seating for eating and drinking establishments during the declared COVID-19 emergency and setting a Public Hearing date of August 31, 2021.**

Passed 7-0

FOR: 7 (Anderl, Jacobson, Nice, Reynolds, Rosenbaum, Weiker, and Wong)

**AB 5908: Mercer Island Community and Event Center & Recreation Programs and Services Strategy Adoption**

Jason Kintner, Chief of Operations, and Ryan Daly, Operations & Transition Team Manager, outlined the Mercer Island Community and Event Center (MICEC) re-opening which included the following:

- A list of programs and services
- Public operating hours will total 41 hours per week starting at the end of July 2021, with the possibility of adding another 19 hours for gymnasium rentals
- Summer camps are underway and Mercer Island residents are accessing the MICEC for the first time since March 2020

Staff continued, explaining that while 2021 recreation services are being implemented, city staff and consultant, Emily Moon, were preparing the Recreation Division for 2022 and full implementation of the Reset Strategy. Some highlights of what the division will be focused on include:

- Professional management: smart business operations, best practices, accountability, consistency with goals, targeting outcomes.
- Flexible, cross-trained and retained staff.
- Contracting and leveraging partnerships to perform some responsibilities or offer some programs.
- Adding more programs and services; implementing piloting and evaluation practices.
- Aligning facility space allocation with the Strategy and new policies.
- Boosting self-service possibilities and reducing staff inefficiencies.

Staff also reviewed anticipated 2022 program and services, noting that MICEC hours would expand to 64 per week and that potential extra hours for private rentals would also expand to 28 per week, including Sunday rentals. The Reset Strategy also recommends conducting thoughtful evaluations of programs and services and taking a phased approach to implementing additional categories.

Staff reviewed the anticipated challenges, the Arts and Recreation Budget, and the anticipated timeline, noting that development and approval of the 2022 budget would continue throughout the remainder of 2021. The implementation of budgeted programs and services in 2022 would take place over the first half of 2022, as new staff and contractors are brought on-board

Council expressed support for the strategy roll-out and bringing back a version of Summer Celebration. Council also supported considering a budget proposal for lifeguards.

It was moved by Weiker; seconded by Reynolds to:

**Accept the Strategy for the Mercer Island Community and Event Center and Recreation Programs and Services**

Passed 6-0

FOR: 6 (Anderl, Nice, Reynolds, Rosenbaum, Weiker, and Wong)

ABSTAINED: 1 (Jacobson)

#### **AB 5909: 2021 City Council Liaison to Mercer Island Chamber of Commerce**

Sarah Bluvas, Economic Development Coordinator, explained that in March 16, the City Council approved the scope of work for the 2021 Partnership Agreement with the Mercer Island Chamber of Commerce. As part of the partnership, City leadership and the Chamber Board of Directors agreed to create a Liaison position to enhance communications between City Council and the Chamber Board. Staff outlined the liaison role and responsibilities, noting that the suggested responsibilities were modeled on the liaison responsibilities outlined in Section 8.15 of the City Council Rules of Procedure.

Deputy Weiker nominated Councilmember Rosenbaum; there were no objections

It was moved by Nice; seconded by Anderl to:

**Confirm the appointment of Councilmember Rosenbaum as the City Council Liaison to the Mercer Island Chamber of Commerce.**

Passed 7-0

FOR: 7 (Anderl, Jacobson, Nice, Reynolds, Rosenbaum, Weiker, and Wong)

#### **AB 5892: 2020 Community Member of the Year Nomination**

Mayor Wong outlined the selection process for the 2020 Community Member of the Year, noting that 2020 was not normal due to the Pandemic. Mayor Wong further noted that once a selection of a nominee is made, staff will invite the nominee to an upcoming City Council meeting so the City Council may formally recognize their contributions to the Mercer Island community.

**Deputy Mayor Weiker nominated Mercer Island Community Fund; there were no objections.**

It was moved by Nice; seconded by Rosenbaum to:

**Select the Mercer Island Community Fund as the 2020 Community Member of the Year.**

Passed 7-0

FOR: 7 (Anderl, Jacobson, Nice, Reynolds, Rosenbaum, Weiker, and Wong)

### **OTHER BUSINESS**

#### **Planning Schedule**

It was moved by Jacobson; seconded by Reynolds to:

**Cancel the August 3, August 17, and September 7, 2021 Regular meetings and schedule a special meeting on August 31 at 5 PM.**

Passed 7-0

FOR: 7 (Anderl, Jacobson, Nice, Reynolds, Rosenbaum, Weiker, and Wong)

### **Councilmember Absences**

There were no absences reported.

### **Councilmember Reports**

Councilmember Jacobson reported that he had met the four new police officers and was impressed by all and Chief Holmes selection. Mayor Wong echoed Councilmember Jacobson's comments.

### **ADJOURNMENT**

The regular Council Meeting adjourned at 10:34 PM.

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Benson Wong, Mayor

Attest:

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Deborah Estrada, City Clerk





# CITY COUNCIL MINUTES REGULAR VIDEO MEETING July 20, 2021

Item 3.

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## EXECUTIVE SESSION

Mayor Benson Wong called the Executive Session to order at 5:00 pm from a remote location to discuss with legal counsel pending or potential litigation pursuant to RCW 42.30.110(1)(i) for approximately 90 minutes.

Mayor Benson Wong, Deputy Mayor Weiker, and Councilmembers Lisa Anderl, Salim Nice, Craig Reynolds, and David Rosenbaum participated remotely using a teleconferencing platform provided by Microsoft Teams.

Councilmember Jake Jacobson was absent.

At 6:30 PM, City Clerk Deborah Estrada extended the Executive Session on behalf of the City Council for 20 minutes until 6:50 PM. At 6:52 PM Mayor Wong adjourned the executive session. No action was taken.

## CALL TO ORDER & ROLL CALL

Mayor Wong called the meeting to order at 6:52 pm from a remote location.

Mayor Benson Wong, Deputy Mayor Wendy Weiker, and Councilmembers Lisa Anderl, Salim Nice, Craig Reynolds, and David Rosenbaum participated remotely using a teleconferencing platform provided by Zoom.

Councilmember Jake Jacobson was absent.

Jessi Bon, City Manager, participated remotely from City Hall, 9611 SE 36th Street, Mercer Island, Washington. The City Attorney and Mercer Island City Leadership Team participated from remote locations.

## PLEDGE OF ALLEGIANCE

Councilmember Rosenbaum delivered the Pledge of Allegiance.

## AGENDA APPROVAL

It was moved by Nice; seconded by Weiker to:

Approve the agenda as presented.

Passed 6-0

FOR: 6 (Anderl, Nice, Reynolds, Rosenbaum, Weiker, and Wong)

ABSENT: 1 (Jacobson)

## SPECIAL BUSINESS

### 2020 Community Member of the Year Award Presentation

On behalf of the City Council, Mayor Wong presented the 2020 Community Member of the Year Award to The Mercer Island Community Fund (MICF).

Mayor Wong noted that when the adverse impact of the pandemic was gripping our community along with the rest of the world, the MICF Board of Directors was among the first to step up to organize the community and to help those most hurt by the pandemic. MICF led the way in collaboration with other groups in organizing and launching the WeLoveMI COVID Relief Campaign. This campaign continues today and has raised over \$260,000 for small businesses on the Island, and nonprofit organizations on the Island.

Erin Krawiec, Mary Ann Flynn, Sharon Perez, and Carolyn Counihan were present on behalf of the Mercer Island Community Fund and thanked the Council and community for the award and recognition.

## CITY MANAGER REPORT

City Manager Bon reported on the following items:

- Primary Election – Ballot Drop Box is Open
- Board & Commission Updates:
  - Upcoming Virtual Meetings
  - Recruitment Update
  - August Recess
- City Service Updates:
  - MI Aid Vehicle struck by concrete debris on July 20
  - Low Pressure Event – July 18
  - Emergency Alerts
  - Water Main Flushing
  - Finance System Technology Upgrade
  - Thrift Shop Operations Update
  - Parks Division Updates
  - Road Construction Update
  - Keeping the Island Clean
  - Report a Service or Maintenance Issue
- Some Good News
  - Mostly Music in the Park returns for three Thursday evenings
  - Thrift Shop Volunteer Recognition

## APPEARANCES

The following individuals expressed concern for the damage to open space created by the BMX course and requested that Council address the damage to trees and vegetation:

- Bharat Shyam
- Rita Moore
- Sue Stewart
- Amanda Clark

Addie Smith, Mercer Island, reported that she and her daughter are hate crime survivors and that they were both attacked on the Island. She expressed a desire to end systemic racism on the Island and asked that the Police Department be held accountable.

Callie Ridolfi, Mercer Island, member of the League of Women Voters and co-chair of the City's Climate Action Committee. She explained that their goal is to make sure every Mercer Islander knows that they have an emission reduction goal and that there are actions that everyone can take to address climate change.

## CONSENT AGENDA

### Approve Accounts Payable Reports for the periods ending:

- A) July 2, 2021 in the amount of \$362,431.59
- B) July 9, 2021 in the amount of \$802,715.11

### Approve Minutes of the June 15, 2021 Regular Meeting

### AB 5912: July 2, 2021 Payroll Certification

**Recommended Action:** Approve the July 2, 2021 Payroll Certification in the amount of \$803,351.63 and authorize the Mayor to sign the certification on behalf of the entire City Council.

### AB 5905: 2021-2022 Interlocal Agreement with the Mercer Island School District for School-Based

**Counseling Services**

**Recommended Action:** Authorize the City Manager to sign an Interlocal Agreement with the Mercer Island School District for counseling services during the 2021-2022 school year.

**AB 5914: Parks Deferred Maintenance Plan and Appropriation Request**

**Recommended Action:** Appropriate \$200,000 from the first tranche of ARPA Fiscal Recovery Funds for parks maintenance catch-up work.

**~~AB 5913: Bid Award for the Booster Chlorination System Project (Pulled and placed under Regular Business)~~****AB 5911: First Modification to the Interlocal Agreement for the Independent Force Investigation Team – King County (IFIT-KC)**

**Recommended Action:** Authorize the City Manager to sign the First Modification to the interlocal agreement between regional law enforcement agencies for the Independent Force Investigation Team of King County.

**AB 5918: Illuminate MI - 2021 Appropriation**

**Recommended Action:** Appropriate \$50,000 from the FY2020 General Fund Surplus to develop and implement Illuminate MI - 2021

**AB 5919: Volunteer Recognition Event Appropriation Request**

**Recommended Action:** Appropriate \$5,000 from the 2020 General Fund Surplus to develop and implement a volunteer recognition event on Thursday, September 2, at Mercerdale Park.

**Mayor Wong requested that AB 5913: Bid Award for the Booster Chlorination System Project be pulled and placed under Regular Business.**

It was moved by Nice; seconded by Reynolds to:

**Approve the Consent Agenda and the recommendations contained therein, as amended.**

PASSED: 6-0

FOR: 6 (Anderl, Nice, Reynolds, Rosenbaum, Weiker, and Wong)

ABSENT: 1 (Jacobson)

**REGULAR BUSINESS****AB 5913: Bid Award for the Booster Chlorination System Project**

The objective of the Booster Chlorination System project is to maintain adequate levels of secondary disinfectant in the City's water storage tanks and distribution system to prevent coliform growth. In conjunction with the Supervisory Control and Data Acquisition Water project, currently under construction, the project will strengthen the City's water supply system and improve system operations for water quality control.

Mayor Wong recognized staff and the work on this project.

It was moved by Anderl; seconded by Nice to:

**Award Bid No. 21-28 to Harbor Pacific Contractors, Inc., a Washington-based company, for the construction of a permanent booster disinfection system for the City's Reservoir and Main Pump Station**

PASSED: 6-0

FOR: 6 (Anderl, Nice, Reynolds, Rosenbaum, Weiker, and Wong)

ABSENT: 1 (Jacobson)

It was moved by Nice; seconded by Weiker to:

**Authorize the City Manager to execute a contract with Harbor Pacific Contractors, Inc., in an amount not to exceed \$2,115,642.**

PASSED: 6-0

FOR: 6 (Anderl, Nice, Reynolds, Rosenbaum, Weiker, and Wong)

ABSENT: 1 (Jacobson)

## AB 5915: Town Center Parking Study Scope of Work

The following staff members outlined the Town Center Parking Study Scope of Work, noting that the City Council participated in a project scoping discussion last May that provided input that would inform the development of the Request for Proposals for a Town Center Parking Study:

- Jason Kintner, Chief of Operations
- Ed Holmes, Chief of Police
- Jeff Thomas, Interim Community Planning & Development Director
- Sarah Bluvus, Economic Development Coordinator

Goals for the Town Center Parking included:

- Create a parking program that activates the Town Center, supports small businesses, and enhances the Town Center visitor experience.
- Ensure Island residents have priority access to public transportation.
- Determine if on-site commercial parking and multi-family residential parking are adequately supplied and utilized. Identify options for increasing and/or regulating its use.

Staff reviewed the draft scope, which outlined six areas of analysis, and posed research questions to provide more context on what the City hopes to learn from the analysis:

- Park Supply:
  - What is the current supply of on-street and off-street parking?
  - Are there opportunities to increase on-street parking capacity?
- Parking Usage:
  - What is the current and future demand for Town Center parking?
  - How do different user groups currently use Town Center parking?
  - To what extent can we change user behavior to better optimize parking supply and use?
- Parking Regulations:
  - What are gaps or opportunities for improving municipal code that regulates Town Center parking?
  - How can we streamline the current range of parking requirements allowed in the code?
  - How can we update regulatory authority to better enforce parking regulations?
  - Do we have options for increasing/regulating use of multi-family residential parking in Town Center?
- Parking Management:
  - How is our parking permit program running currently?
  - Where do we need to improve (e.g. opportunities for cost recovery, expanded enforcement, etc.)?
  - What are best practices for parking zone limits?
- Wayfinding - How can we improve signage and other wayfinding / messaging to communicate parking options throughout Town Center?
- Town Center Activation:
  - Relevant to outdoor dining and other local business needs supported during the pandemic
  - Are there opportunities to repurpose parking supply to activate Town Center and support local businesses?
  - How can we improve municipal code to enable these types of opportunities?

Other considerations included Consultant Methodology and Stakeholder Engagement and Public Input.

Staff requested two to three Councilmembers participate in the selection process to accomplish the following tasks:

- Review and score proposal submittals
- Prepare a short-list of candidates to invite for interviews
- Participate in candidate interviews and ranking
- Participate in development of candidate recommendation for Council approval

The RFP is expected to be released August 2 with proposals due to the City by September 7. Candidate interviews are expected to occur in October and the consultant selection and contract award were tentatively scheduled of the October 19 Council meeting.

There was **Council Consensus** to support the study goals and scope of work.

It was moved by Nice; seconded by Weiker to:

**Appoint Councilmembers Anderl, Jacobson, and Reynolds to serve on the consultant selection committee.**

PASSED: 6-0

FOR: 6 (Anderl, Nice, Reynolds, Rosenbaum, Weiker, and Wong)

ABSENT: 1 (Jacobson)

**AB 5903: Development Code Amendment ZTR19-004 Small Cell / Wireless Facilities (Ord. No. 21C-12 Second Reading)**

Jeff Thomas, Community Planning and Development Interim Director, and Alison Van Gorp, Deputy Director, explained that the Planning Commission had recommended approving a proposed code amendment to repeal the existing interim wireless communications and small cell regulations contained in Mercer Island City Code (MICC) Chapter 19.06 and replace it with permanent regulations, as well as to adopt related clean up amendments within MICC Chapters 19.15 and 19.16.

After the first reading in June, and at the direction of City Council, staff made several revisions to the draft code amendment. The City Council also inquired about additional concealment standards for small wireless facilities in underground utility areas. In particular, there was interest in requiring concealment that makes the wireless facility/support structure look similar to a native conifer tree. Based on staff research, it was not recommended to include this type of concealment standard in the revised code. Staff will continue to monitor developments in small cell concealment technology options and bring the matter back to City Council if and when technology and concealment standards change.

It was moved by Nice; seconded by Weiker to:

**Amend Exhibit B, Section 19.06.070 “Small wireless facilities deployment” Subsection C to read as follows:**

**Hollow poles that can conceal equipment and appurtenances are required in Undergrounded Utility Areas, if feasible, and preferred in all other portions of the City.**

PASSED: 6-0

FOR: 6 (Anderl, Nice, Reynolds, Rosenbaum, Weiker, and Wong)

ABSENT: 1 (Jacobson)

It was moved by Nice; seconded by Anderl to:

**Adopt Ordinance No. 21C-12, amending Chapters 19.06, 19.15, and 19.16 to revise standards and communications facilities and repealing the temporary regulations contained in Ordinance 21-08.**

PASSED: 6-0

FOR: 6 (Anderl, Nice, Reynolds, Rosenbaum, Weiker, and Wong)

ABSENT: 1 (Jacobson)

**AB 5917: Public Access Easement Mid-Block Pedestrian Connection – Xing-hua Project**

Jeff Thomas, Community Planning and Development Interim Director, explained the easement and that authorization to approve acceptance of a grant of a 20' public access easement to the City for a mid-block pedestrian connection between 77th Avenue SE and 78th Avenue SE associated with the Xing-hua project was requested. He further noted that the easement constituted the northern most 20' of the project site spanning two existing tax parcels. Per State law, the City Council must authorize changes to property interests for all public property.

It was moved by Nice; seconded by Reynolds to:

**Authorize the City Manager to execute instruments, subject to approval as to form by the City Attorney, accepting a grant of a 20' public access easement to the City, substantially in the form proposed in Exhibit 3 of AB5917**

PASSED: 6-0

FOR: 6 (Anderl, Nice, Reynolds, Rosenbaum, Weiker, and Wong)

ABSENT: 1 (Jacobson)

## **AB 5916: Acceptance of Grant of Public Access Easements for Sidewalks and Extinguishment of Public Access and Landscape Easements – Xing-hua Project**

Jeff Thomas, Community Planning and Development Interim Director, explained that staff was seeking authorization to approve the granting of three new public access easements to the City for sidewalks on 77th Avenue SE, 29th Street SE, and 78th Avenue SE (plus an easement replacement on the NW corner of 29th Street SE and 78th Avenue SE) associated with the Xing-hua project. Additionally, the extinguishment of one public access easement was proposed on the corner of 29th Street SE and 78th Avenue SE and one public landscape easement on 78th Avenue SE to accommodate the new public access easements. Per State law, the City Council must authorize changes to property interests for all public property.

It was moved by Nice; seconded by Weiker to:

**Authorize the City Manager to execute instruments, subject to approval as to form by the City Attorney, accepting the grant of three new public access easements to the City for sidewalks on 77th Avenue SE, 29th Street SE and 78th Avenue SE (plus an easement replacement on the NW corner of 29th Street SE and 78th Avenue SE), as well as the extinguishing one public access easement on the corner of 29th Street SE and 78th Avenue SE and one public landscape easement on 78th Avenue SE, substantially in the form proposed in Exhibit 4.**

PASSED: 6-0

FOR: 6 (Anderl, Nice, Reynolds, Rosenbaum, Weiker, and Wong)

ABSENT: 1 (Jacobson)

## **OTHER BUSINESS**

### **Planning Schedule**

City Manager Bon reported that the August meetings were canceled and that a Special meeting would be scheduled on August 31 in place of holding the Regular Council Meeting on September 7.

### **Councilmember Absences**

Councilmember Jacobson's absence was excused.

### **Councilmember Reports**

Deputy Mayor Weiker – Reported on Sustainability MI tour of Cedar Grove.

Councilmember Reynolds thanked staff for quickly addressing the water pressure issue over the weekend.

Councilmember Rosenbaum reported on a Department of Ecology comment period on a new rule regarding waste water treatment. Mayor Wong expanded, explaining that there are proposed regulations regarding a permit process intended to reduce the amount of nitrogen being deposited in Puget Sound. The response period was extended to August 16 to allow for more comments. There was **Council Consensus** to authorize the City Manager and Chief of Operations to review King County's letter prior to sending it to the DOE

## **EXECUTIVE SESSION**

At 10:06 PM, Mayor Wong announced that the City Council would recess and then go into executive session to discuss with legal counsel pending or potential litigation pursuant to RCW 42.30.110(1)(i) for approximately one hour. No action to be taken.

At 11:07 PM, Mayor Wong extended the Executive Session for 20 minutes.

## ADJOURNMENT

The regular Council Meeting adjourned at 11:29 PM.

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Benson Wong, Mayor

Attest:

---

Deborah Estrada, City Clerk



## CITY COUNCIL MINUTES SPECIAL VIDEO MEETING (EXECUTIVE SESSION) AUGUST 24, 2021

### CALL TO ORDER & ROLL CALL

Mayor Benson Wong called the Special Meeting to order at 9:00 am from a remote location.

Mayor Benson Wong, Deputy Mayor Wendy Weiker and Councilmembers Lisa Anderl, Jake Jacobson, Salim Nice, Craig Reynolds, and David Rosenbaum participated remotely using the teleconferencing platform Microsoft Teams.

City Manager Jessi Bon and City Attorney Bio Park participated in the executive session from a remote location using Microsoft Teams.

### EXECUTIVE SESSION

At 9:30 am, Mayor Wong convened an Executive Session pursuant to RCW 42.30.110(1)(i) to discuss with legal counsel litigation or potential litigation to which the City is, or is likely to become, a party, when public knowledge of the discussion is likely to result in an adverse legal or financial consequence to the City for approximately 4 hours.

At 10:01 am, Mayor Wong adjourned the Executive Session.

No action was taken.

### ADJOURNMENT

The Special Meeting adjourned at 10:01 am.

\_\_\_\_\_  
Benson Wong, Mayor

Attest:

\_\_\_\_\_  
Deborah Estrada, City Clerk





## BUSINESS OF THE CITY COUNCIL CITY OF MERCER ISLAND

**AB 5934**  
**September 21, 2021**  
**Consent Agenda**

### AGENDA BILL INFORMATION

<b>TITLE:</b>	AB 5934: August 27, 2021 Payroll Certification in the amount of \$787,176.23	<input type="checkbox"/> Discussion Only
<b>RECOMMENDED ACTION:</b>	Approve the August 27, 2021 Payroll Certification.	<input checked="" type="checkbox"/> Action Needed: <input checked="" type="checkbox"/> Motion <input type="checkbox"/> Ordinance <input type="checkbox"/> Resolution

<b>DEPARTMENT:</b>	Human Resources
<b>STAFF:</b>	Ali Spietz, Chief of Administration
<b>COUNCIL LIAISON:</b>	n/a
<b>EXHIBITS:</b>	1. August 27, 2021 Payroll Certification
<b>CITY COUNCIL PRIORITY:</b>	n/a

<b>AMOUNT OF EXPENDITURE</b>	\$ n/a
<b>AMOUNT BUDGETED</b>	\$ n/a
<b>APPROPRIATION REQUIRED</b>	\$ n/a

### SUMMARY

This is an approval of the payroll certification for the City of Mercer Island for the period from August 7, 2021, through August 20, 2021, in the amount of \$787,176.23 (see Exhibit 1).

### BACKGROUND

[RCW 42.24.080](#) requires that all claims presented against the City by performing labor must be certified by the appropriate official to ensure that the labor was performed as described, and that the claims are just, due, and unpaid obligations against the City, before payment can be made. [RCW 42.24.180](#) allows the payment of claims to occur prior to City Council approval to expedite processing of the payment of claims, provided, however, that review and approval of the claims' documentation occurs at the next regularly scheduled public meeting.

The Payroll Certification details the total payment to employees for labor performed and benefits payments made for each payroll. The City is on a bi-weekly payroll schedule with payments on every other Friday.

### PAYROLL INFORMATION

Each payroll varies depending on several factors (i.e., number of employees, pay changes, leave cash outs, overtime, etc.) In addition to regular pay for employees, the August 27, 2021, payroll has variants that are outlined at the top of page 2:

**Additional payments:**

- \$1,573.24 in leave cash outs for current employees.
- \$8,242.58 in leave cash outs for terminated employees.
- \$53,535.56 in overtime earnings (see chart for overtime hours by department).

**Overtime hours by department:**

Department	Hours
Administrative Services	
City Attorney's Office	
City Manager's Office	
Community Planning & Development	4.00
Finance	
Fire	416.75
Municipal Court	
Police	135.50
Public Works	281.50
Youth & Family Services	
<b>Total Overtime Hours</b>	<b>837.75</b>

**FTE/LTE COUNTS**

The table below shows the budgeted versus actual counts for Full Time Equivalents (FTEs) and Limited Term Equivalents (LTEs) for the current payroll. Temporary and seasonal employees are not included.

Full Time Equivalents (FTEs)	2021 Budgeted	Actual
Administrative Services	13.50	11.50
City Attorney's Office	2.00	2.00
City Manager's Office	3.50	3.50
Community Planning & Development	16.00	14.00
Finance	7.00	7.00
Fire	32.00	31.00
Municipal Court	3.30	3.30
Police	37.50 <sup>1</sup>	37.50
Public Works	61.30	54.30
Recreation	0.75	0.75
Youth & Family Services	11.43 <sup>2</sup>	11.43
Thrift Shop	1.0	1.0
<b>Total FTEs</b>	<b>188.92</b>	<b>177.28</b>
Limited Term Equivalents (LTEs)	2021 Budgeted	Actual
Community Planning & Development	1.00	1.00
Recreation	2.00	2.00
Youth & Family Services	1.60	0.80
<b>Total LTEs</b>	<b>4.60</b>	<b>3.80</b>
<b>Total FTEs &amp; LTEs</b>	<b>193.52</b>	<b>181.28</b>

<sup>1</sup> 5/18/2021: City Council authorized hire ahead of two officers ([AB 5874](#))

<sup>2</sup> 1/5/2021: City Council authorized increase of 1.37 FTE in YFS ([AB 5795](#))

**RECOMMENDED ACTION**

Approve the August 27, 2021, Payroll Certification (Exhibit 1) in the amount of \$787,176.23 and authorize the Mayor to sign the certification on behalf of the entire City Council.

## CITY OF MERCER ISLAND PAYROLL CERTIFICATION

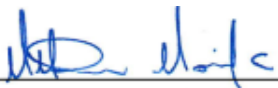
Item 4.

PAYROLL PERIOD ENDING  
PAYROLL DATED8.20.2021  
8.27.2021

Net Cash	\$	525,049.43
Net Voids/Manuals	\$	-
<b>Net Total</b>	<b>\$</b>	<b>525,049.43</b>
Federal Tax Deposit	\$	82,309.90
Social Security and Medicare Taxes	\$	45,926.56
Medicare Taxes Only (Fire Fighter Employees)	\$	2,441.07
State Tax (Oregon)	\$	101.59
Family/Medical Leave Tax (Massachusetts)	\$	1.14
Public Employees' Retirement System (PERS Plan 2)	\$	22,791.24
Public Employees' Retirement System (PERS Plan 3)	\$	5,219.14
Public Employees' Retirement System (PERSJM)	\$	713.03
Public Safety Employees' Retirement System (PSERS)	\$	196.80
Law Enforcement Officers' & Fire Fighters' Retirement System (LEOFF Plan2)	\$	26,777.12
Regence & LEOFF Trust Medical Insurance Deductions	\$	11,236.62
Domestic Partner Medical Insurance Deductions	\$	547.88
Kaiser Medical Insurance Deductions	\$	817.00
Health Care - Flexible Spending Account Contributions	\$	1,570.91
Dependent Care - Flexible Spending Account Contributions	\$	885.76
ICMA Roth IRA Contributions	\$	525.00
ICMA 457 Deferred Compensation Contributions	\$	30,920.33
Fire Nationwide 457 Deferred Compensation Contributions	\$	11,755.00
Fire Nationwide Roth IRA Contributions	\$	1,050.00
ICMA 401K Deferred Compensation Contributions	\$	263.61
Child Support Wage Garnishment	\$	844.49
Mercer Island Employee Association Dues	\$	227.50
AFSCME Union Dues	\$	2,504.75
Police Union Dues	\$	2,550.77
Fire Union Dues	\$	2,098.48
Fire Union Supplemental Dues	\$	154.00
Standard - Supplemental Life Insurance	\$	333.65
Unum - Long Term Care Insurance	\$	819.55
AFLAC - Supplemental Insurance Plans	\$	364.14
Coffee Club Dues	\$	136.00
Transportation - Flexible Spending Account Contributions	\$	62.50
Fire HRA-VEBA Contributions	\$	5,979.54
Oregon Transit Tax and Oregon Benefit Tax	\$	1.73
<b>Tax &amp; Benefit Obligations Total</b>	<b>\$</b>	<b>262,126.80</b>

<b>TOTAL GROSS PAYROLL</b>	<b>\$ 787,176.23</b>
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I, the undersigned, do hereby certify under penalty of perjury that the materials have been furnished, the services rendered or the labor performed as described herein, that any advance payment is due and payable pursuant to a contract or is available as an option for full or partial fulfillment of a contractual obligation, and that the claim is a just, due and unpaid obligation against the City of Mercer Island, and that I am authorized to authenticate and certify to said claim.



Finance Director

I, the undersigned, do hereby certify that the City Council has reviewed the documentation supporting claims paid and approved all checks or warrants issued in payment of claims.



## BUSINESS OF THE CITY COUNCIL CITY OF MERCER ISLAND

**AB 5945**  
**September 21, 2021**  
**Consent Agenda**

### AGENDA BILL INFORMATION

<b>TITLE:</b>	AB 5945: September 10, 2021, Payroll Certification in the amount of \$830,397.53	<input type="checkbox"/> Discussion Only
<b>RECOMMENDED ACTION:</b>	Approve the September 10, 2021, Payroll Certification.	<input checked="" type="checkbox"/> Action Needed: <input checked="" type="checkbox"/> Motion <input type="checkbox"/> Ordinance <input type="checkbox"/> Resolution

<b>DEPARTMENT:</b>	Human Resources
<b>STAFF:</b>	Ali Spietz, Chief of Administration
<b>COUNCIL LIAISON:</b>	n/a
<b>EXHIBITS:</b>	1. September 10, 2021, Payroll Certification
<b>CITY COUNCIL PRIORITY:</b>	n/a

<b>AMOUNT OF EXPENDITURE</b>	\$ n/a
<b>AMOUNT BUDGETED</b>	\$ n/a
<b>APPROPRIATION REQUIRED</b>	\$ n/a

### SUMMARY

This is an approval of the payroll certification for the City of Mercer Island for the period from August 21, 2021, through September 3, 2021, in the amount of \$830,397.53 (see Exhibit 1).

### BACKGROUND

[RCW 42.24.080](#) requires that all claims presented against the City by performing labor must be certified by the appropriate official to ensure that the labor was performed as described, and that the claims are just, due, and unpaid obligations against the City, before payment can be made. [RCW 42.24.180](#) allows the payment of claims to occur prior to City Council approval to expedite processing of the payment of claims, provided, however, that review and approval of the claims' documentation occurs at the next regularly scheduled public meeting.

The Payroll Certification details the total payment to employees for labor performed and benefits payments made for each payroll. The City is on a bi-weekly payroll schedule with payments on every other Friday.

### PAYROLL INFORMATION

Each payroll varies depending on several factors (i.e., number of employees, pay changes, leave cash outs, overtime, etc.) In addition to regular pay for employees, the September 10, 2021, payroll has variants that are outlined at the top of page 2:

**Additional payments:**

- \$7,690.19 in leave cash outs for current employees.
- \$10,022.73 in leave cash outs for terminated employees.
- \$47,851.53 in overtime earnings (see chart for overtime hours by department).
- \$10,696.77 in overtime earnings for two firefighters assisting with the Schneider Springs Wildland Fire; costs to be reimbursed by the State.

**Overtime hours by department:**

Department	Hours
Administrative Services	
City Attorney's Office	
City Manager's Office	
Community Planning & Development	3.50
Finance	
Fire	605.25*
Municipal Court	
Police	111.25
Public Works	215.00
Youth & Family Services	
<b>Total Overtime Hours</b>	<b>935.00</b>

\*182 of these hours are for the Schneider Springs Wildland Fire

**FTE/LTE COUNTS**

The table below shows the budgeted versus actual counts for Full Time Equivalents (FTEs) and Limited Term Equivalents (LTEs) for the current payroll. Temporary and seasonal employees are not included.

Full Time Equivalents (FTEs)	2021 Budgeted	Actual
Administrative Services	13.50	11.50
City Attorney's Office	2.00	2.00
City Manager's Office	3.50	3.50
Community Planning & Development	16.00	14.00
Finance	7.00	7.00
Fire	32.00	31.00
Municipal Court	3.30	3.30
Police	37.50 <sup>1</sup>	37.50
Public Works	61.30	53.30
Recreation	0.75	0.75
Youth & Family Services	11.43 <sup>2</sup>	10.60
Thrift Shop	1.0	1.0
<b>Total FTEs</b>	<b>188.92</b>	<b>175.45</b>

Limited Term Equivalents (LTEs)	2021 Budgeted	Actual
Community Planning & Development	1.00	1.00
Recreation	2.00	2.00
Youth & Family Services	1.60	0.80
<b>Total LTEs</b>	<b>4.60</b>	<b>3.80</b>

<b>Total FTEs &amp; LTEs</b>	<b>193.52</b>	<b>179.45</b>
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<sup>1</sup> 5/18/2021: City Council authorized hire ahead of two officers ([AB 5874](#))

<sup>2</sup> 1/5/2021: City Council authorized increase of 1.37 FTE in YFS ([AB 5795](#))

**RECOMMENDED ACTION**

Approve the September 10, 2021, Payroll Certification (Exhibit 1) in the amount of \$830,397.53 and authorize the Mayor to sign the certification on behalf of the entire City Council.

# CITY OF MERCER ISLAND PAYROLL CERTIFICATION

Item 4.

**PAYROLL PERIOD ENDING** **9.3.2021**  
**PAYROLL DATED** **9.10.2021**

Net Cash	\$ 562,316.12
Net Voids/Manuals	\$ -
<b>Net Total</b>	<b>\$ 562,316.12</b>
Federal Tax Deposit	\$ 89,547.75
Social Security and Medicare Taxes	\$ 47,595.87
Medicare Taxes Only (Fire Fighter Employees)	\$ 2,714.09
State Tax (Oregon)	\$ 138.98
Family/Medical Leave Tax (Massachusetts)	\$ 3.81
Public Employees' Retirement System (PERS Plan 2)	\$ 23,512.42
Public Employees' Retirement System (PERS Plan 3)	\$ 6,163.20
Public Employees' Retirement System (PERSJM)	\$ 713.03
Public Safety Employees' Retirement System (PSERS)	\$ 196.80
Law Enforcement Officers' & Fire Fighters' Retirement System (LEOFF Plan2)	\$ 28,276.11
Regence & LEOFF Trust Medical Insurance Deductions	\$ 11,069.24
Domestic Partner Medical Insurance Deductions	\$ 547.88
Kaiser Medical Insurance Deductions	\$ 817.00
Health Care - Flexible Spending Account Contributions	\$ 1,801.67
Dependent Care - Flexible Spending Account Contributions	\$ 885.76
ICMA Roth IRA Contributions	\$ 525.00
ICMA 457 Deferred Compensation Contributions	\$ 30,434.61
Fire Nationwide 457 Deferred Compensation Contributions	\$ 11,409.30
Fire Nationwide Roth IRA Contributions	\$ 1,050.00
Child Support Wage Garnishment	\$ 844.49
Mercer Island Employee Association Dues	\$ 232.50
AFSCME Union Dues	\$ -
Police Union Dues	\$ -
Fire Union Dues	\$ 2,260.35
Fire Union Supplemental Dues	\$ 166.00
Standard - Supplemental Life Insurance	\$ -
Unum - Long Term Care Insurance	\$ 530.80
AFLAC - Supplemental Insurance Plans	\$ 462.42
Coffee Club Dues	\$ 136.00
Transportation - Flexible Spending Account Contributions	\$ 62.50
Fire HRA-VEBA Contributions	\$ 5,982.08
Oregon Transit Tax and Oregon Benefit Tax	\$ 1.75
<b>Tax &amp; Benefit Obligations Total</b>	<b>\$ 268,081.41</b>

<b>TOTAL GROSS PAYROLL</b>	<b>\$ 830,397.53</b>
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I, the undersigned, do hereby certify under penalty of perjury that the materials have been furnished, the services rendered or the labor performed as described herein, that any advance payment is due and payable pursuant to a contract or is available as an option for full or partial fulfillment of a contractual obligation, and that the claim is a just, due and unpaid obligation against the City of Mercer Island, and that I am authorized to authenticate and certify to said claim.

  
 \_\_\_\_\_  
 Finance Director

I, the undersigned, do hereby certify that the City Council has reviewed the documentation supporting claims paid and approved all checks or warrants issued in payment of claims.

\_\_\_\_\_  
 Mayor Date



## BUSINESS OF THE CITY COUNCIL CITY OF MERCER ISLAND

**AB 5924**  
**September 21, 2021**  
**Consent Agenda**

### AGENDA BILL INFORMATION

<b>TITLE:</b>	AB 5924: Volunteer Appreciation Month Proclamation No. 276	<input type="checkbox"/> Discussion Only
<b>RECOMMENDED ACTION:</b>	Mayor Wong proclaims September 2021, Volunteer Appreciation Month in Mercer Island	<input checked="" type="checkbox"/> Action Needed: <input checked="" type="checkbox"/> Motion <input type="checkbox"/> Ordinance <input type="checkbox"/> Resolution

<b>DEPARTMENT:</b>	City Council
<b>STAFF:</b>	Benson Wong, Mayor Deborah Estrada, City Clerk
<b>COUNCIL LIAISON:</b>	n/a
<b>EXHIBITS:</b>	1. Proclamation No. 276
<b>CITY COUNCIL PRIORITY:</b>	n/a

### SUMMARY

The City of Mercer Island benefits from the generosity and commitment of roughly 800 volunteers who provide their skills and energy to the City's Advisory Boards and Commissions, the Emergency Management Program, Parks and Recreation, Police, and Youth and Family Services, as well as the Mercer Island Thrift Shop. Each year these volunteers provide thousands of hours that contribute to the social and economic well-being of the community. During COVID, despite the countless challenges, volunteers gave of their time and talent to the community and to those at heightened risk.

While we are unable to come together and celebrate, the City Council and staff wish to recognize the tireless efforts of our community volunteers.

### RECOMMENDED ACTION

Mayor Wong proclaims September 2021 Volunteer Appreciation Month in Mercer Island.



## City of Mercer Island, Washington

# Proclamation

**WHEREAS**, over 800 Mercer Island residents volunteer to provide over 10,000 hours of service to the City's Advisory Boards and Commissions, Emergency Management Program, Parks and Recreation, Police, Youth and Family Services, and the Mercer Island Thrift Shop; and

**WHEREAS**, the tremendous power of volunteers and volunteerism has been on dramatic display in our response to the COVID-19 pandemic despite the countless challenges created by the pandemic; and

**WHEREAS**, we have experienced a surge in volunteer support as many residents have stepped forward to give their time and talent to the community, including those at heightened risk; and

**WHEREAS**, every person has something to give, and together, the Mercer Island community can inspire, equip, and mobilize people to take action that positively changes our city, the Puget Sound region, and our world; and

**WHEREAS**, the City cannot do the job alone, but the City – working together with nonprofits and community organizations, the private sector, and the residents of Mercer Island – can make our community stronger; and

**WHEREAS**, we are unable to gather as a community to thank our volunteers in person due to the highly contagious Delta variant of COVID-19; and

WHEREAS,

**NOW, THEREFORE**, I, Benson Wong, Mayor of the City of Mercer Island, do hereby proclaim September 2021, as

## VOLUNTEER APPRECIATION MONTH

in the City of Mercer Island and I encourage all residents and businesses to recognize and thank the hundreds of Island residents who contribute to the betterment of our community.

**APPROVED** this 21<sup>st</sup> day of September 2021

\_\_\_\_\_  
Mayor Benson Wong

Proclamation No. 276





## BUSINESS OF THE CITY COUNCIL CITY OF MERCER ISLAND

**AB 5938**  
**September 21, 2021**  
**Consent Agenda**

### AGENDA BILL INFORMATION

<b>TITLE:</b>	AB 5938: 2021-2022 Work Plan Update	<input checked="" type="checkbox"/> Discussion Only
<b>RECOMMENDED ACTION:</b>	Receive updates to the 2021-2022 work plan.	<input type="checkbox"/> Action Needed: <input type="checkbox"/> Motion <input type="checkbox"/> Ordinance <input type="checkbox"/> Resolution

<b>DEPARTMENT:</b>	City Manager
<b>STAFF:</b>	Jessi Bon, City Manager
<b>COUNCIL LIAISON:</b>	n/a
<b>EXHIBITS:</b>	1. Status Report on Major Work Plan Items 2. All Work Plan Items by Department
<b>CITY COUNCIL PRIORITY:</b>	2. Articulate, confirm, and communicate a vision for effective and efficient city services. Stabilize the organization, optimize resources, and develop a long-term plan for fiscal sustainability.

### SUMMARY

The purpose of this agenda item is to provide a written update to the City Council on the status of the 2021-2022 work plan items.

The COVID-19 pandemic is again impacting the overall City workload. The Emergency Operations Center (EOC) was recently re-activated to Level 2 to address the impacts of the more contagious Delta variant. This activation level provides the resources and structure necessary to coordinate the City's response to the pandemic and to ensure essential City services are sustained. A level 2 EOC activation redirects some staff resources to the EOC and away from other work duties. The City leadership team is actively working to re-prioritize work items and have reflected as many of the changes as possible in the attached Exhibit 1.

The workforce continues to be impacted by the spread of the more contagious COVID-19 Delta variant and many staff teams have been impacted by positive cases and quarantine requirements, despite having a staff vaccination rate of close to 90%.

The competitive job market is also a factor in delivery of work plan items. A number of open positions remain vacant, despite an exhaustive recruitment effort. One example is the vacant Capital Project Manager positions, that have been advertised for the better part of 2021. The staff team continues pursuit of qualified candidates to fill these vacancies and is also exploring alternative options (e.g., contracting) to cover these staff vacancies.

### BACKGROUND

The City's work plan was approved in the [2021-2022 Adopted Budget](#), see also Exhibit 2. At the Mid-Year Planning Session on April 27, 2021, staff presented two streamlined work plan tools to better visualize and track major work plan items ([AB 5858](#)). The Major Work Plan Items visual tracking tool (Exhibit 1) has been

updated to reflect the status of current work items. Highlights of recent accomplishments and an overview of other work items is provided below.

Highlighted Recent Accomplishments:

- **Coordinate with King County jurisdictions on regional growth planning (including growth target development and adoption by the Growth Management Planning Council 2021). (Community Planning & Development)**

Staff work is complete. On July 1, the King County GMPC approved and transmitted the 2021 Countywide Planning Policies (CPPs) and 2021 Urban Growth Capacity Report (UGCR) to the King County Council. This work is necessary to commence the periodic update to the Citywide Comprehensive Plan, which is required to be completed no later than June 2024. Consideration and adoption of the CPPs and UGCR by the King County Council is expected this fall and cities will be asked to ratify prior to the conclusion of 2021.
- **Prepare for the opening of the Sound Transit Light Rail Station in 2023. Work with internal teams and other agencies to ensure safe design and implementation. (City Manager' Office, Fire, Police & Public Works)**

Recent accomplishments include contracting with Sound Transit, Bellevue, and Redmond to train Fire crews for potential emergencies in light rail stations as well as on needed equipment, and accelerating the hiring of two new Police Officers, as approved by the City Council during the 2021-2022 budget process, who will be assigned to the Sound Transit light rail station area.
- **Restore the Citizens Academy, Community Emergency Response Team (CERT), and National Night Out. Conduct one Citizens Academy by Q4 2022.**

Staff virtually revived a number of public outreach programs including Community Emergency Response Team (CERT) training, graduating 20 new emergency management volunteers. Staff supported local National Night Out neighborhood events and launched virtual Paws on Patrol and Neighborhood Watch programs.

Upcoming City Council Review/Action Items:

- **Review and update the City's current budget policies and present new financial management policies to the City Council. (Finance)**

The City has undertaken a significant update to the Citywide financial policies. The Policies serve as a blueprint to draft the biennial budget, achieve goals set forth in the work plans, and strategically direct financial resources towards meeting the City's long-term goals. This project is ahead of schedule with first reading completed on August 31, 2021 and adoption slated for September 21, 2021.
- **Report to Council on implementation of permit fee analysis and level of service analysis. (Community Planning & Development)**

After making several significant changes to the Permit Fee Schedule for 2021 including updated building valuations and hourly permit processing charges, staff will provide City Council with an update on the success of these changes as well as ongoing staff time tracking efforts as part of the second quarter report planned for September 21, 2021.
- **Explore the feasibility and cost effectiveness of contracting with a surrounding jurisdiction for municipal court services by Q3 2021. (Administrative Services, Police, City Attorney's Office, and Municipal Court)**

A multi-department staff team has begun the process of analyzing options for municipal court

delivery services, either by continuing the Mercer Island Municipal Court or by contracting with another area court. Thanks to the Police Department leadership for stepping up to lead this project given the inability to secure a consultant to perform this work. Staff will present findings and recommendations at the October 19, 2021 City Council Meeting.

- **Negotiate new Collective Bargaining Agreements with Police and Police Support (2022-2024); AFSCME (2022-2023); and Fire (2022-2024) bargaining groups. (Administrative Services, City Attorney's Office, and City Manager's Office)**

Staff are in the process of negotiating new collective bargaining agreements with Police, Police Support, and AFSCME and a one-year extension agreement with Fire.

- **Update Animal Control Ordinance in conjunction with the City Attorney's office by Q2 2022.**

Staff presented a draft of the updated Animal Control ordinance on August 31, 2021 and the second reading is scheduled for October 5, 2021.

#### On-Track/Ongoing:

- **Oversee the City's Emergency Response to the COVID-19 Pandemic (All Departments)**  
Continue to oversee and manage the City's response to the pandemic including keeping the City Council and community apprised of city service changes and updates, monitoring current health conditions, and implementing additional protective measures including delaying facility rentals, implementing a capacity cap at the Thrift Shop, delaying City Hall re-opening, and exploring alternative innovative programming.
- **Provide ethics training for all public officials. (City Manager's Office and City Attorney's Office)**  
City Council adopted the updated Code of Ethics on June 16, 2021. A training program for boards and commissions has been developed and will be deployed in October 2021.
- **Defend the 2017 Settlement Agreement with Sound Transit to ensure modifications to North Mercer Way that allow passenger transfers to and from bus and light rail at the East Link Station do not adversely impact traffic patterns or public safety for community residents. (City Attorney and City Manager's Office)**  
The City Attorney and legal team are tasked with holding Sound Transit to the terms of the 2017 Settlement Agreement. There are currently crossclaims and appeals proceedings pending before King County Superior Court and Court of Appeals. This remains a significant work item for the City and requires a considerable amount of staff time and support from outside legal counsel. The City was granted relief via the Court for Sound Transit's discovery misconduct, including reimbursement for fees and costs relating to Sound Transit's failure to produce documents relevant to the case in a timely manner. The City has also appealed the Superior Court's Land Use Petition Act (LUPA) decision to the Court of Appeals, and filed a Notice of Supersedeas to stay, while the appeal is pending, the Superior Court's LUPA decision ordered the City to issue permits to Sound Transit for the construction of bus layover on the north side of North Mercer Way.
- **Work with Sound Transit on design, plan review, and installation of fire suppression systems for the light rail station by 2023. (Fire)**  
The Fire Marshal and Fire Department Leadership continue to work with Sound Transit on safety and fire suppression systems and requirements for the light rail station. Fire alarm, fire sprinkler, and clean agent systems will be finalized soon. Work is also underway on maintenance and operations agreements for installed hydrants. Fire sprinkler and standpipe systems testing and flushing have been completed. Access gates are being permitted and installed. This work will continue until 2023.

- **Prepare for the new light rail station, to include police response protocols and pedestrian and vehicles safety considerations. (Police)**

The Department accelerated the hiring of two new police officers, as approved by the City Council during the 2021-2022 budget process, who will be assigned to the Sound Transit light rail station area.

- **Administer the Sound Transit Settlement Agreement to include tracking of appropriations and expenditures, contract management, and submission of invoices. (City Manager's Office and Finance)**

The ongoing tracking and invoicing of costs incurred by the City for which the City is eligible for reimbursement under the 2017 Settlement Agreement with Sound Transit. Significant reimbursements during this period include enhancements to traffic safety to offset the impact of the Mercer Island Station such as a new crosswalk construction near West Mercer Elementary School.

- **Develop a strategy and evaluate options to upgrade the technology in Council Chambers to allow for Councilmembers and/or staff to participate remotely if unable to attend a meeting in-person. (City Manager's Office and Others)**

Staff have installed necessary technology and worked through technical issues to allow for hybrid (in-person and remote) participation at public meetings, when feasible.

- **Conduct a Citywide Classification & Compensation Study. (Administrative Services)**

The Classification and Compensation Study examines and evaluates the City's current salary schedule for non-represented employees, develops a classification system for all positions, and recommends improvements or changes to be implemented. Phase one of the study is underway; the consultant is reviewing and editing job descriptions for all non-represented positions. Phase two of the study which entails completing a market analysis for the positions, is set to be complete by the end of the first quarter 2022. City Council policy review is anticipated in early 2022.

- **Develop a citywide compensation policy and philosophy subject to review and approval by the City Council. (Administrative Services and All Departments)**

The City is scheduled to develop a citywide compensation policy and philosophy to follow best practices and industry standards. The project's start has been pushed to the second quarter of 2022, after completion of the Citywide Classification & Compensation Study.

- **Conduct a public engagement process to solicit input to rewrite the Economic Development Element of the Comprehensive Plan (per supplemental goal 3.12). (Community Planning & Development)**

Staff are preparing a budget request to fund a robust public engagement process for the Economic Development portion of the Comprehensive Plan update. The City Council will have a chance to review the budget request this fall.

- **Conduct a request for proposals by Q3 2021 to assess and evaluate software solutions to upgrade or replace the City's financial management system. Purchase and implement Enterprise Resource Planning Software by Q4 2022. (Finance)**

The City's current accounting software has not had a significant update in over sixteen years. To replace the software, the City developed a scope of work and issued a request for proposals (RFP) to evaluate alternative financial accounting software solutions. The RFP closed on September 14, 2021. Staff are evaluating the proposals and are on target to select a preferred software vendor by the end of November 2021.

- **Utilize Mobile Integrated Health (MIH) funds from King County Emergency Medical Services (KCEMS) to implement a MIH program, or contract with Bellevue Fire Department CARES program for Mercer Island residents pending consideration and acceptance by the City Council by Q2 2021. (Fire and Youth and Family Services)**

A six-year King County levy provides funding to local fire departments to establish a Mobile Integrated Healthcare (MIH) program designed to address the needs of low-acuity 9-1-1 callers and vulnerable community members. Beginning in January 2022, Fire crews, in partnership with Mercer Island Youth and Family Services (YFS), will deploy a set of programs and systems to connect community members accessing the emergency medical services to an array of health and social services.

- **Continue to ensure the Police Department complies with State accreditation standards and achieve reaccreditation in Q3 2021. (Police)**

Every four years the Police Department undergoes a comprehensive accreditation process managed by the Washington Association of Sheriffs and Police Chiefs (WASPC). The accreditation reviews 134 standards in the areas of Use of Force, Code of Conduct, Health and Safety, and more. The assessment helps ensure that Department policies meet the best practices and standards. The on-site review and assessment (virtual this year) is scheduled for September 15, 2021. The outcome will be announced shortly after.

- **Collaborate with public safety partners to acquire and implement the Puget Sound Emergency Radio Network (PSERN) for public safety communications by Q4 2022. (City Manager's Office, Police & Fire)**

The Puget Sound Emergency Radio Network Operator (PSERN) is scheduled to replace the current emergency radio communications system used by Mercer Island, Bellevue, Issaquah, and other King County communities. The project is currently in Phase 2, focused on building infrastructure (buying and implementing radios) and hiring a director. Deployment of the system could be as early as the end of 2021 or beginning of 2022 with a fully operational system by the end of 2022.

- **Complete the Parks, Recreation and Open Space (PROS) Plan by Q2 2022. (City Manager's Office and Public Works)**

Work on the Parks, Recreation, and Open Space (PROS) Plan was revived in 2021 after a delay due to the Pandemic. A second community survey closes on September 17, 2021. The second survey has brought in over 1,200 responses – 790 online and 462 mail/print – as of September 14. The Parks and Recreation Commission has begun review of specific chapters of the draft PROS Plan, including the draft Capital Facilities Plan, and is expected to continue into Q4 2021. It is anticipated the City Council will review and adopt the PROS Plan in early 2022.

- **Implement the Supervisory Control and Data Acquisition Project ("SCADA" Project) by Q4 2022. (Public Works)**

The City's water distribution and sewer systems are monitored and controlled remotely by equipment commonly referred to as, Supervisory Control and Data Acquisition ("SCADA"). Construction has begun, including installation of hardware required for communications at five water sites. The water system is anticipated to be completed by Q2 2022 (due to material and manufacturer delays as a result of the pandemic). A bid for the next phase of the project, upgrading the sewer utility system, will be issued in the fourth quarter of 2021 for construction in 2022.

- **Complete the Water Meter Replacement Project by Q4 2022. (Public Works)**

The City is replacing residential water meters as well as upgrading the technology that reads and analyzes the water meters. The Project Team has been working to conclude the technology

propagation study and the contract negotiations with City's preferred vendor are nearing completion. Construction is anticipated to begin in the fourth quarter of 2021 or in early 2022.

- **Complete the ADA Transition Plan by Q4 2022. (Public Works)**

The City is developing an ADA Transition Plan to identify, prioritize, and remove barriers, specifically for those with disabilities. A public engagement process launched in the second quarter of 2021 with an online open house and community survey. The plan is under development throughout the fall of 2021 with a published version in early 2022.

- **Continue work on the Thrift Shop operations recovery plan with a goal of gradually expanding retail sales and donations processing per the guidelines of the Governor's Safe Start Plan. Prepare budget proposals for City Council review and consideration as recovery progresses. (City Manager's Office, Administrative Services, Finance and Youth & Family Services)**

The Thrift Shop division was able to implement early phases of the operations recovery plan by expanding operations in August to five days a week. Donations are still being collected and managed at the MICEC once a week. A donation bin was added to the south end of the Island and plans for donation bins at additional locations around the City are underway. Additional staff were brought on as in-person and online operations expanded. An informal Advisory Group was established to continue planning for a full Thrift Shop recovery.

- **Implement 2021 sustainability work plan as adopted on March 2, 2021. (Public Works)**

The 2021-2022 adopted budget included a full-time position focused on sustainability initiatives. Although the position was filled in early 2021, the person filling this role continued to provide support for Citywide Communications through early summer 2021. Now working at full capacity, the new Sustainability Analyst has begun work on sustainability initiatives including incorporating sustainability best practices in City operations/maintenance, and capital improvement projects; meeting GHG emission targets; restarting the sustainability committee; and scoping the Sustainability and Climate Action Plan.

#### Delayed Work Items:

- **Delayed to 2022: Continue implementation of HRIS software (NEOGOV) to centralize employee data, payroll, and benefits. This work is ongoing. (Administrative Services)**

The Human Resources staff team is continuing to work with the vendor to set up and implement HRIS software (NEOGOV). Implementation of this work is critical to deploying a number of process improvements. The challenge with implementation is that the Human Resources team is inundated with current recruitment work, other policy matters, and overseeing a wide variety of COVID-19 personnel impacts. The City Manager is seeking an appropriation at the September 21, 2021 City Council meeting to fund an additional limited-term Human Resources staff position through the end of 2022. This will help to address the backlog of work items and ensure NEOGOV implementation is completed. Next steps in the process include deploying the new software, training staff, and identifying technical issues, with full implementation now anticipated for mid- to late-2022.

- **Delayed to 2022: Create a master fee schedule for City Council adoption (includes CPD planning and permitting, impact, licensing, and parks fees) by the end of Q1 2022. (Administrative Services)**

Due to demands on staff this project has been moved to 2022. A master fee schedule will be ready to adopt by the end of the third quarter of 2022.

- Delayed: Work with the City Council and staff on the transition to in-person meetings. The City Council is currently meeting remotely due to restrictions related to the COVID-19 Pandemic. The timing to resume in-person meetings is currently unknown. (City Manager's Office)**

Staff are prepared to return to in-person meetings as soon as it is safe to do so. Audio and video technology in the Council Chambers has been upgraded to allow for hybrid (in-person and remote) participation. Staff are working to integrate remaining enhancements in Council Chambers to improve City Council and audience experience.
- Delayed to early 2022: Prepare a recommendation to the City Council regarding the future use of the Tully's Property, acquired by the City in 2020. The City Council directed staff to suspend work on a mixed-use and commuter parking project proposed this site in 2020. This discussion is planned for 2021. (City Manager's Office)**

Staff continue to work with counterparts at the Washington Department of Transportation (WSDOT) on matters related to the acquisition of Parcel 12 and Parcel A-2 and are preparing to provide a full update to the City Council later this year. A next steps discussion is planned for the first quarter of 2022.
- Partially Delayed: Develop a transition plan to re-open the Mercer Island Community and Event Center (MICEC) and restore recreation programs and services. (Parks & Recreation)**

Implementation of the earliest phases of the transition and re-opening plan for the Community and Event Center and recreation programs and services began in the summer of 2021. In June 2021, the MICEC opened its doors to Mercer Island youth for summer camp. In August 2021, MICEC staff welcomed community members for open gym. In late August 2021, the Parks and Recreation Division hosted its first event in over a year – Mostly Music in the Park. Three outdoor events had been scheduled but two were canceled due to increasing COVID-19 cases. Staff continue to develop and modify the transition and re-opening plan due to the changes in the Pandemic.
- Delayed to 2022: Administer a community-wide survey to understand community needs/wants related to business offerings, parking, walkability, and other issues concerning Town Center. (Community Planning & Development)**

The community-wide business survey has been temporarily delayed due to lack of staff capacity related to the sequencing and priority of other projects. The survey is now scheduled in 2022 as part of the Comprehensive Plan update. Results from this resident survey will support efforts to develop the new Economic Development Element for the Comprehensive Plan.
- Hire a Senior Policy Analyst position to address land use policy including code amendments and comprehensive plan updates beginning July 2021. (Community Planning & Development)**

Included as part of the 2021-2022 approved budget, the City began recruiting for a Senior Policy Analyst who will support policy work related to code amendments, comprehensive plan updates, and more. The initial recruitment for the position commenced earlier this year. The City is currently undertaking a second recruitment process to fill this role.

The next update to the Work Plan is scheduled for the beginning of 2022.

## RECOMMENDED ACTION

Receive report.



# City of Mercer Island

## 2021-2023 Work Plan and Projects Outlook

				2021				2022				2023			
Project	PROGRESS	START	END	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Administrative Services															
Create a master fee schedule for City Council adoption (includes CPD planning and permitting, impact, licensing, and parks fees) by the end of Q1 2022.	0%	Oct-21	Mar-22						Expected Completion						
Assist in updating citywide policies regarding finances, purchasing, utility billing policies, fleet, and others.	40%	Jan-21	Dec-22									Expected Completion			
Explore the feasibility and cost effectiveness of contracting with a surrounding jurisdiction for municipal court services by Q3 2021.	10%	Mar-21	Sep-21				Expected Completion								
Continue implementation of HRIS software (NEOGOV) to centralize employee data, payroll, and benefits. This work is ongoing.	60%	Jan-21	Jun-22							Expected Completion					
Negotiate new Collective Bargaining Agreements with Police and Police Support (2022-2024); AFSCME (2022-2023); and Fire (2022-2024) bargaining groups.	25%	Jan-21	Dec-21					Expected Completion							
Conduct a Citywide Classification & Compensation Study.	35%	Feb-21	Jan-22						Expected Completion						
Develop a citywide compensation policy and philosophy subject to review and approval by the City Council by the end of Q3 2021.	0%	Apr-22	Sep-22							Expected Completion					
Research and present options for the City Council's biennial public opinion survey; collaborate on promotion and assist with distribution and explanation of results. Conduct a biennial public opinion survey in 2022 to inform the 2023-2024 budget process.	0%	Oct-21	Jan-22							Expected Completion					
City Attorney's Office															
Defend the 2017 Settlement Agreement with Sound Transit to ensure modifications to North Mercer Way that allow passenger transfers to and from bus and light rail at the East Link Station do not adversely impact traffic patterns or public safety for community residents.	65%	Jan-21	Ongoing												
Continue to oversee the City’s emergency response to the COVID-19 Pandemic (Pandemic). Participate in regular EOC meetings to review and provide direction on operational strategies and to address urgent issues.	Ongoing	Mar-20	Ongoing												
City Manager's Office															
Implement the organizational structure as approved in the 2021-2022 budget.	Ongoing	Jan-21	Jul-21				Expected Completion								
Prepare for the opening of the Sound Transit Light Rail Station in 2023. Work with internal teams and other agencies to ensure safe design and implementation.	25%	Jan-21	Jun-23												
Administer the Sound Transit Settlement Agreement to include tracking of appropriations and expenditures, contract management, and submission of invoices.	Ongoing	Jan-21	Ongoing												



Project	PROGRESS	START	END	2021				2022				2023			
				Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Continue to oversee the City's emergency response to the COVID-19 Pandemic (Pandemic). Participate in regular EOC meetings to review and provide direction on operational strategies and to address urgent issues.	Ongoing	Mar-20	Ongoing												
Work with the City Council and staff on the transition to in-person meetings. The City Council is currently meeting remotely due to restrictions related to the COVID-19 Pandemic. The timing to resume in-person meetings is currently unknown.	90%	Jan-21	Ongoing												
Develop a strategy and evaluate options to upgrade the technology in Council Chambers to allow for Councilmembers and/or staff to participate remotely if unable to attend a meeting in-person.	100%	Jan-21	Sep-21				Complete								
Provide ethics training for all public officials.	25%	Jan-21	Dec-23												
Prepare a recommendation to the City Council regarding the future use of the Tully's Property, acquired by the City in 2020. The City Council directed staff to suspend work on a mixed-use and commuter parking project proposed this site in 2020. This discussion is planned for 2021.	10%	Jan-21	Dec-21												
<b>Community Planning and Development</b>															
Implement organizational improvements based on the permit fee revisions and the department assessment to better align department service levels with permit revenues while optimizing service delivery by Q4 2022.	50%	Jan-21	Dec-22									Expected Completion			
Prioritize staff focus on highest value plan review, inspection, and enforcement objectives.	50%	Jan-21	Ongoing												
Coordinate with King County jurisdictions on regional growth planning (including growth target development and adoption by the Growth Management Planning Council 2021).	90%	Jan-21	Dec-21					Expected Completion							
Report to Council on implementation of permit fee analysis and level of service analysis.	0%	Jan-21	Dec-21					Expected Completion							
Major Comprehensive Plan Update: begin work on the full update that is required every nine years in Q3 2022. A 24-month review process will include public engagement, Planning Commission review, and City Council adoption by Q2 2024. Included in this update will be substantial rewrites of the Economic Development Element and the Housing Element/Housing Needs Assessment.	5%	Jan-21	Jun-23												Expected Completion
Hire a Senior Policy Analyst position to address land use policy including code amendments and comprehensive plan updates beginning July 2021.	5%	May-21	Jul-21				Expected Completion								
Administer a community-wide survey to understand community needs/wants related to business offerings, parking, walkability, and other issues concerning Town Center.	0%	Mar-22	Oct-22							Expected Completion					
Conduct a public engagement process to solicit input to rewrite the Economic Development Element of the Comprehensive Plan (per supplemental goal 3.12).	0%	Jan-22	Dec-22									Expected Completion			
<b>Finance</b>															
Conduct a request for proposals by Q3 2021 to assess and evaluate software solutions to upgrade or replace the City's financial management system.	100%	Jan-21	Sep-21			Complete									
Purchase and implement Enterprise Resource Planning Software by Q4 2022.	16%	Jan-21	Dec-22									Expected Completion			

Project	PROGRESS	START	END	2021				2022				2023			
				Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Review and update the City's current budget policies and present new financial management policies to the City Council.	90%	Mar-21	Sep-21				Expected Completion								
Develop the 2023-2024 biennial budget with a new format by Q3 2022.	0%	Jan-22	Oct-22									Expected Completion			
Transition to monthly financial reports by Q4 2022. Implementation of this goal is tied to procurement and implementation of the new financial software.	0%	Mar-22	Dec-22									Expected Completion			
<b>Fire</b>															
Deploy personnel and resources in an efficient and effective manner to remain responsive to community needs during the current COVID-19 Pandemic.	Ongoing	Jan-21	Ongoing												
Utilize Mobile Integrated Health (MIH) funds from King County Emergency Medical Services (KCEMS) to implement a MIH program, or contract with Bellevue Fire Department CARES program for Mercer Island residents pending consideration and acceptance by the City Council by Q2 2021.	50%	Jan-22	Dec-22									Expected Completion			
Work with Sound Transit on design, plan review, and installation of fire suppression systems for the light rail station by 2023.	50%	Jan-21	Mar-23									Expected Completion	Expected Completion		
Develop lesson plans for approximately 10 public education related topics (Home Safety, Exit Drills, Smoke Detector Education, etc.) by Q4 2022.	15%	Jan-21	Dec-22									Expected Completion			
<b>Municipal Court</b>															
Explore the feasibility and cost effectiveness of contracting with a surrounding jurisdiction for municipal court services by Q3 2021. This work item is included in the Administrative Services Department and is included for reference here.	10%	Mar-21	Sep-21								Expected Completion				
<b>Police Department</b>															
Update Animal Control Ordinance in conjunction with the City Attorney's office by Q2 2022.	30%	Jan-21	May-22									Expected Completion			
Prepare for the new Light Rail station, to include response protocols and pedestrian and vehicles safety considerations. This work is ongoing.	50%	Jan-21	Dec-23												
Continue to ensure the Department complies with State accreditation standards and achieve reaccreditation in Q3 2021.	50%	Jan-21	Dec-21				Expected Completion								
Collaborate with public safety partners to acquire and implement the Puget Sound Emergency Radio Network (PSERN) for public safety communications by Q4 2022.	80%	Jan-21	Dec-22									Expected Completion			
Work with regional partners to develop "lessons learned" from the COVID-19 Pandemic to prepare for future pandemic outbreaks. Update the City's Pandemic plan.	25%	Jan-21	Dec-22									Expected Completion			
Restore the Citizens Academy, Community Emergency Response Team (CERT), and National Night Out. Conduct one Citizens Academy by Q4 2022.	75%	Jan-21	Dec-22									Expected Completion			

				2021				2022				2023				Item
Project	PROGRESS	START	END	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	
Public Works																
Complete the Parks, Recreation and Open Space (PROS) Plan by Q2 2022.	<div><div></div></div> 50%	Jan-21	Apr-22									Expected Completion				
Develop and adopt the Transportation Improvement Program (TIP) by July each year.	<div><div></div></div> 50%	Jan-21	Ongoing													
Implement the Supervisory Control and Data Acquisition Project (“SCADA” Project) by Q4 2022.	<div><div></div></div> 50%	Jan-21	Dec-22									Expected Completion				
Complete the Water Meter Replacement Project by Q4 2022.	<div><div></div></div> 25%	Jul-21	Dec-22									Expected Completion				
Complete the Risk & Resiliency Assessment by Q2 2021.	<div><div></div></div> 100%	Jan-21	Jun-21			Expected Completion										
Update the Emergency Response Plan (RRA & ERP Plan) by Q4 2021.	<div><div></div></div> 50%	Jan-21	Dec-22					Expected Completion								
Continue with ongoing soil and groundwater remediation at the former Honeywell Site and City Maintenance facility. Compliance is necessary to obtain a No Further Action letter from Department of Ecology.	<div><div></div></div> 75%	Jan-21	Mar-23											Expected Completion		
Complete the ADA Transition Plan by Q4 2022.	<div><div></div></div> 25%	Jan-21	Dec-22									Expected Completion				
Complete the Site Characterization for soil and groundwater at Fire Station 91 by Q4 2022.	<div><div></div></div> 75%	Jan-21	Dec-22									Expected Completion				
Implement 2021 sustainability work plan as adopted on March 2, 2021.	<div><div></div></div> 25%	Jan-21	Dec-21					Expected Completion								
Parks & Recreation																
Work with the City Manager’s office to develop a transition plan to re-open the Mercer Island Community and Event Center (MICEC) and restore recreation programs and services.	<div><div></div></div> 75%	Jan-21	Dec-22									Expected Completion				
Continue to administer the grant and other reimbursement programs related to the COVID-19 Pandemic. This work is ongoing.	<div><div></div></div> 25%	Mar-20	Ongoing													
Youth and Family Services																
Work with the City Council on a recovery plan for YFS services, continue to partner and collaborate with the YFS Foundation on community fundraising campaigns, and develop a recommendation to establish and grow a YFS Reserve Fund. This work is ongoing.	<div><div></div></div> 25%	Jan-21	Dec-23													
Transition YFS operations to ensure compliance with HIPAA standards by Q4 2022.	<div><div></div></div> 25%	Apr-21	Dec-22									Expected Completion				
Complete the update to the YFS policy and procedures manual Q4 2022. Policies related to financial assistance programs may require City Council review and approval.	<div><div></div></div> 0%	Oct-21	Dec-22									Expected Completion				

Project	PROGRESS	START	END	2021				2022				2023			
				Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Continue work on the Thrift Shop operations recovery plan with a goal of gradually expanding retail sales and donations processing per the guidelines of the Governor’s Safe Start Plan. Prepare budget proposals for City Council review and consideration as recovery progresses. This work is ongoing.	50%	Jan-21	Dec-22									Expected Completion			

# 2021-2022 Biennial Budget Work Plans by Department

Administrative Services.....	2
City Attorney's Office.....	4
City Council.....	5
City Manager's Office.....	6
Community Planning & Development.....	8
Finance.....	10
Fire.....	12
Municipal Court.....	14
Police.....	14
Public Works.....	16
Recreation Recovery Team.....	18
Youth and Family Services.....	19

# Administrative Services

## 1. Goal: Stabilize the organization, optimize resources, and develop a long-term plan for fiscal sustainability.

- 1.1 Create a master fee schedule for City Council adoption (includes CPD planning and permitting, impact, licensing, and parks fees) by Q4 2021.
- 1.2 Assist in updating citywide policies regarding finances, purchasing, utility billing policies, fleet, and others.
- 1.3 Develop a citywide compensation policy and philosophy subject to review and approval by the City Council by Q4 2021.
- 1.4 Explore the feasibility and cost effectiveness of contracting with a surrounding jurisdiction for municipal court services by Q3 2021.

## 2. Goal: Coordinate and oversee the internal and support services and teams for the City of Mercer Island

- 2.1 Work with the City Manager's Office and the Finance Department to prepare the 2023-2024 budget recommendation.
- 2.2 Launch and manage the City's Customer Service Team.
- 2.3 Lead citywide customer service initiative, including trainings for employees, focusing on improving and strengthening overall customer experience for internal and external customers.
- 2.4 Coordinate citywide efforts on diversity, equity, and inclusion practices for City staff.
- 2.5 Develop procedures and establish training schedule for confidential Personnel and Privileged correspondence.
- 2.6 Review and update the Mayor's Emergency Powers code (MICC 9.40).
- 2.7 Schedule annual trainings and consultation for diversity, equity, and inclusion practices for employees and officials.

## 3. Goal: Administer uniform Human Resources policies, procedures, and programs and process the payroll for all City employees.

- 3.1 Complete implementation of the semi-monthly payroll process. The transition from bi-weekly to semi-monthly payroll began in Q4 2020.
- 3.2 Continue implementation of HRIS software (NEOGOV) to centralize employee data, payroll, and benefits. This work is ongoing.
- 3.3 Negotiate new Collective Bargaining Agreements with bargaining groups in 2021:
  - 3.3.1 Police and Police Support bargaining groups by for the years 2022 through 2024.
  - 3.3.2 AFSCME bargaining group by for the years 2022 through 2023.
  - 3.3.3 Fire bargaining group by for the years 2022 through 2024.
- 3.4 Continue to monitor near-term retirements and coordinate with department directors on succession planning strategies. This work is ongoing.
- 3.5 Administer citywide training programs and the employee survey.

## Administrative Services Work Plan Cont.

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- 3.6 Manage the citywide performance evaluation process and employee recognition and service award programs. This work is ongoing.
- 3.7 Review and digitize Human Resources records, identifying destruction and/or archival requirement. This work is ongoing.
- 3.8 Continue to assist with time-tracking related to the COVID-19 Pandemic. Ensure staff hours are recorded to meet FEMA and other grant requirements.
- 3.9 Conduct a Citywide Classification & Compensation Study.
- 4. Goal: Provide excellent support and management of the City's technology, operations, and initiatives and the City's Geographic Information System and related products and services.**
  - 4.1 Implement technology projects in the 2021-2022 Capital Improvement Plan, including a new financial system (pending budget proposal) and upgrades to the permitting system.
  - 4.2 Assist staff to identify, prioritize and bid technology projects for the 2021-2022 biennium.
  - 4.3 Mitigate and respond to cyber and information security risks, complete cyber security audits, and conduct ongoing training for City employees on cyber and information security.
  - 4.4 Ensure that mobile computer systems in emergency vehicles and field reporting systems are dependable, well-maintained, and functional.
  - 4.5 Continue to provide technology support for remote meetings (City Council, Boards and Commissions, etc.) due to the COVID-19 Pandemic.
  - 4.6 Procure, implement, maintain, and support all information and technology infrastructure, systems, and software that enables City service delivery to the public.
  - 4.7 Continue with maintenance and administration of online map services to ensure WebGIS, Cityworks, and Online maps are operational.
  - 4.8 Continue to maintain and enhance Esri and Latitude GeoCortex software including procurement, licensing, and administration to ensure WebGIS and GIS software are operational
- 5. Goal: Provide a single and centralized location for Mercer Island residents, businesses, and visitors to access City services**
  - 5.1 Continue the work started by the EOC Call Center to transition to a centralized Customer Service Team to provide excellent citywide customer service by phone, email, and in-person.
  - 5.2 Implement the customer relationship management (CRM) software to track and manage customer interactions.
  - 5.3 Provide a consistent customer service experience, while creating efficiencies and reducing redundancies.

## Administrative Services Work Plan Cont.

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- 5.4 Decrease the steps it takes the customer to get what they want/need (clicks, emails, phone calls, etc.) Track progress through data collection and establish performance objectives.
  - 5.5 Provide one-stop shopping and relieve multiple staff teams from working on the same request.
  - 5.6 Provide citywide support for the re-opening of City facilities and the transition back to in-person services as COVID-19 restrictions allow.
- 6. Goal: Plan, organize, and supervise the City's community outreach efforts and media relations to educate residents and encourage informed input from the Mercer Island community.**
- 6.1 Develop and manage communications plans and provide support or outreach/engagement management for other departments.
  - 6.2 Research and present options for the City Council's biennial public opinion survey; collaborate on promotion and assist with distribution and explanation of results.
  - 6.3 Maintain range of communications tools (website, Let's Talk, social media, MI Weekly, news releases, etc.)
  - 6.4 Ensure consistent branding of outreach materials across departments.
  - 6.5 Administer the City's website, adding news and calendar items, updating content, and designing new webpages as needed. Continue citywide training to ensure department staff are regularly updating and monitoring website content.
  - 6.6 Continue communications regarding the citywide emergency response to the COVID-19 Pandemic including maintaining and updating the Let's Talk page and website with current and relevant information.
  - 6.7 Conduct a biennial public opinion survey in 2022 to inform the 2023-2024 budget process.

## City Attorney's Office

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- 1. Provide legal advice and guidance to the City Council, the City Manager, and City departments, as well as boards and commissions.**
  - 1.1. Conduct legal research for civil matters, and ensure actions taken by the City are consist with state and federal laws.
  - 1.2. Attend City Council meetings, Executive Sessions, and other meetings as needed; provide legal guidance and advice.
  - 1.3. Prepare draft ordinances for City Council consideration and adoption as City law.



## City Attorney's Office Work Plan Cont.

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- 1.4. Negotiate contracts in a variety of areas, including ROW franchises, real estate and development services, land use, environmental law, public works, and professional services.
- 1.5. Manage administrative claims and advise the City Manager and departments on risk management. Reviews incident reports City-wide for potential liability. The City receives an average of 23 claims and 80 incident reports per year.
- 2. Support comprehensive efforts relating to the future of the Bus/Rail Interchange along North Mercer Way.**
  - 2.1. Defend the 2017 Settlement Agreement with Sound Transit to ensure modifications to North Mercer Way that allow passenger transfers to and from bus and light rail at the East Link Station do not adversely impact traffic patterns or public safety for community residents.
- 3. Represent the City in civil litigation and prosecution of criminal citations.**
  - 3.1. Advise and represent the City in civil lawsuits, administrative appeals, and employment matters.
  - 3.2. Monitor and enforce terms of the Sound Transit Settlement Agreement.
  - 3.3. Manage representation and work assigned to outside legal counsel.
  - 3.4. Oversee prosecution of misdemeanor citations issued by the Mercer Island Police Department and management of criminal cases and infractions before the City's municipal court.
  - 3.5. Administer contracts for prosecutorial and public defense services.
- 4. Respond to public records requests pursuant to Public Records Act.**
  - 4.1. Coordinate timely response to public records requests.
  - 4.2. Ensure compliance with the Public Records Act and proper application of exemptions.
  - 4.3. Stay current with changes to public records laws and provide training to staff.

## City Council

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- 1. Prepare for the impacts of growth and change with a continued consideration on environmental sustainability.**
- 2. Articulate, confirm, and communicate a vision for effective and efficient city services.**
  - 2.1. Stabilize the organization, optimize resources, and develop a long-term plan for fiscal sustainability
- 3. Implement and economic development program.**
- 4. Provide emergency response services related to the COVID-19 Pandemic.**

# City Manager's Office

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## 1. Goal: Stabilize the organization, optimize resources, and develop a long-term fiscal sustainability plan.

- 1.1 Implement the organizational structure as approved in the 2021-2022 budget.
  - 1.1.1 Continue to work towards filling interim/vacant director positions.
  - 1.1.2 Provide support to the organization to ensure succession planning remains a priority to address upcoming retirements.
  - 1.1.3 Emphasize building and developing future leaders throughout the organization through continuing education, cross-training, and identifying other opportunities for professional growth.
- 1.2 Continue work on long-term financial strategies; revisit policies related to the long-term forecast, reserves, and operating contingencies.
  - 1.2.1 Work with the City Council to evaluate options for the Luther Burbank Park maintenance and operations levy that ends in 2023.
  - 1.2.2 Provide support to the YFS Working Group, a partnership of the YFS Foundation and the City, in developing a recommendation on long-term funding strategies for YFS services. This work is ongoing with a recommendation tentatively scheduled for Q1 2021. Refinement of the goals and objectives of the YFS Working Group is subject to further direction by the City Council.
  - 1.2.3 Provide support to the Finance Department and Administrative Services Department in developing and revising numerous financial and operational policies.
- 1.3 Provide leadership support and direction on specific projects and work items to stabilize the organization and the staffing structure. These projects include:
  - 1.3.1 Assist the Recreation Transition Team in developing the service recovery plan for the Mercer Island Community and Event Center and recreation programs and services. Work will commence Q4 2020 with City Council initial review planned for early Q2 2021.
  - 1.3.2 Continue to support work on the Thrift Shop operations recovery plan with a goal of gradually expanding retail sales and donations processing per the guidelines of the Governor's Safe Start Plan. Prepare budget proposals for City Council review and consideration as recovery progresses. This work is ongoing.
  - 1.3.3 Support the Community Planning and Development Department in the fee study and staffing analysis.
- 1.4 Prepare and transmit a 2023-2024 biennial budget recommendation to include policy revisions and updates at the direction of the City Council.

## City Manager's Office Work Plan Cont.

### **2. Goal: Prepare for the impacts of growth and change with a continued consideration on environmental sustainability**

- 2.1 Prepare for the opening of the Sound Transit Light Rail Station in 2023. Work with internal teams and other agencies to ensure safe design and implementation.
- 2.2 Administer the Sound Transit Settlement Agreement to include tracking of appropriations and expenditures, contract management, and submission of invoices.

### **3. Goal: Provide emergency response services related to the COVID-19 Pandemic**

- 3.1 Continue to oversee the City's emergency response to the COVID-19 Pandemic (Pandemic). Participate in regular EOC meetings to review and provide direction on operational strategies and to address urgent issues.
- 3.2 Continue to work with the Finance Department to address the financial impacts of the Pandemic. Ensure other Departments have the supplies and resources needed to meet safety and operational requirements.
- 3.3 Revisit policies and operations plans to address emerging needs.

### **4. Goal: Provide leadership and planning support to the City Council.**

- 4.1 Work with the City Council and staff on the transition to in-person meetings. The City Council is currently meeting remotely due to restrictions related to the COVID-19 Pandemic. The timing to resume in-person meetings is currently unknown.
- 4.2 Manage the City Council Planning Schedule to ensure timely delivery of work plan items. Evaluate the need for Special Meetings and "Joint Meetings" with other boards or governing bodies.
- 4.3 Provide support to the City Council in setting the agendas and preparing for the Annual Planning Session and Mid-Year Planning Session. Work with the City Council to address planning session formats given the ongoing impacts of COVID-19 and the limitations on in-person meetings.
- 4.4 Prepare the annual legislative priorities with direction from the City Council. Respond to legislative activity at the State and Federal level.
- 4.5 Advertise, recruit, and fill vacancies for the City's boards and commissions. Update rosters, initiate and track Open Public Meetings Act (OPMA) and Public Records Act (PRA) training needs, ensure Code of Ethics compliance, and train support staff.
- 4.6 Evaluate whether or not to continue the Sustainability Committee, which is a sub-committee of the City Council.
- 4.7 Develop a strategy and evaluate options to upgrade the technology in Council Chambers to allow for Councilmembers and/or staff to participate remotely if unable to attend a meeting in-person.
- 4.8 Provide ethics training for all public officials. Identify a Washington Cities Insurance Authority (WCIA) training consultant, establish curriculum that supports the adopted Code of Ethics, and develop a training schedule.

## City Manager's Office Work Plan Cont.

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- 4.9 Manage the transition of codifiers to meet the growing codification needs, increase transparency, and improve user functionality.
- 5. Goal: Continue Citywide application and education of records retention schedules and procedures.**
  - 5.1 Develop a policy that outlines the minimum requirements to lawfully destroy paper records after conversion to a digital format, ensuring access to, and retrieval of, digital images throughout the minimum retention period.
  - 5.2 Review and identify destruction and/or archival requirements for records. Provide support and training to City departments for records retention.
  - 5.3 Develop a citywide training schedule for employees regarding records storage, retention, and destruction.
- 6. Goal: Oversee and coordinate special project work.**
  - 6.1 Oversee the Thrift Shop and Recycling Center Remodel Project in coordination with the Public Works Department. The project is under review and final City Council direction is anticipated in Q4 2020. The project includes a minor remodel of the Thrift Shop, resulting in an expanded retail floor space and addresses other facility needs. The project also includes a remodel and activation of the former Recycling Center (northwest corner of Mercerdale Park) to support donation processing.
  - 6.2 Prepare a recommendation to the City Council regarding the future use of the Tully's Property, acquired by the City in 2020. The City Council directed staff to suspend work on a mixed-use and commuter parking project proposed this site in 2020. This discussion is planned for 2021.

## Community Planning & Development

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- 1. Goal: Stabilize the organization, optimize resources, and develop a long-term plan for fiscal sustainability.**
  - 1.1 Implement organizational improvements based on the permit fee revisions and the department assessment to better align department service levels with permit revenues while optimizing service delivery by Q4 2022.
  - 1.2 Analyze feasibility and options for a special revenue fund for the Community Planning and Development (CPD) Department by Q2 2022 and prepare to implement a CPD special revenue fund as part of the 2023-2024 biennial budget.
- 2. Goal: Stabilize department operations to provide basic permitting service levels (including construction permit reviews, land use decisions, inspections, code compliance, noticing and public outreach, customer service and data reporting).**
  - 2.1 Implement operational modifications as needed to maintain core services and to mitigate restrictions on construction imposed by the COVID-19 Pandemic

## Community Planning & Development Work Plan Cont.

- 2.2 Prioritize staff focus on highest value plan review, inspection, and enforcement objectives.
- 2.3 Implement incremental changes to processes and communications to improve efficiency.
- 2.4 Ensure ongoing workforce development through training and job growth opportunities. Develop internal candidates for anticipated vacancies and continue to plan for upcoming retirements.

### 3. Goal: Engage in necessary and high priority policy and planning activities

- 3.1 Continue the analysis of retail capacity that evaluates current and future commercial needs and make recommendations for near term code amendments as well as the development of a long-term retail strategy for the Town Center.
- 3.2 Assist the Public Works/Operations Department with the Town Center Parking Study.
- 3.3 Coordinate with King County jurisdictions on regional growth planning (including growth target development and adoption by the Growth Management Planning Council Q1-Q2 2021).
- 3.4 Update the Construction Codes according to state requirements by Q1 2021.
- 3.5 Approve the Comprehensive Plan docket and the code amendment docket annually (Q3-Q4), work with the Planning Commission and City Council to review and implement proposed amendments.
- 3.6 Adopt the A Regional Coalition for Housing (ARCH) administrative budget and housing trust fund (HTF) contribution annually (Q3), allocate ARCH HTF funds to projects annually (Q1), participate on the ARCH Executive Board (ongoing).
- 3.7 Update school impact fees annually in coordination with the Mercer Island School District's adoption of the Capital Facilities Plan (Q3-Q4).
- 3.8 Update construction permit fees annually and include as part of the Master Fee Schedule (Q4).
- 3.9 Update the City's sign code due to recent changes in case law by Q3 2021.
- 3.10 Update the City Code related to wireless and small cell facilities. The City currently has an interim ordinance in place.
- 3.11 Review and report back to the City Council on the effectiveness and impacts of the 2017 Residential Development Standards code amendments included in the Residential Code (MICC 19.02) Identify opportunities to streamline permitting processes.
- 3.12 Major Comprehensive Plan Update: begin work on the full update that is required every eight years in Q3 2022. A 24-month review process will include public engagement, Planning Commission review, and City Council adoption by Q2 2024. Included in this update will be substantial rewrites of the Economic Development Element and the Housing Element.

## Community Planning & Development Work Plan Cont.

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- 3.13 Conduct a Housing Needs Assessment to inventory the City's existing housing stock, analyze current and future housing needs, and identify gaps where the current housing market is not delivering needed housing types to inform a possible future Housing Action Plan to implement an updated Housing Element in the Comprehensive Plan.
- 3.14 Hire a Senior Policy Analyst position to address land use policy including code amendments and comprehensive plan updates beginning July 2021.
- 3.15 Analyze and update the Transportation and Park impact fees and implement a new Fire Services impact fee.

### **4. Establish a citywide economic development program**

- 4.1 Hire an Economic Development Coordinator to implement a Citywide economic development program.
- 4.2 Partner with the Mercer Island Chamber of Commerce to continue supporting local businesses in COVID-19 recovery and develop a long-term strategy for providing support post-Pandemic.
- 4.3 Review and identify gaps in policies/processes related to business attraction, retention, and expansion; Town Center activation; business taxation; and business promotion and outreach.
- 4.4 Administer a community-wide survey to understand community needs/wants related to business offerings, parking, walkability, and other issues concerning Town Center.
- 4.5 Conduct a public engagement process to solicit input to rewrite the Economic Development Element of the Comprehensive Plan (per supplemental goal 3.12).
- 4.6 Strengthen the relationship between the City and the local business community by providing transparent and timely information.
- 4.7 Bolster community support for local businesses through education and communication about local economic development.

## Finance

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### **1. Goal: Stabilize the organization, optimize resources, and develop a long-term plan for fiscal sustainability.**

- 1.1 Research and evaluate the potential of transitioning the City's annual financial report from Generally Accepted Accounting Practices (GAAP) full accrual financial statements to the modified cash-basis method by Q1 2022.
- 1.2 Conduct a request for proposals by Q3 2021 to assess and evaluate software solutions to upgrade or replace the City's financial management system. Implementation of the system is tied to a budget proposal.
  - 1.2.1 Research new software options to record City business and occupation tax data and sales tax data for inclusion in the 2023-2024 biennial budget.

## Finance Work Plan Cont.

- 1.3 Review and update the City's current budget policies and present new financial management policies to the City Council. This includes:
  - 1.3.1 Equipment surplus policy, including review of the valuation threshold for City Council approval by Q4 2021.
  - 1.3.2 Funding requirements for new FTEs to ensure positions are supported by an ongoing and sustainable funding source. Update the "Donations to the City" section of MICC 2.50 to include a reference to donations for staff positions by Q4 2021.
  - 1.3.3 Use of REET funds by Q4 2021. REET 1 and REET 2 allow for the use of funds for maintenance projects with limitations. New legislation in 2019 expanded the use of REET 2 for affordable housing and projects related to homelessness. REET funds are currently dedicated to capital projects for streets, parks, and facility reinvestment and replacement.
  - 1.3.4 City policies on reserve funds by Q4 2021.
  - 1.3.5 Prepare a long-term analysis for the LEOFF 1 Long Term Care reserve and make recommendations to the City Council regarding the reserve balance and future contributions by Q2 2022.
  - 1.3.6 Utility billing policies and procedures including, pro-ration of rates, landlord tenant accounts, leak adjustments options, Federal Trade Commission's Red Flag Rule, collection practices and consistent payment plan options for delinquent utility accounts and review of utility discounts and financial assistance programs by Q2 2022.
  - 1.3.7 Purchasing and procurement procedures and written policies by Q2 2022.
- 1.4 Support completion of the Citywide Classification and Compensation Study conducted by Human Resources. This work is tied to a budget proposal.
- 1.5 Cross-train staff in utility billing, payroll management, and other internal service workflows within the department. This work is ongoing.
- 1.6 Develop the 2023-2024 biennial budget with a new format by Q3 2022.
- 1.7 Purchase and implement Enterprise Resource Planning Software by Q4 2022.
- 2. Goal: Provide excellent service to internal and external customers.**
  - 2.1 Transition to monthly financial reports by Q4 2022. Implementation of this goal is tied to procurement and implementation of the new financial software.
  - 2.2 Support the Community Planning and Development Department's Cost of Service/Cost Recovery Fee Analysis. This work will be ongoing through Q1 2022.
  - 2.3 Assist with the implementation of the Meter Replacement Project, develop new internal business operations, and train staff based on this infrastructure improvement by Q4 2022.

## Finance Work Plan Cont.

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- 2.4 Support broader use of the City's asset management system Cityworks among external service departments. Utilize asset management data to establish/update policies for capital reinvestment and replacements. Utilize the data to confirm the prioritization and replacement schedule for infrastructure. This work is ongoing.
- 2.5 Support implementation of the Supervisory Control and Data Acquisition (SCADA) System conducted by Public Works through project completion.
- 2.6 Hire and train a Financial Analyst (1.0 FTE) to support the Finance team in budget development, financial reporting, and long-term financial planning for the City's capital program and utility functions by Q2 2022.

## Fire

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### **1. Goal: Keep the Mercer Island community safe through effective planning, training, response, and mitigation of emergencies.**

- 1.1 Deploy personnel and resources in an efficient and effective manner to remain responsive to community needs during the current COVID-19 Pandemic.
- 1.2 In collaboration with regional partners, develop "lessons learned" from COVID-19 to prepare for potential future pandemic outbreaks with respect to personal protective equipment (PPE) usage, its reuse, as well as decontamination protocols by Q4 2021.
- 1.3 Maintain CPR, AED, Rescue Diver, and technical rescue certifications and research and implement training opportunities designed to further improve performance outcomes in each of these disciplines by Q1 2022.
- 1.4 Focus on the physical and mental wellness of firefighters by developing the MIFD PEER Support Team and offering quarterly webinars on mental health and wellness. This work is ongoing.
- 1.5 Assess MIFD current baseline performance metrics and establish new baseline response metrics for both stations by Q2 2022.
- 1.6 Study the feasibility of modifying the geographical response boundary of Fire Station 92 to balance the call volumes between Stations 91 and 92 by Q4 2021. If implementation is feasible this will improve response times from Fire Station 91 to the downtown core.
- 1.7 Plan for anticipated retirements by identifying departure dates as early as possible. Develop succession plans for all ranks within the department and identify pathways to achieve each of those ranks. This work is ongoing.
- 1.8 Utilize Mobile Integrated Health (MIH) funds from King County Emergency Medical Services (KCEMS) to implement a MIH program, or contract with Bellevue Fire Department CARES program for Mercer Island residents pending consideration and acceptance by the City Council by Q2 2021.



## Fire Work Plan Cont.

- 1.9 With the use of outside consultants, study the feasibility of Fire Impact Fees related to new residential and commercial construction. These fees should include providing funding as allowed by RCW 82.02.050 due to increased demands related to infrastructure growth and service delivery objectives. It is anticipated that the study should be initiated the end of Q1 2021. Pending the results of the study, implementation, if warranted, should commence as recommended.

### **2. Goal: Maintain or increase cardiac survival rates.**

- 2.1 Continue to participate in cardiac survival studies through King County Emergency Medical Services (KCEMS).
- 2.2 Continue to work towards decreasing the average turnout times by two seconds each year over the next two years and decreasing overall response times to meet the 90% goal set forth in the standard of cover (SOC) document.
- 2.3 Support Citizen initiated CPR by reimplementing MIFD instructed classes by Q1 2022.
- 2.4 Analyze potential implementation of the PulsePoint App for citizen-initiated CPR prior to MIFD arrival to increase patient survivability and determine whether Mercer Island can provide this service City-wide via North East King County Regional Public Safety Communication Agency (NORCOM) by Q2 2022.

### **3. Goal: Continued emphasis on community risk reduction through fire prevention and public education.**

- 3.1 Work with Sound Transit on design, plan review, and installation of fire suppression systems for the light rail station by 2023.
- 3.2 Work with Zone 1 Fire Marshals on the Puget Sound Emergency Radio Network (PSERN) in-building radio coverage for the new County radio system, to be completed by Q4 2022.
- 3.3 Continue to work towards improving the Washington Surveying & Rating Bureau (WSRB) rating from a class 4 to a class 3 city with the intent to lower insurance costs for the citizens of Mercer Island.
- 3.4 Train one Inspector per shift (A, B and C) to become a certified International Code Council (ICC) inspector 1 by Q4 2022.
- 3.5 Develop lesson plans for approximately 10 public education related topics (Home Safety, Exit Drills, Smoke Detector Education etc.) by Q4 2022.
- 3.6 Work with the Community Planning & Development Department and the City Council to adopt the 2018 Fire code by Q2 2021.
- 3.7 The Fire Marshal will continue and expand the scope of Operational Permit issuance as outlined in the International Fire Code in Q1 2021. This time will be used to educate and inform business owners/operators of the necessity of the operational permit process. Starting January of 2022, in conjunction with Community Planning and Development, fees will be approved and added to the fee schedule for the sole intent to recover cost associated with issuing permits.

# Municipal Court

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1. **Goal: Resolve cases in a fair and just manner in accordance with the laws of Washington State and provide a legal venue for individuals to adjudicate civil infractions and criminal cases.**
  - 1.1. Hold court hearings in a timely fashion as required by the Washington State Supreme Court.
  - 1.2. Adjudicate civil infractions and set hearing dates.
  - 1.3. Prepare monthly reports and submit to the Office of Administrator of the Courts.
  - 1.4. Facilitate probation and court monitoring services to ensure compliance with judgments and sentencings.
  - 1.5. Collect court fines.
  - 1.6. Continue to provide municipal court services to the City of Newcastle via the current interlocal agreement.
2. **Goal: Stabilize the organization, optimize resources, and develop a long-term plan for fiscal sustainability.**
  - 2.1. Explore the feasibility and cost effectiveness of contracting with a surrounding jurisdiction for municipal court services by Q3 2021. This work item is included in the Administrative Services Department and is included for reference here.

# Police

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1. **Goal: Prepare for the impacts of growth and change.**
  - 1.1 Update Animal Control Ordinance in conjunction with the City Attorney's office by Q2 2022
  - 1.2 Review and propose potential updates to current regulations regarding camping, temporary structures, and overnight parking on public property by Q1 2021.
  - 1.3 Establish potential partnerships with area shelters for those who experiencing homelessness, by Q1 2021.
  - 1.4 Prepare for the new Light Rail station, to include response protocols and pedestrian and vehicles safety considerations. This work is ongoing.
  - 1.5 Hire two additional Patrol Officers in 2022, for implementation in 2023, to have two officers assigned to the Sound Transit light rail station during all shifts.
  - 1.6 Collaborate with Sound Transit (ST), King County Metro, and other agencies to ensure safe design and implementation of the Light Rail Station and bus intercept. This work is ongoing.

**2. Goal: Stabilize the organization and optimize resources to ensure efficient and effective delivery of public safety service.**

- 2.1 Conduct an annual community drug-takeback event annually.
- 2.2 Improve and simplify the Police Department's scheduling and payroll data entry process in collaboration with Human Resources by Q3 2021.
- 2.3 Complete the Emergency Operations Center (EOC) improvements by Q4 2022. The EOC serves as the central location when managing mid- to large-scale emergencies. (Subject to adoption of the CIP budget).
- 2.4 Provide each officer annual training, including State-mandated classes, Crisis Intervention Training, De-escalation training, cultural awareness and anti-biased policing training, updated Use of Force training, training required by accreditation, to maintain certifications, and additional specialized continuing education.
- 2.5 Recruit and retain officers to maintain minimum authorized staffing level requirements. Plan for anticipated retirements by identifying departure dates as early as possible. Develop succession plans for all ranks within the department and identify pathways to achieve each of those ranks. This work is ongoing.
- 2.6 Work closely with law enforcement partners and affiliated agencies to ensure a safe boating environment. Reduce boating collisions through proactive boating law enforcement and boater education. This work is ongoing.
- 2.7 Participate and engage in educational campaigns related to drowning prevention and water safety.
- 2.8 Maintain proficiency with the special operations team, the dive team, and bicycle team. This work is ongoing.
- 2.9 Continue to monitor jail contracts, seeking efficiencies whenever possible.
- 2.10 Continue to ensure the Department complies with State accreditation standards and achieve reaccreditation in Q3 2021.

**3. Goal: Enhance public safety communication.**

- 3.1 Collaborate with public safety partners to acquire and implement the Puget Sound Emergency Radio Network (PSERN) for public safety communications by Q4 2022.

**4. Goal: Continue focus on community safety, community outreach, and education.**

- 4.1 Continue to operate and oversee the City-wide emergency response to the COVID-19 Pandemic.
- 4.2 Implement COVID-19 safety protocols for the Department to ensure continuity of service and compliance with the Governor's Safe Start Plan with a focus on education until the end of the Pandemic.
- 4.3 Work with regional partners to develop "lessons learned" from the COVID-19 Pandemic to prepare for future pandemic outbreaks. Update the City's Pandemic plan.
- 4.4 Continue to recruit volunteers for Community Emergency Response Team (CERT), Map Your Neighborhood Program, and Emergency Preparedness Volunteer Teams.

## Police Work Plan Cont.

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- 4.5 Continue to proactively combat crimes through crime prevention and education programs, by leveraging social media outreach and rigorous investigation efforts.
- 4.6 Continue the partnerships the School Resource Officer has with students and their families, the Mercer Island School District, and the Youth and Family Services Department. Maintain the focus on intervention, education, and ways to keep youth out of the Criminal Justice system. This work is ongoing.
- 4.7 Conduct traffic safety emphasis patrols and public education to maintain a low motor vehicle collision rate. Continue to partner with Public Works and the Traffic Engineer to identify and mitigate traffic issues.
- 4.8 Restore the Citizens Academy, Community Emergency Response Team (CERT), and National Night Out. Conduct one Citizens Academy and one CERT training by Q4 2022.

## Public Works/Operations

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### 1. Goal: Stabilize the organization, optimize resources, and develop a long-term plan for fiscal sustainability.

- 1.1 Complete costing analysis, review interlocal agreements, and work with the Mercer Island School District (MISD) to draft a new Master Facility Use Agreement to include all facilities shared/jointly maintained between the MISD and the City.
- 1.2 Complete the Parks, Recreation and Open Space (PROS) Plan by Q2 2022.
  - 1.2.1 Establish level of service standards for parks maintenance operations consistent with by Q2 2022.
- 1.3 Renegotiate the Washington State Department of Transportation (WSDOT) maintenance agreements for Aubrey Davis Park.
- 1.4 Develop Standard Operating Procedures for Cityworks (asset management system) by Q1 2022.
  - 1.4.1 Increase staff skill and competency in the Cityworks platform through ongoing trainings. This work is ongoing.
  - 1.4.2 Develop Key Performance Indicators (KPI's) for Cityworks by Q1 2022.
- 1.5 Establish a succession plan for staff within the Department to address upcoming retirements. Continue cross-training maintenance and operations staff to ensure continuity of services across all lines of business; provide staff opportunities to improve knowledge and skills with emphasis on leadership development training. This work is ongoing.

### 2. Goal: Provide safe, functional, and efficient delivery of public services and ensure preservation and maintenance of critical public infrastructure.

- 2.1. Develop and adopt the Transportation Improvement Program (TIP) by July each year.
- 2.2. Implement the Supervisory Control and Data Acquisition Project ("SCADA" Project) by Q4 2022.

## Police Work Plan Cont.

- 2.3. Complete the Water Meter Replacement Project by Q4 2022.
- 2.4. Complete the Risk & Resiliency Assessment by Q2 2021 and update the Emergency Response Plan (RRA & ERP Plan) by Q4 2021. Water utilities are required by the United States Environmental Protection Agency to complete a risk and resiliency assessment and update the Utility's Emergency Response plan every five years.
- 2.5. Continue with ongoing soil and groundwater remediation at the former Honeywell Site and City Maintenance facility. Compliance is necessary to obtain a No Further Action letter from Department of Ecology.
- 2.6. Complete approved capital projects per the schedules identified in the CIP. Provide regular updates to the City Council and the community on progress.
- 2.7. Expand the awareness campaign for "See-Click-Fix" encouraging community members to report issues identified in the field.
- 2.8. Complete the annual National Pollution Discharge Elimination System (NPDES) permit requirements for the Stormwater Utility. This is an annual requirement.
- 2.9. Complete the ADA Transition Plan by Q4 2022.
- 2.10. Complete the Site Characterization for soil and groundwater at Fire Station 91 by Q4 2022.
- 2.11. Hire a consultant to conduct a Town Center Parking Study to review current code, existing parking restrictions, and identify opportunities for parking improvements within the Town Center.
- 2.12. Issue a Request for Proposals to evaluate contracting out utility locate services.
- 3. Goal: Prepare for Sound Transit Interchange and King County Metro construction.**
  - 3.1 Coordinate with King County Metro and Sound Transit to ensure that infrastructure impacted by upcoming projects is restored to City standards. This work is ongoing.
- 4. Goal: Advance sustainable practices throughout the City organization and community, in partnership with regional initiatives.**
  - 4.1 Research and implement 2021-2022 initiatives, to potentially include:
    - 4.1.1 Community solar campaign and green power for City facilities
    - 4.1.2 Enhanced food waste and recycling options inside City and within the community
    - 4.1.3 Support select K4C priorities and legislation
    - 4.1.4 Implement bicycle wayfinding map and final Town Center/Mountains to Sound Greenway Trail signage
    - 4.1.5 Continue work on energy efficiency retrofits within City facilities
  - 4.2 Update the City's carbon footprint assessment in partnership with local sustainability collaborators and prioritize future Green House Gas-reduction actions for proposed City Climate Action Plan by Q4 2021.
  - 4.3 Serve as the City program/contract manager for Metro #630 Commuter Shuttle; service currently suspended in pandemic but expected to resume late 2021.

- 4.4 Continue research and implementation of mobility initiatives that help users reach regional transit at Town Center without SOV usage.
- 4.5 Manage the Recology contract and pursue joint community outreach and efficiency measures. This work is ongoing.
- 4.6 Work with the Parks Natural Resources and Stormwater teams to improve coordination of maintenance and capital project work and adhere to stormwater best practices. Promote clean water and stormwater management initiatives in the community.

## Recreation Transition Team

### 1. Goal: Stabilize the organization, optimize resources, and develop a long-term plan for fiscal sustainability.

- 1.1 Work with the City Manager's office to develop a transition plan to re-open the Mercer Island Community and Event Center (MICEC) and restore recreation programs and services. Work will commence Q4 2020 with City Council initial review planned for early Q2 2021.
  - 1.1.1 Potential to integrate transition planning work with the Parks, Recreation and Open Space (PROS) Plan Update, also planned to resume at the end of Q4 2020.
  - 1.1.2 Transition plan to include a revised recreation services operating budget for 2021-2022 and an updated fee structure. A budget amendment will be required for recreation services to resume.
- 1.2 Continue to process athletic field facility reservation requests and to provide customer service support for MICEC facility rentals impacted by the COVID-19 Pandemic.
- 1.3 Assist with citywide communications regarding parks and recreation operations.
- 1.4 Provide staff support for the Parks & Recreation Commission and the Arts Council.

### 2. Goal: Provide emergency response services related to the COVID-19 Pandemic

- 2.1 Continue to administer the grant and other reimbursement programs. related to the COVID-19 Pandemic. This work is ongoing.

# Youth & Family Services

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## 1. Goal: Develop a Long-Term Funding Strategy for Human Services

- 1.1 Assist the YFS Working Group, a partnership of the YFS Foundation and the City, in developing a recommendation on long-term funding strategies for YFS services for review and consideration by the City Council. This work is ongoing with a recommendation tentatively scheduled for Q1 2021. Refinement of the goals and objectives of the YFS Working Group is subject to further direction by the City Council.
- 1.2 Work with the City Council on a recovery plan for YFS services, to include restoration of the positions that are currently furloughed (e.g., school-based mental health counselors). This work is tied to recovery of Thrift Shop operations and the long-term funding strategy assigned to the YFS Working Group. This work is ongoing.
- 1.3 Continue to partner and collaborate with the YFS Foundation on community fundraising campaigns. Meet regularly with the YFS Foundation to coordinate fundraising strategies to address both short-term and long-term funding needs. This work is ongoing.
- 1.4 Develop a recommendation to establish and grow a YFS Reserve Fund as part of the 2023-2024 biennial budget by Q4 2022.

## 2. Goal: Provide Access to Mental Health Services to all MISD Students

- 2.1 Renew the Interlocal Agreement with the Mercer Island School District (MISD) annually.
- 2.2 Ensure YFS mental health and substance use intervention/prevention counseling services are accessible to all students in the MISD.
- 2.3 Continue to utilize tele-health services during the COVID-19 Pandemic. Coordinate with the MISD staff as to the timing and restoration of in-person services. This work is ongoing.

## 3. Goal: Scale Community Based Mental Health Services to Meet Demand

- 3.1 Maintain the mental health services intern program, with two to four unpaid graduate level interns serving YFS annually.
- 3.2 Continue public outreach campaigns to address community mental health needs related to the COVID-19 Pandemic and other emerging issues. This work is ongoing.

## 4. Goal: Provide Emergency Assistance and Geriatric Case Management

- 4.1 Provide food support for residents facing food insecurity, which currently includes grocery gift cards. Re-evaluate food pantry operations as part of transition to less-restrictive phases of the Washington State "Safe Start" COVID-19 phased reopening plan.
- 4.2 Provide emergency financial assistance support as available and meet demand for case management and resource/referral support each year of the biennium. Continue collaboration with the YFS Foundation to raise funds to meet emergency assistance needs.

## Youth and Family Services Work Plan Cont.

4.3 Meet the demand for geriatric case management services.

### 5. Goal: HIPAA (Health Insurance Portability and Accountability Act) Compliance

5.1 Transition YFS operations to ensure compliance with HIPAA standards by Q4 2022.

5.2 Complete the updated to the YFS policy and procedures manual Q4 2022. Policies related to financial assistance programs may require City Council review and approval.

### 6. Goal: Integrate and Expand Organizational Diversity, Equity, and Inclusion Practices

6.1 Implement an organizational assessment and staff training schedule by Q1 2021.

6.2 Hold monthly mental health-specific consultation sessions during clinical team meetings. This work is ongoing.

6.3 Draft a five-year plan for organizational diversity, equity, and inclusion efforts, in coordination with City-wide efforts by Q2 2022.

6.4 Schedule annual diversity, equity, and inclusion trainings and consultation targeted for mental-health professionals and human services providers.

### 7. Goal: Resume Thrift Shop Operations and Manage Special Projects

*Note: The Thrift Shop staff team and associated operations are currently supported by the EOC/Transition Team, a resource team specifically dedicated to recovering services and operations that were impacted by the COVID-19 Pandemic. The Thrift Shop work plan items are reflected here given that Thrift Shop revenues support the YFS Fund.*

7.1 Continue work on the Thrift Shop operations recovery plan with a goal of gradually expanding retail sales and donations processing per the guidelines of the Governor's Safe Start Plan. Prepare budget proposals for City Council review and consideration as recovery progresses. This work is ongoing.

7.2 Expand marketing and outreach campaign efforts related to resuming Thrift Shop donations efforts. Encourage pre-sorting of donations and aim to reduce the costs associated with disposing of non-saleable donations. This work is ongoing.

7.3 Re-establish the Thrift Shop volunteer team, providing training and compliance with COVID-19 safety protocols.

7.4 If approved by the City Council (matter is pending in Q4 2020), provide support for the Thrift Shop and Recycling Center Remodel Project.





## BUSINESS OF THE CITY COUNCIL CITY OF MERCER ISLAND

**AB 5940**  
**September 21, 2021**  
**Regular Business**

### AGENDA BILL INFORMATION

<b>TITLE:</b>	AB 5940: Development Code Amendment ZTR19-003 Signage (Ord. No. 21C-21 First Reading)	<input type="checkbox"/> Discussion Only
<b>RECOMMENDED ACTION:</b>	Review Ordinance No. 21C-21 and set for second reading	<input checked="" type="checkbox"/> Action Needed: <input checked="" type="checkbox"/> Motion <input type="checkbox"/> Ordinance <input type="checkbox"/> Resolution

<b>DEPARTMENT:</b>	Community Planning and Development
<b>STAFF:</b>	Jeff Thomas, Director Alison Van Gorp, Deputy Director Daniel Kenny, Legal Counsel Daniel Hubbell, Planning Commission Chair
<b>COUNCIL LIAISON:</b>	n/a
<b>EXHIBITS:</b>	1. Staff memos dated May 13, June 9 and July 28, 2021 2. Planning Commission Recommendation, dated August 13, 2021 3. Ordinance No. 21C-21 (Proposed)
<b>CITY COUNCIL PRIORITY:</b>	n/a

### SUMMARY

The Planning Commission recommends approving the proposed code amendment to MICC 19.06.020, 19.11.140, 19.12.080 and 19.16.010 updating the code sections related to temporary signs, signs in Town Center, signs outside Town Center, and definitions, respectively. This code amendment addresses the Supreme Court ruling in *Reed v. Town of Gilbert* and subsequent, related case law. It also addresses staff recommended revisions based on issues that have arisen in permit review.

### BACKGROUND

Exhibit 1 includes a memo (see page 2) from the City's contract legal counsel, Daniel Kenny, that provides a brief overview of the 2015 U.S. Supreme Court ruling in *Reed v. Town of Gilbert*. In short, the court found that the Town of Gilbert, Arizona's sign regulations were impermissible because they regulated signs based on the content of the sign (e.g. sign code categories such as "Ideological Signs", "Political Signs" and "Temporary Directional Signs" were defined based on the message that the sign conveys and each carried different regulatory provisions).

Upon review of the Mercer Island City Code (MICC), staff found that, similar to many jurisdictions across the country, the Mercer Island sign code contains some provisions that are content-based and should be revised to conform to the *Reed v. Town of Gilbert* ruling. Additionally, staff also found a few areas of the sign code where amendments were needed to clarify existing provisions or to resolve issues that had arisen during processing of applications.

## CODE AMENDMENT

This code amendment was approved by City Council for legislative review as part of the 2021 docket. The proposed amendment includes the following revisions to the MICC:

- **MICC 19.06.020 - Temporary Signs**
  - Shift to define temporary signs based on type and materials rather than duration of placement.
  - Removes provisions related to political signs as they are content based (political signs will be covered by the general temporary sign provisions).
  - Prohibits signs in parks, except as permitted in the parks code (MICC 9.30.040)
  - Additional provisions added related to placement of signs – clarifying signs cannot obstruct sidewalks, sight lines, bicycle facilities, bus stops, etc. It also prohibits signs in medians, roundabouts and traffic circles.
  - Added the Commercial Office (C-O) zone the list of zones that allow temporary commercial signs (including TC, B and PBZ).
- **MICC 19.11.140 – [Town Center] Signs**
  - Adds allowance for signs along alleyways and through-block connections
  - Added allowance for a secondary wall sign on the primary frontage of a business to identify a secondary or affiliated use. This is intended to provide for signs for things like ATMs and coffee stands inside grocery stores.
  - Clarifies that the 25% limit on window signs applies to each tenant/business window area that faces the street or through-block connection. Allows for lighting of window signs during business hours.
  - Revision of the lighted sign provisions focused on objective standards around the design of the sign and lighting to limit glare and reflection of light.
- **MICC 19.12.080 - Signs [Outside Town Center]**
  - Clarifies how sign size should be measured for all sign types.
  - Adds an allowance for lighted signs as in the town center provisions
  - Adds an allowance for signs at neighborhood entrances and driveway entrances for identification and navigation purposes.
  - Adds an allowance for the replacement of existing non-conforming signs.
- **MICC 19.16.010 - Definitions**
  - Added a definition of “Public Art” and revised the definition of “Sign” to clarify that public art, including murals, is not regulated as signs.

## PROCESS

City staff followed the procedures in MICC [19.15.230](#) and [19.15.260](#) related to the review of code amendment proposals that have been placed on the final docket by the City Council. On May 12, 2021, public notice was provided for the public hearing scheduled on June 16, 2021. Public notice was provided in the Mercer Island Reporter and the weekly permit bulletin. A SEPA determination of non-significance was issued by staff on August 2, 2021. Staff memos (three in total) were prepared in advance of each Planning Commission meeting summarizing the proposal and providing a staff recommendation as provided in Exhibit 1.

On May 19, 2021, the Planning Commission received a presentation on relevant case law and provided feedback for the proposed code amendment during a public meeting. On June 16, the Planning Commission held a public hearing on the revised amendment. The Public hearing was continued to the July 28 meeting. Following the hearing on June 16, the Planning Commission requested further revisions to the proposed

amendment. The Planning Commission held their final review of the proposed amendment on July 28, 2021. During this meeting, the Planning Commission completed and closed the public hearing, then deliberated on the draft code amendment, agreeing to several additional revisions. Finally, by a unanimous vote, the Planning Commission recommended the City Council approve the proposed amendment as revised. The Planning Commission's July 28 recommendation is attached as Exhibit 2. The recommended code amendment is included in Exhibit 3 as Ordinance No. 21C-21.

Included with the Planning Commission's recommendation is a suggestion that the City Council give further consideration to MICC 19.11.140(B)(11) (renumbered as subsection 13 in Exhibit 3, page 25) and whether the Design Commission should have discretion to waive any of the Town Center sign provisions if the commission finds that the design is "creative, artistic and an integral part of the architecture". The Planning Commission had split opinions on this matter and more detail on the Planning Commission's discussion of this issue is provided in their recommendation (Exhibit 2). Staff recommend retaining this section of code as-is. A handful of town center businesses, including the former New Season's Market and Caruccio's have utilized this provision in the approval of their sign designs. Staff believe the process has worked well and the flexibility allowed through the Design Commission review process benefited local businesses.

#### **NEXT STEPS**

The City Council will review the proposed code amendment at the September 21 meeting and schedule the second reading and adoption for October 5.

#### **RECOMMENDED ACTION**

Set Ordinance No. 21C-21 for second reading and adoption at the Council Meeting on October 5, 2021, or soon thereafter.

# CITY OF MERCER ISLAND

## COMMUNITY PLANNING & DEVELOPMENT

9611 SE 36TH STREET | MERCER ISLAND, WA 98040

PHONE: 206.275.7605 | [www.mercerisland.gov](http://www.mercerisland.gov)



## PLANNING COMMISSION

**To:** Planning Commission  
**From:** Alison Van Gorp, CPD Deputy Director  
**Date:** May 13, 2021  
**RE:** ZTR19-003 Sign Code Update

### SUMMARY

The proposed code amendment amends MICC 19.06.020, 19.11.140 and 19.12.080 updating the code sections related to temporary signs, signs in Town Center and signs outside Town Center, respectively.

### BACKGROUND

Daniel Kenny, an attorney with Ogden Murphy Wallace, has been contracted by the City to assist with drafting this code amendment. Mr. Kenny has prepared a memo summarizing the 2015 Supreme Court ruling in *Reed v. Town of Gilbert* and the implications for Mercer Island (see Attachment 1). Based on Mr. Kenny's review of the Mercer Island City Code, we are anticipating that the code amendments needed related to this change in case law are modest.

At the May 19 meeting, Mr. Kenny will make a presentation to the Planning Commission covering the *Reed v. Gilbert* case and an overview of the areas of the code where he is recommending amendments. The Commission will have the opportunity to ask questions and provide initial feedback to staff.

### NEXT STEPS

Staff will take the Commission's input at the May 19 meeting and incorporate it into a draft code amendment. The Commission will hold a public hearing and review the draft amendment at its June 16 meeting. Final deliberation on this amendment and a recommendation are planned for the July 21 meeting. It is anticipated that the Planning Commission's recommendation will be transmitted to City Council for review in the September-October timeframe.

### ATTACHMENTS

1. Memo from Daniel Kenny

## M E M O R A N D U M

DATE: May 12, 2021

TO: Mercer Island Planning Commission

FROM: Daniel P. Kenny

RE: Sign Code Revisions

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In 2015, the United States Supreme Court issued a ruling (*Reed v. Town of Gilbert*) which changed the way sign codes are analyzed for First Amendment issues. As a result of the Supreme Court's ruling, municipalities across the United States are adjusting and/or rewriting their sign codes.

### **Summary of *Reed v. Town of Gilbert***

*Reed v. Town of Gilbert* is a United States Supreme Court case that addresses First Amendment issues in local sign codes.

This case centers on the City of Gilbert, Arizona's sign code, which prohibits the display of outdoor signs without a permit, but exempts 23 categories of signs, including three relevant here.

- "Ideological Signs," defined as signs "communicating a message or ideas for noncommercial purposes" that do not fit into other Sign Code categories, may be up to 20 square feet and have no placement or time restrictions.
- "Political Signs," defined as signs "designed to influence the outcome of an election," may be up to 32 square feet and may only be displayed during an election season.
- "Temporary Directional Signs," defined as signs directing the public to a church or other "qualifying event," have even greater restrictions: No more than four of the signs, limited to six square feet, may be on a single property at any time, and signs may be displayed no more than 12 hours before the "qualifying event" and 1 hour after.

Petitioners, Good News Community Church (Church), held Sunday church services at various temporary locations in and near the Gilbert. In order to identify the location for the current week's service, the Church posted temporary signs early each Saturday bearing the Church name and the time and location for the next day's service. The Church left the signs up from Saturday until around midday Sunday, the day of the service. The Church left the signs up for longer than 1 hour after the event and was cited for exceeding the time limits prescribed for "temporary directional signs." The Church filed suit claiming that the Code abridged their freedom of speech. The case was appealed up to the United States Supreme Court.

The Court held that the Gilbert sign provisions were content based on their face. This required the Court to consider whether a regulation of speech "on its face" draws distinctions based on the message the speaker provides. If the regulation of speech is content based on its face, then it is subject to strict scrutiny. Strict scrutiny is a level of judicial review that is rarely met and is therefore nearly always fatal.

Each of Gilbert's sign code categories were defined based upon the message that the sign conveys. Consequently, those restrictions were subject to strict scrutiny.

The heightened scrutiny for content-based regulations extends not only to restrictions on particular viewpoints but also to prohibition of public discussion of an entire topic. Thus, a speech regulation targeted at specific subject matter is content based even if it does not discriminate among viewpoints within that subject matter.

Gilbert's sign regulations failed to meet strict scrutiny and were held to be impermissible content-based regulations.

### **Basic Rule**

The basic principle that should guide your review of your existing sign code is this: If a code enforcement officer must read the content of the sign to determine in which category the sign falls, and therefore which regulations apply, then the sign code regulation is content based on its face and is subject to strict scrutiny.

### **Mercer Island Sign Code**

Similar to many jurisdictions across this country, the Mercer Island sign code has some provisions that should be altered to conform to *Reed v. Town of Gilbert*. Fortunately, the existing Mercer Island sign code relies less on content-based regulations as compared to Gilbert and other local Washington jurisdictions. Therefore, the goal would be to bring you revisions which are targeted as opposed to wholesale redrafting of the code.

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## PLANNING COMMISSION

**To:** Planning Commission  
**From:** Alison Van Gorp, CPD Deputy Director  
**Date:** June 9, 2021  
**RE:** ZTR19-003 Sign Code Update

### SUMMARY

The proposed code amendment amends MICC 19.06.020, 19.11.140 and 19.12.080 updating the code sections related to temporary signs, signs in Town Center and signs outside Town Center, respectively.

### BACKGROUND

At the May 19 meeting, Daniel Kenny provided an overview of the *Reed v. Gilbert* case and the areas of the code where he is recommending amendments. The Commission provided initial feedback to staff on the proposed code amendment. Staff have integrated this initial guidance into the attached draft code amendment. The draft includes proposed amendments intended to do the following:

- Comprehensive changes
  - Exempt signs required by local state or federal law or regulations from code requirements – this could include temporary signs like land use notifications and required safety signs such as “caution” signs on utility poles or equipment.
  - Replace the term “code official” with “Director”.
- Temporary signs
  - Shift to define temporary signs based on type and materials rather than duration of placement.
  - Add clarity to the term “non-commercial messages”.
  - Remove exception to prohibition on banners and pennants for “community-wide civic activities” as it is content-based.
  - Reorganize and clarify provisions for real estate signs.
  - Remove provisions related to political signs as they are content-based (political signs will be covered by the general temporary sign provisions).
  - Remove requirement for signs to be “professionally produced by a person skilled in the art of graphic design”.
- Town Center Signs
  - Add allowance for signs along alleyways and through-block connections
  - Add provisions for lighted signs to respond to the tenants of the Dark Skies Initiative

- Signs Outside Town Center
  - Clarify how sign size should be measured for all sign types.
  - Add an allowance for externally lighted signs in all zones (code is currently silent on whether lighting is allowed). Add provisions that respond to the Dark Skies Initiative.
  - Add an allowance for signs at neighborhood entrances and driveway entrances for identification and navigation purposes.
  - Add an allowance for the replacement of existing non-conforming signs.

In addition, please review the Comment bubbles included along the right margin of the draft code amendment, as they include a few additional policy questions for the commission, mostly related to areas of the code that could benefit from additional clarity of the intent or application of a code provision.

At the June 16 meeting, the Planning Commission will hold a public hearing on the draft code amendment and begin deliberations on the amendment. The Commission may choose to keep the public hearing open to receive additional public input at the July meeting. After the public hearing, staff will provide an overview of the draft code amendment and review policy questions for further discussion and input from the Commission. Staff will also address any questions from the Commission. The Commission should begin discussion of the draft code amendment and provide feedback to staff, including any revisions the Commission would like to make.

#### NEXT STEPS

The Commission will hold a public hearing and review the draft code amendment at the June 16 meeting. The Commission may choose to continue the public hearing to the July 21 meeting if additional time for public input is desired. Staff will incorporate the Commission's feedback at the June 16 meeting into an updated draft code amendment. Final deliberation on this amendment and a recommendation are planned for the July 21 meeting. It is anticipated that the Planning Commission's recommendation will be transmitted to City Council for review in the September-October timeframe.

#### ATTACHMENTS

1. ZTR19-003 Draft Sign Code Amendment



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## PLANNING COMMISSION

**To:** Planning Commission  
**From:** Alison Van Gorp, CPD Deputy Director  
**Date:** July 28, 2021  
**RE:** ZTR19-003 Sign Code Update

### SUMMARY

The proposed code amendment amends MICC 19.06.020, 19.11.140 and 19.12.080 updating the code sections related to temporary signs, signs in Town Center and signs outside Town Center, respectively.

### BACKGROUND

At the June 16 meeting, the Planning Commission held a public hearing and began discussion of the draft code amendment. The Commission continued the public hearing to receive additional public input at the July meeting. The Commission requested several additional revisions to the draft. Staff have prepared a revised draft code amendment for the commission's review and consideration at the July 28 meeting. The additional revisions include the following:

- General Provisions
  - Exemption for government signs for the purpose of promoting health, safety and welfare
  - Added a definition of "Public Art" and revised the definition of "Sign" to clarify that public art, including murals, is not regulated as signs.
- Temporary Signs
  - Defines temporary signs to include: A-frame signs, banners, pennants and signs staked into the ground, including wire frame or H-frame signs. Any of these sign types are allowed on private property in all zones. Subsection (A)(13) includes the provisions for placing signs in the Right Of Way.
  - Prohibits signs in parks, except as permitted in the parks code (MICC 9.30.040)
  - Additional provisions added related to placement of signs – clarifying signs cannot obstruct sidewalks, sight lines, bicycle facilities, bus stops, etc. Setback distances from driveways, roads, sidewalks, etc are specified. It also prohibits signs in medians, roundabouts and traffic circles.
  - Specifies that the City may remove signs that are in violation of these requirements
  - Allows temporary non-commercial banners and pennants in the ROW in Town Center subject to a permit. Note: the banners currently hanging on light poles in the Town Center are an art installation and are not regulated as a sign/banner.

- Added the Commercial Office (C-O) zone the list of zones that allow temporary commercial signs (including TC, B and PBZ). The provisions and allowed uses in the C-O zone are very similar to the B zone. I don't know why these signs were allowed in one and not the other.
- Town Center Signs
  - Removed “proportionate” requirement as it is too subjective. The Objectives section already includes the intent that signs should be proportionate.
  - Added allowance for a secondary wall sign on the primary frontage of a business to identify a secondary or affiliated use. This is intended to provide for signs for things like ATMs and coffee stands inside grocery stores.
  - Clarify that the 25% limit on window signs applies to each tenant/business window area that faces the street or through-block connection. Allowance for lighting of window signs during business hours.
  - Further revisions of the lighted sign provisions. Staff chose not to include a quantitative limit on brightness and instead focused on objective standards around the design of the sign and lighting to limit glare and reflection of light.
- Signs Outside Town Center
  - Similar update to sign lighting standards as in the Town Center.
  - Clarification on Portable signs and Vehicles provisions. Note: since government signs are exempt from these regulations, things like readerboard signs that are used for emergencies or road construction would not be prohibited.

The draft code amendment includes staff comment bubbles related to a few of the revisions. The following policy questions/considerations are included in comment bubbles and highlighted in yellow in the document:

- Confirm the addition of Commercial-Office to the zones where temporary commercial signs are allowed.
- Confirm removal of “proportionate” requirement for town center freestanding and wall signs
- Confirm addition of secondary sign allowance for wall signs. Is 5 square feet an appropriate size limit?
- Consider removing the Design Commission Discretion provision, or add specific criteria for Design Commission approval
- Does the revised Lighted Sign standard provide an appropriate balance of objective standards without being overly complicated or technical?

The July 28 meeting will begin with a continuation of the public hearing. After the public hearing, staff will provide an overview of the revisions to the draft code amendment and address any questions from the Commission. The Commission should then begin deliberations, including proposing any additional revisions to the code amendment.

## NEXT STEPS

At the July 28 meeting, the Commission will continue the public hearing. The hearing will be followed by deliberations and a recommendation. It is anticipated that the Planning Commission's recommendation will be transmitted to City Council for review in September and October.

## ATTACHMENTS

1. ZTR19-003 Draft Sign Code Amendment

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## PLANNING COMMISSION

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**To:** City Council  
**From:** Daniel Hubbell, Planning Commission Chair  
**Date:** August 13, 2021  
**RE:** ZTR19-003 Sign Code Amendment

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On behalf of the Planning Commission, I am pleased to present our recommendation on ZTR19-003, the sign code amendment.

City staff proposed this code amendment as a part of the annual docket submittal process in the fall of 2020, and the City Council later added it to the final docket. The Planning Commission resumed work on this amendment this spring, after it was first started in 2019 and then paused in early 2020 due to the Pandemic. The proposed code amendment updates MICC 19.06.020, 19.11.140 and 19.12.080 revising the code sections related to temporary signs, signs in Town Center and signs outside Town Center, respectively.

This matter came before the City of Mercer Island Planning Commission on June 16, 2021 and on July 28, 2021 for an open record public hearing. No public comment was received related to this amendment. The Planning Commission considered the staff reports dated May 13, June 9 and July 18 as well as the decision criteria for code amendments found in MICC 19.15.250(D) in making its recommendation.

After considerable deliberation and strategic revisions, the Commission approved the draft code amendment unanimously and recommends that the City Council approve ZTR19-003 as drafted.

Additionally, the Commission wanted to bring the City Council's attention one unresolved issue for further consideration. MICC 19.11.140(B)(12) gives the Design Commission discretion to waive any of the provisions relating to town center signs, with only the most basic criteria to guide their decision. Some members of the Planning Commission felt this provision provided too broad of authority to the Design Commission and suggestions were made to either delete this provision altogether, or to amend it to add specific criteria that must be met if any provisions were to be waived. That said, other commissioners believed the intent of the Planning Commission and the City Council at the time this code was adopted was to allow for this discretion to provide flexibility for design solutions that might be a benefit to the community even though they fell outside the limits of the regulations. These commissioners felt strongly that the discretion should remain. The commission felt that this issue was outside their scope of work for this code amendment and did not

recommend any revisions. However, the Commission wanted to raise the issue for further consideration by the City Council.



Aug 13, 2021

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Daniel Hubbell  
Planning Commission Chair  
City of Mercer Island

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Date

**CITY OF MERCER ISLAND  
ORDINANCE NO. 21C-21**

**AN ORDINANCE OF THE CITY OF MERCER ISLAND, WASHINGTON, AMENDING MERCER ISLAND CITY CODE 19.06.020, 19.11.140, 19.12.080 AND 19.16.010 TO REVISE STANDARDS AND REQUIREMENTS FOR SIGNAGE; PROVIDING FOR SEVERABILITY; AND ESTABLISHING AN EFFECTIVE DATE.**

**WHEREAS**, in 2015, the United States Supreme Court issued a ruling (*Reed v. Town of Gilbert*) which changed the way sign codes are analyzed for First Amendment issues; and

**WHEREAS**, the *Reed* ruling disallows the consideration of the content of signs in regulating signage; and

**WHEREAS**, the Mercer Island City Code currently contains content-based signage regulations that must now be amended; and

**WHEREAS**, upon drafting amended signage standards responding to the *Reed* ruling, City Staff identified additional areas of the Mercer Island City Code where amendments were needed to clarify existing provisions or to resolve concerns that had arisen during processing of applications; and

**WHEREAS**, the Planning Commission of the City of Mercer Island held a public hearing on the suggested code amendment on June 16 and July 28, 2021; and

**WHEREAS**, the Planning Commission unanimously recommended that the City Council adopt the suggested code amendment as revised by the Planning Commission on July 28, 2021; and

**WHEREAS**, the City Council hereby finds that the actions set forth below are necessary to preserve the public peace, health, safety, and welfare; NOW, THEREFORE,

THE CITY COUNCIL OF THE CITY OF MERCER ISLAND, WASHINGTON, DO ORDAIN AS FOLLOWS:

- Section 1. Amendment of MICC 19.06.020, Temporary Signs.** MICC 19.06.020, Temporary Signs, is hereby amended in the form provided in the attached Exhibit A, which is incorporated herein by reference.
- Section 2. Amendment of MICC 19.11.140, Signs.** MICC 19.11.140, Signs, is hereby amended in the form provided in the attached Exhibit B, which is incorporated herein by reference.
- Section 3. Amendment of MICC 19.12.080, Signs.** MICC 19.12.080, Signs, is hereby amended in the form provided in the attached Exhibit C, which is incorporated herein by reference.
- Section 4. Amendment of MICC 19.16.010, Definitions.** MICC 19.16.010, Definitions, is hereby amended in the form provided in the attached Exhibit D, which is incorporated herein by reference. All other definitions contained in current MICC Section 19.16.010 that are not listed in Exhibit D, shall remain unchanged.

**Section 5. Severability.** If any section, sentence, clause, or phrase of this Ordinance should be held to be invalid or unconstitutional by a court of competent jurisdiction, or its application held inapplicable to any person, property, or circumstance, such invalidity or unconstitutionality shall not affect the validity of any other section, sentence, clause, or phrase of this Ordinance or its application to any other person, property, or circumstance.

**Section 6. Publication and Effective Date.** A summary of this Ordinance consisting of its title shall be published in the official newspaper of the City. This Ordinance shall take effect and be in full force five days after the date of publication.

PASSED BY THE CITY COUNCIL OF THE CITY OF MERCER ISLAND, WASHINGTON, AT ITS REGULAR MEETING ON \_\_\_\_\_, 2021.

CITY OF MERCER ISLAND

\_\_\_\_\_  
Benson Wong, Mayor

ATTEST:

APPROVED AS TO FORM

\_\_\_\_\_  
Deborah A. Estrada, City Clerk

\_\_\_\_\_  
Bio Park, City Attorney

Date of publication:

## Exhibit A

**19.06.020 Temporary signs.**

A. *General Provisions.* All temporary signs in the city are subject to the following conditions:

1. Signs may not be placed on private property without permission of the owner.

2. All signs shall be unlit.

3. Signs shall not obstruct vehicular ~~or pedestrian~~ traffic.

4. The sign must not obstruct pedestrian or accessible routes to or along the public or private sidewalk or encroach into the minimum clear pathway area of forty-eight (48) inches in width;

5. No sign shall be placed in a park, except as permitted in MICC 9.30.040.

~~4. It is the responsibility of the person posting a temporary sign to remove it.~~

~~56.~~ Except as specified elsewhere in this section, temporary signs shall include A-frame signs banners, pennants, and signs staked into the ground, including wire-frame or H-frame signs. Temporary signs shall not exceed 60 inches above the ground and shall not exceed ~~six-nine~~ square feet in area per sign face; provided, signs up to 16 square feet in area per sign face may be allowed subject to the issuance of a permit from the ~~code official~~ Director; ~~further provided, both sides of an A-frame sign shall be counted in calculating the sign's area.~~

~~67.~~ Temporary signs shall be constructed of any durable material that will withstand rain, wind, and normal wear and tear for the anticipated use provided that the temporary sign otherwise conforms to the requirements of this Chapter. Signs shall at all times be maintained in an aesthetic and safe condition.

~~78.~~ The sign must remain portable and may not be attached or anchored in any way to trees or to public property including, but not limited to, utility or light poles, parking meters, or pavement.

~~89.~~ Temporary signs are prohibited in, on, or within public or private medians, roundabouts, traffic circles, the clear view sight triangle of intersections and driveways, utility poles, lampposts (except Banners as specified below), traffic poles and signals, and street trees.

~~910.~~ Be located in such a manner so as not to interfere with the opening of car doors, use of bicycle facilities, bus stops, or loading zones.



~~10. Minimum Setback requirements for public or private facilities:~~

~~Ten (10) feet from any driveway, alley, or vehicle access point.~~

~~Two (2) feet from any curb or roadway edge.~~

~~Two (2) feet from any pedestrian sidewalk or ADA accessible path.~~

~~Five (5) feet from any building access point.~~

11. Government signs for the purpose of promoting health, safety and welfare as well as Ssigns required by local, state, or Federal rule, regulation, or law are exempt from this section.

~~6~~12. Signs in Public Rights-of-Way. Signs may not be placed on public property except for publicly owned rights-of-way. In addition to all other applicable conditions, signs placed in rights-of-way shall be subject to the following conditions:

a. Signs may be placed on rights-of-way adjacent to a single-family dwelling only with permission of the adjoining property owner.

b. Signs shall not create a traffic safety or maintenance problem, ~~and the city may remove and dispose of any signs that fail to satisfy any of the requirements of this 19.06.020 (A) do constitute a problem.~~

c. Signs placed on public property shall be freestanding and shall not be attached to any structure or vegetation. Signs attached to utility poles, traffic signs, street signs, or trees are specifically forbidden.

d. Signs shall be either an A-frame design or shall be attached to a stake, wire frame, or H-frame driven into the ground well clear of tree roots, irrigation lines and any other underground vegetation or structures that could be damaged by such a stake. Temporary noncommercial banners and pennants are also allowed in the Town Center (TC) Zone subject to the issuance of a permit from the Director.

e. The city may remove and dispose of any signs that fail to satisfy any of the requirements of 19.06.020 (A).

~~e. A temporary sign, other than a political sign, may only be erected for a maximum of 90 days during any 365-day period.~~

B. *Temporary Signs Allowed in All Zones.*

1. *Temporary, Noncommercial Signs.* Temporary, noncommercial signs, which are signs that express non-commercial messages such as public/ community events, religious, political,

ideological, or other philosophical messages, are allowed in all zones, subject to the conditions set out in subsection A of this section.

~~a. Temporary noncommercial banners and pennants are allowed in the Town Center (TC) Zone subject to the issuance of a permit from the Director. Except as allowed in subsection C of this section, banners, pennants, and other similar attention getting devices are not allowed; provided, such signs may be allowed for community-wide civic activities subject to the issuance of a permit from the code official~~Director.

2. *Temporary Commercial Signs.* Temporary commercial signs are ~~not~~ allowed ~~outside of~~in the TC, B, C-O and PBZ zones. Outside the TC, B, C-O and PBZ zones, only~~except for~~ real estate signs and ~~garage yard/estate~~ sale signs ~~which are~~ allowed subject to the conditions set out below and in subsection A of this section.

a. Real Estate Signs. Real estate signs are those that~~Signs advertising~~advertise the sale, rental, or lease of property.

b. Real estate signs are allowed in all zones, subject to the following conditions.

i. One real estate sign per street frontage is allowed ~~on property being offered for sale, rent, or lease.~~ The signs may be located on the property or in the adjacent right of way.

ii. ~~iii.~~ Real estate sales and rental signs shall be removed within seven days after the sale or rental of the property being advertised.

iii. Three ~~real estate A-frame~~additional signs may be posted in the public right-of-way to advertise a real estate open house or to direct the public to a dwelling unit that is available. No more than four signs total may be posted for property offered by the same owner. The three additional signs may be posted during the hours that a real estate or rental agent is present at the property and shall be removed at the end of the open house or when the sales or rental office closes each day, subject to the conditions set out in subsection (A)(126) of this section,~~for the following purposes:~~

~~(a) Advertising a real estate open house at a single-family dwelling; provided, no more than four signs total may be posted for property being sold by the same owner;~~

~~(b) Directing the public to a multiple-family dwelling in which there is a dwelling unit available for rental or sale.~~

~~iii. Real estate sales and rental signs shall be removed within seven days after the sale or rental of the property being advertised.~~

~~iv. Real estate signs in public rights-of-way may be posted only during those hours that a real estate or rental agent is actually present at the property and shall be removed at the end of the open house or when the sales or rental office closes each day.~~

b. ~~Garage Sales~~ Yard and Estate Sales.

i. Three signs directing the public to a garage yard or estate sale may be posted in a public right-of-way subject to the conditions set out in subsection (A)(126) of this section.

ii. ~~Garage~~ Yard or estate sale signs may be posted no more than 24 hours before the beginning of the sale and shall be removed at the end of the sale.

~~3. Political Signs. Political signs may be posted in the public right-of-way, subject to the conditions set out in subsection (A)(6) of this section.~~

C. Temporary Commercial Signs in the TC, B, C-O and PBZ Zones. Temporary commercial signs in the form of banners, A-frame ~~sandwich boards~~ signs, and streamers, flags or pennants are allowed in the TC, B, C-O and PBZ zones; provided, temporary signs shall not be permanently attached to any structure on the site; and further provided, the temporary signs conform to the following conditions:

1. *Banners.*

a. Shall be no larger than 48 square feet; however, no business may display more than 10 square feet of banner per 10 feet of business facade as measured by that portion of the building facing the access street, up to a maximum of 48 square feet, but always in proportion to the business building.

b. Shall be limited to one banner per side of the business as it faces and is accessible to the public.

c. Shall be attached to the building housing the business.

d. May hang for up to 30 days at one time, but no more than a total of 120 days per calendar year on a side of the business designated for display. Any side of a business must be free of any banner for a period of no less than 14 days before the next banner is hung.

~~e. Shall be professionally produced by a person skilled in the art of graphic design.~~

ef. Shall be hung in a manner which does not obstruct traffic or a view of any other business.

fg. Shall be well maintained.

2. *A-Frames*. Each licensed business may post one A-frame sign either on property owned or controlled by the business or in the public right-of-way, subject to the conditions set out in subsection (A)(12~~6~~) of this section; provided, the sign:

- a. ~~Shall not exceed 60 inches above the ground and shall not exceed 24 square feet in area; provided, both sides of the A-frame shall be counted in calculating the sign's area.~~
- b. May be used on a daily basis, but only during business hours.
- c. Shall be located within 100 feet of the primary street level entrance of the building in which the business displaying the sign is located.
- ~~d. Shall be professionally produced by a person skilled in the art of graphic design.~~
- de. Shall be well maintained.

3. *Streamers, Flags, or Pennants Attached to a String or Wire*.

- a. May be used a maximum of two times per year for a maximum of seven days each time.
- b. Shall be attached to the building housing the business displaying the streamer.
- c. Shall not obstruct vehicular or pedestrian traffic or obstruct a view of any other business.
- d. Shall be well maintained.

4. *Other Temporary Signage*. Other forms of portable signs are expressly prohibited. (Ord. 08C-01 § 2; Ord. 02C-05 § 7; Ord. 02C-04 § 9; Ord. 99C-13 § 1).

## Exhibit B

**19.11.140      Town Center Signs.**

A. Objectives. Signs shall be distinctive, finely crafted and designed to enhance the aesthetics of the Town Center and to improve pedestrian and motorist safety. Signs shall be designed for the purpose of identifying the business in an attractive and functional manner and to help customers find the specific business locations; they should not serve as general advertising. The size of signs shall be in proportion to the size of business store frontage. Signs shall be integrated into the building design, compatible with their surroundings and clearly inform pedestrians and motorists of business names, but should not detract from the architectural quality of individual buildings.

B. *Development and Design Standards.*

1. Freestanding Ground Signs.

a. Number. A building or complex may not display more than one ground sign on each street frontage, alleyway or through-block connection.

b. *Design.* The sign shall be architecturally compatible with the style, materials, colors and details of the building. The sign content should be integrated in one design (in contrast to displaying two or more separate elements). Use of symbols is encouraged.

c. *Size.* All signs shall be:

i. ~~Proportionate. Proportionate to the street frontage of the businesses they identify; and~~

ii. *Maximum Size.* In no case larger than:

(a) *Twenty-five square feet.* A maximum of 25 square feet for individual business ground signs, shopping complex identification ground signs and signs within a 10-foot setback from any property line on a street.

(b) *Fifty square feet.* A maximum of 50 square feet for joint ground signs (identifying more than one business): six square feet for each business included in the complex. When more than five businesses are included in the complex, one additional ground sign may be placed on the street front, if signs are located at least 100 feet apart.

d. *Maximum Height.* The maximum height of any sign within 10 feet from any property line on a street shall be 42 inches. All other ground signs shall be a maximum of six feet in height.

The height of a freestanding ground sign is measured from the top of the sign to the existing grade or finished grade, whichever is lower, directly below the sign being measured.

e. **Backs of Signs.** Exposed areas of backs of signs should be finished to present an attractive appearance.

## 2. Wall Signs.

a. **Eligibility.** A wall sign shall be granted to commercial uses occupying buildings facing the streets and are limited to one sign per business on each street frontage, [alleyway or through-block connection](#). Commercial uses occupying a building adjacent to a driveway shall not qualify for a second wall sign. However, a commercial use occupying a building whose only exposure is from a driveway or parking lot shall be allowed one wall sign. Businesses that demonstrate that the entry off a driveway or parking lot is used by customers shall be eligible for a wall sign. [A Secondary wall sign is allowed on the primary frontage of a business to identify a secondary or affiliated use on the premises.](#)

b. **Size.** All signs shall be:

i. ~~Proportionate. Proportionate to the street frontage of the businesses they identify; and~~

ii. **Maximum Size.** In no case larger than:

(a) *Twenty-five square feet.* Twenty-five square feet for individual business signs.

(b) *Fifty square feet.* Fifty square feet for joint business directory signs identifying the occupants of a commercial building and located next to the entrance.

[\(c\) \*Six square feet.\* Six square feet for secondary signs identifying a secondary or affiliated use.](#)

c. **Determination of Size.** The sign size is measured as follows:

i. **“Boxed” Displays.** “Boxed” display – total area of display including the background and borders.

ii. **Individual Letters and Symbols.** Individual letters and symbols – total combined area of a rectangle drawn around the outer perimeter of each word and each symbol.

d. **Placement.** Wall signs may not extend above the building parapet, soffit, the eave line or the roof of the building, or the windowsill of the second story.

e. *Signs above Window Displays.* When a commercial complex provides spaces for signs above window displays, these signs should be compatible in shape, scale of letters, size, color, lighting, materials and style.

~~f. *Design Commission Discretion.* If an applicant demonstrates to the satisfaction of the design commission that a wall sign is creative, artistic and an integral part of the architecture, the commission may waive the above restrictions.~~

~~g.~~ *Master Sign Plan.* When multiple signs for individual businesses are contemplated for a major construction project, a master sign plan stipulating the location and size of future signs will be required.

### 3. Projecting Signs.

a. *Sidewalk Clearance.* Projecting signs should clear the sidewalk by a minimum of eight feet.

b. *Maximum Size.* Projecting signs shall not be larger than six square feet.

c. *Projection from Building.* Signs should not project over four feet from the building unless the sign is a part of a permanent marquee or awning over the sidewalk.

d. *Awnings.* Awnings that incorporate a business sign shall be fabricated of opaque material and shall use reverse channel lettering. The design commission may require that an awning sign be less than the maximum area for wall signs to assure that the awning is in scale with the structure. Back-lit or internally lit awnings are prohibited.

### 4. Window Signs.

a. *Area Limitation.* Permanent and temporary window signs are limited to maximum 25 percent of ~~the each tenant or business's~~ window area. This shall be calculated based on the area of the tenant or business's windows facing the street or through block connection frontage.

b. *Integration with Window Display.* Every effort should be made to integrate window signs with window display.

c. *Sign Lighting.* Signs may be lighted during business hours.

5. *Parking Lot Signs.* Signs within parking lots should be limited to those necessary for operation, safety, identification and direction. The ~~code official~~ Director shall specify required wording for signage identifying public parking required by MICC 19.11.130(B)(2).

6. Directional Signs.

a. *Minimal Number.* To avoid a cluttered appearance, only those directional signs necessary to protect the safety of pedestrians and passengers in vehicles will be allowed. The ~~code official~~ Director may, however, require directional signs as necessary to provide motorists with required information to find parking area entrances.

b. *Size.* These signs shall be no higher than 36 inches and no larger than four square feet.

7. Temporary Signs. Unless prohibited by this chapter, use of temporary signs in the Town Center shall be governed by MICC [19.06.020](#), Temporary signs.

8. Replacement Signs. When a sign is removed or replaced the visible wall or ground where the sign was located shall be repaired to the original condition.

9. Exempt Signs. Government signs for the purpose of promoting health, safety and welfare as well as signs required by local, state, or Federal rule, regulation, or law are exempt from this section.

10. Prohibited Signs.

a. *Roof.* Signs mounted on the roof are not permitted.

b. *Moving Signs.* Animated, moving, flashing, blinking, reflecting, revolving, or other similar signs or signs that incorporate these elements are prohibited.

c. *Pennants and Inflated Signs.* Pennants or inflated signs, balloons and figures are prohibited.

d. *Vehicles.* Signs attached to or painted on vehicles parked and visible from the public right-of-way are prohibited if, based on the relative amount of time the vehicle is parked rather than being used as a means for actual transportation, the vehicle's primary purpose is as a stationary sign rather than a means for actual transportation.

e. *Phone Numbers.* Phone numbers are prohibited from permanent, exterior signs.

~~9~~11. *Lighted Signs.* Lighted signs shall be of high quality and durable materials, distinctive in shape, designed to enhance the architectural character of the building. ~~and use LED lights or other minimum wattage lighting, as necessary to identify the facility or establishment~~ Signs may be internally or externally illuminated, or have tube illumination, and shall use the lowest feasible illumination necessary to identify the facility or establishment. All illuminated signs shall be designed and located in such a manner as to avoid undue glare or reflection of light. Externally lit signs shall be arranged so that the light source is steady, stationary, fully shielded from view and directed solely onto the sign without causing glare or directing light up into the sky. Channel or



punch-through letters are preferred over a sign that contains text and/or logo symbols within a single, enclosed cabinet.

~~10~~12. *Street Numbers.*

- a. *Use.* City-assigned street numbers should be installed on all buildings.
- b. *Effect on Permitted Sign Area.* Street numbers will not be counted towards permitted sign area.

~~11~~13. *Design Commission Discretion.* If an applicant demonstrates to the satisfaction of the design commission that a sign is creative, artistic and an integral part of the architecture, the commission may waive the above restrictions.

~~12~~14. *Master Sign Plan.* When multiple signs for individual businesses are contemplated for a major construction project, a master sign plan stipulating the location and size of future signs will be required. (Ord. 16C-06 § 2 (Exh. A)).

## EXHIBIT C

**19.12.080 Signs Outside Town Center.****A. Objectives.**

1. Signs shall be distinctive in shape, of high quality and durable materials, designed to enhance the architectural character of the building and use the minimum wattage necessary to identify the facility or establishment. Channel or punch-through letters are preferred over a sign that contains the text and/or logo symbols within a single, enclosed cabinet.
2. Signs shall be designed for the purpose of identifying the facility or establishment in an attractive and functional manner and to help customers find the specific establishment and location; signs in residential zones should not serve as general advertising.
3. The size of signs shall be proportional to the size of the building and site.
4. Signs shall be integrated into both the site design and building design, shall be compatible with their residential, office, or business, or public park or open space surroundings, and clearly inform viewers of building or activity use, but shall not detract from the architectural quality of individual buildings or park surroundings.

5. Government signs for purpose of promoting health, safety and welfare as well as signs required by local, state, or Federal rule, regulation, or law are exempt from this section.

**B. Standards.****1. General provisions.****a. Sign size. Sign size shall be measured as follows:**

i. Boxed Sign Displays: Total area of a boxed sign display, including the background and borders.

ii. Individual Letters and Symbols: Total combined area of a rectangle drawn around the outer perimeter of each word and each symbol.

**b. Sign lighting. Sign lighting is allowed as set forth in MICC 19.11.140(B)(10).****2. Freestanding Ground Signs Outside Residential Zones.**

- a. *Number.* An individual building or a building complex outside residential zones may display one ground sign on each street frontage.
- b. *Design.* The sign shall be architecturally compatible with the style, materials, colors and details of the building or complex. Use of symbols is encouraged.
- c. *Size.* All signs shall be:
  - i. *Proportionate.* Proportionate to the street frontage of the use they identify; and
  - ii. *Maximum Size.* In no case shall a freestanding ground sign be larger than:
    - (A) Twenty-Five Square Feet. Twenty-five square feet for single-tenant building ground signs and complex identification ground signs. Such signs may be allowed in front or side yard setbacks; or
    - (B) Forty Square Feet. Forty square feet for joint tenant ground signs (identifying more than one facility or establishment within a building or building complex) with six square feet maximum for any one establishment included in a building or building complex; provided, joint tenant ground signs shall be restricted to a maximum of 25 square feet if located within front or side yard setbacks.
- d. *Maximum Height.* The maximum height of any sign within 10 feet from any property line facing a street shall be 42 inches. All other ground signs shall be no higher than six feet.
- e. *Backs of Signs.* Exposed areas of backs of signs should be finished with appropriate color, material or texture to present an attractive appearance relative to the building material, color and texture.

### 23. *Wall Signs Outside Residential Zones.*

- a. *Number and Eligibility.* An individual building or a building complex outside residential zones may display one wall sign on each street frontage. A business or other use occupying a building whose only entrance is from a driveway or parking lot shall be allowed one wall sign facing that driveway or parking lot.
- b. *Size.* All signs shall be:
  - i. *Proportionate.* Proportionate to the street frontage of the use they identify; and
  - ii. *Maximum Size.* In no case shall a wall sign be larger than:

(A) Twenty-Five Square Feet. Twenty-five square feet for any individual business or other use; or

(B) Forty Square Feet. Forty square feet for joint tenant directory signs identifying the occupants of a building or a building complex and located next to the entrance.

~~c. Determination of Size. The sign size shall be measured as follows:~~

~~i. Boxed Sign Displays: Total area of a boxed sign display, including the background and borders.~~

~~ii. Individual Letters and Symbols: Total combined area of a rectangle drawn around the outer perimeter of each word and each symbol.~~

~~d.~~ d. *Placement.* Wall signs may not extend above the building parapet, soffit, the eave line or the roof of the building, or the windowsill of the second story. Wall signs shall be integrated with the overall building and site design.

~~e.~~ e. *Master Signage Plan.* When multiple signs for individual businesses in one building or multiple buildings in a complex are contemplated, a master signage plan stipulating the location and size of allowed signs shall be required.

~~34.~~ 34. *Signs for Non-Single-Family-Dwelling Uses in Residential Zones.* One wall sign and one freestanding ground sign are permitted on each separate public street frontage for non-single-family-dwelling uses in residential zones, such as apartment buildings, hospitals, assisted living and retirement facilities, churches, clubs, public facilities, schools, day cares, pre-schools, park and recreation facilities, assembly halls, libraries, pools or stadiums.

a. The location of any freestanding ground sign shall be subject to all setback requirements for the zone in which the sign is located.

b. A wall sign ~~may be unlighted or exterior lighted,~~ shall not ~~to~~ exceed 12 square feet. A freestanding ground sign shall be no larger than 18 square feet and shall not exceed a maximum height of 42 inches above grade.

~~The location of any freestanding ground sign shall be subject to all setback requirements for the zone in which the sign is located.~~

45. Signs for Neighborhood Entrances, Driveway Entrances or Addressing in Residential Zones. One freestanding ground sign is permitted on each separate public or private street frontage for single-family-dwelling uses to identify the home, group of homes or neighborhood for navigational

purposes. The number of signs should be limited to those necessary for identification and navigation purposes. Signs shall be set back at least 5 feet from the property line and shall not impede vehicle or pedestrian sight lines. For neighborhood entrances or groupings of 4 or more single-family dwellings, each sign shall be no larger than 18 square feet. For individual single-family dwellings or groups up to 3 single-family dwellings, each sign shall be no larger than 12 square feet. Signs shall not exceed a maximum height of 42 inches above grade.

6. *Signs for Licensed Practitioners or Service Operators in Residential Zones.* Licensed practitioners or service operators in residential zones shall be permitted one unlighted window or wall sign for identification purposes only, bearing only the occupant's name and occupation, not to exceed ~~72 square inches~~ 1 square foot.

~~57.~~ *Parking Lot Signs.* Signs within parking lots should be limited to those necessary for safety and identification. ~~Any required signs for individual stalls should be marked on the pavement. Freestanding or wall-mounted signs should not be permitted, with the exception of ADA handicapped accessible parking signs.~~

~~68.~~ *Directional Signs.*

a. *Minimal Number.* To address safety concerns and avoid a cluttered appearance, only those directional signs necessary to protect the safety of pedestrians and vehicle occupants shall be allowed.

b. *Size and Height.* Directional signs shall be no larger than three square feet and no higher than 36 inches above grade.

~~79.~~ *Temporary Signs.* Unless prohibited by this chapter, use of temporary signs shall be governed by MICC 19.06.020, Temporary Signs.

~~810.~~ *Street Numbers.*

a. *Use.* City-assigned street numbers should be installed on all buildings.

b. *Effect on Permitted Sign Area.* Street numbers will not be counted towards permitted sign area.

c. *Size.* Street numbers for any building or building complex shall be no smaller than six inches in height.

911. *Replacement signs.* When a sign is removed or replaced the visible wall or ground where the sign was located shall be repaired to the original condition. Non-conforming signs may be replaced

with design commission approval. If an applicant demonstrates to the satisfaction of the design commission that the replacement sign is consistent with the site design, the commission may approve replacement of a non-conforming sign with a new sign of similar size and type.

## 12. Prohibited Signs.

- a. *Roof.* Signs mounted on the roof are prohibited.
- b. *Projecting Signs.* Projecting signs are prohibited in all zones other than the PBZ. Within the PBZ, projecting signs are permitted subject to the Town Center standards set forth in MICC [19.11.140\(B\)\(3\)\(b\)](#).
- c. *Window Signs.* Window signs are prohibited in all zones other than the PBZ, except as provided above in MICC [19.12.080\(B\)\(4\)](#). Within the PBZ, window signs are permitted subject to the Town Center standards set forth in MICC [19.11.140\(B\)\(4\)](#).
- d. *Inflated Signs.* Inflated signs, balloons and figures are prohibited.
- ~~e. *Internally Lit Signs.* Internally lit signs are prohibited in all zones other than the PBZ. Within the PBZ, lighted signs are permitted subject to the Town Center standards set forth in MICC.~~
- ~~f. *Neon.* Neon signs are prohibited.~~
- g. *Portable.* Portable signs, ~~such as signs on trailers, are prohibited~~except those specifically allowed in the code, are prohibited. This standard is not intended to prohibit A-frame signs as allowed pursuant to MICC [19.06.020](#), Temporary Signs.
- h. *Flashing, Moving or Animated Signs, Etc.* Flashing, moving, animated, blinking, reflecting, revolving, or other similar signs or signs that incorporate these elements are prohibited.
- i. *Off-Premises Signs.* Off-premises signs (signs related to a building, business, tenant or establishment not located on the same premises as the sign) are prohibited.
- j. *Vehicles.* Signs attached to or painted on vehicles or trailers parked and visible from the public right-of-way are prohibited if, based on the relative amount of time the vehicle is parked rather than being used as a means for actual transportation, the vehicle's primary purpose is as a stationary sign rather than a means for actual transportation.
- k. *Vending Machines.* Vending machines, such as soft drink or snack machines, shall not be placed where they are visible from the public right-of-way.

~~10~~13. *Signs for Public Schools in Public Institution Zones.* One wall sign and one freestanding ground sign are permitted for each public school. A wall sign shall not exceed 12 square feet. A freestanding ground sign shall not exceed 18 square feet and shall not exceed a maximum height of 42 inches above grade. A freestanding ground sign shall be set back a minimum of 10 feet from a public right-of-way and 35 feet from abutting properties. Wall and freestanding ground signs shall not have internal lighting, except for an electronic readerboard.

~~11~~14. *Electronic Readerboards.* A public school may have no more than one electronic readerboard. This electronic readerboard shall count as the wall sign or freestanding ground sign allowed by MICC [19.12.080\(B\)\(10\)](#). Electronic readerboards shall comply with the following:

- a. Electronic readerboards shall be designed and placed to minimize light and glare from being visible to adjacent residential properties.
- b. Electronic readerboards shall dim during twilight and night hours to reduce glare.
- c. Electronic readerboards shall be turned off between 10 pm and 7 am.
- d. The display shall include only static text and/or static graphics. No moving graphics, animations such as flying or fading, video, or blinking/pulsing/strobe effects are allowed.
- e. Each message and/or graphic shall be displayed for at least 10 seconds. The change from one message/graphic to the next may utilize a scrolling or wipe effect, but the effect shall take no more than one second to complete.
- f. Electronic readerboards shall display any message deemed necessary by the City of Mercer Island Emergency Operations Center (EOC) upon request by the EOC. The display of any such message shall be exempt from the requirements of subsections [\(B\)\(~~11~~14\)\(c\)](#) and [\(B\)\(~~11~~14\)\(e\)](#) of this section. (Ord. 14C-06 § 7; Ord. 04C-08 § 1).

**Exhibit D**19.16.010 Definitions....

Public Art: Original noncommercial art displays including sculptures, wall paintings, murals, collages, banners and other design features which do not incorporate advertising or identification.

...

*Sign:* Any series of letters, figures, design symbols, lights, structure , billboard, trademark or device intended or used to identify or attract attention to any activity, service, place, subject, person, firm, corporation, or thing. Excluded are official traffic signs or signals, public notices, ~~and~~ governmental flags and public art.





# AB5940:

Sign Code Amendment

September 21, 2021

# Overview

- A code amendment is needed to bring the City's sign regulations into conformance with the U.S. Supreme Court ruling in *Reed v. Town of Gilbert*
- The Planning Commission recommends adoption of Ordinance No. 21C-21 to amend the city's sign regulations

## Code Amendment Process



# Reed v. Town of Gilbert

- *Reed v. Town of Gilbert* is a United States Supreme Court case that addresses First Amendment issues in local sign codes.
- This case centers on the City of Gilbert, Arizona's sign code, which prohibits the display of outdoor signs without a permit, but exempts 23 categories of signs, including three relevant here.
- Petitioners, Good News Community Church (Church), posted temporary signs early each Saturday bearing the Church name and the time and location for the next day's service. The Church left the signs up for longer than the allowed 1 hour after the event and was cited for exceeding the time limits prescribed for "temporary directional signs." The Church filed suit claiming that the Code abridged their freedom of speech. The case was appealed up to the United States Supreme Court.



# Reed v. Town of Gilbert

- The Supreme Court held that the Gilbert sign provisions were content based on their face. If the regulation of speech is content based on its face, then it is subject to strict scrutiny. Strict scrutiny is a level of judicial review that is rarely met and is therefore nearly always fatal.
- Each of Gilbert's sign code categories were defined based upon the message that the sign conveys. Consequently, those restrictions were subject to strict scrutiny.
- Gilbert's sign regulations failed to meet strict scrutiny and were held to be impermissible content-based regulations.



# Reed v. Town of Gilbert

## Basic Rule

- If a code enforcement officer must read the content of the sign to determine in which category the sign falls, and therefore which regulations apply, then the sign code regulation is content based on its face and is subject to strict scrutiny.



# Recommended Code Amendment

- Ordinance No. 21C-21 amends MICC 19.06.020, 19.11.140, 19.12.080 and 19.16.010
  - Updates the sign regulations to:
    - Comply with the Supreme Court ruling in *Reed v. Town of Gilbert* by removing content-based regulations
    - Clarify existing provisions and resolve issues that have arisen during processing of applications



# Recommended Code Amendment

## MICC 19.06.020 - Temporary Signs

- Shift to define temporary signs based on type and materials rather than duration of placement
- Removes provisions related to political signs as they are content based (political signs will be covered by the general temporary sign provisions)
- Prohibits signs in parks, except as permitted in the parks code
- Additional provisions added related to placement of signs – clarifying signs cannot obstruct sidewalks, sight lines, bicycle facilities, bus stops, etc. It also prohibits signs in medians, roundabouts and traffic circles.
- Added the Commercial Office (C-O) zone the list of zones that allow temporary commercial signs (including TC, B and PBZ)



# Recommended Code Amendment

## MICC 19.11.140 – Town Center Signs

- Adds allowance for signs along alleyways and through-block connections
- Added allowance for a secondary wall sign on the primary frontage of a business to identify a secondary or affiliated use. This is intended to provide for signs for things like ATMs and coffee stands inside grocery stores
- Clarifies that the 25% limit on window signs applies to each tenant/business window area that faces the street or through-block connection. Allows for lighting of window signs during business hours.
- Revises the lighted sign provisions to add objective standards around the design of the sign and lighting to limit glare and reflection of light.





# Recommended Code Amendment

## MICC 19.12.080 – Signs Outside Town Center

- Clarifies how sign size should be measured for all sign types
- Adds an allowance for lighted signs, as in the Town Center provisions
- Adds an allowance for signs at neighborhood entrances and driveway entrances for identification and navigation purposes
- Adds an allowance for the replacement of existing non-conforming signs



# Recommended Code Amendment

## MICC 19.16.010 – Definitions

- Added a definition of “Public Art” and revised the definition of “Sign” to clarify that public art, including murals, is not regulated as signs



# Planning Commission Suggestion

- The PC suggested Council give further consideration to the provision in MICC 19.11.140(B)(11)
- Provides the Design Commission the ability to waive Town Center sign provisions if the design is “creative, artistic and an integral part of the architecture”.
- PC had split opinion on the matter
- Staff recommends retaining the provision as-is because the flexibility has benefited local businesses



# Recommended Motion

Move to Set Ordinance No. 21C-21 for second reading and adoption at the Council Meeting on October 5, 2021, or soon thereafter.





## BUSINESS OF THE CITY COUNCIL CITY OF MERCER ISLAND

**AB 5941**  
**September 21, 2021**  
**Regular Business**

### AGENDA BILL INFORMATION

<b>TITLE:</b>	AB 5941: State-Mandated Code Amendments	<input type="checkbox"/> Discussion Only
<b>RECOMMENDED ACTION:</b>	Hold public hearings on each ordinance and adopt Ordinance Nos. 21C-19, 21C-22, and 21C-23	<input checked="" type="checkbox"/> Action Needed: <input checked="" type="checkbox"/> Motion <input type="checkbox"/> Ordinance <input type="checkbox"/> Resolution

<b>DEPARTMENT:</b>	Community Planning and Development
<b>STAFF:</b>	Jeff Thomas, Director Alison Van Gorp, Deputy Director Eileen Kieffer, Legal Counsel
<b>COUNCIL LIAISON:</b>	n/a
<b>EXHIBITS:</b>	1. Ordinance No. 21C-19 Amending MICC 19.16.010, of the Development Code, to Comply with ESSB 5235 Relating to Unrelated Persons Cohabiting 2. Ordinance No. 21C-22 Amending MICC 19.16.010, of the Development Code, to Comply with ESHB 1023 Relating to Adult Family Home Capacity 3. Ordinance No. 21C-23 Amending MICC 19.16.010, of the Development Code, to Comply with E2SHB 1220 Relating to Transitional and Permanent Supportive Housing
<b>CITY COUNCIL PRIORITY:</b>	n/a

### SUMMARY

During the 2020 and 2021 state legislative sessions, several housing and land use related bills passed, a few of which require City action ([ESSB 5235](#), [ESHB 1023](#) and [E2SHB 1220](#)). Based on the timelines imposed by this legislation, the City must act quickly to comply with the new requirements. A two-step approach is proposed to address the timing requirements: 1) adopt emergency interim regulations at the September 21 City Council meeting and, 2) adopt permanent regulations in approximately twelve months.

### BACKGROUND

Staff consolidated the review of the code amendments related to ESSB 5235, ESHB 1023 and E2SHB 1220 because they all relate to housing issues and require amendments to the development code. ESSB 5235 and ESHB 1023 require cities to comply with provisions in the legislation related to the allowed occupancy of homes, dwelling units and adult family homes. While these legislative directives do not have an explicit deadline, amendments to the Mercer Island City Code are required to comply. Alternatively, E2SHB 1220 includes an explicit timeline that requires cities to be in compliance by September 30, 2021. To comply with this September 30 deadline, staff worked quickly to develop the interim ordinances now under consideration (see Exhibits 1, 2 and 3). More information on each piece of legislation and the required City code amendments are provided on page 2.

### **ESSB 5235: Housing Unit Inventory — Removing Limits on Unrelated Persons Cohabiting**

[ESSB 5235](#) prohibits cities from regulating or limiting the number of unrelated people who may occupy a house or other dwelling unit. There are some exceptions: occupant limits on group housing regulated under state law or short-term rentals, any lawful limits on occupant load per square feet, and generally applicable health and safety provisions (i.e. fire code).

The bill requires a minor change to the City’s code. Staff is proposing an amended definition of family that simply means one or more persons living together in a “single housekeeping unit,” without any requirement that such persons be related. This is consistent with how other cities are amending their codes (for example, Bellevue is also taking this approach). Please also be advised that the City can still enforce other portions of its code relating to noise issues, fire code, etc. if concerns arise about the impacts of increased occupancy.

### **ESHB 1023: Increase to Capacity for Adult Family Homes**

[ESHB 1023](#) provides that the Department of Social and Health Services, in certain circumstances, can approve an adult family home to provide services to up to eight adults (previously, the limit was six adults). Accordingly, staff propose code amendment to the definition of adult family homes allowing up to eight adults to be served.

### **E2SHB 1220: Emergency Shelters and Housing**

[E2SHB 1220](#) is designed to encourage cities to accommodate transitional housing, emergency shelters, and permanent supportive housing. The bill contains new requirements for Comprehensive Plan housing element updates and creates new requirements for cities’ zoning/development regulations regarding indoor shelters and housing for the homeless. Namely, the bill forbids cities from prohibiting transitional or permanent supportive housing in residential zones or zones where hotels are allowed. The bill also forbids cities from prohibiting indoor emergency shelters and indoor emergency housing in any zones in which hotels are allowed (except for cities that authorize indoor emergency shelters/housing in a majority of zones within a one-mile proximity to transit). Finally, any regulations regarding occupancy, spacing, and intensity of use requirements regarding the four types of housing listed above must be reasonable and designed to protect public health and safety. Further, such restrictions cannot be used to prevent the siting of a “sufficient number necessary to meet” Mercer Island’s projected need for such housing and shelter.

What each city’s “projected need” for housing and shelter may be is an unresolved question—staff are anticipating numbers will be forthcoming from the Department of Commerce, likely in 2023. In the meantime, some jurisdictions are using the “Point in Time” count as a reasonable estimate or simply not imposing occupancy, spacing, or intensity of use requirements at all. The City’s development code does currently include some spacing restrictions; staff recommend retaining these restrictions for now and we will further evaluate them for compliance with E2SHB 1220 as we develop a permanent code amendment in 2022.

### **NEXT STEPS**

Staff recommends that the City Council hold a public hearing on each proposed ordinance and adopt the proposed code amendments at the September 21 City Council meeting. Included as an attachment to each code amendment is a work plan outlining the process for developing permanent regulations on each of these issues. By adopting these work plans, state law allows for the interim ordinances to be in effect for 12 months (rather than the more common 6-month duration, [RCW 36.70.A.390](#)). This will provide adequate time for staff to perform additional analysis of each issue, including review of peer jurisdictions approaches

and further outreach to the Department of Commerce on compliant approaches. In the first half of 2022, staff will bring draft code amendments to the Planning Commission for review, and then to the City Council for final review and adoption, prior to the expiration of the 12-month interim ordinances.

## RECOMMENDED ACTIONS

1. Conduct Public Hearings on Ordinance Nos. 21C-19, 21C-22, and 21C-23 and consider public testimony.
2. Adopt Ordinance No. 21C-19, amending Mercer Island City Code 19.16.010, Definitions, relating to the definitions of Family and Housekeeping Units.
3. Adopt Ordinance No. 21C-22, amending Mercer Island City Code 19.16.010, Definitions, relating to Adult Family Homes.
4. Adopt Ordinance No. 21C-23 amending Mercer Island City Code 19.16.010, Definitions, relating to Emergency Shelters and Housing, Transitional Housing, and Permanent Supportive Housing.

**CITY OF MERCER ISLAND  
ORDINANCE NO. 21C-19**

**AN INTERIM ORDINANCE OF THE CITY OF MERCER ISLAND,  
WASHINGTON, AMENDING MICC 19.16.010, DEFINITIONS, RELATING TO  
THE DEFINITIONS OF FAMILY AND HOUSEKEEPING UNITS; ADOPTING A  
WORK PLAN; PROVIDING FOR SEVERABILITY; DECLARING AN  
EMERGENCY; AND ESTABLISHING AN EFFECTIVE DATE.**

**WHEREAS**, the adoption of land use and zoning regulations is a valid exercise of the City's police power and is specifically authorized by RCW 35A.63.100; and

**WHEREAS**, within the express terms of the Growth Management Act, the Washington State Legislature has specifically conferred upon the governing bodies of Washington cities the right to establish and adopt interim development regulations; and

**WHEREAS**, homelessness is a national, state, regional, and local crisis and homelessness has devastating effects on human lives and severe health, safety, social, economic, and environmental impacts on cities, neighborhoods, families, schools, businesses, healthcare facilities, and social service agencies; and

**WHEREAS**, the Washington State legislature recently passed SB 5235, which prohibits cities from restricting occupancy requirements of unrelated persons in a household or dwelling unit; and

**WHEREAS**, SB 5235 includes a July 25, 2021 deadline for cities to comply with the new legislation; and

**WHEREAS**, due to the effective date of the ordinance, it is necessary for the City to take immediate action to conform its code with state law; and

**WHEREAS**, the City is authorized under RCW 36.70A.390 to pass an interim zoning and official control ordinance for up to one year if a work plan is developed for related studies providing for such a longer period; and

**WHEREAS**, City Staff have developed a work plan for related studies for compliance with SB 5235 and such work plan is attached to this Ordinance as Exhibit A; and

**WHEREAS**, the City is authorized under RCW 35A.63.220 and 36.70A.390 to pass an interim zoning and official control ordinance, provided it holds a public hearing on the same within sixty days after passage if it has not previously held a public hearing on the proposed ordinance; and

**WHEREAS**, the City Council held a public hearing on September 21, 2021 regarding this interim zoning and official control ordinance;

**WHEREAS**, both the homelessness crisis and the deadlines in SB 5235 for cities to adopt compliant development regulations cause an emergency which necessitates that this ordinance become effective immediately in order to preserve the public health, safety, and welfare and also requires action prior to the preparation of a State Environmental Protection Act threshold determination pursuant to WAC 197-11-880 and MICC 19.21.160;



NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF MERCER ISLAND, WASHINGTON DO ORDAIN AS FOLLOWS:

**Section 1: Whereas Clauses Adopted.** The “Whereas Clauses” set forth in the recital of this Ordinance are hereby adopted as the findings and conclusions of the City Council for passing this Ordinance.

**Section 2: Section 19.16.010 MICC, Definitions, Amended.** MICC Section 19.16.101, Definitions, is hereby amended as follows. All other definitions not herein amended shall remain as currently written.

~~Family: One or more persons (but not more than six unrelated persons) living together in a single housekeeping unit. For purposes of this definition, persons with familial status and persons with handicaps within the meaning of the Fair Housing Amendments Act (FHAA), 42 U.S.C. Sections 3602(h) and (k) will not be counted as unrelated persons. The limitation on the number of unrelated residents set forth in this definition shall not prohibit the city from making reasonable accommodations, as required by the FHAA, 42 U.S.C. Section 3604(f)(3)(B) and as provided in MICC 19.01.030. The term “family” shall exclude unrelated persons who are not also handicapped or have familial status within the meaning of the FHAA who live together in social service transitional housing or special needs group housing.~~

Single Housekeeping Unit: One or more persons jointly occupying a single-family dwelling or dwelling unit, including the joint use of and responsibility for common areas, sharing household activities and responsibilities such as meals, chores, household maintenance, and expenses. Such persons need not be related by blood or marriage. A Single Housekeeping Unit does not include larger institutional or congregant group living situations such as dormitories, fraternities, sororities, monasteries, or nunneries.

**Section 3: Duration of Interim Zoning and Official Controls.** The interim zoning and official controls approved by this Ordinance shall be effective immediately upon passage of this ordinance and continue in effect for a period of one year, unless repealed, extended, or modified by the City Council.

**Section 4: Adoption of Work Plan.** The work plan attached to this Ordinance as Exhibit A is hereby adopted.

**Section 5: Severability.** If any section, sentence, clause or phrase of this Ordinance or any municipal code section amended hereby should be held to be invalid or unconstitutional by a court of competent jurisdiction, such invalidity or unconstitutionality shall not affect the validity of any other section, sentence, clause or phrase of this Ordinance or the amended code section.

**Section 6: Effective Date.** The City Council hereby finds and declares the deadlines in SB 5235 for cities to adopt compliant development regulations cause an emergency which necessitates that this ordinance become effective immediately in order to preserve the public health, safety, and welfare. This ordinance shall become effective immediately upon passage by at least a majority plus one member of the

City Council. The City Clerk is directed to publish a summary of this ordinance at the earliest possible publication date.

PASSED BY THE CITY COUNCIL OF THE CITY OF MERCER ISLAND, WASHINGTON AT ITS REGULAR MEETING ON SEPTEMBER 21, 2021.

CITY OF MERCER ISLAND

\_\_\_\_\_  
Benson Wong, Mayor

Approved as to Form:

ATTEST:

\_\_\_\_\_  
Bio F. Park, City Attorney

\_\_\_\_\_  
Deborah A. Estrada, City Clerk

Date of Publication: \_\_\_\_\_

## Exhibit A

### State Mandated Code Amendments Work Plan

1. Technical analysis and staff recommendation <ul style="list-style-type: none"> <li>a. Review peer city approaches</li> <li>b. Analyze existing code criteria and spacing requirements for siting transitional and supportive housing facilities to understand existing capacity for potential housing sites</li> <li>c. Await Department of Commerce data on Mercer Island's "share" of the population in need of transitional/supportive housing and the amount of such housing the City should plan to accommodate</li> <li>d. Prepare staff recommendations and begin drafting a code amendment based on the above information</li> <li>e. Prepare a SEPA checklist and determination on the proposed code amendment, provide notification to state agencies and tribes</li> </ul>	Q4 2021-Q1 2022
2. Planning Commission review and recommendation on a draft code amendment <ul style="list-style-type: none"> <li>a. Public outreach, including public hearing</li> <li>b. Approximately 3 points of review by the commission – study session, public hearing, and recommendation</li> </ul>	Q2 2022
3. City Council review and approval of code amendment <ul style="list-style-type: none"> <li>a. First and second reading of the ordinance</li> </ul>	Q2-Q3 2022

**CITY OF MERCER ISLAND  
ORDINANCE NO. 21C-22**

**AN INTERIM ORDINANCE OF THE CITY OF MERCER ISLAND,  
WASHINGTON, AMENDING MICC 19.16.010, DEFINITIONS, RELATING TO  
ADULT FAMILY HOMES; PROVIDING FOR SEVERABILITY; ADOPTING A  
WORK PLAN; DECLARING AN EMERGENCY; AND ESTABLISHING AN  
EFFECTIVE DATE.**

**WHEREAS**, the adoption of land use and zoning regulations is a valid exercise of the City's police power and is specifically authorized by RCW 35A.63.100; and

**WHEREAS**, within the express terms of the Growth Management Act, the Washington State Legislature has specifically conferred upon the governing bodies of Washington cities the right to establish and adopt interim development regulations; and

**WHEREAS**, homelessness is a national, state, regional, and local crisis and homelessness has devastating effects on human lives and severe health, safety, social, economic, and environmental impacts on cities, neighborhoods, families, schools, businesses, healthcare facilities, and social service agencies; and

**WHEREAS**, in 2020, the Washington State legislature passed HB 1023, which amended state statute to allow adult family homes to serve up to eight people (previously six); and

**WHEREAS**, the effective date of HB 1023 was June 11, 2020; and

**WHEREAS**, the Mercer Island City Code currently only recognizes the previous state limit on adult family homes to six residents, rather than the current limit of eight; and

**WHEREAS**, due to the effective date of the ordinance, it is necessary for the City to take immediate action to conform its code with state law; and

**WHEREAS**, the City is authorized under RCW 36.70A.390 to pass an interim zoning and official control ordinance for up to one year if a work plan is developed for related studies providing for such a longer period; and

**WHEREAS**, City Staff have developed a work plan for related studies for compliance with HB 1023 and such work plan is attached to this Ordinance as Exhibit A; and

**WHEREAS**, the City is authorized under RCW 35A.63.220 and 36.70A.390 to pass an interim zoning and official control ordinance, provided it holds a public hearing on the same within sixty days after passage if it has not previously held a public hearing on the proposed ordinance; and

**WHEREAS**, the City Council held a public hearing on September 21, 2021 regarding this interim zoning and official control ordinance;

**WHEREAS**, both the homelessness crisis and the deadlines in HB 1023 for cities to adopt compliant development regulations cause an emergency which necessitates that this ordinance become effective immediately in order to preserve the public health, safety, and welfare and also requires action prior to the preparation of a State Environmental Protection Act threshold determination pursuant to WAC 197-11-880 and MICC 19.21.160;

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF MERCER ISLAND, WASHINGTON DO ORDAIN AS FOLLOWS:

**Section 1: Whereas Clauses Adopted.** The “Whereas Clauses” set forth in the recital of this Ordinance are hereby adopted as the findings and conclusions of the City Council for passing this Ordinance.

**Section 2: Section 19.16.010 MICC, Definitions, Amended.** MICC Section 19.16.101, Definitions, is hereby amended as follows. All other definitions not herein amended shall remain as currently written.

Adult Family Home: As defined and regulated by Chapter 70.128 RCW, an adult family home is the regular family abode of a person or persons who are providing personal care, special care, and room and board to more than one but not more than ~~six~~eight adults who are not related by blood or marriage to the person or persons providing the services.

**Section 3: Duration of Interim Zoning and Official Controls.** The interim zoning and official controls approved by this Ordinance shall be effective immediately upon passage of this ordinance and continue in effect for a period of one year, unless repealed, extended, or modified by the City Council.

**Section 4: Adoption of Work Plan.** The work plan attached to this Ordinance as Exhibit A is hereby adopted.

**Section 5: Severability.** If any section, sentence, clause or phrase of this Ordinance or any municipal code section amended hereby should be held to be invalid or unconstitutional by a court of competent jurisdiction, such invalidity or unconstitutionality shall not affect the validity of any other section, sentence, clause or phrase of this Ordinance or the amended code section.

**Section 6: Effective Date.** The City Council hereby finds and declares the deadlines in HB 1023 for cities to adopt compliant development regulations cause an emergency which necessitates that this ordinance become effective immediately in order to preserve the public health, safety, and welfare. This ordinance shall become effective immediately upon passage by at least a majority plus one member of the City Council. The City Clerk is directed to publish a summary of this ordinance at the earliest possible publication date.

PASSED BY THE CITY COUNCIL OF THE CITY OF MERCER ISLAND, WASHINGTON AT ITS REGULAR MEETING ON SEPTEMBER 21, 2021.

CITY OF MERCER ISLAND

\_\_\_\_\_  
Benson Wong, Mayor

Approved as to Form:

ATTEST:

\_\_\_\_\_  
Bio F. Park, City Attorney

\_\_\_\_\_  
Deborah A. Estrada, City Clerk

Date of Publication: \_\_\_\_\_

## Exhibit A

## State Mandated Code Amendments Work Plan

1. Technical analysis and staff recommendation <ul style="list-style-type: none"> <li>a. Review peer city approaches</li> <li>b. Analyze existing code criteria and spacing requirements for siting transitional and supportive housing facilities to understand existing capacity for potential housing sites</li> <li>c. Await Department of Commerce data on Mercer Island's "share" of the population in need of transitional/supportive housing and the amount of such housing the City should plan to accommodate</li> <li>d. Prepare staff recommendations and begin drafting a code amendment based on the above information</li> <li>e. Prepare a SEPA checklist and determination on the proposed code amendment, provide notification to state agencies and tribes</li> </ul>	Q4 2021-Q1 2022
2. Planning Commission review and recommendation on a draft code amendment <ul style="list-style-type: none"> <li>a. Public outreach, including public hearing</li> <li>b. Approximately 3 points of review by the commission – study session, public hearing, and recommendation</li> </ul>	Q2 2022
3. City Council review and approval of code amendment <ul style="list-style-type: none"> <li>a. First and second reading of the ordinance</li> </ul>	Q2-Q3 2022

**CITY OF MERCER ISLAND  
ORDINANCE NO. 21C-23**

**AN INTERIM ORDINANCE OF THE CITY OF MERCER ISLAND,  
WASHINGTON, AMENDING MICC 19.16.010, DEFINITIONS, RELATING TO  
EMERGENCY SHELTERS AND HOUSING, TRANSITIONAL HOUSING, AND  
PERMANENT SUPPORTIVE HOUSING; ADOPTING A WORK PLAN;  
PROVIDING FOR SEVERABILITY; DECLARING AN EMERGENCY; AND  
ESTABLISHING AN EFFECTIVE DATE.**

**WHEREAS**, the adoption of land use and zoning regulations is a valid exercise of the City's police power and is specifically authorized by RCW 35A.63.100; and

**WHEREAS**, within the express terms of the Growth Management Act, the Washington State Legislature has specifically conferred upon the governing bodies of Washington cities the right to establish and adopt interim development regulations; and

**WHEREAS**, homelessness is a national, state, regional, and local crisis and homelessness has devastating effects on human lives and severe health, safety, social, economic, and environmental impacts on cities, neighborhoods, families, schools, businesses, healthcare facilities, and social service agencies; and

**WHEREAS**, the Washington State legislature recently passed E2SHB 1220, which, among other things, requires cities to allow indoor emergency shelters and housing, transitional housing, and permanent supportive housing in certain zones; and

**WHEREAS**, E2SHB 1220 provides, in part, that a city shall not prohibit transitional housing or permanent supportive housing in any zones in which residential dwelling units or hotels are allowed, and that a city shall not prohibit indoor emergency shelters and indoor emergency housing in any zones in which hotels are allowed, except if the city has adopted an ordinance authorizing indoor emergency shelters and indoor emergency housing in a majority of zones within a one-mile proximity to transit; and

**WHEREAS**, cities are allowed to adopt reasonable occupancy, spacing, and intensity of use requirements on permanent supportive housing, transitional housing, indoor emergency housing, and indoor emergency shelters to protect public health and safety so long as those reasonable restrictions do not prohibit the number of units assigned to the city by the Washington State Department of Commerce ("Commerce"); and

**WHEREAS**, Commerce has not yet assigned the City of Mercer Island a number of units for permanent supportive housing, transitional housing, indoor emergency housing, and indoor emergency shelters; and

**WHEREAS**, E2SHB 1220 includes a September 30, 2021, deadline for cities to comply, and the City Council has determined that to comply with the deadline and thoroughly analyze permanent regulations, interim development regulations adopted under the provisions of RCW 36.70A.390 are necessary to allow adequate time for the City to adopt permanent development regulations in compliance with E2SHB 1220; and



**WHEREAS**, the City is authorized under RCW 36.70A.390 to pass an interim zoning and official control ordinance for up to one year if a work plan is developed for related studies providing for such a longer period; and

**WHEREAS**, City Staff have developed a work plan for related studies for compliance with E2SHB 1220 and such work plan is attached to this Ordinance as Exhibit A; and

**WHEREAS**, the City is authorized under RCW 35A.63.200 and 36.70A.390 to pass an interim zoning and official control ordinance, provided it holds a public hearing on the same within sixty days after passage if it has not previously held a public hearing on the proposed ordinance; and

**WHEREAS**, the City Council held a public hearing on September 21, 2021 regarding this interim zoning and official control ordinance; and

**WHEREAS**, both the homelessness crisis and the deadlines in E2SHB 1220 for cities to adopt compliant development regulations cause an emergency which necessitates that this ordinance become effective immediately in order to preserve the public health, safety, and welfare and also requires action prior to the preparation of a State Environmental Protection Act threshold determination pursuant to WAC 197-11-880 and MICC 19.21.160;

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF MERCER ISLAND, WASHINGTON DOES HEREBY ORDAIN AS FOLLOWS:

**Section 1: Whereas Clauses Adopted.** The “Whereas Clauses” set forth in the recitals of this Ordinance are hereby adopted as the findings and conclusions of the City Council for passing this Ordinance.

**Section 2: Section 19.16.010 MICC, Definitions, Amended.** MICC Section 19.16.010, Definitions, is hereby amended as follows. All other definitions not herein amended shall remain as currently written.

Social Service Transitional Housing: Noninstitutional group housing facilities for unrelated persons, other than special needs group housing or rooming houses, that are privately or publicly operated, including those facilities required to be licensed by the state or federal governments as well as those that may not be required to be licensed, that provide temporary and transitional housing to meet community social service needs including, but not limited to, work-release facilities and other housing facilities serving as an alternative to incarceration, halfway houses, emergency shelters, homeless shelters, domestic violence shelters and other such crisis intervention facilities. ~~Social service transitional housing excludes institutional facilities that typically cannot be accommodated in a single-family residential structure.~~ Further, the term shall include “emergency housing,” and “transitional housing” as defined within RCW 84.36.043(2)(c) or as hereafter amended. The term shall further include “emergency shelter” as defined within RCW 36.70A.030 or as hereafter amended.

Special Needs Group Housing: Noninstitutional group housing that primarily supports unrelated persons with handicaps or persons protected by familial status within the meaning of the FHAA, but not including individuals whose tenancy would constitute a direct threat to the health and safety of other individuals or whose tenancy would result in substantial physical damage to the property of

others. Special needs group housing includes, but is not limited to, foster family homes, adult family homes and residential care facilities as provided in Chapter 70.128 RCW, but excludes facilities ~~that typically cannot be accommodated in a single-family residential structure~~ such as hospitals, nursing homes, assisted living facilities and detention centers. Further, the term shall include "permanent supportive housing" as defined in RCW 36.70A.030 or as hereafter amended.

- Section 3: Duration of Interim Zoning and Official Controls.** The interim zoning and official controls approved by this Ordinance shall be effective immediately upon passage of this ordinance and continue in effect for a period of one year, unless repealed, extended, or modified by the City Council.
- Section 4. Adoption of Work Plan.** The work plan attached to this Ordinance as Exhibit A is hereby adopted.
- Section 5. Severability.** If any section, sentence, clause or phrase of this Ordinance or any municipal code section amended hereby should be held to be invalid or unconstitutional by a court of competent jurisdiction, such invalidity or unconstitutionality shall not affect the validity of any other section, sentence, clause or phrase of this Ordinance or the amended code section.
- Section 6: Effective Date.** The City Council hereby finds and declares the deadlines in E2SHB 1220 for cities to adopt compliant development regulations cause an emergency which necessitates that this ordinance become effective immediately in order to preserve the public health, safety, and welfare. This ordinance shall become effective immediately upon passage by at least a majority plus one member of the City Council. The City Clerk is directed to publish a summary of this ordinance at the earliest possible publication date.

PASSED BY THE CITY COUNCIL OF THE CITY OF MERCER ISLAND, WASHINGTON AT ITS REGULAR MEETING ON SEPTEMBER 21, 2021.

CITY OF MERCER ISLAND

\_\_\_\_\_  
Benson Wong, Mayor

Approved as to Form:

ATTEST:

\_\_\_\_\_  
Bio F. Park, City Attorney

\_\_\_\_\_  
Deborah A. Estrada, City Clerk

Date of Publication: \_\_\_\_\_

## Exhibit A

### State Mandated Code Amendments Work Plan

1. Technical analysis and staff recommendation <ul style="list-style-type: none"> <li>a. Review peer city approaches</li> <li>b. Analyze existing code criteria and spacing requirements for siting transitional and supportive housing facilities to understand existing capacity for potential housing sites</li> <li>c. Await Department of Commerce data on Mercer Island's "share" of the population in need of transitional/supportive housing and the amount of such housing the City should plan to accommodate</li> <li>d. Prepare staff recommendations and begin drafting a code amendment based on the above information</li> <li>e. Prepare a SEPA checklist and determination on the proposed code amendment, provide notification to state agencies and tribes</li> </ul>	Q4 2021-Q1 2022
2. Planning Commission review and recommendation on a draft code amendment <ul style="list-style-type: none"> <li>a. Public outreach, including public hearing</li> <li>b. Approximately 3 points of review by the commission – study session, public hearing, and recommendation</li> </ul>	Q2 2022
3. City Council review and approval of code amendment <ul style="list-style-type: none"> <li>a. First and second reading of the ordinance</li> </ul>	Q2-Q3 2022



# AB 5941:

State Mandated Code  
Amendments

September 21, 2021

# Overview

- State legislation
  - ESSB 5235 - Unrelated Persons Cohabiting
  - ESHB 1023 (2020) – Adult Family Home Capacity
  - E2SHB 1220 – Transitional and Permanent Supportive Housing
- Timeline
  - E2SHB 1220 requires compliance by September 30, 2021
  - ESSB 5235 and ESHB 1023 also require code amendments
- Approach
  - Consolidated review
  - Interim ordinances
  - 12-month work plan to enable thorough analysis and review
  - Adopt permanent regulations by Q3 2022



# State Legislation

- ESSB 5235 - Unrelated Persons Cohabiting
  - Prohibits cities from regulating or limiting the number of unrelated people occupying a house/dwelling unit
  - Some exceptions: lawful limits on occupant load per square feet, occupant limits on state regulated group living, short-term rentals
- ESHB 1023 – Adult Family Home Capacity
  - Allows for adult family homes that provide services to up to 8 adults (formerly 6) – cities must accommodate these homes/services



# State Legislation

- E2SHB 1220 – Transitional and Permanent Supportive Housing
  - Cities cannot prohibit transitional or permanent supportive housing in zones that allow residential dwelling units or hotels
  - Cities cannot prohibit indoor emergency shelters/housing in any zones that allow hotels
    - Except for cities that authorize indoor emergency shelters/housing in a majority of zones within a one-mile proximity to transit



# State Legislation

- E2SHB 1220 – Transitional and Permanent Supportive Housing, continued
  - Occupancy, spacing, and intensity of use requirements must be reasonable and designed to protect public health and safety
    - Cannot be used to prevent the siting of a “sufficient number necessary to meet” the projected need for housing and shelter





# Recommended Code Amendments

- Ordinance No. 21C-19, amends MICC 19.16.010, Definitions
  - Amends the definition of “Family” to include any individuals who live together in a single housekeeping unit regardless of relation to each other
  - Adds a definition of “Single Housekeeping Unit”
- Ordinance No. 21C-22, amends MICC 19.16.010, Definitions
  - Increases the maximum number of adults served in an adult family home from 6 to 8
- Ordinance No. 21C-23, amends MICC 19.16.010, Definitions
  - Expands the definition of “Social Service Transitional Housing” to include emergency housing, transitional housing, and emergency shelter
  - Expands the definition of “Special Needs Group Housing” to include permanent supportive housing



# Recommended Motions

1. Move to adopt Ordinance No. 21C-19, amending Mercer Island City Code 19.16.010, Definitions, relating to the definitions of Family and Housekeeping Units.
2. Move to adopt Ordinance No. 21C-22, amending Mercer Island City Code 19.16.010, Definitions, relating to Adult Family Homes.
3. Move to adopt Ordinance No. 21C-23 amending Mercer Island City Code 19.16.010, Definitions, relating to Emergency Shelters and Housing, Transitional Housing, and Permanent Supportive Housing.





## BUSINESS OF THE CITY COUNCIL CITY OF MERCER ISLAND

**AB 5942**  
**September 21, 2021**  
**Regular Business**

### AGENDA BILL INFORMATION

<b>TITLE:</b>	AB 5942: Second Quarter 2021 Financial Status Update & 2021-2022 Budget Amendments (Ord. No. 21-20).	<input type="checkbox"/> Discussion Only
<b>RECOMMENDED ACTION:</b>	Receive the FY 2021 Q2 Financial Status Update and adopt Ordinance No. 21-20 (Amendment No. 4)	<input checked="" type="checkbox"/> Action Needed: <input type="checkbox"/> Motion <input checked="" type="checkbox"/> Ordinance <input type="checkbox"/> Resolution

<b>DEPARTMENT:</b>	Finance
<b>STAFF:</b>	Matthew Mornick, Finance Director Ben Schumacher, Financial Analyst
<b>COUNCIL LIAISON:</b>	n/a
<b>EXHIBITS:</b>	1. Financial Status Update – FY 2021 Second Quarter 2. Ordinance No. 21-20 – 2021-2022 Biennial Budget Amendments
<b>CITY COUNCIL PRIORITY:</b>	2. Articulate, confirm, and communicate a vision for effective and efficient city services. Stabilize the organization, optimize resources, and develop a long-term plan for fiscal sustainability.

### SUMMARY

The purpose of this agenda bill is to provide the City Council with the 2021 Second Quarter Financial Status Update (see Exhibit 1), which includes financial actuals for revenue and expenditure categories through June 30, 2021. Ordinance No. 21-20 (see Exhibit 2) outlines budget amendments in the current biennium and includes new requests involving a staffing increase in the Community Planning and Development Department, a limited-term position in Human Resources, increased funding for the City Attorney's Office, and Police interview/interrogation room system upgrades. The budget reflected in the financial status update includes all budget amending ordinances for the 2021-2022 biennial budget adopted by June 30, 2021.

#### Financial Status Update: Second Quarter in Review

Based on financial data through the month of June, the City has collected \$16.9 million, or 50.5 percent of the amended budget, in General Fund revenues. Sales tax revenues performed above budget expectations, up \$323,000 compared to the same period in 2020.

License, Permit & Zoning revenues are up \$908,000 compared to the same period in 2020. A large one-time receipt of funds relating to the Xing Hua property development in Town Center came through earlier in the year. Also, a better system for employee time-tracking has resulted in more accurately charging for permit-related services. Staff caught up on a backlog of work and processed a high volume of permits in June, which added to this increase in permit-related revenues through the first half of the year.

General fund expenditures are within amended budget estimates at the end of June totaling \$15.1 million, or 45.7 percent of expected expenditures. The Water, Sewer, and Stormwater Utility funds are all well within their respective operating expenditure budgets. Capital project spending in the Utility funds is lower than anticipated, with staff spending significant time on a handful of large-scale, complicated projects.

All other operating and capital funds throughout the City are within budget expectations, and there are no significant variances to either revenue or expenditures.

### Budget Amendments 2021-2022

Ordinance No. 21-20 (Exhibit 2) outlines budget amendments previously approved by the City Council since the May 18, 2021, Council Meeting when Ordinance No. 20-11 was passed, as well as new requests. Summary descriptions of the new budget amending requests are included below for the City Council's consideration.

### **Community Planning and Development Department (CPD) Staffing Increase**

Staff recommends the City Council consider adding new positions to keep pace with current demand for development and construction fee-related services. The table below outlines full-time equivalent (FTE) and limited-term equivalent (LTE) staffing requests in CPD:

POSITION	REQUEST	FUNDING SOURCE	FY 2021 Q4 COST	FY 2022 COST
Senior Plans Examiner	0.5 FTE	Permit Revenues	\$ 17,926	\$ 74,080
Permit Tech	0.5 FTE	Permit Revenues	\$ 11,586	\$ 48,878
Assistant Planner	1.0 FTE	Permit Revenues	\$ 29,161	\$ 120,695
Administrative Assistant	0.5 LTE thru 12/2022	General Fund	\$ 12,219	\$ 50,833
<b>Total</b>	<b>2.0 FTE/ 0.5 LTE</b>		<b>\$ 70,892</b>	<b>\$ 294,485</b>

1. Senior Plans Examiner (Add 0.5 FTE) - This request restores a current position to 1.0 FTE with permit revenues after being reduced in 2020. This position performs a wide variety of building plan review, ranging from "over the counter" development permits such as decks to large, complex residential and commercial development permits as well as building code customer service. The total building plan review staff resource will increase from 1.5 FTE to 2.0 FTE should this request be approved by City Council.
2. Permit Technician (Add 0.5 FTE) - This request also restores a current position to 1.0 FTE with permit revenues after being reduced in 2020. This position performs core functions of the City's Permit Center, including the intake, routing and issuance of development permits as well as general development related customer service supporting planning, building engineering and fire staff. The total Permit Center staff resource will increase from 2.5 FTE to 3.0 FTE should this request be approved by City Council.
3. Assistant Planner (Add 1.0 FTE) - This request is a new position with permit revenues. An Assistant Planner position is an entry level classification typically found in a series along with that for Planner and Senior Planner. While this is a new request, in 2020 the City did reduce multiple other planner positions including Planner (FTE), Senior Planner (FTE) and Planning Manager (LTE). This position will perform a large volume of planning reviews for development permits, processing of Type I and II planning / design permits as well as planning code customer service. The total planning / design review staff resource will increase from 3.0 FTE to 4.0 FTE should this request be approved by City Council.
4. Administrative Assistant (Extend 0.5 LTE) - This request is to extend an existing LTE position through 2022 with general funds. This position has primarily been supporting the fulfillment of public records requests, permit noticing requirements and during a recent period of short staffing, other Permit Center functions. In addition to continuing to support public records requests and permit noticing requirements, this position will help bring the department current on permit archiving and records management.

### **Limited-term Human Resources Specialist**

The Human Resources Division has gone through tremendous change in the past 18 months, placing an immoderate burden on the HR team with numerous layoffs, safety measure policies and implementation, remote work guidance, citywide reorganization, and recruiting and hiring staff across all departments,

including restarting Recreation and the Thrift Shop. As a result, staff has been limited in completing the Department's work plan items, which include:

1. NEOGOV Implementation: The City's new human resources information system (HRIS) will automate and support the entire employee lifecycle and streamline processes, all from one centralized platform. Due to numerous setbacks on the vendor side and the City side the project is proceeding slower than anticipated. Next steps include deploying the new software, training staff, and identifying technical issues.
2. Classification & Compensation Study: HR staff is working with a consultant to examine and evaluate the City's current salary schedule for non-represented employees, develop a classification system for all positions, and recommend improvements or changes to be implemented. Phase one of the study is underway; the consultant is reviewing and editing job descriptions for all non-represented positions. Phase two of the study, completing a market analysis for the positions, will begin in the fall.
3. Recruiting: In a typical year, the City completes 20-25 recruitments for all departments (excluding Police and Fire). In December 2020 and January 2021, HR supported the transition of 25 employees into new positions or reclassifications. So far in 2021, the City has conducted 47 recruitments (not including Police and Fire) resulting in the hiring of 35 new employees (including new Police and Fire employees). Currently, there are 19 positions open or in the process of being filled.
4. Long-Term Care: in 2020, the WA State Legislature established a long-term care insurance benefit for all eligible workers to address the future long-term care liability requiring all Washington workers to pay \$0.58 per \$100 of earnings starting in January 2022. The new law also allowed for exemptions to the tax and to opt-out of the state plan by securing a private plan. Informing employees of the new law and options for private plans, working with private plan vendors, and answering questions from employees has taken an inordinate amount of HR staff time.
5. Policies and Procedures: HR staff has continued work on updating the Employee Handbook and Accident Prevention Program which are both out of date.

The Human Resources division has hit a critical point. In order to keep the momentum with these work plan items additional staffing is needed. With another employee on board dedicated to HR work, the Division will be able to finish long standing items and complete current projects over the next year. It is anticipated that HR Division staffing will return to current levels in 2023.

To help with the current workload, staff is seeking an appropriation of up to \$156,000 from the 2020 General Fund year-end surplus to hire a 1.0 LTE Human Resources Specialist through December 31, 2022. The position will provide immediate temporary support.

### **City Attorney**

The number of special projects and litigation requiring outside legal counsel this year has outpaced the City Attorney's Office FY 2021 expenditure budget. Unanticipated projects related to revision and implementation of the Code of Ethics, real estate transaction, and other environmental and personnel matters have increased expenditures on outside legal counsel.

Expenditures on Special Projects and Lawsuits are currently \$120,544 dollars over budget. Staff recommends the City Council consider an additional appropriation of \$275,000 to cover the expenditures to date and to continue to provide specialized legal support to CPD and Public Works departments on complex projects, Human Resources department on collective bargaining negotiations and negotiations related to workplace impacts from COVID-19 mandates, and the City Manager's Office on various special projects.

All legal costs related to COVID-19 are being tracked, and opportunities for reimbursement and use of ARPA funds are being explored.

**Police Interview Room Surveillance System Upgrade**

In July, the City received \$98,693 in one-time money from the State City Assistance Fund to offset the impact of implementing new law enforcement legislative changes from the 2021 Legislative session. Staff recommends \$16,900 of these funds be used to upgrade the interview/interrogation room's audio and video recording system.

House Bill 1223 was passed which requires Law Enforcement agencies to electronically record custodial interrogations of all juveniles and adults that are in custody for a felony-level crime. Section 3 of this HB specifically requires, "A custodial interrogation at a jail, police or sheriff's station, holding cell, or correctional or detention facility must be recorded by audio and video means."

The City's current system is at the end of its useful life. A full system upgrade is required to meet these legislative requirements and provide the most reliable means to meet the recording standards.

**RECOMMENDED ACTION**

Adopt Ordinance No. 21-20, amending the 2021-2022 Biennial Budget.

## INTRODUCTION

The Financial Status Update provides a budget to actual comparison of revenues and expenditures for the General Fund and all other Funds from January through June 2021.

This report is comprised of the following four sections:

- General Fund
- Utility Funds
- All Other Funds
- Budget Adjustment Summary

It should be noted that, where significant, revenues are recognized when earned, regardless of when cash is received, and expenditures are recognized when a liability has been incurred or when resources have been transferred to another Fund. Beginning Fund Balance represents net excess resources from a prior year that have been appropriated to Fund budgeted expenditures in the current year.

**SEPTEMBER 21, 2021**

## FINANCIAL STATUS UPDATE

**AS OF JUNE 30, 2021**

### **2021 General Fund**

#### **Adopted Revenue Budget**

*\$31.0 million*

#### **Amended Revenue Budget**

*\$33.4 million*

#### **Revenue Actuals**

**as of June 30,**  
*\$16.9 million (50.5% of  
amended budget)*

#### **Adopted Expenditure Budget**

*\$30.5 million*

#### **Amended Expenditure Budget**

*\$33.0 million*

#### **Expenditure Actuals**

**as of June 30,**  
*\$15.1 million (45.7% of  
amended budget)*

#### **Contingency Fund Balance**

*\$3.8 million*

## GENERAL FUND

### Revenues

Overall, General Fund revenues performed as expected at the end of June despite the ongoing COVID-19 Pandemic (Pandemic). The 2021 amended revenue budget is included in the table below along with year-to-date (YTD) actuals, and YTD actuals as a percentage of the amended budget. Prior YTD actuals are presented for comparative purposes.

The budget and actual amounts are for the first six months of the year, through the end of June. Additional detail regarding primary General Fund revenues and material variances from the original budget is discussed in the narrative below.

### GENERAL FUND: Revenues

As of June 30, 2021

Revenue Category	2021 Adopted Budget	2021 Amended Budget	Prior YTD 6/30/2020	YTD 6/30/2021	YTD Revenue as % of Amended Budget
Property Tax	\$ 12,982,811	\$ 12,982,811	\$ 6,795,567	\$ 7,147,716	55.1%
Sales Tax - General	4,116,770	4,116,770	2,151,902	2,475,150	60.1%
Sales Tax - Criminal Justice	674,900	674,900	335,778	386,196	57.2%
Utility Taxes	4,734,540	4,734,540	2,049,462	2,378,440	50.2%
B&O Taxes	508,600	508,600	116,045	155,673	30.6%
Shared Revenues	1,181,024	1,216,294	575,716	658,361	54.1%
Cost Allocation-Overhead	792,835	792,835	375,611	396,408	50.0%
EMS Revenues	1,575,537	1,575,537	689,081	716,795	45.5%
Parks & Recreation	163,400	163,400	274,999	150,626	92.2%
License, Permit & Zoning	2,800,750	2,800,750	1,207,394	2,115,403	75.5%
Municipal Court	262,600	262,600	81,498	120,887	46.0%
Miscellaneous Revenue	218,200	218,200	231,854	159,715	73.2%
Interest Earnings	24,600	24,600	13,297	3,819	15.5%
Interfund Transfers	50,000	50,000	15,685	50,000	N/A
<b>Total Revenues</b>	<b>\$ 30,086,567</b>	<b>\$ 30,121,837</b>	<b>\$ 14,913,889</b>	<b>\$16,915,188</b>	<b>56.2%</b>
Beginning Fund Balance	925,214	3,378,056	0	0	0.0%
<b>Total Resources</b>	<b>\$ 31,011,781</b>	<b>\$ 33,499,893</b>	<b>\$ 14,913,889</b>	<b>\$ 16,915,188</b>	<b>50.5%</b>

**Property Tax** is at 55.5 percent of the budget at the end of June. This is right at expectations and reflects the annual timing of property tax payments to the City which typically occur in April and October.

**General Sales Tax** is 60.1 percent of the adopted budget at the end of June. Because of the delay in receiving Sales Tax from the State, tax revenue is recognized one month later than it is collected (i.e., June Sales Tax revenue numbers represent May sales). Sales Tax revenue is performing above budget expectations primarily due to higher-than-expected returns. This higher than anticipated return is due to an increase of online sales.



Construction has historically been the largest component of Sales Tax revenue but due to the increase of online sales, Retail & Wholesale Trade now represents a greater share of total revenue. The following table compares Sales Tax revenue by business sector through June for 2020 and 2021.

2020-2021 General Sales Tax Revenue by Business Sector (in thousands)						
Business Sector	Year to Date 6/30/2020	Year to Date 6/30/2021	Increase / (Decrease)	% of Total		
				2020	2021	Sector Totals Change
Retail & Wholesale Trade	\$715	\$855	\$140	33.2%	34.6%	1.3%
Construction	\$729	\$802	\$73	33.9%	32.4%	-1.5%
Admin & Support Services	\$185	\$236	\$51	8.6%	9.5%	0.9%
All Other Sectors	\$183	\$231	\$48	8.5%	9.3%	0.8%
Food Services	\$102	\$101	(\$0)	4.7%	4.1%	-0.6%
Finance/Insurance/Real Estate	\$87	\$101	\$14	4.0%	4.1%	0.0%
Professional, Scientific & Tech	\$80	\$78	(\$2)	3.7%	3.1%	-0.6%
Telecommunications	\$71	\$71	(\$1)	3.3%	2.9%	-0.5%
<b>Total</b>	<b>\$2,152</b>	<b>\$2,475</b>	<b>\$323</b>	<b>100.0%</b>	<b>100.0%</b>	

**Criminal Justice Sales Tax** is 57.2 percent of the adopted budget at the end of June. This revenue consists of a 0.1 percent sales tax imposed by King County that is shared amongst cities in the county on a per capita (population) basis. It is closely tied to county wide taxable sales numbers which are up at least through the beginning of the year.

**Business & Occupation (B&O) Tax** is 30.6 percent of budget at the end of June. This revenue shortfall is expected because most of the City's registered businesses file an annual, rather than quarterly, B&O tax return. Annual B&O tax returns for the prior year are due on the Federal deadline of April 15. B&O tax revenues for 2021 are likely to be received early fiscal year 2022, before the Federal filing deadline.

**Shared Revenues** are 54.1 percent of budget at the end of June. Major revenue sources include State shared taxes; hazardous waste grants; the I-90 corridor landscape maintenance revenue from the Washington State Department of Transportation; vessel registration fees received from the state through King County; the marine patrol services contract revenue from the City of Renton; and financial support for the School Resource Officer received from the Mercer Island School District. Timing of these revenues is variable throughout the year, with most expected in the third and fourth quarters of the year.

**Parks and Recreation** revenues are 92.2 percent of budget at the end of June. Revenue sources include limited field rentals, boat launch fees, and rent payments from the annex building outside the Mercer Island Community and Event Center (MICEC). Staff has presented to Council an implementation strategy to kickstart limited Recreation services that were canceled in 2020 due to the Pandemic, which was passed as part of Ordinance 21-11. Staff has begun the process of rehiring to implement the approved strategy while closely monitoring the ongoing Pandemic.

**License, Permit, and Zoning Fees** are 75.5 percent of budget at the end of June. This revenue category consists of fees related to development services, business licenses, and a cable franchise. This revenue stream is performing well due to much higher than anticipated permit and land use revenues.

**Miscellaneous Revenue** is at 73.2 percent of the budget at the end of June. This is primarily due to a site-lease revenue which are at 98.0 percent of budget at the end of June. Other revenues in this line include small donations and disability reimbursements.

**Interest Earnings** are budgeted in the General Fund as an estimate of earnings tied to the balance of the reserve for LEOFF 1 long term care. The City's idle cash resources are invested in the State Treasury Local Government Investment Pool. Per current budget policy, interest earnings are distributed to the various Funds based on their relative cash balances at the end of each quarter. Across all Funds, interest earnings are experiencing a decline compared to 2020.

All other revenues are within normal expectations through the end of June.

## Expenditures

Overall, General Fund expenditures are within budget estimates at the end of June. The table below lists the 2021 amended expenditure budget, year-to-date actuals, and year-to-date actuals as a percentage of the amended budget. Prior year actuals are presented for comparative purposes.

The budget and actual amounts are through the first six months of the year – the end of June. Additional detail of material variances from the amended budget is discussed in the narrative below.

### GENERAL FUND: Expenditures

As of June 30, 2021

General Fund Department	2021 Adopted Budget	2021 Amended Budget	Prior YTD 6/30/2020	YTD 6/30/2021	YTD Expense as % of Amended Budget
Administrative Services	\$ 478,523	\$ 478,523	N/A	\$ 203,711	42.6%
City Attorney's Office	743,450	2,008,537	320,051	795,534	39.6%
City Council	47,375	47,375	22,490	29,042	61.3%
City Manager's Office	963,104	963,104	465,428	432,356	44.9%
Community Planning & Development	2,744,975	2,744,975	1,610,516	1,180,266	43.0%
Finance	944,767	944,767	350,630	379,697	40.2%
Fire	6,988,873	6,982,873	3,453,818	3,551,839	50.9%
Human Resources	747,009	747,009	341,626	365,773	49.0%
Information & Geographic Services	157,849	157,849	69,774	76,684	48.6%
Municipal Court	473,078	473,078	210,116	207,905	43.9%
Non-Departmental	1,882,759	2,313,089	1,670,079	1,254,758	54.2%
Parks & Recreation	727,553	1,215,003	1,744,625	433,553	35.7%
Police	7,382,410	7,493,655	3,644,066	3,656,778	48.8%
Public Works	4,885,973	4,985,973	719,527	1,747,873	35.1%
<b>Total Expenditures</b>	<b>\$ 29,167,698</b>	<b>\$ 31,555,810</b>	<b>\$ 14,622,745</b>	<b>\$ 14,315,768</b>	<b>49.1%</b>
Interfund Transfers	1,365,787	1,465,787	130,100	787,441	53.7%
<b>Total Expenditures + Interfund Transfers</b>	<b>\$ 30,533,485</b>	<b>\$ 33,021,597</b>	<b>\$ 14,752,845</b>	<b>\$ 15,103,209</b>	<b>45.7%</b>

In reviewing expenditures by department, the following are noteworthy:

**City Attorney's Office** has expended 39.6 percent of budget at the end of June. The City Attorney budget includes \$1.2 million in funding for Sound Transit litigation of which is 28.0 percent has been expended to date. Regular operating expenditures in the City Attorney's office are at 59.9 percent of budget at the end of June. This higher-than-expected amount is due to the ongoing need for outside legal assistance.

**City Council** expenditures are at 61.3 percent of budget at the end of June. Higher than anticipated professional service costs are the cause of the slight overage.

**Non-Departmental** has expended 54.2 percent of budget at the end of June. The largest line-item expenditure in non-departmental is the annual payment of liability and property insurance which is paid in full in January. Expenditures are expected to remain within budget throughout the remainder of the year.

**Parks and Recreation** expenditures ended June at 35.7 percent of budget. City Council passed Ordinance 21-11 which included a one-time appropriation of funds intended to kickstart recreation services that were canceled at the onset of the Pandemic. Staff is continuing to implement the recreation reset strategy while adjusting implementation based on the ongoing Pandemic. Staff anticipates returning to the City Council in October to discuss the fiscal year 2022 financial needs.

**Public Works** ended June at 35.1 percent of expenditure budget. One reason for this expenditure shortfall is the Parks Operations portion of Parks and Recreation being rolled into Public Works as part of the City's staff reorganization that took place in November of 2020. Employment vacancies, including significant internal movement within the teams, has created longer than anticipated position openings, limiting salary and benefit expenditures across the department. Additionally, the seasonality of work in Parks Operations, and the challenge to hire entry level or part-time/seasonal positions have contributed to the expenditure shortfall to date. Recruitment for vacant positions is underway and is anticipated to be fully staffed by year-end.

All other expenditures are meeting expectations through the end of June.

## UTILITY FUNDS

At the end of June, all three utility Funds are within expectations for operating revenues and expenditures.

### Revenues

The table below lists the 2021 adopted revenue budget, January through June actuals, and a percentage of budget received. Prior year actuals are presented for comparative purposes. The budget and actual amounts are through the end of June. Additional detail of major variances is discussed in the narrative following the table.

#### UTILITY FUNDS: Revenues

As of June 30, 2021

Revenue Category	2021 Adopted Budget	Prior YTD 6/30/20	YTD 6/30/21	YTD Revenue as % of Adopted Budget
<b>Operating Revenues</b>				
Water Utility	\$ 8,735,800	\$ 3,605,359	\$ 3,746,939	42.9%
Sewer Utility	10,478,100	5,029,408	5,255,874	50.2%
Storm Water Utility	2,216,300	1,035,631	1,146,021	51.7%
<b>Interest Earnings</b>				
Water Utility	156,100	91,106	21,510	13.8%
Sewer Utility	63,000	35,328	10,016	15.9%
Storm Water Utility	45,100	28,297	5,708	12.7%
<b>Total Revenues</b>	<b>\$ 21,694,400</b>	<b>\$ 9,825,129</b>	<b>\$ 10,186,069</b>	<b>47.0%</b>

Water, Sewer, and Storm Water Utility operating revenues are within expectations and reflect the seasonality of utility revenues. Adopted rate increases that became effective January 1, 2021 result in dollar increases as compared to 2020 revenues for the same period.

Interest earnings for the Water, Sewer, and Storm Water Utility Funds are well below expected budget numbers. The local government investment pool saw a steady decline in yields (likely caused by the Pandemic) through 2020 which has continued into 2021.

### Expenditures

The table below lists the 2021 adopted expenditure budget by Utility Fund and category, year to date actuals, and a percentage of budget spent. Prior year actuals are presented for comparative purposes. The budget and actual amounts are through the end of June. Additional detail of major variances is discussed following the table.

**UTILITY FUNDS: Expenditures**

As of June 30, 2021

Category	2021 Adopted Budget	Prior YTD 6/30/20	YTD 6/30/21	YTD Expense as % of Adopted Budget
<b>Operating Expenditures</b>				
Water Utility	\$ 5,929,827	\$ 1,889,787	\$ 1,821,936	30.7%
Sewer Utility	7,686,517	3,616,768	3,559,619	46.3%
Storm Water Utility	1,684,308	598,910	624,888	37.1%
<b>Capital Projects</b>				
Water Utility	6,277,671	246,241	1,002,282	16.0%
Sewer Utility	2,216,440	456,582	73,641	3.3%
Storm Water Utility	1,072,272	264,095	93,154	8.7%
<b>Debt Service</b>				
Water Utility	109,875	15,479	14,531	13.2%
Sewer Utility	1,047,070	480,818	472,228	45.1%
Storm Water Utility	-	-	-	N/A
<b>Total Expenditures</b>	<b>\$26,023,980</b>	<b>\$ 7,568,680</b>	<b>\$ 7,662,279</b>	<b>29%</b>

Operating expenditures are below the second quarter 50 percent threshold for the following reasons:

- Position vacancies are resulting in salary and benefit savings while position recruitments are underway.
- Water purchased for resale is at 16.9 percent of budget. Due to a reporting delay from Seattle Public Utilities, the water purchase for May 2021 that is paid in June is not included in this number. With that amount considered, and given the seasonality of water consumption, this is consistent with expectations and prior year experience.

Utility capital projects are below budget projections in 2021. This expenditure shortfall is typical for the first and second quarters of the year as projects are being designed and advertised for the construction season that occurs throughout the final half of the year and into the second year of the biennium. The unspent budget allocation is also a result of delays due to supply chain issues (a Pandemic-related impact) for projects such as the water and sewer SCADA System Upgrades and Booster Chlorination Station.

The water system SCADA Upgrade is currently in the construction phase but is awaiting the SCADA electronic control and communications components to arrive. The sewer system SCADA Upgrade is in design phase with work slowed due to system complexities related to operational control and communication needs. The sewer project is expected to bid in Q1 2022.

The bid for the Booster Chlorination Station was awarded in July with construction anticipated to start in late Q4 of 2021 following the review of extensive material submittals and procurement of materials. This project aims to construct a booster disinfection system to reduce the risk of future water system contaminations, a need identified by the 2014 Boil Water Advisory long-term action plan.

Much of the progress on the Meter Replacement project has been focused on finalizing the contract and completing the propagation evaluation for the Advanced Metering Infrastructure. This project will replace the aging water meters throughout the City, more than 60 percent of which are 15 years or older. Once completed, the project will implement new Advanced Metering Infrastructure (AMI) technologies that integrate with the SCADA System Upgrade to better support future system analysis and operations.

## ALL OTHER FUNDS

### Revenues

The table below lists the 2021 amended revenue budget, end of June actuals, and a percentage of budget received. Prior year actuals are presented for comparative purposes. The budget and actual amounts are through the end June. Additional detail of major variances is discussed in the narrative following the table.

#### ALL OTHER FUNDS: Revenues

As of June 30, 2021

Fund Name	2021 Adopted Budget	2021 Amended Budget	Prior YTD 6/30/2020	YTD 6/30/2021	YTD Revenue as % of Amended Budget
Self Insurance Claim	\$ 10,000	\$ 10,000	\$ -	\$ -	N/A
Youth Services Endowment	5,000	5,000	1,696	319	6.4%
Street	3,781,817	3,781,817	951,299	1,669,070	44.1%
Contingency	260,300	260,300	120,413	34,097	13.1%
1% for the Arts	17,000	34,000	-	12,000	N/A
Youth & Family Services	2,191,387	2,624,509	1,127,598	1,467,244	55.9%
Bond Redemption (Voted)	-	-	-	-	N/A
Bond Redemption (Non-Voted)	847,200	847,200	317,350	316,100	37.3%
Town Center Parking Facilities	-	-	-	-	N/A
Capital Improvement	3,293,899	3,293,899	1,127,598	1,677,685	50.9%
Technology & Equipment	362,500	362,500	125,000	140,000	38.6%
Capital Reserve	-	-	-	-	N/A
Equipment Rental	1,751,656	1,751,656	650,826	1,036,917	59.2%
Computer Equipment	1,134,492	1,134,492	529,469	567,149	50.0%
Firefighter's Pension	173,310	173,310	53,724	151,003	87.1%

**Youth Services Endowment Fund** revenues are at 6.4 percent of budget at the end of June. Interest earnings were lower than anticipated due to a steady decline in local government investment pool yields, likely caused by the Pandemic.

**Street Fund** revenues are at 44.1 percent of budget at the end of June. This is up \$717 thousand over the same period in 2020 due to REET revenues being higher than historical averages for the first half of 2021, in addition to the Transportation Benefit District (TBD) and Multimodal Transportation state shared revenues being reinstated compared to the prior year as a result of the State Supreme Court's decision finding Initiative-976 unconstitutional.

Revenues in the **Contingency Fund** are made up of interest earnings, which totaled 13.1 percent of budget at the end of June. Across all funds, interest earnings were much lower than anticipated due to a steady decline in local government investment pool yields seen throughout 2020 and continuing into 2021, likely caused by the Pandemic.

**Technology & Equipment Fund** revenues are at 38.6 percent of budget at the end of June. Revenue estimates include a contribution from the radio replacement reserve to support the installation of a public safety antenna system. The antenna project has not incurred any expenditures and as a result no dollars have been transferred in. The General Fund's support of technology and equipment investment is at 50 percent of budget expectations.

**Firefighter's Pension Fund:** Total revenues are 58.0 percent of budget at the end of June, up \$97.2 thousand from 2020. This difference is a result of a one-time interfund transfer from the General Fund into the Firefighter's Pension Fund. Investment interest earnings are down \$3.9 thousand when compared to 2020. This lower-than-expected interest earnings comes as local government investment pool yields saw a continued decline throughout 2020 and has continued into 2021, likely caused by the Pandemic.

All other revenues are within expected norms through the end of the second quarter.

## Expenditures

The table below lists the 2021 amended expenditures budget by Fund, end of June actuals and a percentage of budget spent. Prior year actuals are presented for comparative purposes. The budget and actual amounts are through the end of June. Additional detail of major variances is discussed in the narrative following the table.

### ALL OTHER FUNDS: Expenditures

As of June 30, 2021

Fund Name	2021 Adopted Budget	2021 Amended Budget	Prior YTD 6/30/2020	YTD 6/30/2021	YTD Expense as % of Amended Budget
Self Insurance Claim	\$ 60,000	\$ 60,000	\$ -	\$ 50,000	N/A
Youth Services Endowment	3,500	5,000	-	-	0.0%
Street	3,366,531	3,391,531	764,028	293,945	8.7%
Contingency	-	-	15,685	-	N/A
1% for the Arts	15,000	32,000	27,207	19,750	61.7%
Youth & Family Services	2,178,182	2,611,304	1,259,977	1,028,764	39.4%
Bond Redemption (Voted)	-	-	-	-	N/A
Bond Redemption (Non-Voted)	847,200	847,000	22,350	13,600	1.6%
Town Center Parking Facilities	-	237,645	64,223	18,145	7.6%
Capital Improvement	3,590,573	3,676,652	310,889	353,361	9.6%
Technology & Equipment	287,560	297,560	142,478	27,283	9.2%
Capital Reserve	-	-	-	-	N/A
Equipment Rental	2,043,931	2,511,311	708,870	1,141,803	45.5%
Computer Equipment	1,060,228	1,060,228	598,198	440,624	41.6%
Firefighter's Pension	83,000	83,000	46,516	54,991	66.3%

**Street Fund** expenses are 8.7 percent of amended budget at the end of June. There are two significant Capital Improvement Project (CIP) budget lines that belong to Residential Street Resurfacing and East Mercer Way Overlay from SE 53rd Place to SE 68th Street, project numbers SP0100 and SP0102



respectively, with construction anticipated to begin in the third quarter of 2021 that account for over 60 percent of total expenditure budget. Currently, operating expenses are within budget expectations.

**1% for the Arts Fund:** Total expenses are 61.7 percent of amended budget at the end of June. This slight overage is a result of an insurance payout to the artist of a sculpture titled “Counterpoint” located along the Greta Hackett Outdoor Sculpture Gallery that was reported stolen at the end of January.

**Youth & Family Services Fund** expenditures are 39.4 percent of budget at the end of June. This apparent expenditure shortfall is a result of two budget amendments, \$100 thousand being approved for the Thrift Store restart as part of Ordinance 21-11 and \$212 thousand of grant monies carried over from the prior biennium as part of Ordinance 21-07. Operating expenditures are within budget estimates.

**Capital Improvement Fund** expenses are at 9.6 percent of budget at the end of June. Capital projects are well underway at this point in the year, with the majority of work to complete in the third and fourth quarters.

**Technology & Equipment Fund:** Total expenditures are at 9.2 percent of budget at the end of June. Multiple projects have not begun yet this year due to limited staff resources needing to support the “work from home” reality brought on by the ongoing Pandemic.

All other variances meet budget expectations through the end of June.

Two summary listings of the originally adopted 2021-2022 Budget (expenditures only), broken down by year, and amendments adopted by Ordinance through June 30, 2021, are presented below.

Fund Type / Fund Name	Original 2021 Budget	2021 Budget Adjustments					Amended 2021 Budget
		Administrative Biennial Corrections	ORD 21-07 4/20/2021	ORD21-11 5/18/2021			
<b>General Purpose Funds:</b>							
General	30,533,485		1,590,252	897,860			33,021,597
Self-Insurance	60,000						60,000
Youth Services Endowment	5,000						5,000
<b>Special Revenue Funds:</b>							
Street*	3,366,531		25,000				3,391,531
Contingency	-						-
1% for the Arts	15,000			17,000			32,000
Youth & Family Services	2,178,182		212,750	220,372			2,611,304
<b>Debt Service Funds:</b>							
Bond Redemption (Voted)	-						-
Bond Redemption (Non-Voted)	847,200						847,200
<b>Capital Projects Funds:</b>							
Town Center Parking Facilities*	-		237,645				237,645
Capital Improvement*	3,590,573		86,079				3,676,652
Technology & Equipment*	287,560		10,000				297,560
Capital Reserve*	-						-
<b>Enterprise Funds:</b>							
Water*	12,317,373		300,000	441,960			13,059,333
Sewer*	10,950,027		49,309				10,999,336
Stormwater*	2,756,580		45,420				2,802,000
<b>Internal Service Funds:</b>							
Equipment Rental*	2,043,931		467,380				2,511,311
Computer Equipment*	1,060,228						1,060,228
<b>Trust Funds:</b>							
Firemen's Pension	83,000						83,000
<b>Total</b>	<b>70,094,670</b>	<b>-</b>	<b>3,023,835</b>	<b>1,577,192</b>	<b>-</b>	<b>-</b>	<b>74,695,697</b>

\* Capital Improvement Program (CIP) projects are accounted for in these funds.

**2021 Budget Adjustment Summary  
Expenditures by Fund**

Fund Type / Fund Name	Original 2022 Budget	2022 Budget Adjustments									Amended 2022 Budget
		Administrative Biennial Corrections	ORD21-11 5/18/2021								
<b>General Purpose Funds:</b>											
General	31,987,897		30,000								32,017,897
Self-Insurance	10,000										10,000
Youth Services Endowment	5,000										5,000
<b>Special Revenue Funds:</b>											
Street*	4,045,768										4,045,768
Contingency	-										-
1% for the Arts	15,000										15,000
Youth & Family Services	2,127,962		122,757								2,250,719
<b>Debt Service Funds:</b>											
Bond Redemption (Voted)	-										-
Bond Redemption (Non-Voted)	234,100										234,100
<b>Capital Projects Funds:</b>											
Town Center Parking Facilities*	-										-
Capital Improvement*	4,228,583										4,228,583
Technology & Equipment*	234,500										234,500
Capital Reserve*	-										-
<b>Enterprise Funds:</b>											
Water*	17,010,992										17,010,992
Sewer*	11,543,961										11,543,961
Stormwater*	2,987,833										2,987,833
<b>Internal Service Funds:</b>											
Equipment Rental*	1,647,322										1,647,322
Computer Equipment*	1,171,434										1,171,434
<b>Trust Funds:</b>											
Firemen's Pension	87,000										87,000
<b>Total</b>	<b>77,337,352</b>	<b>-</b>	<b>152,757</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>77,490,109</b>

\* Capital Improvement Program (CIP) projects are accounted for in these funds.

**CITY OF MERCER ISLAND  
ORDINANCE NO. 21-20**

**AN ORDINANCE OF THE CITY OF MERCER ISLAND, WASHINGTON,  
INCORPORATING CERTAIN BUDGET REVISIONS TO THE 2021-2022  
BIENNIAL BUDGET AND AMENDING ORDINANCE NO 20-29, 21-07, 21-11  
AND 21-15**

**(BUDGET AMENDMENT NO. 4)**

WHEREAS, the City Council adopted the 2021-2022 Budget by Ordinance No. 20-29 on December 1, 2020, representing the total for the biennium of estimated resources and expenditures for each of the separate funds of the City; and

WHEREAS, budget adjustments are needed that have been previously approved by the City Council, as noted in the following table;

Fund	Department	Description	Agenda Bill	Budget Year	Expenditure Adjustment	Revenue Adj / Funding Source
<b>General</b>	Admin Services	Interfund transfer to YFS Fund to support limited term staffing in community based counseling.	AB 5901	2021	\$ 60,000	2020 Year End Surplus (Unappropriated Fund Balance)
	Public Works	Develop and implement 2021 Illuminate MI event	AB 5918	2021	\$ 50,000	
	General Govt	Volunteer recognition event	AB 5919	2021	\$ 5,000	
<b>Street</b>	Public Works	East Mercer Way emergency roadway repair	AB 5871	2021-2022	\$ 337,872	Unappropriated Fund Balance
	Public Works	Island Crest Way corridor safety analysis	AB 5878	2021-2022	\$ 100,000	
<b>Youth &amp; Family Services</b>	Admin Services	Limited term community based counseling staffing.	AB 5901	2021	\$ 60,000	Transfer from General Fund
<b>ARPA</b>	Public Works	Park Maintenance work to address backlog of previously deferred work	AB 5914	2021	\$ 200,000	ARPA Funds
<b>Capital Improvement</b>	Public Works	Site security upgrades at Luther Burbank Admin and Thrift Shop	AB 5869	2021	\$ 29,182	Unappropriated Fund Balance
	Public Works	Luther Burbank Docks - 30% project design for adjacent waterfront elements.	AB 5868	2021-2022	\$ 113,000	
	Public Works	Mercerdale Park playground renovation	AB 5876	2021-2022	\$ 333,000	
	Public Works	Mercer Island Preschool Association donation to Mercerdale Park playground project	AB 5876	2021-2022	\$ 20,000	Donation Revenue

WHEREAS, budget adjustments are needed that have not been previously approved by the City Council, as noted in the following table;

Fund	Department	Description	Budget Year	Amount	Funding Source
General	Admin Services	Human Resource Specialist	2021-2022	\$ 156,000	2020 Year End Surplus (Unappropriated Fund Balance)
General	City Attorney	Outside legal professional services	2021	\$ 275,000	2020 Year End Surplus (Unappropriated Fund Balance)
General	CPD	Staffing needs	2021-2022	\$ 365,377	Development Fee Revenue / General Fund Surplus
General	Police	Upgrade interview room audio and video equipment.	2021	\$ 16,900	Criminal Justice Funding

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF MERCER ISLAND, WASHINGTON, DO ORDAIN AS FOLLOWS:

**Section 1. Amending the 2021-2022 Budget**

The 2021-2022 Budget for the City of Mercer Island, as adopted in Ordinance No. 20-29 and amended by Ordinance No 21-07, 21-11 and 21-15 is hereby amended to incorporate increases in resources and expenditures in the following funds for the 2021-2022 biennium:

Fund	Fund Name	Resources	Expenditures
001	General Fund	\$ 928,277	\$ 928,277
104	Street Fund	\$ 437,872	\$ 437,872
160	Youth & Family Services	\$ 60,000	\$ 60,000
170	ARPA Administration Fund	\$ 200,000	\$ 200,000
343	Capital Improvement	\$ 495,182	\$ 495,182
<b>Total</b>		<b>\$ 2,121,331</b>	<b>\$ 2,121,331</b>

**Section 2. Amending Previously Adopted Budget Ordinances**

City Ordinance 20-29, 21-07, 21-11 and 21-15, as previously adopted and as hereby amended, is hereby ratified, confirmed, and continued in full force and effect.

**Section 3. Effective Date**

This Ordinance shall take effect and be in force 5 days after passage and publication.

ADOPTED BY THE CITY COUNCIL OF THE CITY OF MERCER ISLAND, WASHINGTON, AT ITS MEETING ON THE 21st DAY OF SEPTEMBER 2021.

CITY OF MERCER ISLAND

\_\_\_\_\_  
Benson Wong, Mayor

ATTEST:

\_\_\_\_\_  
Deborah A. Estrada, City Clerk

APPROVED AS TO FORM:

\_\_\_\_\_  
Bio Park, City Attorney

Date of Publication: \_\_\_\_\_



# AB 5942

## FY 2021 Q2 Financial Status Update and Budget Appropriation Requests

September 21, 2021

# Agenda

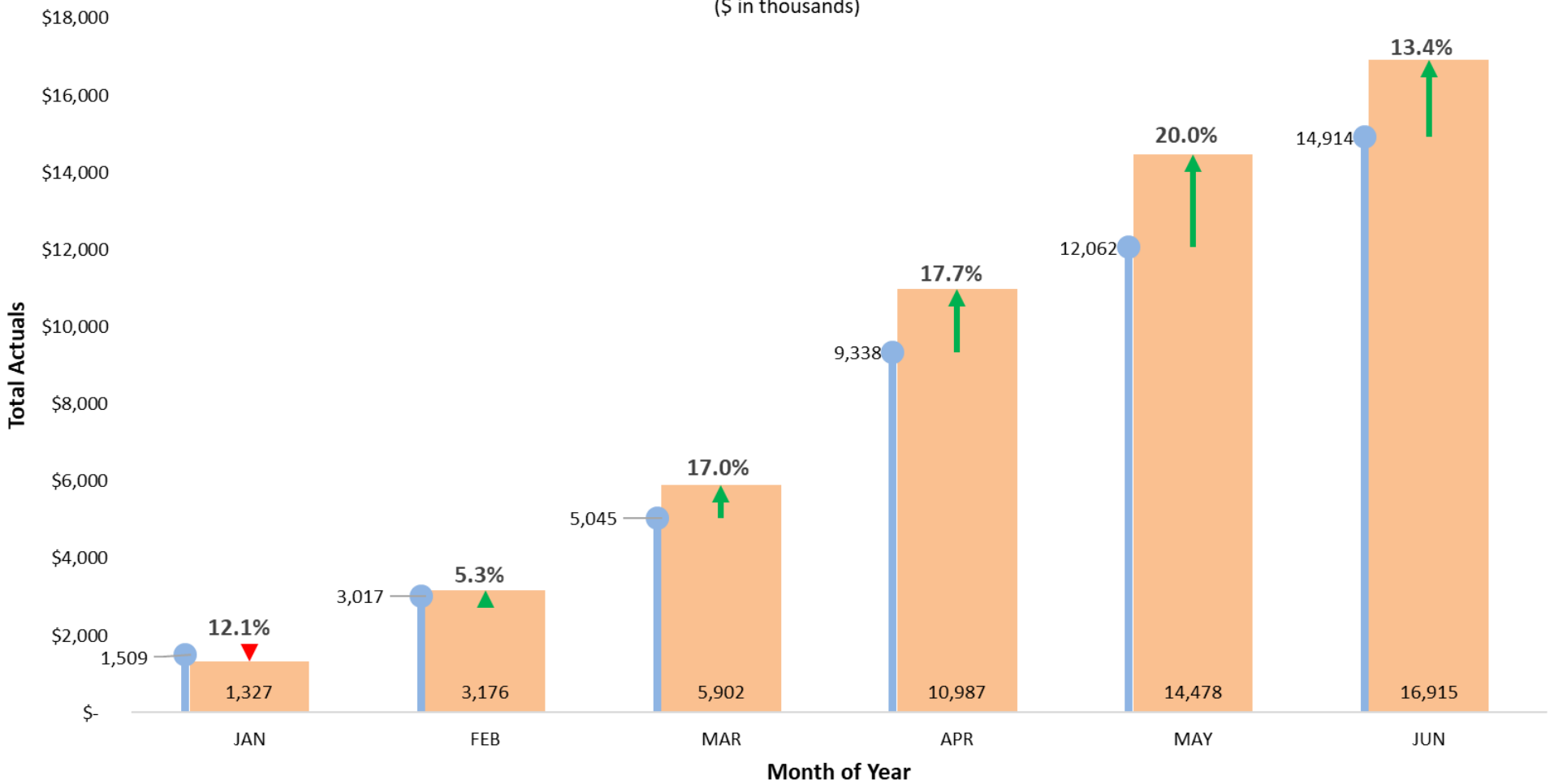
- ❑ Budget Actuals as of June 30<sup>th</sup>, 2021.
- ❑ Appropriation Requests.
- ❑ Questions.





# Budget Actuals Overview

GENERAL FUND REVENUES  
CUMULATIVE 2021 VS. 2020 ACTUALS  
(\$ in thousands)



# Budget Actuals Overview

	2020 Actuals	2021 Actuals	Percent Change over Prior Year Actuals
<b>GENERAL FUND</b>			
Revenues	\$14.91 M	\$16.91 M	113%
Expenditures	\$14.62 M	\$14.32 M	98%
<b>UTILITY FUNDS</b>			
Revenues	\$9.83 M	\$10.19 M	104%
Expenditures	\$7.57 M	\$7.66 M	103%



# Budget Actuals Overview

- ❑ Sales tax continues to outperform expectations.
  - ❑ Up \$323,000 in 2021 compared to the same period in 2020.
  - ❑ Notable increase in online sales and the construction sector compared to 2020.
- ❑ License, permit, & zoning revenues are outperforming 2020.
  - ❑ One-time revenues from Xing Hua Property and King County Sewer Project.
  - ❑ Permit fee schedule updated Jan 1, 2021.
  - ❑ Administrative changes to move accurately charge for permit-related services.



# Appropriation Requests



# CPD Staffing Increase

- Staff recommends adding new positions to keep pace with current demand for permit revenue-related services.

POSITION	REQUEST	FUNDING SOURCE	FY 2021 Q4 COST	FY 2022 COST
Senior Plans Examiner	0.5 FTE	Permit Revenues	17,926	74,080
Permit Tech	0.5 FTE	Permit Revenues	11,586	48,878
Assistant Planner	1.0 FTE	Permit Revenues	29,161	120,695
Administrative Assistant	0.5 LTE	General Fund	12,219	50,833
<b>Total</b>	<b>2.0 FTE/ 0.5 LTE</b>		<b>\$70,892</b>	<b>\$294,485</b>



# Human Resources Specialist

- ❑ Staff recommends funding a temporary position thru 2022 to help address COVID-related staff work and long-standing work items.
- ❑ \$156,000 appropriation request for HR Specialist thru 12/2022.
- ❑ Anticipate HR Division staffing will return to current levels in 2023.



# Specialized Legal Support

- ❑ Special projects and litigation requiring outside legal counsel has outpaced the City Attorney's FY 2021 budget.
  - ❑ \$275,000 appropriation request to cover additional expenses.
- ❑ All COVID-related costs are being tracked and staff is exploring use of federal funds to cover said expenses.



# Police Interview Room Upgrade

- ❑ HB 1223 requires MIPD to record custodial interrogations of all juveniles and adults in custody for a felony-level crime.
- ❑ Appropriation of \$16,900 from the one-time contribution of \$98,693 from the State City Assistance Fund.





# Appropriation Requests this Evening

GENERAL FUND SURPLUS APPROPRIATION REQUESTS		2021
FUND BALANCE AS OF 12/31/2020		\$ 2,244,229
PRIOR APPROPRIATIONS		
Ord. 21-11	First Quarter 2021 Budget Amending Ordinance	(417,280)
AB 5901	Limited-term support for Community Based Counseling	(60,000)
AB 5918	Illuminate MI Event	(50,000)
AB 5919	Volunteer Recognition Event	(5,000)
Subtotal of Approved Appropriation Requests		\$ (532,280)
APPROPRIATION REQUESTS 9/21/2021		
AB 5942	CPD Admin. Asst. 0.5 LTE thru 12/2022	(63,052)
AB 5942	Human Resources Specialist 1.0 LTE thru 12/2022	(156,000)
AB 5942	Outside Legal Professional Services	(275,000)
Subtotal of Appropriation Requests this evening		\$ (494,052)
EST. FUND BALANCE AFTER 9/21/2021 APPRIORATIONS		\$ 1,217,897



# Staff Recommendations

- ❑ Adopt Ordinance No. 21-20 (Exhibit 2), amending the 2021-2022 Biennial Budget.



# Questions

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Prepared by

*Matt Mornick, Finance Director*

*LaJuan Tuttle, Deputy Finance Director*

*Ben Schumacher, Financial Analyst*





## BUSINESS OF THE CITY COUNCIL CITY OF MERCER ISLAND

**AB 5933**  
**September 21, 2021**  
**Regular Business**

### AGENDA BILL INFORMATION

<b>TITLE:</b>	AB 5933: Town Center Moratorium: Proposed Retail Use Adjacent to Street Frontages, Commercial Floor Area Ratio and No Net Loss Requirements	<input type="checkbox"/> Discussion Only <input checked="" type="checkbox"/> Action Needed:
<b>RECOMMENDED ACTION:</b>	Provide direction to staff to proceed with necessary code amendments to MICC 19.11 to update MICC 19.11.020(B)(4) Retail Use Required Adjacent to Street Frontages; institute a new Commercial Floor Area Ratio (FAR) requirement as presented and a select No Net Loss requirement.	<input checked="" type="checkbox"/> Motion <input type="checkbox"/> Ordinance <input type="checkbox"/> Resolution

<b>DEPARTMENT:</b>	Community Planning and Development
<b>STAFF:</b>	Jeff Thomas, Interim Director Sarah Bluvas, Economic Development Coordinator
<b>COUNCIL LIAISON:</b>	n/a
<b>EXHIBITS:</b>	1. Map of Proposed Amendments to MICC 19.11.020(B)(4) 2. Map of Proposed TC Parcels Subject to New Commercial FAR Requirement 3. Map of Post 2005 TC Redeveloped Parcels
<b>CITY COUNCIL PRIORITY:</b>	n/a

<b>AMOUNT OF EXPENDITURE</b>	\$ n/a
<b>AMOUNT BUDGETED</b>	\$ 50,000
<b>APPROPRIATION REQUIRED</b>	\$ n/a

### SUMMARY

In June 2020, the City Council enacted a moratorium on major new construction generally in the southeast quadrant of the Town Center (TC) zoning designation while the City evaluated potential updates and/or amendments to development regulations within the Town Center, including requirements for various types of commercial space.

The City contracted with the firm Community Attributes, Inc. (CAI) to analyze the demand for additional ground floor commercial uses and the feasibility of requiring such uses in new buildings. On April 6, the City Council received a presentation on the findings of this analysis and commenced discussion – please see [AB 5841](#) for additional information.

Further City Council discussion ensued on April 20 and direction was provided to staff to complete additional analysis and to research legislative options in addition to a “no net loss” option. On July 6, staff presented a

number of legislative options and combination options to City Council – please see [AB 5910](#) for additional information.

Further direction was provided to staff at that time to review and propose:

- A. Updates to MICC 19.11.020(B)(4) Retail Use Required Adjacent to Street Frontages;
- B. A new TC commercial Floor Area Ratio (FAR) requirement; and
- C. The applicability of a new TC no net loss requirement.

The intent this evening is to present these items and seek direction from City Council to proceed with necessary code amendments to MICC 19.11 to implement these proposals.

#### **A. UPDATES TO MICC 19.11.020(B)(4) RETAIL USE REQUIRED ADJACENT TO STREET FRONTAGES**

Exhibit 1 illustrates the proposed amendments to the existing Retail Use Required Adjacent to Street Frontages in MICC 19.11.020(B)(4). These amendments reflect desired corridor concentration on SE 27<sup>th</sup> Street and 78<sup>th</sup> Avenue SE for existing and future development. Please note that public / utility owned properties on 78<sup>th</sup> Avenue SE are excluded as it is not anticipated these properties will redevelop on a 25-year time horizon.

#### **B. A NEW TC COMMERCIAL FAR REQUIREMENT**

After the July 6 City Council meeting, staff, with assistance from CAI, worked on the calculation of a new TC commercial FAR requirement. In addition to the important first step of establishing the Retail Use Required Adjacent to Street Frontages discussed in Section (A), there are six (6) additional steps to complete in determining a new TC commercial FAR requirement as follows with a brief explanation included:

- 1. Determine Updated “Pink Line Map” MICC 19.11.020(B)(4)**
  - Discussed in Section (A) above.
- 2. Determine TC Wide Commercial SF Inventory**
  - 2021 Q3 CoStar Data – most up-to-date data available.
  - Establishes starting point for numerator of TC FAR calculation.
- 3. Update Additional Supportable Commercial SF TC Wide**
  - 2020 DOR Data – most up-to-date data available.
  - Revenue data helps determine supportable commercial square footage, which has increased slightly from last update in July.
- 4. Remove Post-2005 Redevelopments Commercial SF**
  - 2021 Q3 CoStar Data – most up-to-date data available.
  - Like public / utility owned properties discussed in Section (A) above, recently redeveloped mixed-use parcels can’t be assumed to be redeveloped again on a 25-year time horizon.
- 5. Calculate Net Commercial SF**
  - = #2 + #3 - #4
  - Establishes numerator.
- 6. Determine Net Parcel SF**
  - KC Assessor Data.
  - Establishes denominator.
- 7. Calculate Commercial FAR**
  - = #5 / #6

Combining steps 2 through 6 yields the following results:

Step	Detail	Function	Value	Notes
#2	Commercial SF Inventory		309,560	2021 Q3 CoStar
#3	Additional Supportable Commercial SF	Add:	37,200	2020 DOR
#4	Post 2005 Redevelopment Commercial SF	Less:	67,364	2021 Q3 CoStar
#5	Numerator - Net Commercial SF	Total:	279,396	
#6	Denominator - Net Parcel Area SF		1,065,273	KC Assessor
#7	<b>Commercial FAR Calculation *</b>		<b>0.2623</b>	

\*In conclusion, and as previously described on a per-acre basis, a Commercial FAR Calculation of 0.2623 means for every 1 acre redeveloped in parcels identified in Exhibit 2, there would be 11,426 square feet of commercial space required adjacent to street frontages.

### C. APPLICABILITY OF A NEW TC NO NET LOSS REQUIREMENT

As discussed in previous sessions with the City Council, a TC wide “no net loss” requirement could create significant parcel inequities in the TC. However, when applied selectively to post-2005 redevelopment parcels only in conjunction with a new TC commercial FAR requirement, this provision would assist in maintaining the final desired outcome net TC commercial space (346,760 SF = #2 + #3). This selective “no net loss” requirement would require post-2005 redevelopment parcels identified in Exhibit 3 to redevelop further with a minimum of commercial space currently constructed.

### NEXT STEPS

Assuming City Council provides the requested direction this evening, next steps are:

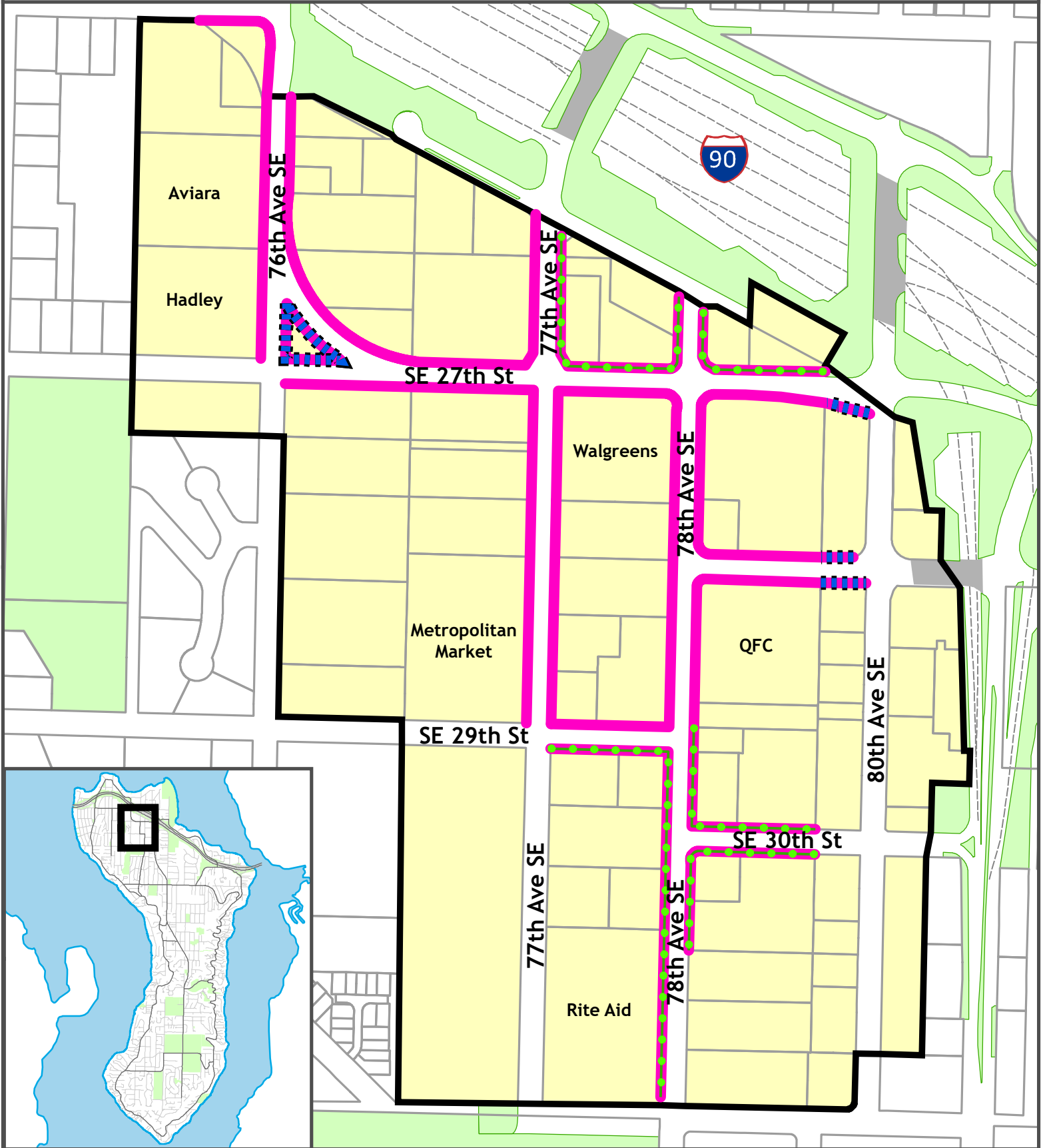
- September 22: Planning Commission Work Session
- October 6: Planning Commission Public Hearing / Recommendation
- November 1: City Council Meeting; Ordinance First Reading
- November 16: City Council Meeting; Ordinance Second Reading and Adoption

### RECOMMENDED ACTIONS:

Provide direction to staff to proceed with necessary code amendments to MICC 19.11 as follows:

1. Update MICC 19.11.020(B)(4) Retail Use Required Adjacent to Street Frontages as identified in Exhibit 1;
2. Institute a new TC Commercial FAR requirement as presented, which will be subjected to parcels identified in Exhibit 2; and
3. Include a new selective TC no net loss requirement to post 2005 redevelopment parcels only as identified in Exhibit 3.

# Proposed Amendments to MICC 19.11.020(B)(4)



——— Retail Street Frontage
 - - - - - Proposed Addition
 - - - - - Proposed Removal

195 Town Center Boundary  
 150 300 600 Feet

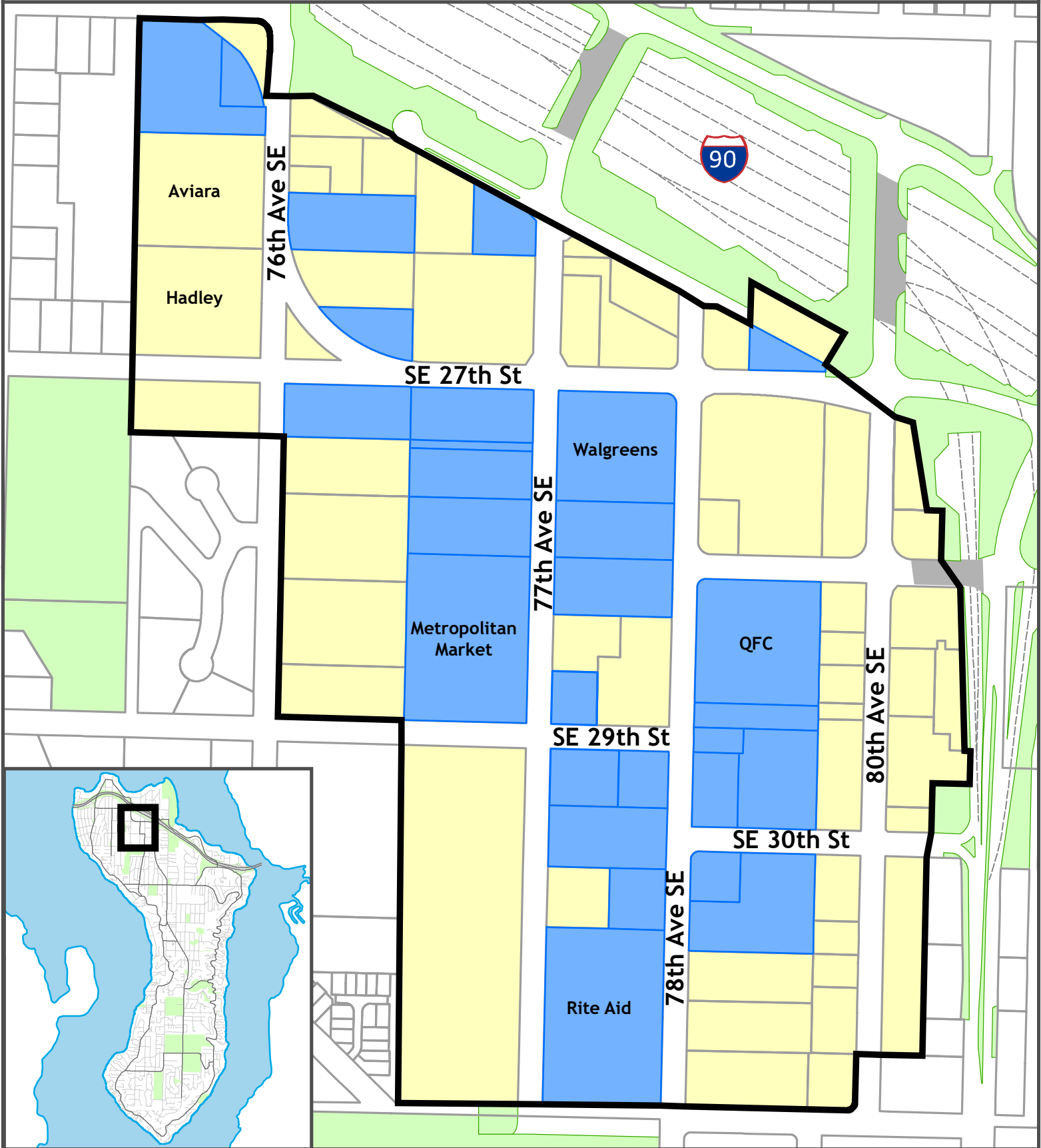
Parks
  Town Center Parcels
  Interstate-90

Disclaimer: No warranties of any sort including accuracy, fitness or merchantability accompany this map.

N  
  
 Information & Geographic Services  
 Map Date: 8/23/2021

MICC-Figure2-Proposed-RetailUseAdjacentToStreetFrontage.mxd

# Proposed TC Parcels Subject to New Commercial FAR Requirements



FAR Parcels



Town Center Parcels



Parks

----- Interstate-90



Town Center Boundary

196

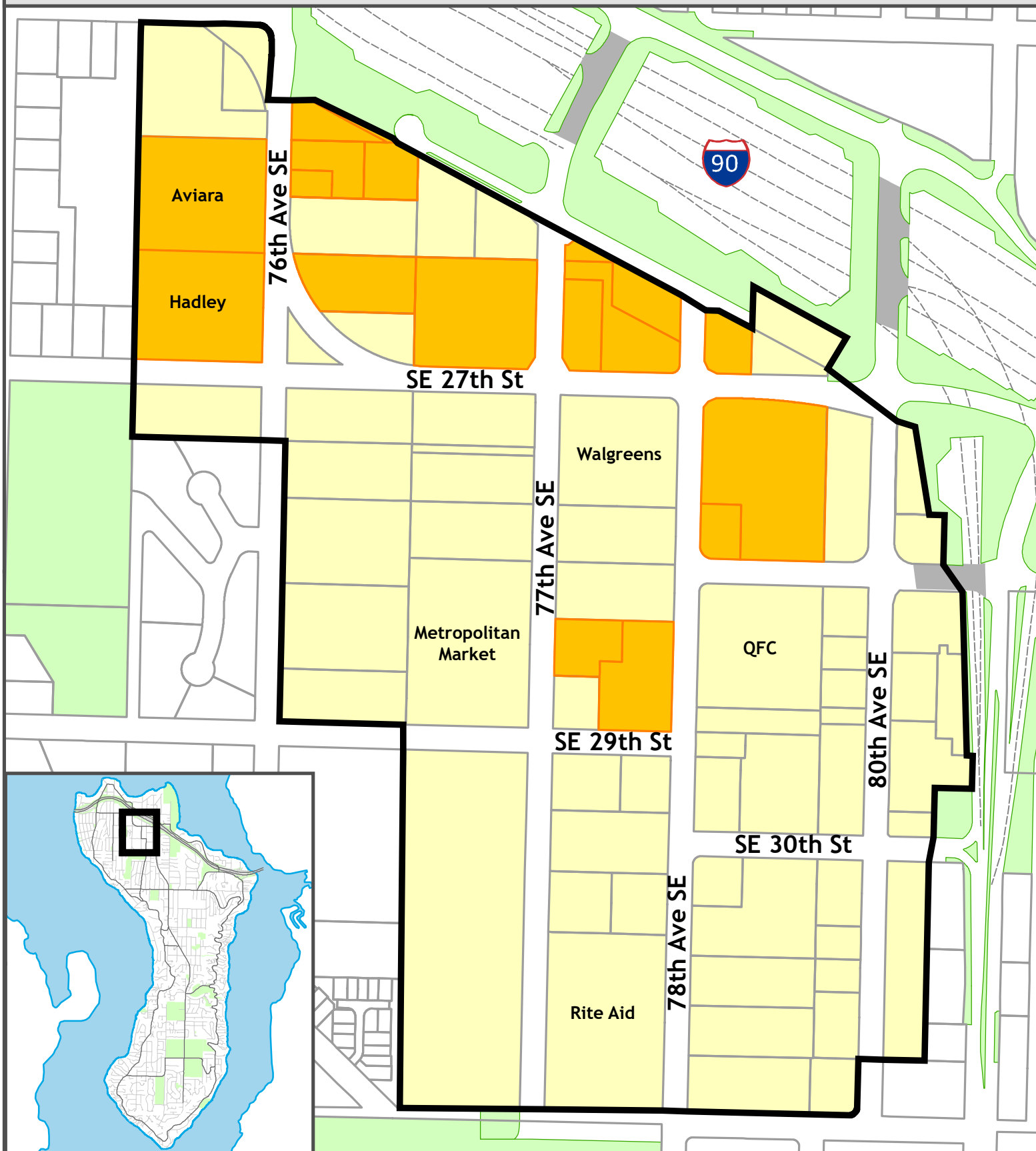
150 300 600 Feet


Disclaimer: No warranties of any sort including accuracy, fitness or merchantability accompany this map.



# AB 5933 | Exhibit 3 Post 2005 TC Redeveloped Parcels

Item 10.



 Post-2005 Developments

 Town Center Parcels

 Interstate-90

 Parks

 Town Center Boundary

197

150 300 600 Feet

Disclaimer: No warranties of any sort including accuracy, fitness or merchantability accompany this map.



# AB 5933

**Town Center Moratorium  
Proposed Retail Use Adjacent to Street  
Frontages, Commercial FAR, and No Net  
Loss Requirements**

**September 21, 2021**

[www.mercerisland.gov](http://www.mercerisland.gov)

1

# Background

- In June 2020, the City Council enacted a moratorium on new construction in the southeast quadrant of the Town Center zone.
- The moratorium halts the submission of development applications while the City considers potential updates and/or amendments to the Town Center code.
- The City Council articulated that solutions should **preserve existing commercial retail space** and **provide space to meet future demand**.
- The City contracted with Community Attributes, Inc. (CAI) to analyze capacity and demand for commercial retail.



# Background

- CAI's analysis aimed to provide:
  - Quantitative analysis to determine whether there is **demand for additional commercial retail space** in Mercer Island; and
  - Assessment of how including ground floor retail use in multifamily developments would affect the **economic feasibility of redevelopment in Town Center**
- On April 20, 2021, the City Council directed staff to complete additional analysis and research legislative options for resolving the moratorium.



# Town Center Moratorium Legislative Options

**On July 6, staff presented the following legislative options to the City Council:**

1. Do nothing.
2. Amend the TC Subarea Plan and Zoning Map to remove the moratorium area from the Town Center and rezone to an exclusive commercial zone.
3. Amend or repeal MICC 19.11.020 Figure 2, which illustrates retail street frontage requirements in the Town Center.
4. Amend MICC 19.11.020 to add a "no net loss" commercial retail square footage requirement throughout the Town Center, administered on a parcel-by-parcel basis.
5. Amend MICC 19.11.020 to add a "commercial floor area ratio" requirement for properties subject to the requirement in Figure 2.
6. Mix and match various options.



# Town Center Moratorium Legislative Options

**Following the discussion on July 6, the City Council expressed interest in Option #6 (mix and match various options) and directed staff to review and propose:**

1. Updates to MICC.19.11.020(B)(4) Retail Use Required Adjacent to Street Frontages (Option #3)
2. A new Town Center Commercial Floor Area Ratio (FAR) requirement (Option #5)
3. The applicability of a new Town Center "No Net Loss" requirement (Option #4)



## 7 Steps for Calculating a Proposed TC Commercial FAR

1. Determine Updates to MICC 19.11.020(B)(4) Retail Use Required Adjacent to Street Frontages (the "pink lines map")
2. Determine Town Center-Wide Commercial Square Footage Inventory
3. Update Additional Supportable Commercial Square Footage Town
4. Remove Post-2005 Redevelopments Commercial Square Footage
5. Calculate Net Commercial Square Footage = #2 + #3 - #4
6. Determine Net Parcel Square Footage
7. Calculate Commercial FAR = #5 / #6





# Proposed Amendments to MICC 19.11.020(b)(4)

## Step #1

- Reflects corridor concentration on SE 27<sup>th</sup> Street and 78<sup>th</sup> Ave SE for existing and future development
- Does not include public / utility-owned properties on 78<sup>th</sup> Ave SE

## Step #2

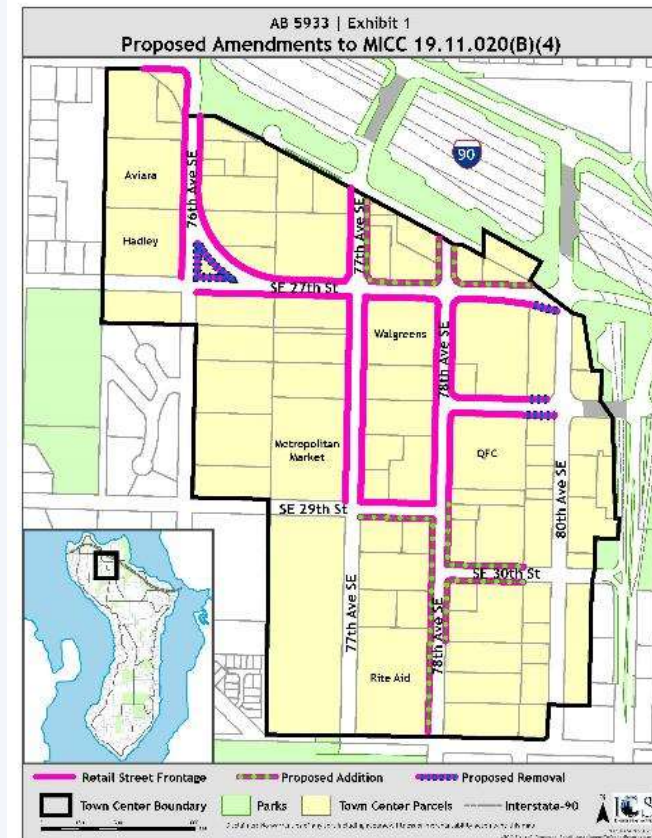
- TC-wide Commercial SF inventory = 309,560  
2021 Q3 CoStar Data

## Step #3

- Update Additional Supportable Commercial SF  
TC-wide = 37,200  
2020 DOR Data



AB 5933 | Town Center Moratorium



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September 21, 2021



## Remove Post-2005 Developments Commercial SF

### Step #4

- Remove Post-2005 Redevelopment Commercial SF = 67,364  
*2021 Q3 CoStar Data*
- Includes constructed and vested projects

### Step #5

- Calculate Net Commercial SF  

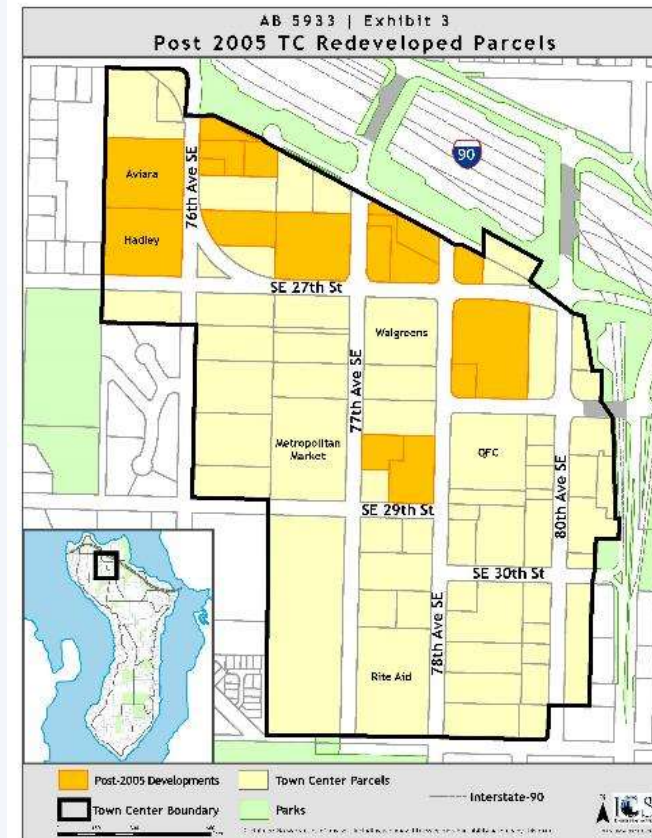
$$= \#2 + \#3 - \#4$$

$$= 309,560 + 37,200 - 67,364$$

$$= 279,396$$



AB 5933 | Town Center Moratorium



8

## Proposed TC Parcels Subject to New Commercial FAR Requirement

- Map to the right will be added to any TC Commercial FAR requirement code amendment proposal

### Step #6

- Determine Net Parcel SF = 1,065,273  
*King County Assessor Data*



AB 5933 | Town Center Moratorium



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September 21, 2021

# Proposed TC Commercial FAR Calculation

## Step #7

Step	Geography	Detail	Function	Value	Notes
2	TC Wide	Commercial SF Inventory		309,560	2021 Q3 CoStar Data
3	TC Wide	Additional Supportable Commercial SF	Add:	37,200	2020 DOR Data
4	Selected Properties	Post-2005 Redevelopment Commercial SF	Less:	67,364	2021 Q3 CoStar Data
5		Net Commercial SF	Total:	279,396	
6	Selected FAR Properties	Net Parcel Area		1,065,273	King County Assessor Data
7		<b>Commercial FAR Calculation</b>		<b>0.2623</b>	



## Next Steps

### Tonight

Provide direction to staff to proceed with necessary code amendments to MICC 19.11 as follows:

1. Update MICC 19.11.020(B)(4) Retail Use Required Adjacent to Street Frontages as identified in Exhibit 1;
2. Institute a new Town Center Commercial Floor Area Ratio (FAR) requirement as presented, which will be subjected to parcels identified in Exhibit 2; and
3. Include a new selective Town Center "No Net Loss" requirement to post-2005 redevelopment parcels only as identified in Exhibit 3.

### UPDATED Schedule

- September 22: Planning Commission Work Session
- October 27 or November 3 (TBC): Planning Commission Public Hearing / Recommendation
- November 16: City Council First Ordinance Reading
- December 1: City Council Second Ordinance Reading / Adoption





## BUSINESS OF THE CITY COUNCIL CITY OF MERCER ISLAND

**AB 5943**  
**September 21, 2021**  
**Regular Business**

### AGENDA BILL INFORMATION

<b>TITLE:</b>	AB 5943: Second Review and Adoption of the City's Updated Financial Management Policies	<input type="checkbox"/> Discussion Only
<b>RECOMMENDED ACTION:</b>	Adopt Resolution No. 1602 updating the City's Financial Management Policies.	<input checked="" type="checkbox"/> Action Needed:
		<input type="checkbox"/> Motion
		<input type="checkbox"/> Ordinance
		<input checked="" type="checkbox"/> Resolution

<b>DEPARTMENT:</b>	Finance
<b>STAFF:</b>	Matthew Mornick, Finance Director
<b>COUNCIL LIAISON:</b>	Wendy Weiker                      Salim Nice                      Craig Reynolds
<b>EXHIBITS:</b>	1. Resolution No. 1602 & Updated Financial Management Policies 2. Redline Version: Financial Management Policies
<b>CITY COUNCIL PRIORITY:</b>	2. Articulate, confirm, and communicate a vision for effective and efficient city services. Stabilize the organization, optimize resources, and develop a long-term plan for fiscal sustainability.

### SUMMARY

On August 31, 2021, the City Council reviewed and provided feedback on the Financial Management Policies (Policies) drafted by the Ad-Hoc Finance Committee (Finance Committee). Exhibit 1 (clean copy with resolution) and Exhibit 2 (track changes) reflects the revisions supported by a majority of the City Council.

The Policies are the result of a six-month collaboration between the Finance Committee, City staff, and outside counsel that inform the formation of the biennial budget, the capital improvement program, and other long-term fiscal management strategies. Staff recommends the City Council adopt Resolution No. 1602 (Exhibit 1) updating the City's Financial Management Policies.

### BACKGROUND

On March 16, 2021, the City Council established a three-member Finance Committee to draft revised financial management policies (see [AB 5829](#)). From March through August Deputy Mayor Weiker, Councilmember Nice, Councilmember Reynolds, and the Finance Director met monthly to incrementally draft new financial policies, pulling from current policies, recent experiences, and established best practices in municipal finance. The City Manager and staff have also been involved in the policy development and review process.

At the April 27, 2021 City Council Planning Session, staff provided insight into the Finance Committee's strategy for drafting the new Financial Management Policies (see [AB 5864](#)). Focus was placed on establishing one comprehensive policy document to address the many aspects of financial management.

The draft Financial Management Policies underwent multiple rounds of revisions under the guidance of the Finance Committee. Members of the City's Leadership Team, the City Manager, the City's Bond Counsel, as

well as a former City Manager/Finance Director also collaborated on the review process. In sum, the draft Financial Management Policies are the result of a six-month collaboration that builds upon the City's history of strong fiscal management while incorporating established best practices to lead the City into the future.

On August 31, 2021, the City Council reviewed [AB 5931](#) and the Policies in their entirety. These revisions (see Exhibit 2) outline the changes agreed upon by the majority of the City Council.

## **DISCUSSION**

The Policies guide financial decisions, make clear what actions are and are not acceptable, identify lines of responsibility between the City Council and the City Manager, and increase transparency and accountability. Once adopted, the Finance Department staff, and the City Manager will ensure that procedures are implemented consistent with adopted policy direction.

The Policies, as presented, will exist separate from the biennial budget, and will be reviewed and updated as required or at minimum, every five to seven years.

Taken together, the Policies empower staff to manage the City's fiscal health and help guide City Council policy decisions now and in the future. Financial Management Policies also support good bond ratings and reduce the cost of borrowing. They will provide consistency and continuity spanning multiple biennial budgets and serve as a basis for executing long-term financial strategies to strengthen the City's financial position.

## **RECOMMENDATION**

Adopt Resolution No. 1602 to update the City's Financial Management Policies.

**CITY OF MERCER ISLAND  
RESOLUTION NO. 1602**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MERCER ISLAND,  
WASHINGTON, ADOPTING FINANCIAL MANAGEMENT POLICIES**

WHEREAS, the City Council supports the establishment of standalone financial management policies; and,

WHEREAS, the City's fiscal health is a critical factor in ensuring the efficient, effective, and equitable delivery of essential municipal services; and,

WHEREAS, the City must make strategic decisions, such as how to respond to emergencies, invest in infrastructure, and reserve funds for long-term liabilities to ensure long-term fiscal sustainability; and,

WHEREAS, the City Council desires to establish policies that guide financial decisions, make clear what actions are and are not acceptable, identify lines of responsibility between the City Council and the City Manager, and increase transparency and accountability;

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF MERCER ISLAND, WASHINGTON, as follows:

**Financial Management Policies of the City of Mercer Island are  
adopted as set forth in Exhibit One to this resolution.**

PASSED BY THE CITY COUNCIL OF THE CITY OF MERCER ISLAND, WASHINGTON  
AT ITS REGULAR MEETING ON THE 21ST DAY OF SEPTEMBER 2021.

CITY OF MERCER ISLAND

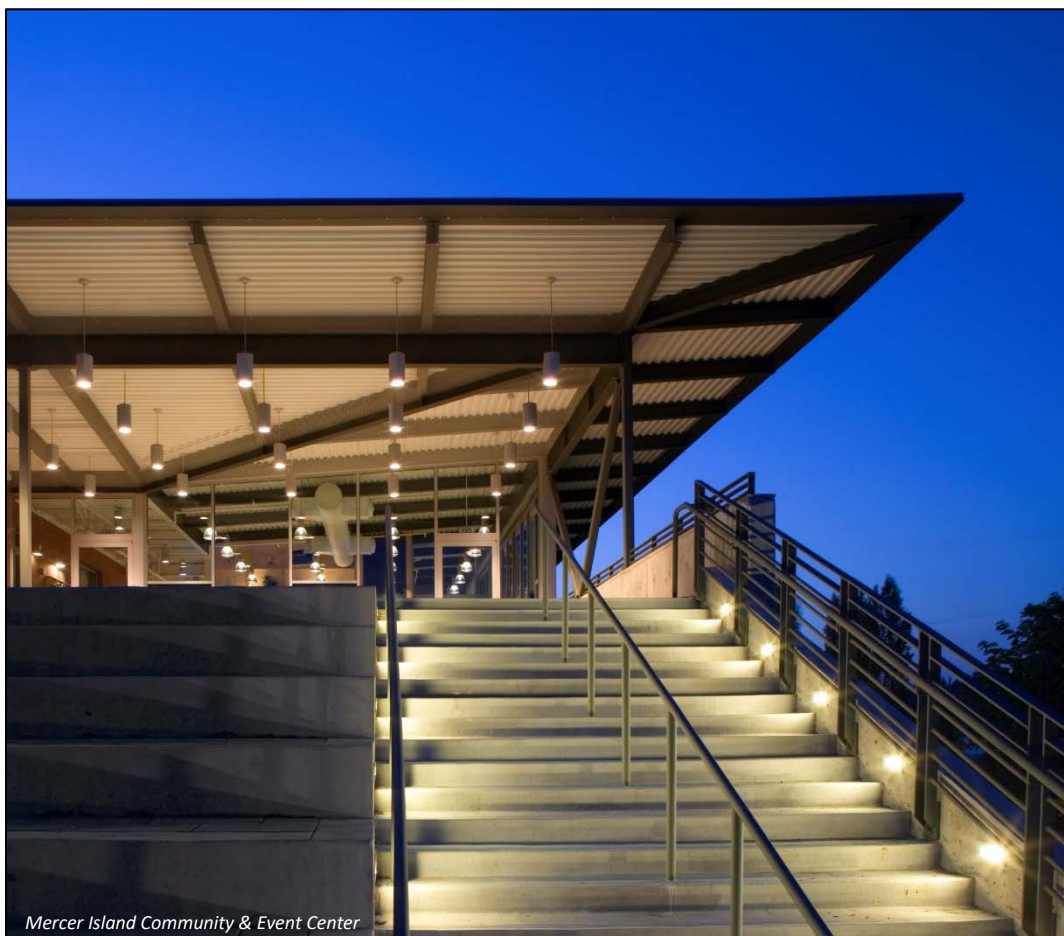
\_\_\_\_\_  
BENSON WONG, MAYOR

ATTEST:

\_\_\_\_\_  
DEBORAH A. ESTRADA, CITY CLERK

EXHIBIT ONE TO RESOLUTION NO. 1602

# CITY OF MERCER ISLAND FINANCIAL MANAGEMENT POLICIES



Adopted  
09/21/2021

Amended



## CITY COUNCIL

*Benson Wong*  
*Mayor*

*Wendy Weiker*  
*Deputy Mayor*

*Lisa Anderl*  
*Jake Jacobson*  
*Salim Nice*  
*Craig Reynolds*  
*David Rosenbaum*

## FINANCE AD HOC COMMITTEE

*Wendy Weiker* *Deputy Mayor*  
*Salim Nice* *Councilmember*  
*Craig Reynolds* *Councilmember*  
*Matthew Mornick* *Finance Director*

## Table of Contents

1. Background and Purpose .....	2
2. Fiscal Sustainability Philosophy .....	2
3. Operating Budget.....	3
4. Revenues and Expenditures.....	4
5. Capital Budget.....	5
6. Reserves and Fund Balance .....	6
6.1. Terminology of Fund Balance .....	7
6.2. Replenishment Guidance.....	7
7. Long-term Financial Planning.....	9
8. Accounting, Financial Reporting, and Auditing.....	9
9. Investments.....	10
10. Debt Management Policy.....	10
10.1. Conditions of Debt Issuance .....	11
10.2. Debt Limit.....	11
10.3. Debt Structuring.....	12
10.4. Debt Issuance.....	13
10.5. Credit Ratings.....	14
10.6. Ongoing Debt Management Practices .....	14



## 1. Background and Purpose

The Financial Management Policies (Policies) of the City of Mercer Island (City) serves as a blueprint for City staff to draft the biennial budget, achieve goals set forth in budget work plans, the Comprehensive Plan, and other City planning documents by maintaining sound financial practices in accordance with all Federal, State, and local laws. The Policies are set by City Council and strategically direct financial resources towards meeting the City's long-term goals.

Should any requirement in these Policies conflict with powers, authority, or discretion granted to the City Manager by law, such requirement should be considered guidance or a recommendation from the City Council to the City Manager. If the Policies conflict with state, federal law, or with regulations promulgated thereunder, then the Policies will be interpreted to the maximum extent possible without being in conflict. Once adopted by the City Council, the City's Financial Management Policies will be amended as needed and reviewed every five to seven years with modifications submitted to the City Council for approval.

## 2. Fiscal Sustainability Philosophy

Mercer Island is committed to fiscal sustainability. Fiscal sustainability means maintaining a long-term view of financial planning for current and future generations that anticipates risks and preserves and enhances services and quality of life as prioritized by the City Council. The City strives for:

- 2.1. **Informed decision-making.** City administration will provide the City Council in depth analysis of both the short-term and long-term financial impacts of issues brought before the Council for consideration.
- 2.2. **Transparency.** The City will conduct public business with transparency and seek opportunities for citizen education, public participation, and public problem solving. The City will make financial information publicly available pursuant to applicable local and State laws as well as pursue new ways to make the City's finances more accessible and easier to understand.
- 2.3. **Aligned investments.** The City will seek opportunities to invest in ways that do not conflict with community values and priorities as reflected in the City's Comprehensive Plan.
- 2.4. **Diversified revenue sources.** The City will pursue diversified revenue sources and cost-containment measures to protect the delivery of public goods and services and safeguard against changing economic conditions.
- 2.5. **Managing long-term liabilities.** The City will proactively identify and monitor long-term financial liabilities and seek to mitigate these impacts, when possible, while accruing assets to fund these liabilities in a fiscally responsible and intergenerationally equitable manner.



- 2.6. **Shared Responsibility.** The City recognizes a shared responsibility between the employee and employer to appropriately fund employee compensation to attract and retain employees while maintaining a long-term sustainable and balanced budget.
- 2.7. **Equity, efficiency, and effectiveness.** The City will continuously explore new ways to improve day-to-day operations and provide more equitable, efficient, and effective delivery of public goods and services.

### 3. Operating Budget

The operating budget is the central financial planning document that embodies all operating revenue and expenditure decisions. It establishes what programs, projects, and operations will be funded in each department within the confines of anticipated municipal revenues. The policies below guide how the City organization develops and implements the operating budget.

- 3.1. The Biennial Budget will be balanced with resources in that biennium, and the City will adopt the Biennial Budget before January 1<sup>st</sup> of its initial fiscal year of the biennium budget-cycle.
- 3.2. The City Council will adopt a Biennial Budget that reflects estimated revenues and expenditures for the ensuing two years. A mid-biennium review and update will take place as prescribed by State law during the first year of the biennium.
- 3.3. The Biennial Budget will establish municipal service levels and priorities for the ensuing two years.
- 3.4. **Expenditure control budgeting** is a budgeting approach that promotes sound fiscal management and offers flexibility and resources to respond to emerging or changing needs. When implemented, at the end of each fiscal year, the City will return one-third of each department's non-salary operating budget savings back to the respective department. Upon City Manager approval, such General Fund savings may be used at the department director's discretion to fulfill the mission of the department. The remaining two-thirds of such savings will return to the General Fund Balance to replenish City reserves and support the Emerging Innovations Reserve, consistent with adopted policies.
- 3.5. The Biennial Budget will establish measurable work plan goals and allow reasonable time to accomplish those goals within the biennium. The City Manager will report back to the City Council on work plan progress during the biennium and report any potential issues in a timely manner.
- 3.6. Prior to budget adoption, the City Council will review and provide the City Manager feedback on the preliminary Biennial Budget.
- 3.7. The City will work proactively with the State, County, and local government agencies, and bodies, such as Association of Washington Cities and Sound Cities Association, to monitor and, when appropriate, act on legislation that may impact the City financially.



### 4. Revenues and Expenditures

Annual revenues are estimated using established best practices as a basis for preparation of the Biennial Budget. Expenditures approved by the City Council in the Biennial Budget define the City's spending limits for the upcoming biennium. Beyond legal requirements, the City will maintain an operating philosophy of controlling the City's costs and maintaining diverse revenues. The following policies apply to the City's management of revenues and expenditures.

- 4.1 The City will maintain revenue and expenditure categories according to State statute and administrative regulation.
- 4.2 The City will endeavor to maintain a diversified and stable revenue system to minimize the impact of short-term fluctuations in any one revenue source.
- 4.3 Current revenues will be sufficient to support current expenditures.
- 4.4 One-time revenues will be used only for one-time expenditures.
- 4.5 The City will investigate potential new revenue sources and partnerships, particularly those that will not add to the tax burden of residents and local businesses.
- 4.6 Fees for service may be reviewed and adjusted annually to ensure cost recovery goals are being met. At minimum, fees for service shall be re-evaluated (where needed) every three years.
- 4.7 All revenue forecasts will be performed using established local government best practices.
- 4.8 The City will review and update, as needed, its cost allocation methodology at least every five years, which outlines the process of accounting and recording the full costs of an internal service by including indirect costs or "overhead" in addition to direct costs of service. The cost allocation methodology will capture these indirect costs to ensure that the respective Funds or departments are accurately paying for the services they receive.
- 4.9 Credit card fee surcharges, cash discounts, and online payment methods shall be reviewed and evaluated at least every five years to ensure that the cost of service is being covered and the City is taking advantage of improving technology and market developments.
- 4.10 Grants to fund new service programs will be reviewed by the City, as they become available, with due consideration given to whether they are cost effective, meet City goals, and are sustainable in the long-term.
- 4.11 The City will establish and maintain Special Revenue Funds to account for proceeds received from a substantial restricted or committed revenue source used to finance designated activities that are required by statute, ordinance, resolution, or executive order.
- 4.12 Investment earnings are distributed based on the percent each Fund makes up of the City's total investments (e.g., if General Fund dollars make up 20% of the City's total investments, then 20% of investment earnings are returned to the General Fund).



- 4.13 Excess investment earnings above Fund and Reserve balance thresholds may be used to finance one-time capital investments or time-limited services at the City Council's discretion.
- 4.14 If decisions are needed to balance a proposed Biennial Budget, the City Council will provide policy direction to the City Manager as to the priority order and combination for raising revenues, reducing expenditures, and/or using reserves.
- 4.15 The use of reserve balances will only be authorized to address temporary revenue shortfalls and/or temporary expenditure increases, or in response to evidence-based revised reserve targets.
- 4.16 The Biennial Budget will be formally amended by the City Council as needed to reflect unforeseen expenditures or revenues. Funding requests will be analyzed by the Finance Department and approved by the City Manager. The City Council will be provided with a review of the legality and/or policy basis for the expenditure, the recommended funding source and fiscal impact, and previously approved amendments since budget adoption.
- 4.17 The City Council will be presented with timely financial status updates and year-end budget reviews including budget amendments, as necessary, to ensure that expenditures are within budget authority.

### 5. Capital Budget

Every two years, the City develops a Capital Improvement Program (CIP) for City Council review and approval as part of the Biennial Budget process. The City is responsible for considerable investments related to the acquisition, expansion, or rehabilitation of land, technology, buildings, and other major public infrastructure. The preservation, qualified maintenance, and future improvement of these facilities is the focus of the CIP and resulting capital budget.

Planning and implementing sound capital improvement practices and programs will help the City avoid unforeseen costs in the future. The following policies apply:

- 5.1. The City will establish and implement a comprehensive multi-year CIP.
- 5.2. Per State law, the City will develop and annually adopt a six-year Transportation Improvement Program (TIP), which becomes a component of the CIP (RCW 35.77.010).
- 5.3. The CIP will be prepared biennially concurrent with the development of the Biennial Budget. A mid-biennium review and update will take place during the first year of the biennium to reflect any changes in the updated Capital Improvement Program.
- 5.4. The City Council will designate annual ongoing funding levels for each of the major project categories within the Capital Improvement Program. Financial analysis of funding sources will be conducted for all proposed capital improvement projects.



- 5.5. A CIP outlines specific resources to maintain and enhance public infrastructure, including but not limited to prior money in reserves, State and Federal grants, long-term leases, low-interest loans, and debt financing.
- 5.6. The CIP will incorporate City Council priorities and community objectives for the acquisition, expansion, and/or rehabilitation of land, technology, buildings, and other major public infrastructure. The Capital Improvement Program will be consistent with the Capital Facilities Element of the Comprehensive Plan.
- 5.7. The City will maintain an inventory of physical assets, their condition, and remaining useful life.
- 5.8. Consistent with best practices, budgets for capital projects will include appropriate contingency budget between 10 – 20% of the total estimated project budget. Staff will provide additional analysis and context to the City Council for capital projects with contingency estimates greater than 20% of the total estimated budget.
- 5.9. The City will strive to maintain all assets at a sufficient level to protect the City's capital investment and to limit future maintenance and replacement costs.
- 5.10. When evaluating capital investments, the City will elect options with due consideration of long-term cost of ownership and expected useful life or regulatory constraints.
- 5.11. The City Manager may authorize the reallocation of CIP project funds between CIP projects within a CIP category. Funding may only be reallocated within a CIP project category (e.g., within Parks, Recreation, and Open Space Projects, or Sewer Projects, or Water Projects, etc.) when one project is over budget and, in the same period, a second project within the same CIP category has been completed under budget. The City Council will be informed when funds are reallocated between projects as part of the Quarterly reporting process.

### 6. Reserves and Fund Balance

Adequate fund balance and reserves are a core element of the City's fiscal management strategy and a vital measurement of the City's financial position (outlined in [Appendix A – Fund Balances and Reserves](#)). City and State regulations allow the City to create and maintain specific reserves. Reserves and Fund Balances provide the City with options to respond to unexpected issues, natural disasters, ensure adequate resources for cash flow purposes, afford a buffer against economic duress and other forms of risk, and fund long-term liabilities over time. Reserve and Fund Balances should not, however, grow beyond established policy levels.

The following policies outline reasonable measures that protect the City's financial position and the continued provision of public goods and services from calculated risks.



- 6.0.1. The City will not hold a surplus of public funds to the detriment of providing public goods and services the community has come to expect.
- 6.0.2. The City will establish minimum fund balance targets for each Fund based on the Fund's cash flow requirements, with all fund balances included in the Biennial Budget. The minimum fund balance will be attained and maintained through expenditure management, revenue management, and/or contributions from the General Fund.
- 6.0.3. The City will fully fund reserves for the planned replacement of vehicles, heavy equipment, and radios as well as computer-related hardware and equipment (e.g., servers, networks, PCs, laptops, printers, and phones). Contributions will be made through assessments to each respective department.
- 6.0.4. Additional reserves may be created to fund future known expenditures, special projects, or other specific purposes.
- 6.0.5. All Reserves and Fund Balances and guiding policies will be presented in the Biennial Budget.

### 6.1. Terminology of Fund Balance

- 6.1.1. **Fund Balance** is an accounting term defined as the excess of assets over liabilities in a Fund.
- 6.1.2. A **Reserve** is typically a portion of total fund balance with a use specified by the Administration, City Council, or by the restricted nature of the funds.
- 6.1.3. **Non-spendable Fund Balance** cannot be spent, such as the long-term portion of loans receivable, the principle of an endowment, and inventories.
- 6.1.4. **Restricted Fund Balance** has externally enforceable limitations on the use of fund balance, imposed by parties such as creditors, grantors, laws, or regulations of other governments.
- 6.1.5. **Committed Fund Balance** encompasses long-term limitations imposed by the City Council. For example, the City Council has committed a portion of the General Fund Balance to offset the long-term liability from the Washington Law Enforcement Officers' and Firefighters' System (the LEOFF Retirement Plan).
- 6.1.6. **Assigned Fund Balance** includes the portion of fund balance that is earmarked for an intended use that may be temporary or short-term in nature. The intent is established by the City Council.
- 6.1.7. **Unassigned Fund Balance** comprises all fund balances that are left after considering the other four categories. Use is least constrained in this category of fund balance.

### 6.2. Replenishment Guidance

Reserve replenishments occur in three ways during periods of economic recovery:





- 6.2.1 A **planned replenishment** is a specific one-time contribution included in the adopted Biennial Budget.
- 6.2.2 A **scheduled replenishment** establishes a schedule to repay the use of Reserves or Fund Balances over a specific time.
- 6.2.3 A **surplus replenishment** occurs when ending prior year fund balances are higher than budgeted, either due to greater than budgeted revenues, expenditure savings, or both.

All expenditures drawn from Fund Balances and Reserves shall require prior City Council approval unless previously authorized by the City Council for expenditure in a Biennial Budget or otherwise provided for by City policies. In terms of priority for replenishing the individual reserves, the following guidelines shall be collectively considered:

- 6.2.4 If the Contingency Fund is below target, replenish to target at the start of each biennium.
- 6.2.5 If committed funds are available because planned reserve uses did not occur, those funds should be maintained in the source reserve.
- 6.2.6 The degree to which an individual reserve is below target (for example, the reserve that is furthest from its target level on a percentage basis might receive a larger share of the funds).
- 6.2.7 Decisions on how replenishments are allocated to specific reserves will be based on where available funds came from and on each reserve's status at the time the decision is made.
- 6.2.8 City Council may take action to suspend replenishment policies if it is found that special conditions exist warranting such action.

Once reserves reach target levels, remaining funds shall be available for one or more of the following needs, depending on the nature of the funds available (one-time or ongoing) and in the following suggested order of priority:

- 6.2.9 Reduce liabilities related to sinking funds.
- 6.2.10 Fund one-time investments, projects, or studies.
- 6.2.11 Make a one-time contribution to the Emerging Innovations Investments Reserve.
- 6.2.12 Increase funding for capital purposes.
- 6.2.13 Restore previous program service reductions.
- 6.2.14 Create program and service enhancements.



## Financial Management Policies

### 7. Long-term Financial Planning

The City develops and maintains a six-year Financial Forecast that estimates resource and expenditure behavior for the two biennia beyond the current budget period. **Financial forecasting** is the process of projecting revenues and expenditures over a long-term period, using assumptions about economic conditions, future spending scenarios, and other salient factors. The Financial Forecast will provide City leadership with an indication of the long-term fiscal impact of current policies and budget decisions.

- 7.1. **Time Horizon.** The Financial Forecast looks six-years into the future.
- 7.2. **Scope.** The Financial Forecast includes all appropriated Funds.
- 7.3. **Frequency.** The Financial Forecast is updated at least once a year to inform budget development, though it may be updated more often as circumstances warrant.
- 7.4. **Content.** A Financial Forecast includes an analysis of the financial environment, revenue forecasts, personnel, other significant operating costs and when appropriate, strategies for achieving and maintaining a balanced budget in future years.
- 7.5. **Visibility.** The Financial Forecast will be presented at a City Council meeting to ensure that the community is informed of the long-term financial prospects of the government.

### 8. Accounting, Financial Reporting, and Auditing

The City of Mercer Island will establish and maintain a high standard of accounting practices. At all times, the City's accounting and budgetary systems will conform to Generally Accepted Accounting Principles, the State of Washington Budgeting Accounting Reporting System (BARS), and local regulations.

- 8.1. The City will employ cash basis reporting, as prescribed in the Washington State *Budgeting, Accounting, and Reporting System* (BARS), for external and audit purposes.
- 8.2. The City will maintain an accounting system that provides comprehensive financial information to effectively operate the City and provide accountability, oversight, and internal controls over financial transactions.
- 8.3. The City will meet the financial reporting standards set by the Washington State Auditor's Office for Cash-Basis Financial Statements.
- 8.4. The City will be transparent and accurate in all City financial reports and bond representations based on the State Auditor's Office established best practices.
- 8.5. An annual audit will be performed by the State Auditor's Office and will include the issuance of an audit opinion for financial and accountability reports.



- 8.6. The City will strive to provide timely and quarterly and year-end financial reporting with a long-term goal to provide monthly reporting.

### 9. Investments

Per Washington State law, all municipal corporations are empowered to invest in certain types of securities. Within the confines of State law, the City will invest public funds in a manner that will provide a competitive rate of return after prioritizing investment instruments safety and liquidity needed to meet the daily cash flow demands of the City. Key principles that guide investment of public funds are listed below.

- 9.1. The City's cash will be invested in accordance with the City Council's [Adopted Investment Policies](#). Absent investment policies or staff trained to actively invest public funds; cash will be invested in the Local Government Investment Pool of the Washington State Treasurer.
- 9.2. Sufficient cash or other readily liquid instruments shall be maintained to provide for a minimum of 45-days of General Fund expenditures.
- 9.3. The City will manage the risk-reward tradeoff in financial decision making and will exercise good judgment, discretion, and intelligence, not for speculation but for investment, prioritizing safety of the City's investments while targeting an attractive risk-adjusted rate of return derived from investment decisions.
- 9.4. **Net investment income** is the amount of annual investment proceeds after first providing for all costs and expenses incurred in the administration of the City's investments. Net investment income will be allocated quarterly based on each funds relative cash balance as a percentage of the total invested assets. For example, if the Contingency Fund balance is only 10% of the City's total cash investments for a quarter, it would only receive 10% of the investment earnings for that quarter.

### 10. Debt Management Policy

This debt management policy sets forth guidelines to issue and repay debt. It is designed to ensure all debt is issued prudently and cost effectively to provide flexibility, preserve financial stability, and maintain the City's bond credit rating. All debt issued will follow this policy and all other relevant State and Federal regulations.

The City maintains conservative financial policies to assure strong financial health both in the short and long-term. From a policy perspective, the City uses debt as a mechanism:



- 10.0.1. To allocate the costs of needed improvements appropriately between present and future beneficiaries and users.
- 10.0.2. To reduce the immediate cash strain from substantial public improvements. This may include financing large capital investments such as construction of public infrastructure or significant property acquisitions.

## 10.1. Conditions of Debt Issuance

- 10.1.1. In the event there are any recommended deviations or exceptions from the Debt Management Policy when a certain bond issue is structured, those exceptions will be discussed in the agenda bills when the bond issue is presented for City Council's consideration.
- 10.1.2. Long-term debt will be used for capital investments. It will not be used to support operations such as non-capital furnishings, supplies, maintenance, or personnel.
- 10.1.3. When issuing debt, the City shall strive to use the most favorable debt-funding mechanism given market conditions, costs of debt issuance, and whether it be general obligation bonds or special assessment, revenue, or other self-supporting bonds.
- 10.1.4. The decision on whether to assume new debt shall be based on costs and benefits, current conditions of the municipal bond market, and the City's ability to afford new debt and service it as determined by an objective analytical approach. This process shall compare generally accepted measures of affordability to the current values for the City. These measures shall include:
  - 10.1.4.1. **Debt per capita** is a measure that describes the distribution of debt per capita of the community's population.
  - 10.1.4.2. **Debt as a percent of assessed valuation** is outstanding principal as a percentage of the Community's total assessed valuation.

## 10.2. Debt Limit

- 10.2.1. The City's indebtedness is limited by Washington State law, which states the City's bonded indebtedness may not exceed the sum of 7.5% percent of the total assessed valuation of taxable property within the City (outlined in the table below, reference RCW 39.36.020).

Type of Debt	Statutory Limitations
General Obligation:	2.5%
Non-Voted	1.5%



Voted	1.0%
Open Space & Parks	2.5%
Utilities	2.5%
Revenue	No limit
Local Improvement District	No limit

- 10.2.2. Debt issuance will be based on a comprehensive multi-year Capital Improvement Program (CIP) and financial analysis to align appropriate funding sources with proposed capital improvements.
- 10.2.3. Where borrowing is recommended, the source of funds to cover debt service requirements must be identified for the length of the debt instrument, and the effects of that financing projected through six years of the CIP.
- 10.2.4. The City Council may consider using long term debt toward public improvements associated with economic development. To the extent new revenues from the project can be identified and agreed upon, a portion of said revenues could go to support the debt service.
- 10.2.5. The City will plan and direct the use of debt so that service payments will be sustainable.

### 10.3. Debt Structuring

- 10.3.1. Debt will be structured consistent with a fair allocation of costs to current and future beneficiaries or users.
- 10.3.2. Borrowings by the City should be of a term to maturity that does not exceed the useful life of the improvement that it finances and where feasible, should be shorter than the projected economic life. **Useful life** is how long the improvement will do what it is intended to do, life measured in time or in number of uses. **Economic life** is how long the improvement will do what it is intended to do at a cost that is comparable to alternatives.
- 10.3.3. The standard term of long-term borrowing is typically 15-30 years. Maturity of all assessed bonds shall not exceed statutory limitations (RCW 36.83.050).
- 10.3.4. The City shall pay all interest and repay all debt in accordance with the terms of the bond ordinance and bond covenants. To the extent possible, the City will seek level or declining debt service repayment schedules.
- 10.3.5. A **debt refunding** is a refinance of debt typically done to take advantage of lower interest rates. The City will use refunding bonds, where appropriate, when restructuring its current outstanding debt. Unless otherwise justified, such as a desire to remove or change a bond



covenant, a debt refunding will not be pursued without a positive net present value benefit after expenses.

- 10.3.6. Bond amortization schedules will be structured to minimize interest expense with the constraints of revenues available for debt service. The bonds may include call features to maximize the City's ability to advance refund or retire the debt early. However, call features should be balanced with market conditions to ensure that the total cost of the financing is not inappropriately affected.

### 10.4. Debt Issuance

- 10.4.1. City Council approval is required prior to the issuance of debt.
- 10.4.2. The City Manager, with in coordination with the Finance Director and the City's financial advisor and/ or bond counsel, shall determine the method of sale best suited for each issue of debt.
- 10.4.3. The City will generally issue its debt through a competitive process but may use a negotiated process under the following conditions:
  - 10.4.3.1. The bond issue is, or contains, a refinancing that is dependent on market/interest rate timing.
  - 10.4.3.2. At the time of issuance, the interest rate environment or economic factors that affect the bond issue are volatile.
  - 10.4.3.3. The nature of the debt is unique and requires specific skills from the underwriter(s) involved.
  - 10.4.3.4. The debt issued is bound by a compressed timeline due to extenuating circumstances such that time is of the essence and a competitive process cannot be accomplished, or a competitive process might result in selection of an underwriter or other situations inconsistent with City policies.
- 10.4.4. When determined appropriate by the City Manager and Finance Director, the City will negotiate financing terms with banks and financial institutions for specific borrowings on a private offering basis. Typically, private placements are carried out when extraneous circumstances preclude public offerings, such as an interim financing, or to avoid the costs of a public offering for smaller issuances. The Finance Director will consult with the City's Financial Advisor and/ or Bond Counsel on a case-by-case basis to determine an appropriate method of sale.
- 10.4.5. With City Council approval, financing for capital projects may be secured from the debt financing marketplace, public works trust funds, or other means including an interfund loan, as appropriate given the circumstances.



- 10.4.6. A thorough financial analysis shall be conducted prior to the issuance of debt including, but not limited to, monitoring of market opportunities, and structuring and pricing of the debt.
- 10.4.7. All debt issued by the City will include a written opinion by the City's financial advisor and/or bond counsel affirming that the City is authorized to issue the proposed debt. The opinion shall include confirmation that the City has met all City and State constitutional and statutory requirements necessary for issuance, a determination of the proposed debt's Federal income tax status and is compliant with legal and regulatory requirements by the State of Washington and the Federal Government's laws, rules, and regulations.
- 10.4.8. The Finance Director will confirm any debt issuance is conducted in compliance with the City's Financial Management Policies.

### 10.5. Credit Ratings

The City will maintain good communication with bond rating agencies about its financial condition.

- 10.5.1. The City will provide periodic updates to the City Council on the City's general financial condition, coordinating meetings, and presentations in conjunction with a new issuance.
- 10.5.2. The City will continually strive to maintain a Aaa bond rating by maintaining strong financial policies, budgets, forecasts, and improving the financial health of the City.
- 10.5.3. Credit enhancements may be used to improve or establish a credit rating on a City debt obligation. Credit enhancements should only be used if the enhancement will result in a net decrease in borrowing costs or otherwise provide significant benefits (e.g., making the bonds easier to sell).
- 10.5.4. The City will generally issue its debt through a competitive process. For any competitive sale of debt, the City will award the issue to the underwriter offering to buy the bonds at a price and interest rates that provides the lowest True Interest Cost (TIC).

### 10.6. Ongoing Debt Management Practices

The City shall comply with all applicable Federal, State, and contractual restrictions regarding the investment of bond proceeds, including City of Mercer Island's Investment Policy.

- 10.6.1. Annual disclosure information will be provided to established national information repositories and compliant with State and national regulatory bodies. Disclosure shall take the form of the City's Annual Financial Statements unless information is required by a particular bond issue that is not necessarily contained within the Annual Financial Statements.



- 10.6.2. The City will, unless otherwise permissible and justified, use bond proceeds within the established timeframe pursuant to the bond ordinance, contract, or other documents to avoid arbitrage.
- 10.6.3. **Arbitrage** is the interest earned on the investment of the bond proceeds above the interest paid on the debt. If arbitrage occurs, the City will follow a policy of full compliance with all arbitrage rebate requirements of the Federal tax code and Internal Revenue Service regulations and will perform (internally or by contract consultants) arbitrage rebate calculations for each issue subject to rebate.
- 10.6.4. The City will take all necessary steps to preserve the tax-exempt status of its outstanding debt including, but not limited to, filing, and paying all necessary rebates when due. The City will communicate through its published Biennial Budget, Capital Improvement Program, and Annual Financial Statements the City's indebtedness.





## Appendix A – Fund Balances and Reserves

FUND	NAME	DESCRIPTION
<b>General Fund</b>		
001	Fund Balance	The Fund Balance represents the working capital (e.g., current assets less current liabilities) in the General Fund established for cash flow purposes. It consists of non-spendable, assigned, committed, restricted, and unassigned amounts.
001	LEOFF-1 Long-term Care Reserve	<p>The Reserve is dedicated to pay for the aggregate annual long-term care expenditures for police officers and firefighters who retired under the LEOFF-1 state retirement system.</p> <p>The Reserve is funded by a committed \$83,000 annual contribution from property tax revenues plus a proportionate share of annual interest earnings each year until the Reserve balance is sufficient to fund all future LEOFF-1 long-term care obligations.</p> <p>All annual costs for long-term care (which include LEOFF-1 long-term care costs and the retirement excess compensation paid for by Fund 606 – Firefighter’s Pension Fund) that are above \$500,000 per year are covered by the LEOFF-1 Reserve and the Fund 606 Balance. All costs below this amount are covered by the General Fund.</p>
001	Compensated Absences Reserve	<p>The Reserve represents the City's actual liability for accumulated employee vacation and compensated time hours. The compensated absences liability will be measured using the pay or salary rates in effect at the balance sheet date.</p> <p>When the reserve is used, replenishment to the target of 50% of the total liability will be a priority, consistent with adopted policies.</p>
001	Emerging Innovations Investments Reserve	<p>The Reserve is funded in part by the City’s Expenditure Control Budgeting program to fund projects with a tangible return on investment within a reasonable period, or projects that reduce ongoing expenditures while maintaining or enhancing service levels.</p> <p>When the reserve is used, replenishment will be tied to Expenditure Control savings, and one-time contributions, consistent with adopted policies.</p>
<b>Street Fund</b>		
104	Operating Fund Balance	The Fund Balance is based on a 45-day operating reserve for cash flow purposes.
104	Transportation Impact Fee Reserve	The Reserve includes fees collected from development projects to increase capacity in the City's transportation network.
104	Town Center Street (N) Reserve	The Reserve consists of fees collected from private developers for roadway repairs in specific locations in the Town Center.



## Appendix A – Fund Balances and Reserves

FUND	NAME	DESCRIPTION
<b><i>Contingency Fund</i></b>		
130	Contingency Fund	The City's Contingency Fund is maintained in accordance with State law (RCW 35A.33.145) to meet any municipal expense, the necessity or extent of which could not have been reasonably foreseen at the time of adopting the biennial budget. The target balance is set to 12.5% of General Fund budgeted expenditures for a given fiscal year.
<b><i>Youth and Family Services Fund</i></b>		
160	Operating Fund Balance	Fund Balance to address temporary revenue losses due to economic cycles or other time-limited causes. The Fund Balance will be maintained with YFS revenues at a target threshold of six-months of average monthly YFS expenditures, evaluated each biennium. The Fund Balance provides adequate reserves to address the asynchronous nature between the City's biennial budget and the Mercer Island School District's academic year. The balance may be used in its entirety; however, replenishment will be a priority, consistent with adopted policies.
<b><i>Self-Insurance Claim Reserve</i></b>		
037	Self-Insurance Claim Reserve	The Reserve Pays for insurance claims not covered under the City's property insurance policy through WCIA as well as the \$5,000 deductible per claim. Set a new target funding level at \$60,000 (MICC 4.40.130).
<b><i>Capital Improvement Fund</i></b>		
343	Operating Fund Balance	The Fund Balance is based on a 45-day operating reserve for cash flow purposes.
343	Field Replacement Reserve	The Reserve is a sinking fund for synthetic turf replacement at South Mercer Playfields and Island Crest Park. Funded by a portion of field use fees.
343	Park Impact Fees Reserve	The Reserve consists of fees collected from development projects for increasing capacity of publicly owned parks, open space, and recreation facilities (RCW 82.02.050(4) and RCW 82.02.090(7)).
343	KC Parks Expansion Levy Reserve	The Reserve is for protecting and preserving open space and developing regional trails. Funded by the King County Parks levy.



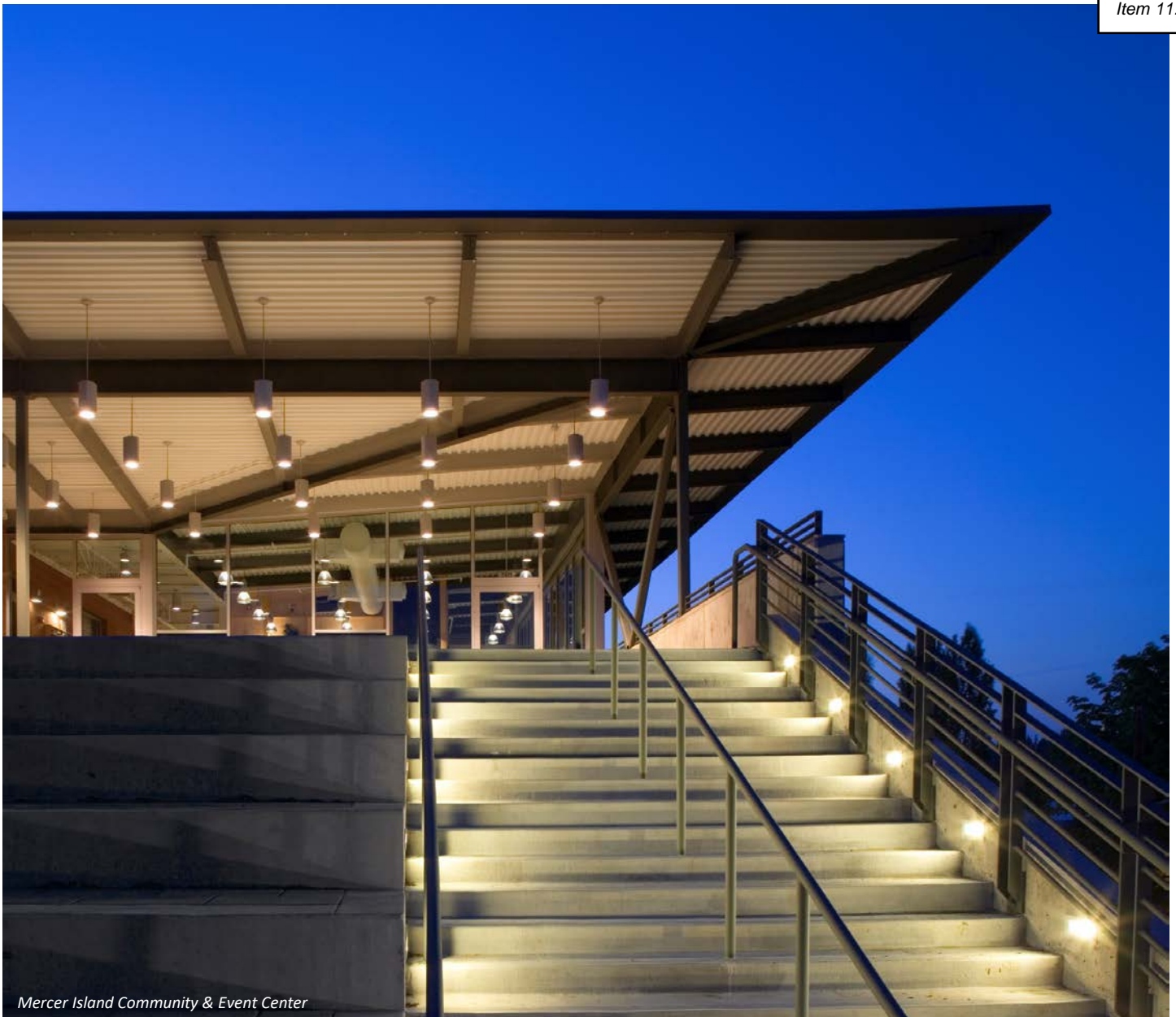
## Appendix A – Fund Balances and Reserves

FUND	NAME	DESCRIPTION
343	Freeman Landing Reserve	The Reserve includes proceeds for the vacation of a portion of Freeman Avenue SE sold to adjacent landowner. Sale proceeds must be used for acquiring additional beach or water access, acquiring additional public view sites to a body of water, or acquiring additional moorage or launching sites (RCW 35.79.040).
343	Reserve - RCO Property	The Reserve includes proceeds from the vacation of a portion of Clarke Beach Park at 7700 East Mercer Way sold to adjacent property owners. Sale proceeds must be used for acquiring additional beach or water access, acquiring additional public view sites to a body of water, or acquiring additional moorage or launching sites.
<b>Technology &amp; Equipment Fund</b>		
345	MICEC Equipment Replacement Reserve	The Reserve is a sinking fund to replace MICEC equipment and furnishings. Funded by \$40,000 in annual MICEC room rental revenue and \$18,000 in annual property tax revenue (based on long-term assessment).
345	State Seizure Funds Reserve	The Reserve consists of funds restricted to law enforcement activities related to controlled substance enforcement or education and cannot supplant existing funding. Funded by Eastside Narcotics Task Force drug seizures.
<b>Water Fund</b>		
402	Operating Fund Balance	The Fund Balance is based on a 90-day operating reserve for cash flow purposes, revisited each biennium.
402	Water Fund Capital Reserve	The Reserve serves as contingency for unplanned major repairs or capital projects costs. The target is 1% of total asset value, revisited each biennium.
<b>Sewer Fund</b>		
426	Operating Fund Balance	The Fund Balance is based on a 60-day operating reserve for cash flow purposes, revisited each biennium.
426	Sewer Fund Capital Reserve	The Reserve serves as contingency for unplanned major repairs or capital projects costs. The target is 2% of total capital assets, revisited each biennium.
426	Lake Line Reserve	The Reserve offsets the future cost to replace a portion of the Lake Line known as Reach-4. Reserve has been funded thru intentional rate increases as directed by the Utility Board.
<b>Stormwater Fund</b>		
432	Operating Fund Balance	The Fund Balance is based on a 45-day operating reserve for cash flow purposes, revisited each biennium.



# Appendix A – Fund Balances and Reserves

FUND	NAME	DESCRIPTION
432	Storm Water Capital Reserve	The Reserve serves as contingency for unplanned major repairs or capital projects costs. The target is 2% of total capital assets, revisited each biennium.
432	Basin Improvement Reserve	The Reserve is for watercourse improvements on the Island that is funded by storm water in-lieu fees paid by developers.
<i>Equipment Rental Fund</i>		
503	Vehicle Replacement Reserve	The Reserve is a sinking fund to replace fleet vehicles and equipment. Funded by internal service charges to each department.
503	Fire Apparatus Replacement Reserve	The Reserve is a sinking fund in an Internal Service Fund to replace fire apparatus. Funded by 1.65% dedicated property tax levy and the excess annual levy proceeds from the Fire State & Fire Rescue Truck levy lid lift from 2014-2021.
503	800 MHz Radio Replacement Reserve	The Reserve is a sinking fund to replace 800 MHz radios used by Police, Fire, and Public Works staff. Funded by internal service charges to each department. Money earmarked for costs associated with transitioning to PSERN.
<i>Computer Equipment Fund</i>		
520	Computer Replacement Reserve	The Reserve is a sinking fund to replace computer, phone, and network hardware. Funded by internal service rates charged to each user department.



*Mercer Island Community & Event Center*

# FINANCIAL MANAGEMENT POLICIES

REDLINE VERSION

Date Adopted: [Date]

Date Amended: [Date]

## Table of Contents

1. Background and Purpose .....	2
2. Fiscal Sustainability Philosophy .....	2
3. Operating Budget .....	3
4. Revenues and Expenditures.....	4
5. Capital Budget.....	5
6. Reserves and Fund Balance .....	6
6.1. Terminology of Fund Balance .....	7
6.2. Replenishment Guidance.....	7
7. Long-term Financial Planning.....	8
8. Accounting, Financial Reporting, and Auditing.....	9
9. Investments.....	9
10. Debt Management Policy.....	10
10.1. Conditions of Debt Issuance .....	11
10.2. Debt Limit.....	11
10.3. Debt Structuring.....	12
10.4. Debt Issuance.....	13
10.5. Credit Ratings.....	14
10.6. Ongoing Debt Management Practices.....	14

## 1. Background and Purpose

The Financial Management Policies (Policies) of the City of Mercer Island (City) serves as a blueprint for City staff to [draft the biennial budget](#), achieve goals set forth in budget work plans, the Comprehensive Plan, and other City planning documents by maintaining sound financial practices in accordance with all Federal, State, and local laws. The Policies are set by City Council and strategically direct financial resources towards meeting the City's long-term goals.

Should any requirement in these Policies conflict with powers, authority, or discretion granted to the City Manager by law, such requirement should be considered guidance or a recommendation from the City Council to the City Manager. [If the Policies conflict with state, federal law, or with regulations promulgated thereunder, then the Policies will be interpreted to the maximum extent possible without being in conflict.](#) Once adopted by the City Council, the City's Financial Management Policies will be amended as needed and reviewed every five to seven years with modifications submitted to the City Council for approval.

## 2. Fiscal Sustainability Philosophy

Mercer Island is committed to fiscal sustainability. Fiscal sustainability means maintaining a long-term view of financial planning for current and future generations that anticipates risks and preserves and enhances services and quality of life as prioritized by the City Council. The City strives for:

- 2.1. **Informed decision-making.** City administration will provide the City Council in depth analysis of both the short-term and long-term financial impacts of issues brought before the Council for consideration.
- 2.2. **Transparency.** The City will conduct public business with transparency and seek opportunities for citizen education, public participation, and public problem solving. The City will make financial information publicly available pursuant to applicable local and State laws as well as pursue new ways to make the City's finances more accessible and easier to understand.
- 2.3. **Aligned investments.** The City will seek opportunities to invest in ways that do not conflict with community values and priorities as reflected in the City's Comprehensive Plan.
- 2.4. **Diversified revenue sources.** The City will pursue diversified revenue sources and cost-containment measures to protect the delivery of public goods and services and safeguard against changing economic conditions.
- 2.5. **Managing long-term liabilities.** The City will proactively identify and monitor long-term financial liabilities and seek to mitigate these impacts, when possible, while accruing assets to fund these liabilities in a fiscally responsible and intergenerationally equitable manner.



- 2.6. **Shared Responsibility.** The City recognizes a shared responsibility between the employee and employer to appropriately fund employee compensation to attract and retain employees while maintaining a long-term sustainable and balanced budget.
- 2.7. **Equity, efficiency, and effectiveness.** The City will continuously explore new ways to improve day-to-day operations and provide more equitable, efficient, and effective delivery of public goods and services.

### 3. Operating Budget

The operating budget is the central financial planning document that embodies all operating revenue and expenditure decisions. It establishes what programs, projects, and operations will be funded in each department within the confines of anticipated municipal revenues. The policies below guide how the City organization develops and implements the operating budget.

- 3.1. The Biennial Budget will be balanced with resources in that biennium, and the City will adopt the Biennial Budget before January 1<sup>st</sup> of its initial fiscal year [of the biennium budget-cycle](#).
- 3.2. The City Council will adopt a Biennial Budget that reflects estimated revenues and expenditures for the ensuing two years. A mid-biennium review and update will take place as prescribed by State law during the first year of the biennium.
- 3.3. The Biennial Budget will establish municipal service levels and priorities for the ensuing two years.
- 3.4. **Expenditure control budgeting** is a budgeting approach that promotes sound fiscal management and offers flexibility and resources to respond to emerging or changing needs. When implemented, at the end of each fiscal year, the City will return one-third of each department's non-salary operating budget savings back to the respective department. Upon City Manager approval, such General Fund savings may be used at the department director's discretion to fulfill the mission of the department. The remaining two-thirds of such savings will return to the General Fund Balance to replenish City reserves and support the Emerging Innovations Reserve, consistent with adopted policies.
- 3.5. The Biennial Budget will establish measurable work plan goals and allow reasonable time to accomplish those goals within the biennium. The City Manager will report back to the City Council on work plan progress during the biennium [and report any potential issues in a timely manner](#).
- 3.6. Prior to budget adoption, the City Council will review and provide the City Manager feedback on the preliminary Biennial Budget.
- 3.7. The City will work proactively with the State, County, and local government agencies, and bodies, such as Association of Washington Cities and Sound Cities Association, to monitor and, when appropriate, act on legislation that may impact the City financially.



#### 4. Revenues and Expenditures

Annual revenues are estimated using established best practices as a basis for preparation of the Biennial Budget. Expenditures approved by the City Council in the Biennial Budget define the City's spending limits for the upcoming biennium. Beyond legal requirements, the City will maintain an operating philosophy of controlling the City's costs and maintaining diverse revenues. The following policies apply to the City's management of revenues and expenditures.

- 4.1 The City will maintain revenue and expenditure categories according to State statute and administrative regulation.
- 4.2 The City will endeavor to maintain a diversified and stable revenue system to minimize the impact of short-term fluctuations in any one revenue source.
- 4.3 Current revenues will be sufficient to support current expenditures.
- 4.4 One-time revenues will be used only for one-time expenditures.
- 4.5 The City will investigate potential new revenue sources and partnerships, particularly those that will not add to the tax burden of residents and local businesses.
- 4.6 Fees for service may be reviewed and adjusted annually to ensure cost recovery goals are being met. At minimum, fees for service shall be re-evaluated (where needed) every three years.
- 4.7 All revenue forecasts will be performed using established local government best practices.
- 4.8 The City will review and update, as needed, its cost allocation methodology at least every five years, which outlines the process of accounting and recording the full costs of an internal service by including indirect costs or "overhead" in addition to direct costs of service. The cost allocation methodology will capture these indirect costs to ensure that the respective Funds or departments are accurately paying for the services they receive.
- 4.9 Credit card fee surcharges, cash discounts, and online payment methods shall be reviewed and evaluated at least every five years to ensure that the cost of service is being covered and the City is taking advantage of improving technology and market developments.
- 4.10 Grants to fund new service programs will be reviewed by the City, as they become available, with due consideration given to whether they are cost effective, meet City goals, and are sustainable in the long-term.
- 4.11 The City will establish and maintain Special Revenue Funds to account for proceeds received from a substantial restricted or committed revenue source used to finance designated activities that are required by statute, ordinance, resolution, or executive order.
- 4.12 Investment earnings are distributed based on the percent each Fund makes up of the City's total investments (e.g., if General Fund dollars make up 20% of the City's total investments, then 20% of investment earnings are returned to the General Fund).
- 4.13 Excess investment earnings above Fund and Reserve balance thresholds ~~will~~ may be used to finance one-time capital investments or time-limited services at the City Council's discretion.

- 4.14 If decisions are needed to balance a proposed Biennial Budget, the City Council will provide policy direction to the City Manager as to the priority order and combination for raising revenues, reducing expenditures, and/or using reserves.
- 4.15 The use of reserve balances will only be authorized to address temporary revenue shortfalls and/or temporary expenditure increases, or in response to evidence-based revised reserve targets.
- 4.16 The Biennial Budget will be formally amended by the City Council as needed to reflect unforeseen expenditures or revenues. Funding requests will be analyzed by the Finance Department and approved by the City Manager. The City Council will be provided with a review of the legality and/or policy basis for the expenditure, the recommended funding source and fiscal impact, and previously approved amendments since budget adoption.
- 4.17 The City Council will be presented with timely financial status updates and year-end budget reviews including budget amendments, as necessary, to ensure that expenditures are within budget authority.

## 5. Capital Budget

Every two years, the City develops a Capital Improvement Program (CIP) for City Council review and approval as part of the Biennial Budget process. The City is responsible for considerable investments related to the acquisition, expansion, or rehabilitation of land, technology, buildings, and other major public infrastructure. The preservation, qualified maintenance, and future improvement of these facilities is the focus of the CIP and resulting capital budget.

Planning and implementing sound capital improvement practices and programs will help the City avoid unforeseen costs in the future. The following policies apply:

- 5.1. The City will establish and implement a comprehensive multi-year CIP.
- ~~5.1.~~5.2. Per State law, the City will develop and annually adopt a six-year Transportation Improvement Program (TIP), which becomes a component of the CIP (RCW 35.77.010).
- ~~5.2.~~5.3. The CIP will be prepared biennially concurrent with the development of the Biennial Budget. A mid-biennium review and update will take place during the first year of the biennium to reflect any changes in the updated Capital Improvement Program.
- ~~5.3.~~5.4. The City Council will designate annual ongoing funding levels for each of the major project categories within the Capital Improvement Program. Financial analysis of funding sources will be conducted for all proposed capital improvement projects.

~~5.4.5.5.~~ 5.5. A CIP outlines specific resources to maintain and enhance public infrastructure, including but not limited to prior money in reserves, State and Federal grants, long-term leases, low-interest loans, and debt financing.

~~5.5.5.6.~~ 5.6. The CIP will incorporate City Council priorities and community objectives for the acquisition, expansion, and/or rehabilitation of land, technology, buildings, and other major public infrastructure. The Capital Improvement Program will be consistent with the Capital Facilities Element of the Comprehensive Plan.

~~5.6.5.7.~~ 5.7. The City will maintain an inventory of physical assets, their condition, and remaining useful life.

~~5.7.5.8.~~ 5.8. Consistent with best practices, budgets for capital projects will include appropriate contingency budget between 10 – 20% of the total estimated project budget. Staff will provide additional analysis and context to the City Council for capital projects with contingency estimates greater than 20% of the total estimated budget.

~~5.8.5.9.~~ 5.9. The City will strive to maintain all assets at a sufficient level to protect the City's capital investment and to limit future maintenance and replacement costs.

~~5.9.5.10.~~ 5.10. When evaluating capital investments, the City will elect options with due consideration of long-term cost of ownership and expected useful life or regulatory constraints.

~~5.10.5.11.~~ 5.11. The City Manager may authorize the reallocation of CIP project funds between CIP projects within a CIP category. Funding may only be reallocated within a CIP project category (e.g., within Parks, Recreation, and Open Space Projects, or Sewer Projects, or Water Projects, etc.) when one project is over budget and, in the same period, a second project within the same CIP category has been completed under budget. The City Council will be informed when funds are reallocated between projects as part of the Quarterly reporting process.

## **6. Reserves and Fund Balance**

Adequate fund balance and reserves are a core element of the City's fiscal management strategy and a vital measurement of the City's financial position (outlined in [Appendix A – Fund Balances and Reserves](#)). City and State regulations allow the City to create and maintain specific reserves. Reserves and Fund Balances provide the City with options to respond to unexpected issues, natural disasters, ensure adequate resources for cash flow purposes, afford a buffer against economic duress and other forms of risk, and fund long-term liabilities over time. Reserve and Fund Balances should not, however, grow beyond established policy levels.

The following policies outline reasonable measures that protect the City's financial position and the continued provision of public goods and services from calculated risks.

- 6.0.1. The City will not hold a surplus of public funds to the detriment of providing public goods and services the community has come to expect.
- 6.0.2. The City will establish minimum fund balance targets for each Fund based on the Fund's cash flow requirements, with all fund balances included in the Biennial Budget. The minimum fund balance will be attained and maintained through expenditure management, revenue management, and/or contributions from the General Fund.
- 6.0.3. The City will fully fund reserves for the planned replacement of vehicles, heavy equipment, and radios as well as computer-related hardware and equipment (e.g., servers, networks, PCs, laptops, printers, and phones). Contributions will be made through assessments to each respective department.
- 6.0.4. Additional reserves may be created to fund future known expenditures, special projects, or other specific purposes.
- 6.0.5. All Reserves and Fund Balances and guiding policies will be presented in the Biennial Budget.

## 6.1. Terminology of Fund Balance

- 6.1.1. **Fund Balance** is an accounting term defined as the excess of assets over liabilities in a Fund.
- 6.1.2. A **Reserve** is typically a portion of total fund balance with a use specified by the Administration, City Council, or by the restricted nature of the funds.
- 6.1.3. **Non-spendable Fund Balance** cannot be spent, such as the long-term portion of loans receivable, the principle of an endowment, and inventories.
- 6.1.4. **Restricted Fund Balance** has externally enforceable limitations on the use of fund balance, imposed by parties such as creditors, grantors, laws, or regulations of other governments.
- 6.1.5. **Committed Fund Balance** encompasses long-term limitations imposed by the City Council. For example, the City Council has committed a portion of the General Fund Balance to offset the long-term liability from the Washington Law Enforcement Officers' and Firefighters' System (the LEOFF Retirement Plan).
- 6.1.6. **Assigned Fund Balance** includes the portion of fund balance that is earmarked for an intended use that may be temporary or short-term in nature. The intent is established by the City Council.
- 6.1.7. **Unassigned Fund Balance** comprises all fund balances that are left after considering the other four categories. Use is least constrained in this category of fund balance.

## 6.2. Replenishment Guidance

Reserve replenishments occur in three ways during periods of economic recovery:

- 6.2.1 A **planned replenishment** is a specific one-time contribution included in the adopted Biennial Budget.

- 6.2.2 A **scheduled replenishment** establishes a schedule to repay the use of Reserves or Fund Balances over a specific time.
- 6.2.3 A **surplus replenishment** occurs when ending prior year fund balances are higher than budgeted, either due to greater than budgeted revenues, expenditure savings, or both.

All expenditures drawn from Fund Balances and Reserves shall require prior City Council approval unless previously authorized by the City Council for expenditure in a Biennial Budget or otherwise provided for by City policies. In terms of priority for replenishing the individual reserves, the following guidelines shall be collectively considered:

- 6.2.4 If the Contingency Fund is below target, replenish to target at the start of each biennium.
- 6.2.5 If committed funds are available because planned reserve uses did not occur, those funds should be maintained in the source reserve.
- 6.2.6 The degree to which an individual reserve is below target (for example, the reserve that is furthest from its target level on a percentage basis might receive a larger share of the funds).
- 6.2.7 Decisions on how replenishments are allocated to specific reserves will be based on where available funds came from and on each reserve's status at the time the decision is made.
- 6.2.8 City Council may take action to suspend replenishment policies if it is found that special conditions exist warranting such action.

Once reserves reach target levels, remaining funds shall be available for one or more of the following needs, depending on the nature of the funds available (one-time or ongoing) and in the following [suggested](#) order of priority:

- 6.2.9 Reduce liabilities related to sinking funds.
- 6.2.10 Fund one-time investments, projects, or studies.
- 6.2.11 Make a one-time contribution to the Emerging Innovations Investments Reserve.
- 6.2.12 Increase funding for capital purposes.
- 6.2.13 Restore previous program service reductions.
- 6.2.14 Create program and service enhancements.

## 7. Long-term Financial Planning

The City develops and maintains a six-year Financial Forecast that estimates resource and expenditure behavior for the two biennia beyond the current budget period. **Financial forecasting** is the process of projecting revenues and expenditures over a long-term period, using assumptions about economic

conditions, future spending scenarios, and other salient factors. The Financial Forecast will provide City leadership with an indication of the long-term fiscal impact of current policies and budget decisions.

- 7.1. **Time Horizon.** The Financial Forecast looks six-years into the future.
- 7.2. **Scope.** The Financial Forecast includes all appropriated Funds.
- 7.3. **Frequency.** The Financial Forecast is updated at least once a year to inform budget development, though it may be updated more often as circumstances warrant.
- 7.4. **Content.** A Financial Forecast includes an analysis of the financial environment, revenue forecasts, personnel, other significant operating costs and when appropriate, strategies for achieving and maintaining a balanced budget in future years.
- 7.5. **Visibility.** The Financial Forecast will be presented at a City Council meeting to ensure that the community is informed of the long-term financial prospects of the government.

## 8. *Accounting, Financial Reporting, and Auditing*

The City of Mercer Island will establish and maintain a high standard of accounting practices. At all times, the City's accounting and budgetary systems will conform to Generally Accepted Accounting Principles, the State of Washington Budgeting Accounting Reporting System (BARS), and local regulations.

- 8.1. The City will employ cash basis reporting, as prescribed in the Washington State *Budgeting, Accounting, and Reporting System* (BARS), for external and audit purposes.
- 8.2. The City will maintain an accounting system that provides comprehensive financial information to effectively operate the City and provide accountability, oversight, and internal controls over financial transactions.
- 8.3. The City will meet the financial reporting standards set by the Washington State Auditor's Office for Cash-Basis Financial Statements.
- 8.4. The City will be transparent and accurate in all City financial reports and bond representations based on the State Auditor's Office established best practices.
- 8.5. An annual audit will be performed by the State Auditor's Office and will include the issuance of an audit opinion for financial and accountability reports.
- 8.6. The City will strive to provide timely and quarterly and year-end financial reporting with a long-term goal to provide monthly reporting.

## 9. *Investments*

Per Washington State law, all municipal corporations are empowered to invest in certain types of securities. Within the confines of State law, the City will invest public funds in a manner that will provide a competitive

rate of return after prioritizing investment instruments safety and liquidity needed to meet the daily cash flow demands of the City. Key principles that guide investment of public funds are listed below.

- 9.1. The City's cash will be invested in accordance with the City Council's [Adopted Investment Policies](#). Absent investment policies or staff trained to actively invest public funds; cash will be invested in the Local Government Investment Pool of the Washington State Treasurer.
- 9.2. Sufficient cash or other readily liquid instruments shall be maintained to provide for a minimum of 45-days of General Fund expenditures.
- 9.3. The City will manage the risk-reward tradeoff in financial decision making and will exercise good judgment, discretion, and intelligence, not for speculation but for investment, prioritizing safety of the City's investments while targeting an attractive risk-adjusted rate of return derived from investment decisions.
- 9.4. **Net investment income** is the amount of annual investment proceeds after first providing for all costs and expenses incurred in the administration of the City's investments. Net investment income will be allocated quarterly based on each funds relative cash balance as a percentage of the total invested assets. For example, if the Contingency Fund balance is only 10% of the City's total cash investments for a quarter, it would only receive 10% of the investment earnings for that quarter.

## 10. *Debt Management Policy*

This debt management policy sets forth guidelines to issue and repay debt. It is designed to ensure all debt is issued prudently and cost effectively to provide flexibility, preserve financial stability, and maintain the City's bond credit rating. All debt issued will follow this policy and all other relevant State and Federal regulations.

The City maintains conservative financial policies to assure strong financial health both in the short and long-term. From a policy perspective, the City uses debt as a mechanism:

- 10.0.1. To allocate the costs of needed improvements appropriately between present and future beneficiaries and users.
- 10.0.2. To reduce the immediate cash strain from substantial public improvements. This may include financing large capital investments such as construction of public infrastructure or significant property acquisitions.

## 10.1. Conditions of Debt Issuance

- 10.1.1. In the event there are any recommended deviations or exceptions from the Debt Management Policy when a certain bond issue is structured, those exceptions will be discussed in the agenda bills when the bond issue is presented for City Council's consideration.
- 10.1.2. Long-term debt will be used for capital investments. It will not be used to support operations ~~of infrastructure improvements~~ such as non-capital furnishings, supplies, maintenance, or personnel.
- 10.1.3. When issuing debt, the City shall strive to use the most favorable debt-funding mechanism given market conditions, costs of debt issuance, and whether it be general obligation bonds or special assessment, revenue, or other self-supporting bonds.
- 10.1.4. The decision on whether to assume new debt shall be based on costs and benefits, current conditions of the municipal bond market, and the City's ability to afford new debt and service it as determined by an objective analytical approach. This process shall compare generally accepted measures of affordability to the current values for the City. These measures shall include:
  - 10.1.4.1. **Debt per capita** is a measure that describes the distribution of debt per capita of the community's population.
  - 10.1.4.2. **Debt as a percent of assessed valuation** is outstanding principal as a percentage of the Community's total assessed valuation.

## 10.2. Debt Limit

- 10.2.1. The City's indebtedness is limited by Washington State law, which states the City's bonded indebtedness may not exceed the sum of 7.5% percent of the total assessed valuation of taxable property within the City (outlined in the table below, reference RCW 39.36.020).

Type of Debt	Statutory Limitations
General Obligation:	2.5%
Non-Voted	<u>1.5%</u>
Voted	<u>1.0%</u>
Open Space & Parks	2.5%
Utilities	2.5%
Revenue	No limit
Local Improvement District	No limit



- 10.2.2. Debt issuance will be based on a comprehensive multi-year Capital Improvement Program (CIP) and financial analysis to align appropriate funding sources with proposed capital improvements.
- 10.2.3. Where borrowing is recommended, the source of funds to cover debt service requirements must be identified for the length of the debt instrument, and the effects of that financing projected through six years of the CIP.
- 10.2.4. The City Council may consider using long term debt toward public improvements associated with economic development. To the extent new revenues from the project can be identified and agreed upon, a portion of said revenues could go to support the debt service.
- 10.2.5. The City will plan and direct the use of debt so that service payments will be ~~a~~ sustainable ~~component of the Biennial Budget.~~

### 10.3. Debt Structuring

- 10.3.1. Debt will be structured consistent with a fair allocation of costs to current and future beneficiaries or users.
- 10.3.2. Borrowings by the City should be of a term to maturity that does not exceed the useful life of the improvement that it finances and where feasible, should be shorter than the projected economic life. **Useful life** is how long the improvement will do what it is intended to do, life measured in time or in number of uses. **Economic life** is how long the improvement will do what it is intended to do at a cost that is comparable to alternatives.
- 10.3.3. The standard term of long-term borrowing is typically 15-30 years. Maturity of all assessed bonds shall not exceed statutory limitations (RCW 36.83.050).
- 10.3.4. The City shall pay all interest and repay all debt in accordance with the terms of the bond ordinance and bond covenants. To the extent possible, the City will seek level or declining debt service repayment schedules.
- 10.3.5. A **debt refunding** is a refinance of debt typically done to take advantage of lower interest rates. The City will use refunding bonds, where appropriate, when restructuring its current outstanding debt. Unless otherwise justified, such as a desire to remove or change a bond covenant, a debt refunding will not be pursued without a positive net present value benefit after expenses.
- 10.3.6. Bond amortization schedules will be structured to minimize interest expense with the constraints of revenues available for debt service. The bonds may include call features to maximize the City's ability to advance refund or retire the debt early. However, call features should be balanced with market conditions to ensure that the total cost of the financing is not inappropriately affected.

## 10.4. Debt Issuance

- 10.4.1. City Council approval is required prior to the issuance of debt.
- 10.4.2. The City Manager, with in coordination with the Finance Director and the City's **f**inancial **A**dvvisor and/ or **B**ond **c**ounsel, shall determine the method of sale best suited for each issue of debt.
- 10.4.3. The City will generally issue its debt through a competitive process but may use a negotiated process under the following conditions:
  - 10.4.3.1. The bond issue is, or contains, a refinancing that is dependent on market/interest rate timing.
  - 10.4.3.2. At the time of issuance, the interest rate environment or economic factors that affect the bond issue are volatile.
  - 10.4.3.3. The nature of the debt is unique and requires specific skills from the underwriter(s) involved.
  - 10.4.3.4. The debt issued is bound by a compressed timeline due to extenuating circumstances such that time is of the essence and a competitive process cannot be accomplished, or a competitive process might result in selection of an underwriter or other situations inconsistent with City policies.
- 10.4.4. When determined appropriate by the City Manager and Finance Director, the City will negotiate financing terms with banks and financial institutions for specific borrowings on a private offering basis. Typically, private placements are carried out when extraneous circumstances preclude public offerings, such as an interim financing, or to avoid the costs of a public offering for smaller issuances. The Finance Director will consult with the City's Financial Advisor and/ or Bond Counsel on a case-by-case basis to determine an appropriate method of sale.
- 10.4.5. With City Council approval, financing for capital projects may be secured from the debt financing marketplace, public works trust funds, or other means including an interfund loan, as appropriate given the circumstances.
- 10.4.6. A thorough financial analysis shall be conducted prior to the issuance of debt including, but not limited to, monitoring of market opportunities, and structuring and pricing of the debt.
- 10.4.7. All debt issued by the City will include a written opinion by the City's **f**inancial **A**dvvisor and/or **B**ond **c**ounsel affirming that the City is authorized to issue the proposed debt. The opinion shall include confirmation that the City has met all City and State constitutional and statutory requirements necessary for issuance, a determination of the proposed debt's Federal income

tax status and is compliant with legal and regulatory requirements by the State of Washington and the Federal Government's laws, rules, and regulations.

~~10.4.7.~~ 10.4.8. The Finance Director will confirm any debt issuance is conducted in compliance with the City's Financial Management Policies.

## 10.5. Credit Ratings

The City will maintain good communication with bond rating agencies about its financial condition.

- 10.5.1. The City will provide periodic updates to the City Council on the City's general financial condition, coordinating meetings, and presentations in conjunction with a new issuance.
- 10.5.2. The City will continually strive to maintain a Aaa bond rating by maintaining strong financial policies, budgets, forecasts, and improving the financial health of the City.
- 10.5.3. Credit enhancements may be used to improve or establish a credit rating on a City debt obligation. Credit enhancements should only be used if the enhancement will result in a net decrease in borrowing costs or otherwise provide significant benefits (e.g., making the bonds easier to sell).
- 10.5.4. The City will generally issue its debt through a competitive process. For any competitive sale of debt, the City will award the issue to the underwriter offering to buy the bonds at a price and interest rates that provides the lowest True Interest Cost (TIC).

## 10.6. Ongoing Debt Management Practices

The City shall comply with all applicable Federal, State, and contractual restrictions regarding the investment of bond proceeds, including City of Mercer Island's Investment Policy.

- 10.6.1. Annual disclosure information will be provided to established national information repositories and compliant with State and national regulatory bodies. Disclosure shall take the form of the City's Annual Financial Statements unless information is required by a particular bond issue that is not necessarily contained within the Annual Financial Statements.
- 10.6.2. The City will, unless otherwise permissible and justified, use bond proceeds within the established timeframe pursuant to the bond ordinance, contract, or other documents to avoid arbitrage.
- 10.6.3. **Arbitrage** is the interest earned on the investment of the bond proceeds above the interest paid on the debt. If arbitrage occurs, the City will follow a policy of full compliance with all arbitrage rebate requirements of the Federal tax code and Internal Revenue Service regulations and will perform (internally or by contract consultants) arbitrage rebate calculations for each issue subject to rebate.

- 10.6.4. The City will take all necessary steps to preserve the tax-exempt status of its outstanding debt including, but not limited to, filing and paying all necessary rebates when due~~All necessary rebates will be filed and paid when due to preserve the tax-exempt status of the outstanding debt.~~ The City will communicate through its published Biennial Budget, Capital Improvement Program, and Annual Financial Statements the City's indebtedness.



## BUSINESS OF THE CITY COUNCIL CITY OF MERCER ISLAND

**AB 5944**  
**September 21, 2021**  
**Regular Business**

### AGENDA BILL INFORMATION

<b>TITLE:</b>	AB 5944: Authorizing and Appropriation for Outreach Services from Area Shelters for the Homeless and Update on Implementation of Ordinance 21C-02	<input type="checkbox"/> Discussion Only <input checked="" type="checkbox"/> Action Needed:
<b>RECOMMENDED ACTION:</b>	Appropriate \$20,000 and authorize the City Manager to sign agreements with The Sophia Way and Congregations for the Homeless for outreach worker services.	<input checked="" type="checkbox"/> Motion <input type="checkbox"/> Ordinance <input type="checkbox"/> Resolution

<b>DEPARTMENT:</b>	Police
<b>STAFF:</b>	Ed Holmes, Police Chief Tambi Cork, YFS Administrator
<b>COUNCIL LIAISON:</b>	n/a
<b>EXHIBITS:</b>	n/a
<b>CITY COUNCIL PRIORITY:</b>	n/a

<b>AMOUNT OF EXPENDITURE</b>	\$ 20,000
<b>AMOUNT BUDGETED</b>	\$ 0
<b>APPROPRIATION REQUIRED</b>	\$ 20,000

### SUMMARY

At the August 31, 2021, City Council Meeting, the Council directed the City Manager to prepare a request to establish a partnership with The Sophia Way and Congregations for the Homeless to provide outreach services to individuals experiencing homelessness on Mercer Island, and to seek an appropriation of approximately \$20,000 to support the partnership through the remainder of the 2021-2022 biennium.

The agenda bill also includes an update on the implementation of Ordinance No. 21C-02.

#### SIX-MONTH REPORT ON IMPLEMENTATION OF ORDINANCE NO 21C-02

On February 16, 2021, the City Council adopted [Ordinance No. 21C-02](#) which prohibited camping within any public property. The City Council also directed the City Manager to provide the Council with a report on the Mercer Island Police Department's (MIPD) experience implementing this new ordinance within six months.

Since the effective date of this ordinance, MIPD officers have made contact with people that may be experiencing homelessness on average about three times per week. No arrests were made, and no citations were issued for violations of the ordinance.

This ordinance provides officers with an opportunity to engage with individuals experiencing homelessness and assist them in getting connected to services. During some contacts, the MIPD officer was able to put the individual in contact with the King County Mobile Crisis Team (Crisis Team). The Crisis Team then worked with the individual and connected them with resources based on their specific needs. The Crisis Team has access to resources that assist individuals experiencing homelessness, but their primary focus is supporting individuals experiencing behavioral health emergencies, including mental health and/or issues related to substance use.

While the partnership with the King County Crisis Team is helpful in emergency situations, individuals experiencing homelessness also benefit greatly from case management services from qualified outreach workers. Additionally, individuals experiencing homelessness seem more inclined to accept assistance when it is offered by someone other than a uniformed police officer. For example, MIPD officers recently had a contact where a person was asking for resources from a local business. When officers arrived, however, and attempted to assist the person, he decided that he did not wish for police assistance and chose to leave the area without being connected to resources.

### **NEED FOR OUTREACH WORKERS**

At the end of May 2021, staff toured two regional human services facilities that provide shelter space: The Sophia Way and Congregations for the Homeless. The Sophia Way focuses on serving women and families, while Congregations for the Homeless focuses on serving men. Both shelters provide full services to include beds for sleeping, case management, counseling services, employment assistance, and pathways towards stable housing. Both shelters also have outreach workers that serve the community and connect with those experiencing homelessness with resources, however Mercer Island is not part of their current service areas.

During initial conversations with City staff, The Sophia Way and Congregations for the Homeless indicated a willingness to expand their outreach service area to include Mercer Island.

Upon receiving direction from the majority of the City Council at the August 31, 2021 City Council meeting, City staff confirmed that both organizations were willing to provide outreach worker services through the end of 2022, the appropriation request is \$10,000 for a partnership with each organization. Staff recommends funding the \$20,000 appropriation request from the Fund Balance Surplus in the General Fund.

If the City Council wishes to entertain a broader discussion of the City's support for area shelters and continuation of the outreach worker partnerships, staff recommend including this as part of the 2023-2024 biennial budget development process.

### **RECOMMENDED ACTION**

Authorize the City Manager to negotiate and execute an agreement with both The Sophia Way and Congregations for the Homeless in an amount not to exceed \$20,000 (\$10,000 for each organization) for outreach worker services for individuals experiencing homelessness through the end of 2022.



# 2021 PLANNING SCHEDULE

Item 13.

Please email the City Manager & City Clerk when an agenda item is added, moved, or removed.

NOTE - Regular Meetings begin at 5:00 pm from June 16, 2020, through December 31, 2021.  
Items are not listed in any particular order. Agenda items & meeting dates are subject to change.

OCTOBER 5		DD	FN	CA	Clerk	CM
ABSENCES:						
ITEM TYPE   TIME   TOPIC				STAFF		
STUDY SESSION						
60	2021 Business Needs Assessment Results			Jeff Thomas/Sarah Bluvus		
CONSENT AGENDA						
--	AB xxxx: Payroll Certification for September XX, 2021			Alison Spietz		
--	AB xxxx: Development Code Amendment ZTR19-003 Signage (Ord. No. 21C-21 Second Reading)			Jeff Thomas/Alison Van Gorp		
--	AB xxxx: Domestic Violence Action Month Proclamation No. 284			Tambi Cork/Derek Franklin		
--	AB xxxx: Eastside Transportation Partnership (ETP) Agreement			Jason Kintner		
REGULAR BUSINESS						
90	AB xxxx: ARPA Funding Discussion: Sewer & Water Projects Overview			Jason Kintner/Merrill Thomas-Schadt/Patrick Yamashita/Alaine Sommargren		
15	AB xxxx: Ordinance Amending MICC 2.08.020 to Include Juneteenth as a Legal Holiday (Ord. No. 21C-24 First Reading)			Jessi Bon/Bio Park		
60	AB xxxx: Town Center Moratorium (Placeholder/If Needed)			Jeff Thomas/Sarah Bluvus		
--	AB 5939: Ordinance Amending Chapter 7.04 MICC – Animal Code (Ord. No. 21C-18 Second Reading)			Bio Park		

OCTOBER 19		DD	FN	CA	Clerk	CM
ABSENCES:						
ITEM TYPE   TIME   TOPIC				STAFF		
STUDY SESSION						
30	AB xxxx: King County Clean Water Plan Elected Officials Workshop			Jason Kintner		
30	AB xxxx: Youth & Family Services Emergency Assistance Update			Tambi Cork		
CONSENT AGENDA						
--	AB xxxx: Ordinance Amending MICC 2.08.020 to Include Juneteenth as a Legal Holiday (Ord. No. 21C-XX Second Reading)			Jessi Bon/Bio Park		
--	AB xxxx: 2020 Watercourse Stabilization Project closeout			Fred Gu		
--	AB 5939: Ordinance Amending Chapter 7.04 MICC – Animal Code (Ord. No. 21C-18 Second Reading)			Bio Park		
REGULAR BUSINESS						
90	AB xxxx: Preliminary Review of Proposed Mid-Biennial Budget Amendments			Matt Mornick/Jessi Bon		
60	AB xxxx: Town Center Moratorium (Placeholder/If Needed)			Jeff Thomas/Sarah Bluvus		
20	AB xxxx: Board & Commission Appointments (Round 3)			Deb Estrada		

NOVEMBER 1			DD	FN	CA	Clerk	Civil
ABSENCES:							
ITEM TYPE   TIME   TOPIC					STAFF		
STUDY SESSION							
60	Hold For AB xxxx: KC Sewerline Upgrade Overview Presentation				Ross/Jason		
SPECIAL BUSINESS							
CONSENT AGENDA							
--	AB xxxx: Veterans Day Proclamation				Deb Estrada		
	AB xxxx: King County North Mercer Interceptor staging area agreements for I-90 Boat Launch and Luther Burbank south parking lot				Paul West		
REGULAR BUSINESS							
60	AB xxxx: Revenue Forecast (Year?)				Matt Mornick		
30	AB xxxx: Town Center Parking Study Consultant Selection and Bid Award				Sarah Bluvas/Jeff Thomas/Jason Kintner/Ed Holmes		
30	AB xxxx: ARCH 2022 Work Plan and Budget				Jeff Thomas/Alison Van Gorp		
EXECUTIVE SESSION							

NOVEMBER 16			DD	FN	CA	Clerk	CM
ABSENCES:							
ITEM TYPE   TIME   TOPIC					STAFF		
STUDY SESSION							
SPECIAL BUSINESS							
CONSENT AGENDA							
REGULAR BUSINESS							
60	<b>PUBLIC HEARING (Legal Notice: 11/3/21 &amp; 11/10/21)</b> AB xxxx: <ul style="list-style-type: none"><li>• Third Quarter 2021 Financial Status Update,</li><li>• NORCOM 2022 Budget Resolution,</li><li>• 2022 Utility Rate Resolutions,</li><li>• 2022 Property Tax Ordinances,</li><li>• First reading of Ordinance to dissolve the YFS Endowment Fund, and</li><li>• First reading of 2021-2022 Budget Adjustments.</li></ul>				Matt Mornick/LaJuan Tuttle		
30	AB xxxx: Comprehensive Plan Amendment xxx21-xxx (Ord. No. 21C-xx Second Reading)				Alison Van Gorp		
60	AB xxxx: Comprehensive Plan / Development Code Amendment Docket 2022 (Res. No. xxxx)				Alison Van Gorp		
30	AB xxxx: Legislative Priorities Discussion				Jessi Bon		
	AB xxxx: City Council Regular Meeting Time Code Amendment (first reading)				Deb Estrada		