



# CITY OF MERCER ISLAND

## CITY COUNCIL REGULAR HYBRID MEETING

Tuesday, September 16, 2025 at 5:00 PM

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### MERCER ISLAND CITY COUNCIL:

Mayor Salim Nice, Deputy Mayor David Rosenbaum,  
Councilmembers: Lisa Anderl, Daniel Becker,  
Craig Reynolds, Wendy Weiker, and Ted Weinberg

### LOCATION & CONTACT:

MICEC – Slater Room Council Chambers and via Zoom  
8236 SE 24th Street | Mercer Island, WA 98040  
206.275.7793 | [www.mercerisland.gov](http://www.mercerisland.gov)

We strive to create an inclusive and accessible experience. Those requiring accommodation for meetings should notify the City Clerk's Office three days prior to the meeting at 206.275.7793 or by emailing [cityclerk@mercerisland.gov](mailto:cityclerk@mercerisland.gov).

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The hybrid meeting will be live streamed on the City Council's [YouTube Channel](#).

Individuals wishing to speak live during Appearances (public comment period) must register with the City Clerk at 206.275.7793 or [cityclerk@mercerisland.gov](mailto:cityclerk@mercerisland.gov) before 4 PM on the day of the Council meeting. Each speaker will be allowed to speak for three (3) minutes. A timer will be visible to online to speakers, City Council, and meeting participants.

Written comments may be sent to the City Council at [council@mercerisland.gov](mailto:council@mercerisland.gov).

Join the meeting at 5:00 PM (Appearances will start sometime after 5:00 PM) by:

- **Telephone:** Call 253.215.8782 and enter Webinar ID 899 3210 7547 and Password 730224
  - **Zoom:** Click this [link](#) (Webinar ID 899 3210 7547; Password 730224)
  - **In Person:** Mercer Island Community & Event Center – Slater Room Council Chambers (8236 SE 24th Street, Mercer Island, WA 98040)
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## MEETING AGENDA

### CALL TO ORDER & ROLL CALL, 5:00 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, except items before the City Council requiring a public hearing, any quasi-judicial matters, or campaign-related matters)

### CONSENT AGENDA

#### 1. AB 6766: September 10, 2025 Payroll Certification

**Recommended Action:** Approve the September 10, 2025 Payroll Certification in the amount of \$942,897.99 and authorize the Mayor to sign the certification on behalf of the entire City Council.

#### 2. AB 6767: Certification for Claims Paid August 16, 2025 through August 31, 2025

**Recommended Action:** Approve the August 16, 2025 through August 31, 2025 Accounts Payable Certification of Claims in the amount of \$756,720.30 and authorize the Mayor to sign the certification on behalf of the City Council.

**3. City Council Regular Hybrid Meeting Minutes of September 2, 2025**

**Recommended Action:** Approve the City Council Regular Hybrid Meeting Minutes of September 2, 2025.

**4. AB 6768: Peace Day on Mercer Island, Proclamation No. 371**

**Recommended Action:** Approve Proclamation No. 371 proclaiming September 21, 2025 as Peace Day on Mercer Island.

**5. AB 6770: Six-Year Work Plan for Art in Public Places**

**Recommended Action:** Approve the 6-Year Work Plan for Art in Public Places.

**6. AB 6771: Business License Code Amendment (Second Reading Ordinance. No. 25C-22)**

**Recommended Action:** Adopt Ordinance No. 25C-22 to update the Mercer Island City Code related to business licensing.

**7. AB 6773: Luther Burbank Boiler Building Phase 1 Project Closeout**

**Recommended Action:** Accept the completed project and authorize staff to close it out.

**8. AB 6774: Acceptance of 2025-2027 Commute Trip Reduction Grant**

**Recommended Action:** Accept the 2025-2027 Commute Trip Reduction Grant and appropriate the \$31,300 of grant funds in the 2025-2026 biennial budget to the Public Works Department to support the administration of the Commute Trip Reduction program and the Climate Action Plan.

**9. AB 6780: Letter Regarding Renton Airport Night Flights**

**Recommended Action:** Authorize the Mayor to sign letters to the Renton Municipal Airport and the Renton ATC Facility regarding significant increases in low-altitude, noisy jet and turboprop overflights occurring at night.

**REGULAR BUSINESS**

**10. AB 6776: Financial Status Update for the Second Quarter 2025 and Budget Amending Ordinance**

**Recommended Action:** Adopt Ordinance No. 25-25 amending the 2025-2026 Biennial Budget.

**11. AB 6772: Code Amendments Regarding E-motorcycle Regulations (Ordinance No. 25C-24, Second Reading)**

**Recommended Action:** Adopt Ordinance No. 25C-24, amending Title 10 of the Mercer Island City Code, as presented in Exhibit 1.

**12. AB 6779: Public Safety and Maintenance Facility Site Zoning**

**Recommended Action:** Direct the City Manager to prepare and submit a rezone application to rezone City Hall parcels 9655500185 and 2655500075 to Public Institution (PI) and to appropriate \$22,064 from the General Fund unassigned fund balance for associated permit review fees.

**OTHER BUSINESS**

**13. Planning Schedule**

**14. Councilmember Absences & Reports**

**EXECUTIVE SESSION - Approximately 30 Minutes**

**15. Performance of a Public Employee**

Executive Session to review the performance of a public employee pursuant to RCW 42.30.110(1)(g).

**ADJOURNMENT**



## BUSINESS OF THE CITY COUNCIL CITY OF MERCER ISLAND

**AB 6766**  
**September 16, 2025**  
**Consent Agenda**

### AGENDA BILL INFORMATION

<b>TITLE:</b>	AB 6766: September 10, 2025 Payroll Certification	<input type="checkbox"/> Discussion Only
<b>RECOMMENDED ACTION:</b>	Approve the September 10, 2025 Payroll Certification in the amount of \$942,897.99.	<input checked="" type="checkbox"/> Action Needed: <input checked="" type="checkbox"/> Motion <input type="checkbox"/> Ordinance <input type="checkbox"/> Resolution

<b>DEPARTMENT:</b>	Administrative Services
<b>STAFF:</b>	Ali Spietz, Chief of Administration Nicole Vannatter, Human Resources Manager
<b>COUNCIL LIAISON:</b>	n/a
<b>EXHIBITS:</b>	1. September 10, 2025 Payroll Certification 2. FTE/LTE Counts
<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

### EXECUTIVE SUMMARY

This agenda bill is to approve the City of Mercer Island payroll certification for the period from August 16, 2025 through August 31, 2025 in the amount of \$942,897.99 (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 semi-monthly payroll schedule with payments on the 10th and 25th of each month.

## ISSUE/DISCUSSION

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, this payroll has variations that are outlined below.

### Additional payments:

Description	Amount
Leave cash outs for current employees	\$6,639.98
Leave cash outs for terminated employees	\$3,129.87
Service and recognition awards	\$1,000.00
Overtime earnings (see chart for overtime hours by department).	\$22,091.34
<b>Total</b>	<b>\$32,861.19</b>

### Overtime hours by department:

Department	Hours
Administrative Services	
City Attorney's Office	
City Manager's Office	
Community Planning & Development	
Finance	5.00
Municipal Court	
Police	112.08
Public Works	125.75
Thrift Shop	
Youth & Family Services	
<b>Total Overtime Hours</b>	<b>242.83</b>

## NEXT STEPS

### FTE/LTE COUNTS

The table in Exhibit 2 shows the budgeted versus actual counts for Full Time Equivalents (FTEs) and Limited Term Equivalents (LTEs) for the current payroll. Casual labor employees (temporary and seasonal) are not included in the counts.

### Casual Labor

In addition to FTE and LTE employees, the City utilizes casual labor to address workload needs that exceed the capacity or expertise of the City's regular staff and that are time limited or seasonal. Casual labor is used primarily to address seasonal workload needs and short-term workload issues created by special projects or position vacancies. Compared to an LTE position, a casual labor position has limited benefits and is filled for a shorter period (1-3 months, 6 months, or 9 months). The departments/divisions that utilize casual labor the most are Parks Maintenance, Recreation, Public Works, and the Thrift Store.

## RECOMMENDED ACTION

Approve the September 10, 2025 Payroll Certification in the amount of \$942,897.99 and authorize the Mayor to sign the certification on behalf of the entire City Council.



# CITY OF MERCER ISLAND PAYROLL CERTIFICATION

Item 1.

**PAYROLL PERIOD ENDING** **08.31.2025**  
**PAYROLL DATED** **09.10.2025**

Net Cash	\$	643,801.06
Net Voids/Manuals	\$	4.70
<b>Net Total</b>	<b>\$</b>	<b>643,805.76</b>
Federal Tax Deposit	\$	102,928.90
Social Security and Medicare Taxes	\$	70,257.95
State Tax (California & Oregon)	\$	684.60
State Tax (California)	\$	14.04
Family/Medical Leave Tax (California & Oregon)	\$	50.95
Public Employees Retirement System 1 (PERS 1)	\$	-
Public Employees' Retirement System (PERS Plan 2)	\$	30,708.48
Public Employees' Retirement System (PERS Plan 3)	\$	9,991.48
Public Employees' Retirement System (PERSJM)	\$	596.69
Public Safety Employees' Retirement System (PSERS)	\$	-
Law Enforcement Officers' & Fire Fighters' Retirement System (LEOFF Plan2)	\$	16,970.40
Regence & LEOFF Trust Medical Insurance Deductions	\$	13,431.25
Domestic Partner Medical Insurance Deductions	\$	1,092.64
Kaiser Medical Insurance Deductions	\$	1,197.11
Health Care - Flexible Spending Account Contributions	\$	1,944.82
Dependent Care - Flexible Spending Account Contributions	\$	208.33
ICMA Roth IRA Contributions	\$	568.77
ICMA 457 Deferred Compensation Contributions	\$	42,187.10
ICMA 401K Deferred Compensation Contributions	\$	-
Garnishments (Chapter 13)	\$	1,072.03
Tax Wage Garnishment	\$	-
Child Support Wage Garnishment	\$	867.50
Mercer Island Employee Association Dues	\$	260.00
AFSCME Union Dues		
Police Union Dues		
Standard - Supplemental Life Insurance		
Unum - Long Term Care Insurance	\$	176.90
AFLAC - Supplemental Insurance Plans	\$	238.52
Transportation - Flexible Spending Account Contributions	\$	115.00
Miscellaneous	\$	714.94
Oregon Transit Tax and Oregon Benefit Tax	\$	8.55
Washington Long Term Care	\$	2,805.28
<b>Tax &amp; Benefit Obligations Total</b>	<b>\$</b>	<b>299,092.23</b>

<b>TOTAL GROSS PAYROLL</b>	<b>\$</b>	<b>942,897.99</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.

5

Mayor
Date

## FTE AND LTE COUNTS AS OF 8/31/2025

Full Time Equivalents (FTEs)	2025 Budgeted	2025 Actual
Administrative Services	14.50	14.50
City Attorney's Office	2.00	2.00
City Manager's Office	3.00	3.00
Community Planning & Development	17.00	17.00
Finance	9.00	9.00
Municipal Court	3.10	3.10
Police	37.50	35.50
Public Works	64.00	62.00
Recreation	10.25	9.25
Youth & Family Services	11.93	11.93
Thrift Shop	3.00	3.00
<b>Total FTEs</b>	<b>175.28</b>	<b>170.28</b>
Limited Term Equivalents (LTEs)	2025 Budgeted	2025 Actual
Administrative Services	1.00	1.00
City Manager's Office	1.00	2.00
Community Planning & Development	2.00	2.00
Public Works	4.75	3.75
Youth & Family Services	2.83	1.83
Thrift Shop	6.50	7.90
<b>Total LTEs</b>	<b>18.08</b>	<b>18.48</b>
<b>Total FTEs &amp; LTEs</b>	<b>193.36</b>	<b>188.77</b>

### FTE Vacancies:

- 1.0 CIP Project Manager
- 2.0 Police Officer
- 1.0 Recreation Facility Supervisor
- 1.0 Utilities Engineer



## BUSINESS OF THE CITY COUNCIL CITY OF MERCER ISLAND

**AB 6767**  
**September 16, 2025**  
**Consent Agenda**

### AGENDA BILL INFORMATION

<b>TITLE:</b>	AB 6767: Certification for Claims Paid August 16, 2025 through August 31, 2025	<input type="checkbox"/> Discussion Only <input checked="" type="checkbox"/> Action Needed: <input checked="" type="checkbox"/> Motion <input type="checkbox"/> Ordinance <input type="checkbox"/> Resolution
<b>RECOMMENDED ACTION:</b>	Approve the Accounts Payable Certification for Claims paid August 16, 2025 through August 31, 2025 in the amount of \$756,720.30.	

<b>DEPARTMENT:</b>	Finance
<b>STAFF:</b>	Matt Mornick, Finance Director LaJuan Tuttle, Deputy Finance Director
<b>COUNCIL LIAISON:</b>	n/a
<b>EXHIBITS:</b>	1. Certification for Claims Paid August 16 - 31, 2025
<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

### EXECUTIVE SUMMARY

The purpose of this agenda bill is to approve the August 16, 2025 through August 31, 2025 Accounts Payable Certification of Claims in the amount of \$756,720.30 (see Exhibit 1).

### BACKGROUND

*Claims* refer to all external payments that are made to satisfy the obligations of the City, regardless of how payments are processed (e.g., through warrants, checks, electronic funds transfers, etc.). [RCW 42.24.080](#) requires that all claims presented against the City must be certified by the appropriate official to ensure that the claims are just, true, 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 claim payments, provided, however, that review, and approval of claims information occurs at the next regularly scheduled public meeting.

## ISSUE/DISCUSSION

The Accounts Payable Certification of Claims (see Exhibit 1) includes a table that summarizes the claims paid August 16, 2025 through August 31, 2025. The table combines different payment methods. The disbursement method is identified in the “Type” column of the table in exhibit 1, which include:

- **Check Register** includes printed accounts payable checks.
- **Direct Disbursement** includes wire transfers. Note that “check” numbers are two digits to easily identify them as distinct from printed checks.
- **Electronic Funds Transfer (EFT)** includes both EFT and Automated Clearing House (ACH) payments. “Check” numbers started at 5000 for this payment type.

## RECOMMENDED ACTION

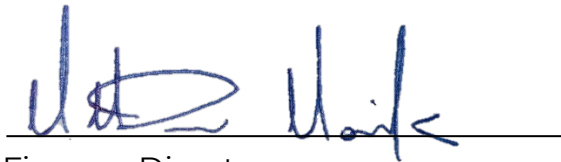
Approve the August 16, 2025 through August 31, 2025 Accounts Payable Certification of Claims in the amount of \$756,720.30 and authorize the Mayor to sign the certification on behalf of the City Council.



# City of Mercer Island

## 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

Date	Type	Checks	Warrant	Amount
08/22/25	Check Register	224512 - 224563	082225	\$528,458.32
08/29/25	Check Register	224564 - 224625	082925	\$227,095.17
08/29/25	Check Register	224626	082925b	\$123.75
08/29/25	Electronic Funds Transfer	5001-5001	EFT 0829	\$1,043.06
TOTAL				\$756,720.30



# CITY COUNCIL MINUTES REGULAR HYBRID MEETING SEPTEMBER 2, 2025

Item 3.

## CALL TO ORDER & ROLL CALL

Mayor Salim Nice called the Regular Hybrid Meeting to order at 5:00 pm in the Slater Room Council Chambers at the Mercer Island Community & Event Center, 8236 SE 24<sup>th</sup> Street, Mercer Island, Washington.

Mayor Salim Nice, Deputy Mayor Dave Rosenbaum, and Councilmembers Daniel Becker, and Wendy Weiker (Arrived at 5:17 pm) attended in person. Councilmembers Lisa Anderl, Craig Reynolds, and Ted Weinberg attended via Zoom.

## PLEDGE OF ALLEGIANCE

The City Council delivered the Pledge of Allegiance.

## AGENDA APPROVAL

It was moved by Becker; seconded by Rosenbaum to:

**Approve the agenda as presented.**

PASSED: 6-0

FOR: 6 (Anderl, Becker, Nice, Rosenbaum, Reynolds, and Weinberg)

ABSENT: 1 (Weiker)

## SPECIAL BUSINESS

### AB 6759: Recognition for the MIYFS Foundation

YFS Administrator Derek Franklin spoke about the contributions of the Mercer Island Youth and Family Services Foundation (MIFYS Foundation) dating back to 1989 to provide funding for emergency services for community members who need critical services including food assistance, rent assistance, school counselors, services for seniors, and more. He spoke about how in recent years the MIFYS Foundation has increased the donations to ensure that these critical services continued to be provided.

City Council thanked MIYFS Foundation for their continued contributions to YFS.

It was moved by Weinberg; seconded by Reynolds to:

**Approve Resolution No. 1681 recognizing the MIYFS Foundation's contributions to the Youth and Family Services Department and the City of Mercer Island.**

PASSED: 6-0

FOR: 6 (Anderl, Becker, Nice, Rosenbaum, Reynolds, and Weinberg)

ABSENT: 1 (Weiker)

City Council was in recess from 5:15 pm – 5:20 pm.

## CITY MANAGER REPORT

City Manager Jessi Bon reported on the following items:

- **Council, Boards & Commission Meetings:**
  - City Council Meeting on September 16 at 5:00 pm.
  - Utility Board Meeting on September 9 at 5:00 pm.

- Planning Commission on September 10 at 6:00 pm.
- **City Services Updates:**
  - Roanoke Park – The playground is open and ready for play! Finishing touches will be put on the play area throughout the fall.
  - WSDOT I-90 Expansion Joint Replacement – WSDOT crews will close the I-90 Eastbound on-ramp at East Mercer Way and the HOV on-ramp at 80th Ave SE beginning Thursday, Sept. 18, to complete essential roadway repairs and replace failing expansion joints on the East Channel Bridge. The closure is anticipated to last 16 days, with access to all on-ramps slated to be open by October 5.
  - Island Crest Way Crosswalk Improvements – Contractors completed work on the crosswalk on Island Crest Way at SE 62nd Street and the Island Park Elementary driveway. All sidewalks and the new crosswalk were fully open prior to the start of school.
  - East Mercer Way Water Main Repair – City crews completed the replacement of 220 feet of water main last week, including pressure testing, flushing, and water quality testing. East Mercer Way was reopened last Tuesday to a one lane road controlled by portable traffic signals, allowing bus routes, trash pickup, mail, and all other traffic to resume through the area. Engineering staff are assessing the roadway and expect to have permanent pavement repairs completed by the end of October.
- **Upcoming Events:**
  - Community Photography Show at MICEC through October 17.
  - Art Uncorked – September 6 from 3-7pm.
- **News:**
  - Summer Camp Success – Recreation staff experienced a strong summer camp season. This year's summer camps saw more than 1,300 kids participating in different camps at the MICEC and parks across the island.
  - Achievements in Municipal Leadership – Congratulations to Councilmember Weinberg on earning the Certificate of Municipal Leadership from the Association of Washington Cities.

## APPEARANCES

Debi Gerstel (Mercer Island) spoke about e-bikes.

Addie Smith spoke about being a hate crime survivor.

Norma Bergquist (Mercer Island) spoke about e-bikes.

Jeff Bender (Mercer Island) spoke about shared streets.

Ashley Kline (Mercer Island) spoke about e-bikes.

Jim Stanton (Mercer Island) spoke about e-bikes.

Cara King (Mercer Island) spoke in support of Proclamation No. 370.

## CONSENT AGENDA

### City Council Regular Hybrid Meeting Minutes of July 15, 2025

**Recommended Action:** Approve the City Council Regular Hybrid Meeting Minutes of July 15, 2025.

### City Council Special Meeting Minutes of August 14, 2025

**Recommended Action:** Approve the City Council Special Meeting Minutes of August 14, 2025.

### AB 6741: July 10, 2025 Payroll Certification

**Recommended Action:** Approve the July 10, 2025 Payroll Certification in the amount of \$987,806.70 and authorize the Mayor to sign the certification on behalf of the entire City Council.

### AB 6742: July 25, 2025 Payroll Certification

**Recommended Action:** Approve the July 25, 2025 Payroll Certification in the amount of \$1,210,721.21 and authorize the Mayor to sign the certification on behalf of the entire City Council.

**AB 6743: August 8, 2025 Payroll Certification**

**Recommended Action:** Approve the August 8, 2025 Payroll Certification in the amount of \$1,048,370.99 and authorize the Mayor to sign the certification on behalf of the entire City Council.

**AB 6744: August 25, 2025 Payroll Certification**

**Recommended Action:** Approve the August 25, 2025 Payroll Certification in the amount of \$1,018,552.74 and authorize the Mayor to sign the certification on behalf of the entire City Council.

**AB 6745: Certification of Claims June 16-30, 2025**

**Recommended Action:** Approve the June 16, 2025 through June 30, 2025 Accounts Payable Certification of Claims in the amount of \$3,801,759.98 and authorize the Mayor to sign the certification on behalf of the entire City Council.

**AB 6746: Certification of Claims July 1-15, 2025**

**Recommended Action:** Approve the July 1, 2025 through July 15, 2025 Accounts Payable Certification of Claims in the amount of \$1,470,007.69 and authorize the Mayor to sign the certification on behalf of the entire City Council.

**AB 6747: Certification of Claims July 16-31, 2025**

**Recommended Action:** Approve the July 16, 2025 through July 31, 2025 Accounts Payable Certification of Claims in the amount of \$2,701,564.31 and authorize the Mayor to sign the certification on behalf of the entire City Council.

**AB 6748: Certification of Claims August 1-15, 2025**

**Recommended Action:** Approve the August 1, 2025 through August 15, 2025 Accounts Payable Certification of Claims in the amount of \$3,813,089.66 and authorize the Mayor to sign the certification on behalf of the entire City Council.

**AB 6749: National Recovery Month, Proclamation No. 369**

**Recommended Action:** Approve Proclamation No. 369 proclaiming September 2025 as National Recovery Month on Mercer Island.

**AB 6750: Hunger Action Month, Proclamation No. 366**

**Recommended Action:** Approve Proclamation No. 366 proclaiming September 2025 as Hunger Action Month on Mercer Island.

**AB 6751: Childhood Cancer Awareness Month, Proclamation No. 367**

**Recommended Action:** Approve Proclamation No. 367 proclaiming September 2025 as Childhood Cancer Awareness Month on Mercer Island.

**AB 6752: National Preparedness Month Proclamation, No. 368**

**Recommended Action:** Approve Proclamation No. 368 proclaiming September 2025 National Preparedness Month in Mercer Island.

**AB 6765: Reaffirming Our Commitment to Safe and Respectful Communities, Proclamation No. 370**

**Recommended Action:** Approve Proclamation No. 370 reaffirming our commitment to safe and respectful communities.

**AB 6753: Ratification of Mercer Island's Comprehensive Emergency Management Plan, Resolution No. 1680**

**Recommended Action:** Adopt Resolution No. 1680 ratifying the Mercer Island Comprehensive Emergency Management Plan.

**AB 6754: Interim Regulations in MICC 19.16.010 Related to Emergency Shelters and Housing, Transitional Housing, and Permanent Supportive Housing (Second Reading, Ordinance No. 25-15)**



**Recommended Action:** Adopt Ordinance No. 25-15 establishing interim development regulations in MICC 19.16.010 related to Emergency Shelters and Housing, Transitional Housing, and Permanent Supportive Housing, with an effective date of October 2, 2025.

**AB 6755: Luther Burbank Park South Shoreline Restoration Project Closeout**

**Recommended Action:** Accept the completed Luther Burbank South Shoreline Restoration Project and authorize staff to close out the project.

**AB 6756: Acquisition of Real Property by Eminent Domain (Second Reading of Ordinance No. 25-21)**

**Recommended Action:** Adopt Ordinance No. 25-21 related to financing for the acquisition of real property by Eminent Domain.

**AB 6760: Authorization to Join Opioid Settlements**

**Recommended Action:** Authorize the City Manager to execute and submit the necessary participation forms and allocation agreement, substantially in the form attached as Exhibits 1 and 2 to this AB, for the City of Mercer Island to join opioid related settlements with Alvogen, Amneal, Apotex, Hikma, Indivior, Mylan, Sun, Zydus, Purdue Pharma and the Sackler family.

**AB 6761: Ratification of Local Emergency Order Issued by the City Manager – Water Main Breaks (Proclamation No. 365)**

**Recommended Action:** Ratify and confirm the Local Emergency Order issued by the City Manager on August 7, 2025 in Proclamation No. 365 and allow the emergency declaration to remain in effect until the East Mercer Way water main repair is completed.

**AB 6762: Interagency Connection Agreement with King County for the Automated Fingerprint Identification System (AFIS) Program**

**Recommended Action:** Authorize the City Manager to sign the interagency connection agreement with King County for the Regional Automated Fingerprint Identification System (AFIS) Program.

**AB 6764: MIYFS Foundation Funding Acceptance Agreement**

**Recommended Action:** Accept the increased annual donation of \$580,000 from the Mercer Island Youth and Family Services Foundation for 2025 through 2028 and authorize the City Manager to sign the Funding Acceptance Agreement (2025-01) memorializing the donation, substantially as set forth in Exhibit 1 to AB 6764.

It was moved by Rosenbaum; seconded by Becker to:

**Approve the Consent Agenda.**

PASSED: 7-0

FOR: 7 (Anderl, Becker, Nice, Rosenbaum, Reynolds, Weiker, and Weinberg)

**REGULAR BUSINESS**

**AB 6740: Emergency Management Program**

Emergency Manager Amanda Keverkamp spoke about the history of the Emergency Management Program, the updates to the Comprehensive Emergency Management Plan and the Hazard Mitigation Plan, and how Emergency Management provides support during emergencies. She discussed the purpose of the Emergency Operations Center (EOC), the training that staff receive and spoke about the emergencies in 2024 and 2025 that Emergency Management has supported response to. Emergency Manager Keverkamp provided an update on the WSDOT Joint Replacement Project and I-90 On-Ramp Closures that is scheduled for 16 days starting on September 18, on the 2026 FIFA World Cup planning that is taking place and highlighted the work of the Emergency Management volunteers in 2024 and 2025. She also discussed the public education and outreach that was completed in 2024 and 2025.

**AB 6757: Marine Patrol Vessel Replacement Contract**

Police Commander Jeff Magnan spoke about the history of the Mercer Island Marine Patrol noting that officers patrol Lake Washington covering 34 miles of shoreline, and spoke about the interlocal agreements with

Bellevue, Renton, Medina, and the Towns of Yarrow Point and Hunts Point. He presented the three vessels that are currently in the fleet and spoke about the need to replace Patrol 11 that has been in service since 1997. Commander Magnan discussed the request for proposals for procurement of a replacement vessel that was issued in October 2024, the selection of a Life Proof Boats for the new Patrol 11, and how the new vessel will be funded.

City Council asked questions and provided feedback.

It was moved by Weinberg; seconded by Rosenbaum to:

**Appropriate an additional \$60,000 from the Equipment Rental Fund reserve, and authorize the City Manager to execute a purchase agreement with Inventech Marine Solutions (LLC), DBA Life Proof Boats, substantially in the form as shown in Exhibit 2, and other related documents and agreements required for the transaction, to construct and deliver a new Marine Patrol vessel for the City of Mercer Island.**

MOTION PASSED: 7-0

FOR: 7 (Anderl, Becker, Nice, Reynolds, Rosenbaum, Weiker, and Weinberg)

**AB 6763: Code Amendments Regarding E-motorcycle Regulations (Ordinance No. 25C-24, First Reading).**

City Manager Jessi Bon introduced Management Analyst Amelia Tjaden who presented the proposed code amendments regarding E-motorcycle regulations. Management Analyst Tjaden explained the differences between e-bikes, e-motorcycles/e-dirt bikes, and traditional motorcycles, and noted that the proposed regulations only apply to e-motorcycles and that staff will return in the future with regulations related to e-bikes. She discussed how the code amendments would close the enforcement gap due to the age of many youth riding e-motorcycles, how enforcement is difficult due to the state definition of motorcycles in RCW 46.04.330, and that many jurisdictions in surrounding areas are having these same difficulties.

Management Analyst Tjaden spoke about the public education and outreach that has been conducted this year in collaboration with the Mercer Island School District, the community reporting on issues with e-bikes, e-motorcycles, and e-dirt bikes, and noted that the best way for the community to report issues is to call 911 when an incident occurs.

Senior Management Analyst Robbie Cunningham Adams spoke about the engagement strategy for the state legislature related to e-bikes and e-motorcycles including engaging the Association of Washington Cities (AWC). He noted that that staff is recommending an updated /modern definition of e-motorcycles/ e-dirt bikes as a key priority in the 2026 Legislative session.

City Council asked questions of staff and provided feedback.

It was moved by Weinberg; seconded by Rosenbaum to:

**Schedule Ordinance No. 25C-24 for second reading and adoption at an upcoming meeting.**

MOTION PASSED: 7-0

FOR: 7 (Anderl, Becker, Nice, Rosenbaum, Reynolds, Weiker, and Weinberg)

**AB 6758: Business License Code Amendment (Ordinance. No. 25C-22, First Reading)**

Finance Director Matthew Mornick presented the proposed amendments to the Business License code. He spoke about the requirements of all businesses conducting business on Mercer Island need to obtain a business license through the State Department of Revenue Business License Service, how updates were made in 2024 to the business license model ordinance that require an update to the Mercer Island City Code related to the minimum threshold for out-of-city business. He noted that the proposed changes also include cleanup of Chapter 5.01 MICC.

It was moved by Weinberg; seconded by Weiker to:

**Set Ordinance No. 25C-22 for second reading and adoption at the September 16, 2025 City Council meeting.**

MOTION PASSED: 7-0

FOR: 7 (Anderl, Becker, Nice, Rosenbaum, Reynolds, Weiker, and Weinberg)

## OTHER BUSINESS

### Councilmember Absences and Reports

Councilmember Weinberg noted that his next monthly open lunch on September 21 at Anise Thai restaurant.

City Council was in recess from 7:15 pm to 7:20 pm.

## EXECUTIVE SESSION

At 7:20 pm, Mayor Nice convened an Executive Session in Room 104 at the Mercer Island Community & Event Center, 8236 SE 24th Street, Mercer Island, WA and via Microsoft Teams.

The Executive Session was to discuss with legal counsel pending or potential litigation pursuant to RCW 42.30.110(1)(i).

Mayor Salim Nice, Deputy Mayor Dave Rosenbaum, and Councilmembers Daniel Becker and Wendy Weiker participated in person. Councilmember Lisa Anderl, Craig Reynolds, and Ted Weinberg attended via Microsoft Teams.

Mayor Nice adjourned the Executive Session at 7:50 pm.

## ADJOURNMENT

The Regular Hybrid Council Meeting adjourned at 7:50 pm.

Attest:

\_\_\_\_\_  
Salim Nice, Mayor

\_\_\_\_\_  
Andrea Larson, City Clerk



## BUSINESS OF THE CITY COUNCIL CITY OF MERCER ISLAND

**AB 6768**  
**September 16, 2025**  
**Consent Agenda**

### AGENDA BILL INFORMATION

<b>TITLE:</b>	AB 6768: Peace Day on Mercer Island, Proclamation No. 371	<input type="checkbox"/> Discussion Only <input checked="" type="checkbox"/> Action Needed: <input checked="" type="checkbox"/> Motion <input type="checkbox"/> Ordinance <input type="checkbox"/> Resolution
<b>RECOMMENDED ACTION:</b>	Approve Proclamation No. 371 proclaiming September 21, 2025 as Peace Day on Mercer Island.	

<b>DEPARTMENT:</b>	City Council
<b>STAFF:</b>	Salim Nice, Mayor Andrea Larson, City Clerk
<b>COUNCIL LIAISON:</b>	n/a
<b>EXHIBITS:</b>	1. Proclamation No. 371
<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

### EXECUTIVE SUMMARY

The purpose of this agenda bill is to proclaim September 21, 2025 as Peace Day on Mercer Island (Exhibit 1).

### ISSUE/DISCUSSION

The International Day of Peace ("Peace Day") is observed around the world each year on September 21. Established in 1981 by a unanimous United Nations resolution, Peace Day provides a globally shared date for all humanity to commit to peace above all differences and to contribute to building a Culture of Peace.

The 2025 theme for International Day of Peace is *Act Now for a Peaceful World*; encourages the idea that it is critical for everyone to take action to mobilize for peace by speaking up against violence, hate, discrimination, and inequality; to practice respect and embrace the diversity of our world.

Learn more about the International Day of Peace at <https://internationaldayofpeace.org/get-involved/>

### RECOMMENDED ACTION

Approve Proclamation No. 371 proclaiming September 21, 2025 as Peace Day on Mercer Island.



# City of Mercer Island, Washington

## *Proclamation*

**WHEREAS**, the International Day of Peace ("Peace Day") is observed around the world each year on September 21.

Established in 1981 by a unanimous United Nations resolution, Peace Day provides a globally shared date for all humanity to commit to peace above all differences and to contribute to building a Culture of Peace.

People in cities, communities, and villages worldwide have engaged in the International Day of Peace in diverse and meaningful ways. Global crises impel all citizens to work toward converting humanity's noblest aspirations for world peace into the practical reality of a culture of peace for future generations.

There is support within our City for the observance of the International Days of Peace, which affirms a vision of our world at peace, and fosters cooperation between individuals, organizations, and nations.

The 2025 theme for the International Day of Peace is **Act Now for a Peaceful World**.

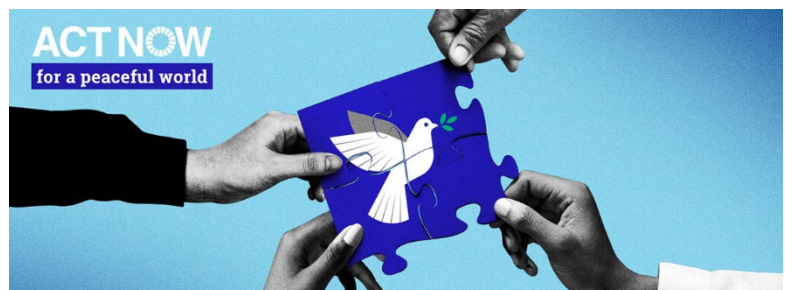
Encourages the idea that it is critical for everyone to take action to mobilize for peace by speaking up against violence, hate, discrimination, and inequality; to practice respect and embrace the diversity of our world.

**NOW, THEREFORE**, I, Salim Nice, Mayor of the City of Mercer Island, do hereby proclaim September 21, 2025 as

## **PEACE DAY ON MERCER ISLAND**

**APPROVED**, this 16th day of September 2025.

\_\_\_\_\_  
Mayor Salim Nice



Proclamation No. 371



## BUSINESS OF THE CITY COUNCIL CITY OF MERCER ISLAND

**AB 6770**  
**September 16, 2025**  
**Consent Agenda**

### AGENDA BILL INFORMATION

<b>TITLE:</b>	AB 6770: Six-Year Work Plan for Art in Public Places	<input type="checkbox"/> Discussion Only
<b>RECOMMENDED ACTION:</b>	Approve the 6-Year Work Plan for Art in Public Places.	<input checked="" type="checkbox"/> Action Needed: <input checked="" type="checkbox"/> Motion <input type="checkbox"/> Ordinance <input type="checkbox"/> Resolution

<b>DEPARTMENT:</b>	Public Works
<b>STAFF:</b>	Jason Kintner, Chief of Operations Katie Herzog, Recreation Supervisor Shelby Perrault, Capital Parks Manager Sarah Bluvas, CIP Project Manager
<b>COUNCIL LIAISON:</b>	Salim Nice
<b>EXHIBITS:</b>	1. Draft 6-Year Work Plan for Art in Public Places 2. Summary of Arts Council Planning Process
<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

### EXECUTIVE SUMMARY

The purpose of this agenda item is to seek City Council approval of the 6-Year Work Plan for Art in Public Places, a dynamic plan intended to guide management of the Mercer Island public art program.

- In 1993, the City Council adopted [Ordinance No. A-108](#), establishing the 1% for Art in Public Places Fund (1% for Art Fund) to support the acquisition and maintenance of visual artworks for the public realm. The 1% for Art Fund is established by [MICC 4.40.200](#), which requires all qualifying capital improvement projects to set aside 1% of the total project cost to support permanent public art installations.
- [MICC 3.55.050](#) states that the Mercer Island Arts Council (Arts Council) shall recommend projects to the City Council, using appropriations from the 1% for Art Fund.
- The Parks, Recreation, and Open Space Plan (PROS Plan) identified the need to develop a long-range plan for the 1% for Art Fund, and this work item was included in the 2023-2024 City Arts and Culture Work Plan, which is carried out by the Recreation Division as part of the annual division work plan (Recreation 2023-2024 Work Plan Items 1.6 and 1.7).
- From May 2024 to March 2025, City staff and the Arts Council conducted seven meetings to develop the 6-Year Work Plan for Art in Public Places (the Work Plan), an internal planning document that

includes goals for the City's public art program; public art opportunities to consider over the 6-year planning horizon; guidance for community engagement and collection management; and, other information to support the Mercer Island public art program.

- During their special meeting on March 19, 2025, the Arts Council voted to recommend that the Work Plan be approved by the City Council.
- Once approved, the Work Plan will provide a roadmap for making future public art project recommendations to the City Council.
- The Plan does not commit funding or other City resources to specific projects; funding requests will be made to the City Council as projects are developed.
- Additionally, on July 1, 2025, the City Council adopted [Ordinance No. 25C-19](#), which amended MICC 04.40.200 to allow the Council to fully or partially exempt capital projects from the 1% for Art Fund contribution requirements ([AB 6725](#)). The Council also directed staff to review the 1% for Art Fund in 2026 in collaboration with the Arts Council, and outcomes of that work will be incorporated in future iterations of the 6-Year Work Plan for Art in Public Places.

## BACKGROUND

The City Council adopted [Ord. No. A-108](#) in 1993, which established the 1% for Art in Public Places Fund (1% for Art Fund) to support the acquisition and maintenance of visual artworks for the public realm ([AB 2578](#)). The 1% for Art Fund is established by [MICC 4.40.200](#), which requires all qualifying capital improvement projects to set aside 1% of the total project cost to support permanent public art installations.

Contributions to the 1% for Art Fund are used to integrate public art into a capital project or banked for future use. Pursuant to [MICC 3.55.050](#), the Mercer Island Arts Council (Arts Council) public art projects to the City Council, using appropriations from the 1% for Art Fund. Recent projects include:

- Acquisition of *Twin Foxes* by Georgia Gerber (2015)
- Commission of *Island Icons (Town Center Banners)* by Pamela Edwards (2018)
- Restoration of the Luther Burbank Park Playground Mosaic Murals by Sandy Glass and Jose Orantes (2024)

The Parks, Recreation, and Open Space Plan (PROS Plan) identified the need to develop a long-range plan for the 1% for Art Fund, and this work item was included in the 2023-2024 City Arts and Culture Work Plan, which is carried out by the Recreation Division as part of the annual division work plan (Recreation 2023-2024 Work Plan Items 1.6 and 1.7).

From May 2024 to March 2025, the Arts Council participated in eight meetings to draft the 6-Year Work Plan for Art in Public Places (Exhibit 1). A summary of the planning process is provided as Exhibit 2.

## ISSUE/DISCUSSION

The 6-Year Work Plan for the Art in Public Places Plan (the Work Plan) is a dynamic document intended to guide management of the Mercer Island public art program. It identifies the following goals for the Mercer Island public art program:

- Spark curiosity where Mercer Island residents live, gather, and play.
- Cultivate community pride, civic engagement, high quality of life, and social connection.
- Share Mercer Island's rich history, natural beauty, and local creativity with Island residents and visitors.

- Invite and encourage community members to share their own diverse experiences, background, and beliefs through artmaking.
- Promote and implement sustainable practices through public art creation and exhibition.
- Provide accessible, inclusive, and safe public art experiences that make all feel welcome.
- Steward a public art collection that future generations can enjoy, engage with, and enhance.

The Work Plan includes six sections:

1. Introduction – Provides an executive summary, including information about roles and responsibilities for implementing the Work Plan.
2. Project Opportunities – Outlines the process for identifying public art project opportunities that can be implemented by the City as resources allow and includes a running list of opportunities to consider over 2025-2030.
3. Funding – Provides information about the 1% for Art Fund, other public art funding strategies, and guidance for selecting funding sources for future public art project opportunities.
4. Public Engagement – Documents how the City will engage the community in the public art process, connect the community with existing public art works, and communicate information about the public art program.
5. Collection Care – Documents collection management tasks, which are overseen by City staff.
6. Revising the 6-Year Work Plan – Guides the process for updating the Work Plan, which is intended as a dynamic document that can be reviewed and revised as needed over the 6-year planning horizon.

Several appendices are attached to the Work Plan, including the updated Guidelines for Administering the Mercer Island Public Art Program (Appendix D). These guidelines were evaluated and revised over the course of the Arts Council planning process. The final draft has been reviewed by the City Attorney's Office, and suggested edits have been incorporated. If approved, the Guidelines will establish the procedures for developing public art projects, evaluating artist/artwork submittals, accepting community-initiated project proposals, and deaccessioning works of public art.

The Work Plan does not stipulate individual artists, artwork designs, or other public art elements that would be identified through a competitive selection process. It also does not commit funding or other City resources to specific projects; funding requests will be made to the City Council as projects are developed.

## NEXT STEPS

Upon City Council approval of the Work Plan, Recreation staff will collaborate with the Arts Council to review it and determine public art action items to propose for the City's Biennial Budget and Capital Improvement Program (CIP). Approved items would be implemented by the appropriate City departments with Arts Council input and collaboration as necessary.

Additionally, on July 1, 2025, the City Council adopted [Ordinance No. 25C-19](#), which amended MICC 04.40.200 to allow the Council to fully or partially exempt capital projects from the 1% for Art Fund contribution requirements ([AB 6725](#)).

The Council also directed staff to review the 1% for Art Fund in 2026 in collaboration with the Arts Council. Staff liaisons and board leadership will collaborate this fall to determine timing for bringing this work forward to the full board. Staff anticipate presenting the Art Council's recommendation to the City Council by Q4 2026.



## RECOMMENDED ACTION

Approve the 6-Year Work Plan for Art in Public Places.



# 6-Year Workplan for Public Art

DRAFT

9/5/2025







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## Introduction

The City of Mercer Island (City) began amassing a public art collection in the 1980s and established a 1% for Art in Public Places Fund (1% Fund) in 1993 to support the acquisition and maintenance of visual artworks for the public realm. Per the establishing ordinance, the 1% Fund is funded by 1% of construction costs for qualifying capital improvement projects, which include major renovations/repairs and new construction of public parks and streets. Today, the City's public art collection includes more than 60 works of two- and three-dimensional art installed in public facilities and parks around Mercer Island.

In 2022, the Mercer Island City Council (City Council) adopted the 2022 Parks, Recreation, and Open Space Plan (PROS Plan), which identified the need to develop a long-range project plan for the 1% Fund. To achieve this goal, City Recreation and Capital division staff collaborated with the Mercer Island Arts Council (Arts Council) in 2024-2025 to draft this 6-Year Workplan for the Mercer Island Public Art Program (the Plan).

### What does the Plan include?

- Goals for the City's public art program
- Public art project opportunities to consider over the 6-year planning horizon
- Funding resources information
- Guidance for engaging the Mercer Island community in public art acquisition and exhibition
- Details about public art collection management and updating the Plan
- Roles and responsibilities for City staff and for the Arts Council in implementing the Plan
- Updated procedures for permanent acquisition, temporary exhibition, and deaccession

### Who implements the Plan?

City staff and the Arts Council are tasked with reviewing the Plan and identifying individual action items to propose for the City's Biennial Budget and Capital Improvement Program (CIP). Once the budget and CIP are approved by the City Council, items will be implemented by the appropriate City departments with Arts Council input and collaboration as necessary.

### What are the goals of the Plan?

Through the public art program, the Arts Council and City staff seek to:

- Spark curiosity where Mercer Island residents live, gather, and play.
- Cultivate community pride, civic engagement, high quality of life, and social connection.
- Share Mercer Island's rich history, natural beauty, and local creativity with Island residents and visitors.
- Invite and encourage community members to share their own diverse experiences, backgrounds, and beliefs through artmaking.
- Promote and implement sustainability practices through public art creation and exhibition.
- Provide accessible, inclusive, and safe public art experiences that make all feel welcome.
- Steward a public art collection that future generations can enjoy, engage with, and enhance.

To achieve these goals, the Plan outlines three key components – **Project Opportunities**, **Funding**, and **Public Engagement**. When coordinated, these components will result in a successful, meaningful public art program for the Mercer Island community. Details about these three components and how they relate are provided in the next sections.

## Project Opportunities

Project Opportunities represent the starting point for administering the City's public art program. What project ideas exist? Which ideas are feasible given City requirements and resources? And what will the public art program focus on over the time horizon of the Plan?

### Developing the Project Opportunities List

The Project Opportunities List is a dynamic list of public art opportunities that can be implemented by the City as resources allow. The list supports project planning over the time horizon of the Plan and aims to capture the following information:

- Preferred locations for installing public art projects
- Locally significant history, people, events, locations, and/or other details to highlight through public art projects
- Planned capital projects that are eligible and/or strong candidates for public art projects using 1% Fund dollars
- Project ideas proposed by Arts Council members, Mercer Island residents, local community groups, and/or others

City staff, in consultation with the Arts Council, are responsible for maintaining this list, including updating it on a quarterly basis to ensure new opportunities are catalogued. (More details about collecting community input for project opportunities are provided in the Public Engagement section.)

### Identifying Project Priorities

Recognizing that the City has limited financial, staff, volunteer, and other resources, a small number of project opportunities will be pursued during the six-year time horizon of the Plan. City staff will work with the Arts Council Chair and Vice Chair to schedule a biennial Arts Council workshop to recommend projects for the upcoming biennium. Staff are responsible for ensuring the workshop is conducted ahead of Citywide development of the biennial budget and CIP, including allowing adequate time to engage the Mercer Island community in prioritizing project opportunities if desired by the Arts Council.

After the Arts Council identifies their recommended project priorities, their recommendation will be presented to the City Council for approval via the draft Capital Improvement Program (CIP), biennial budget, and/or City department workplans as appropriate.

### 2025-2030 Project Opportunities List

The 2025-2030 Project Opportunities List was developed during a public art planning process conducted with the Arts Council from May 2024-March 2025. Project opportunities were proposed by Arts Council members, City staff, and community members, and preliminarily evaluated by staff against various factors. The Arts Council reviewed each opportunity and completed a dot-voting exercise to refine and prioritize the list into three levels:

- High (Green): Project opportunities to consider for implementation over the 2025-2030 Plan.
- Medium (Pink): Project opportunities to consider first for future 6-Year Workplans.
- Low (Orange): Lowest priority projects to consider for future 6-Year Workplans.

The 2025-2030 Project Opportunities List is included as [Appendix A](#). This list will continue to evolve as new ideas emerge and the Arts Council conducts its biennial workshop to prioritize opportunities.

## Funding

Funding is the second critical component for administering the City's public art program. What resources exist? What new funding strategies can the City consider and pursue to fund public art? And how will the City apply resources to specific projects?

### 1% for Art in Public Places Fund

The 1% Fund is established by which requires all qualifying capital improvement projects to set aside 1% of the total project cost to support permanent public art installations. Qualifying capital improvement projects are defined as:

*Projects funded wholly or in part by the City to construct or remodel any public project, including buildings, decorative or commemorative structures, parks or any portion thereof; and projects involving the construction, renovation or repair of public streets, sidewalks, and parking facilities.*

A project's 1% Fund contribution may be used to integrate a public art project into the capital project or transferred to the 1% Fund for future use. Transfers are calculated at project closeout by Public Works and Finance staff and are completed at the end of the fiscal year closeout (typically in Q2 of the following fiscal year). City staff are responsible for tracking 1% Fund contributions and commitments.

The available balance (i.e. funds available for future appropriation) as of January 1, 2025, is \$120,618. More details about 1% Fund contributions for recent biennia are provided in [Appendix B](#).

### Other Public Art Funding Strategies

Beyond the 1% Fund, other resources and funding strategies documented below may be applicable to public art projects identified in this workplan. A list of potential opportunities is provided below. Staff are responsible for ensuring these resources are current, including adding new resources as they emerge.

- City Donations program
- Greta Hackett Outdoor Sculpture Gallery sales
- Individual donations and crowdfunding
- Partnerships with local arts and other community organizations
- Partnerships with private developers and businesses
- Federal, state, county, and local grant opportunities (a list of grant resources is provided as [Appendix C](#))
- Fundraising events, such as local art auctions and benefit concerts/performances

### Selecting the Right Funding Source

Funding sources will be identified for specific projects as they are moved from the project opportunities list to the project timeline. When choosing funding sources for specific projects, considerations should include, but not be limited to, the following.

- Relevant community groups and others who could serve as fundraising partners and/or project sponsors for grant requirements
- Deadlines for grants and other application-based opportunities
- Match, City Resolution, and other requirements for application-based opportunities
- Fundraising goals for individual donations and other outside funding pursuits

## Public Engagement

Public Engagement is the third critical component for fostering a successful public art program. How will the community engage in the public art process from start to finish? How will the City keep the community informed about progress, engagement opportunities, and achievements?

### Community Collaboration to Develop Public Art

Collaborating with the Mercer Island community to produce public art projects is one avenue for cultivating community ownership of and pride in public art. The following methods for community collaboration will be considered throughout the process to develop and implement public art projects.

#### Community Input for Project Opportunities

Soliciting project ideas is a useful way to implement the community's public art interests and needs. Ideas may be general, such as requests for installation sites, artwork mediums/genres, or themes. General ideas will be solicited through City channels, such as the City website, Let's Talk, on-site signage, and during regular Arts Council meetings, on a rolling basis and added to the project opportunities list by City staff. Staff are responsible for updating the Arts Council when new project opportunities have been added to the list and for ensuring that the list is updated prior to engaging the Arts Council in recommending projects for the upcoming biennium.

Occasionally, members of the Arts Council, the community, or local organizations may submit a formal public art project proposal for the City's consideration. A formal proposal is one that includes a defined project scope and a request for City resources to implement, including funding. The City may choose to establish a formal "Call for Project Proposals" or accept proposals on a rolling basis. The process for evaluating community-initiated public art project proposals is provided in the Guidelines for Administering the Mercer Island Public Art Program ([Appendix D](#)).

#### Community Role in Project Development

After a public art opportunity is prioritized for a future biennium (i.e. moved to the project timeline), City staff and the Arts Council will identify the best method(s) for engaging the community in project development. These may include, but not be limited to, the following.

- Identify and engage community organizations and/or broad community feedback to develop the preferred project scope.
- Require project-specific community engagement methods in the request for qualifications/proposals.
- Partner with local schools and/or youth organizations to develop projects and foster early connection with the arts among local young people.
- Organize design workshops or charrettes for community members to provide input on project themes, design elements, and/or site-specific details.

#### Community Role in Artist/Artwork Selection

The process for evaluating submittals for a permanent or temporary public art project is outlined in the Guidelines for Administering the Mercer Island Public Art Program ([Appendix D](#)). Per the process, community members may participate in the Selection Panel to choose an artist or artwork in the following roles.

- Resident with special interest in the proposed project
- Other Mercer Island Board or Commission Member(s)
- Other individuals as appropriate



Occasionally, it may be appropriate to seek feedback from the broader community when making a final selection of an artist or artwork. Ways to solicit broader community input include, but are not limited to, the following.

- Host finalist presentations and allow the attendees to ask questions and submit comments.
- Allow the public to vote on their favorite finalist.
- Mount temporary displays of finalist proposals in high-traffic areas (e.g. Mercer Island Community and Event Center, Mercer Island Library, Town Center events, etc.) where residents can view options and submit feedback on-site.
- Invite small groups of diverse community representatives to review the finalists and provide additional insights to the Selection Panel.

### **Community Role in Artmaking**

Providing opportunities to participate in the artmaking process can transform public art from a passive experience to a deeply communal one. When developing public art projects, the City should consider opportunities for engaging the community in creation. Public art projects that may be good candidates for community artmaking include, but are not limited to, the following.

- Murals
- Graphic arts, such as printmaking and banners
- Performance and time-based art
- Environmental art installations
- Works that are created individually and assembled to create the whole, such as mosaic, collage, and fiber/textile arts

### **Public Art Activation**

Engaging the community with existing public art installations is another important way to foster connection and understanding, both with the public art collection and within the community itself. Both digital and in-person opportunities should be considered for activating public art and include, but not be limited to, the following.

- STQRY – A digital community engagement platform that includes details about Mercer Island public art, culture, and history/heritage.
- City social media accounts – Digital channels that can be used to promote STQRY content as well as implement other engagement opportunities, such as inviting residents to submit their photos and stories of works in the public art collection to highlight both public art and local community members' experiences with it.
- Interpretive signage – Signs installed at public art installations that include artwork tombstone and a QR code that sends users to STQRY.
- Public art maps – Maps of the entire public art collection and/or themed tours that can be distributed to community groups, posted on-site, and downloaded digitally.
- Events at public art sites – City-run and community-hosted events that encourage gathering at public art sites, including public art walks, large-scale special events, art-focused nature walks, community artmaking activities, and other in-person activities.
- Artist talks and/or panel discussions – In-person or virtual events where artists from the public art collection discuss their work, process, and stories behind works in the collection.
- Literary and performing arts events inspired by/incorporating public artworks – Opportunities to connect visual, performing, and other artforms to bolster awareness of the public art collection and strengthen the entire arts and culture ecosystem on Mercer Island.



## Communicating Progress and Achievements

Clear and consistent communication about public art progress and achievements is another important piece of successfully engaging the public with the public art program. City staff are responsible for producing and maintaining public art communications, which may be distributed via the following City channels:

- City website ([www.mercerisland.gov/publicart](http://www.mercerisland.gov/publicart)) – Static information about the public art program.
- Let's Talk ([letstalk.mercergov.org](http://letstalk.mercergov.org)) – Collecting community feedback and project-specific needs.
- MI Weekly newsletter – Calls to action, such as community input opportunities, event announcements, and other immediate/time-sensitive needs.
- STQRY ([mercierisland.stqry.app](http://mercierisland.stqry.app)) – Ongoing and deeper learning about the public art collection.
- On-site signage and other materials – Pop-up announcements and other timely information.

## Collection Care

City staff are responsible for managing the public art collection, which encompasses a range of tasks outlined in this section as well as other duties and responsibilities that may arise to safely maintain works in the collection.

### Documentation

When a new work of art is added to the public art collection, the artist or artist's representative will provide the following documentation:

- Artwork Statement – Facilitates understanding of the completed artwork and may be used for interpretation and engagement purposes.
- Public Art Record Form ([Appendix E](#)) – Includes tombstone (title, artist, medium, year built, acquisition method) and other object details, including size dimensions, valuation, and condition upon acquisition.
- Technical and Maintenance Requirements Form ([Appendix E](#)) – Outlines the methods and materials used to execute, install, and maintain the artwork as well as any other special considerations for collection care.

This and other documentation related to acquisition, installation, maintenance, and interpretation will be maintained in a public art record. Photographs, media coverage, and other interesting or important materials will also be kept in the public art record and may be used for interpretation and engagement activities related to the individual artwork.

### Asset Inventory

Works of art in the public art collection are tracked as City assets by the City's Geographic Information System (GIS) team. City staff are responsible for notifying GIS of new acquisitions, deaccessions, temporary deinstallations, or other changes to the public art collection to ensure the asset inventory stays accurate.

### Public Art Record

Staff maintain a public art record for each work in the public art collection. The record includes provenance documentation related to acquisition, installation, maintenance, and interpretation as well as photographs, media coverage, and other interesting or important materials.

### Appraisal

Artwork valuations are established for insurance purposes and should be estimated at the time a work is added to the public art collection. When artwork is donated to the City, appraisal is required at the time of the gift and should be provided/paid for by the donor. If updated valuations are needed, staff work with a qualified professional to appraise artworks.

### Insurance

Works of art in the public art collection and works temporarily exhibited by the City are insured by the Washington Cities Insurance Authority (WCIA), the City's insurance provider. When updates to the collection are made through acquisition or deaccession, staff are responsible for reporting changes to the City's Administrative Services and City Attorney's office to ensure the City's property schedule is accurate.

## Routine Maintenance

City staff develop a public art maintenance plan that is updated annually and includes cleaning, minor repair, and other needs for each work in the public art collection. Routine public art maintenance is funded by the 1% for Art in Public Places Fund (1% Fund) and conducted annually by a contract art conservator in consultation with staff and based on the maintenance plan.

## Major Repair and Restoration

Occasionally, public artworks may require significant repair or restoration. Staff consult with the artist and/or a contract art conservator to develop a scope of work. When possible, the City will contract with the artist to complete the work or will engage a contract art conservator to execute the repair. Staff are responsible for determining the funding source for special repairs or restorations that fall outside the scope of routine maintenance.

## Artwork Curation

Every five years, existing public art installations should be evaluated for safety, accessibility, integration, and other site-related aspects to determine if artworks should/can be adjusted. This assessment work could be timed with annual routine public art maintenance or conducted separately by staff and members of the Arts Council as desired. If need to re-site, deaccession, or otherwise adjust an existing installation arises, staff are responsible for proposing a scope of work that will include costs, timeline, required review/approvals, and other components to successfully re-site an artwork.

## Revising the 6-Year Workplan for Art in Public Places

The Plan is intended as a living document that may be reviewed and revised at different points throughout the 6-year time horizon. This section recommends a cadence for updating the Plan. Additional reviews may be requested by the City Council, the Arts Council, or City staff, with the understanding that:

- Minor updates that do not substantively change the Plan (e.g. corrections to grammar/typos, updates to citations, etc.) will be made by City staff on a rolling basis and do not require approval; and
- Requests for significant revisions outside of the regular review cycle may require additional discussion and approvals prior to being completed.

City staff are responsible for overseeing regular, routine updates to the Plan, including compiling project ideas submitted to the City and adding them to the Project Opportunities List on a quarterly basis; and tracking 1% Fund contributions and updating the Plan annually with accurate numbers.

To identify future project priorities staff will schedule a biennial workshop with the Arts Council and ensure the Project Opportunities List is prioritized prior to the City's biennial budget and CIP planning process. For example, project priorities for 2027-2032 should be recommended by the Arts Council by March 2026 and incorporated into the draft CIP and department workplans for the 2027-2028 biennium by City staff.

The guiding elements of the Plan, including the goals and the key components of Project Opportunities, Funding, and Public Engagement, should be reviewed every five years but may be revised earlier if directed to do so by the City Council.

## Appendix A. Project Opportunities List

	Project Opportunity	Summary	Public Art Pillars	1% Fund	2025-2030 CIP	Park Master Plan
HIGH	Greta Hackett Outdoor Sculpture Gallery Activation Plan	Develop a phased plan implementing improvements at the Greta Hackett Outdoor Sculpture Gallery, including temporary arts activations, curation of existing artwork, enhancements to park areas, etc.	Place Connection Longevity	Eligible	2027-2028	Aubrey Davis Park (2019)
HIGH	Deane's Children's Park AIPP	Visioning process to redesign the Deane's Children's Park Playground begins in 2025, and construction is planned for 2026-2027. The redesign offers nature-themed art integration opportunities, including potential for building off <i>Kenton's Dragon</i> by Kenton Pies, the popular dragon sculpture/play structure at the park.	Aesthetic Place Connection Longevity	Eligible	2025-2026	N/A
HIGH	Public Art Installation at Mercer Island Transit Interchange	Explore opportunities for enhancing the roundabout at 77 <sup>th</sup> Avenue SE and North Mercer Way.	Place Connection	Eligible	N/A	N/A
HIGH	<i>The Source</i> Restoration	Restore <i>The Source</i> by John Hoge in preparation for the 50 <sup>th</sup> anniversary of this earthwork.	Aesthetic Place Longevity	Eligible	2029-2030	Luther Burbank Park (2006)
MEDIUM	Mural Collaboration with Mercer Island High School	Produce a community mural with Mercer Island High School (MIHS) students.	Place Connection	Eligible	N/A	N/A
MEDIUM	Luther Burbank Park Sport Courts Mural	Add artistic designs and/or mural(s) to the bare walls inside the newly renovated sport courts facility at Luther Burbank Park.	Aesthetic Place Connection	Eligible	N/A	Luther Burbank Park (2006)
MEDIUM	Luther Burbank Park Amphitheater Renovations	Design and implement renovations of the 50+ year-old facility to better serve future performances and audiences.	Aesthetic Place Connection Longevity	Ineligible	N/A	Luther Burbank Park (2006)
MEDIUM	Mural at Aubrey Davis Park Basketball Courts	Partner with the community to implement a new mural in Aubrey Davis Park. Project could be a collaboration between the City, local artists, students, park neighbors, and others.	Place Connection	Eligible	N/A	Aubrey Davis Park (2019)
MEDIUM	Historic Downtown Public Art Installation	Highlight historic downtown street names and other Mercer Island history in a project that replaces the <i>Street Name Inlays</i> public art installation deaccessioned in 2025.	Aesthetic Place Connection	Eligible	N/A	N/A
MEDIUM	Refresh the Town Center Public Art Banners	Replace <i>Island Icons</i> (2018) installed on Town Center light poles with new banners, artistic signage, or other art element.	Place Connection	Eligible	N/A	N/A
MEDIUM	Luther Burbank Park Boiler Building Phase 2 AIPP	Create a "signature entrance" from the Luther Burbank Park Administrative Building to the Waterfront as part of phase 2 of renovations to the Boiler Building.	Place Connection	Eligible	2028, 2030	Luther Burbank Park (2006)

Appendix A. Project Opportunities List

	Project Opportunity	Summary	Public Art Pillars	1% Fund	2025-2030 CIP	Park Master Plan
MEDIUM	Community Artmaking Project	Collaborate with the community to develop and implement a small-scale, permanent public art installation.	Aesthetic Connection	Eligible	N/A	N/A
LOW	Outdoor Gallery Golf	Activate the Greta Hackett Outdoor Sculpture Gallery with pop-up mini golf holes designed by an artist and/or inspired by artworks in the public art collection.	Place Connection	Eligible	N/A	Aubrey Davis Park (2019)
LOW	Costume / Stage Design Sponsorships for Live Performance	Sponsor costume, set, and/or other visual design elements for live performances.	Aesthetic Connection	Ineligible	N/A	N/A
LOW	Natural Resources + Public Art Collaboration	Develop a permanent public art project in connection with the City’s Forest Stewards program.	Aesthetic Place Connection	Eligible	N/A	N/A
LOW	Town Center Art Elements	Implement low-cost visual art elements to beautify Mercer Island Town Center. Examples include vinyl wraps for utility boxes and signs for local businesses.	Aesthetic Place	Eligible	N/A	N/A

## Appendix B. 1% Fund Balance Information

City staff are responsible for tracking 1% Fund contributions and commitments. This section documents completed and anticipated contributions for 2023-2026.

### 2023 Contributions to 1% Fund – Completed

Project ID	Project Title	2023 Construction Spend	1%
PA0118	Lincoln Landing Watercourse Restoration	\$13,762.50	\$137.63
PA0125	Mercerdale Park Playground	\$48,824.39	\$488.24
PA0136	LBP South Shoreline	\$376,430.80	\$3,764.31
PA0165	Bike Skills Area	\$302,500	\$3,025
SP0100	Residential Street Resurfacing	\$978,709.21	\$9,779.27
SP0101	Arterial Street Preservation	\$42,631.25	\$416.31
SP0120	Sunset Hwy/77 <sup>th</sup> Ave SE Improvements	\$1,137,561.29	\$11,375.61
SP0129	4400 ICW Improvements	\$192,840.57	\$1,928.41
Total 1% Contribution			\$30,914.78

### 2024 Contributions to 1% Fund – Anticipated

Project ID	Project Title	2024 Construction Budget	1%
PA0109	ADP Trail Safety Improvements	\$447,701.83	\$4,477.02
PA0124	LBP Boiler Building Phase 1	\$1,884,401.10	\$18,844.01
PA0143	LBP Sport Courts Renovation	\$978,904.84	\$9,789.05
SP0100	Residential Street Resurfacing	\$481,896	\$4,818.96
SP0101	Arterial Street Preservation	\$81,401	\$814.01
SP0135	ICW Corridor Improvements	\$1,127,127	\$11,271.27
SP0111	80 <sup>th</sup> Ave SE Pedestrian Improvements	\$1,590,160	\$15,901.60
SP0137	Traffic Signal Improvements	\$161,808	\$1,618.08
Total 1% Contribution			\$67,534.00

### 2025-2026 CIP Projects Contributing to 1% Fund – Anticipated

Project ID	Project Title	2025	2026
90.25.0015	Deane's Play Area Improvements		X
90.25.0020	LBP Dock & Waterfront Improvements	X	X
90.25.0043	First Hill Playground	X	
90.25.0050	Roanoke Park Playground	X	
90.20.0001	Residential Street Resurfacing	X	X
90.20.0002	Arterial Preservation Program	X	X
90.20.0014	SE 27 <sup>th</sup> Street Overlay (76 <sup>th</sup> to 80 <sup>th</sup> )		X
90.20.0024	Town Center Commuter Parking Facility Project	X	

## Appendix C. Grant Funding Resources

City staff are responsible for tracking and applying for grants. For some opportunities, City Council authorization may be required before a grant application can be submitted.

Organization	Grant	Funding Level	Match Required	Funding Cycle	Key Elements
National Endowment for the Arts	<a href="#">Our Town</a>	\$25,000 - \$150,000	Yes – equal to grant amount	Annual Due in August	Placemaking Partnerships
	<a href="#">Grants for Arts Projects: LAAs</a>	\$10,000 - \$100,000	Yes – equal to grant amount	Biannual Due Feb. & July	Partnerships
ArtsWA	<a href="#">Grants to Organizations: Art Project</a>	\$2,000 - \$5,000	No	Annual Due in Spring	Programs
WA State Historical Society	<a href="#">Heritage Capital Program</a>	\$10,000 - \$1m	Yes – 50%	Annual 2-stage process	Capital Needs Heritage
4Culture	<a href="#">Doors Open: Facilities</a>	\$250,000 - \$2.5m	No	Annual	Capital Needs Programs Partnerships Racial Equity
	<a href="#">Art Projects</a>	\$2,000 - \$10,000	No	Annual	Programs Partnerships Racial Equity
Port of Seattle	<a href="#">Economic Development Partnership Grant</a>	\$1 per capita	Yes – 50%, ½ can be in-kind support, ½ financial match	Annual	Placemaking
Mercer Island Community Fund	<a href="#">Community Grants</a>	\$500 - \$5,500	No	Annual	Community
Bloomberg Philanthropies	<a href="#">Public Art Challenge</a>	Up to \$1m	No	4-year cycle 2022 last year	Large-Scale Partnerships Community
	<a href="#">Asphalt Art Initiative</a>	Up to \$100,000	No	Annual	Safe Streets Public Space
Project for Public Spaces	<a href="#">Community Placemaking Grants</a>	Varies	No	Annual	Placemaking Public Space



## Appendix D. Guidelines for Administering the Mercer Island Public Art Program

These guidelines establish the procedures for administering the City of Mercer Island (“City”) public art program.

The Mercer Island Arts Council (“Arts Council”) and City staff oversee the public art program and are responsible for ensuring it is fair, equitable, and appropriate given the scope of a specific project and the evolving needs of the Mercer Island community.

The Mercer Island City Council (“City Council”) is responsible for approving public art projects as described in the City’s 6-Year Workplan for Art in Public Places and, when necessary, may request process steps in addition to or different from those outlined in these guidelines.

This document outlines the following procedures:

- Developing a Public Art Project – The general process for review, approval, and launching a public art commission.
- Evaluating Submittals for Artist/Artwork Selection – The general process for evaluating artists and/or artworks submitted for a permanent public art acquisition, a public art donation, a proposal to temporarily exhibit art in public space, or another request deemed public art.
- Accepting Community-Initiated Project Proposals – The general process for reviewing and accepting community-generated proposals for a permanent public art acquisition or a request to temporarily exhibit art in public space.
- Deaccessioning Public Art – The general process for withdrawing a work or works from the public art collection.

# Developing a Public Art Project

## Procedure

When a new opportunity to commission a permanent work of public art is identified by the City, the following process will be used to seek approval of and launch the proposed project.

### 1. Establish a Public Art Committee.

The Arts Council, in collaboration with City staff, will appoint a Public Art Committee consisting of 1-2 Arts Council members, City staff, and relevant project stakeholders, which could include other City board members, Mercer Island residents, outside consultants, and/or others interested in the project.

### 2. Develop the proposed project scope.

The Public Art Committee is responsible for developing and proposing an appropriate project scope that may include, but not be limited to, the following:

- Artist selection methods: Methods may include Open Competition, Limited Competition, or Direct Selection.
- Project goals: Identify metrics for gauging the success of the project, such as goals for artist/artwork representation, community engagement, use of sustainable materials, etc.
- Project site and context: Describe the project's location, intent, and historical, cultural, or other significance (if relevant). If a specific location is not proposed, identify potential sites available for the project.
- Public benefit: Describe the expected public benefit of the project, including the significance of the selected site, theme, etc.
- Project budget and schedule: Include major milestones such as Selection Panel review period, City Council approval date, and estimated project completion/installation date.
- Submittal requirements: Basic requirements are outlined at the end of this section. Additional materials may be required based on the scope and needs of the project.
- Proposed Selection Panel: Identify individuals to serve on the Selection Panel, the group responsible for reviewing artist/artwork submittals and recommending an artist/artwork for selection for the project. (More information about the Selection Panel is detailed in the "Evaluating Submittals for a Public Art Project" section.)

### 3. Seek approval of project scope.

Once the proposed project scope is developed, the Public Art Committee will present it to the Arts Council for review and recommendation. Depending on the scope of the project, the Public Art Committee may seek endorsement from other City Boards or Commissions before presenting to the Arts Council. City staff will transmit the Arts Council's final recommendation to the City Council for approval of the project and authorization to open the project for submittals.

### 4. Open the project for submittals.

Following City Council approval, City staff will develop and issue a Request for Qualifications or Request for Proposals, as appropriate to and based on the approved project scope.

## Submittal Requirements

Standard submittal requirements outlined in a Request for Qualifications include:

- **Narrative of artwork intent/approach:** The narrative should articulate the submitter's intent for the project, including how their work, process, and experience relate to the project. The narrative should explain how the proposed Artist/Artwork will meet the stated goals of the project.
- **Artist's vision/approach:** Describe the vision for the project, including the submitter's specific approach to the site, the themes, and/or the Mercer Island community in general. Include the submitter's personal and/or artistic approach to promoting Diversity, Equity, Inclusion, and Sustainability.
- **Community engagement approach:** Summarize how the submitter intends to engage the community in the creative process.
- **Artist's statement:** Provide a brief bio that can be used in future communications and promotions about the project.
- **Resume/CV:** Submit a current, professional resume. Artist Teams should submit resumes for each team member compiled into one document.
- **Images of previous work:** Provide up to five (5) images of previous work by the Artist or Artist Team that demonstrate the submitter's ability to complete the project. (JPEG format, 1920 pixels maximum on the longest size, 72 dpi, with compression settings resulting in the best image quality where the file size remains under 2MB.)
- **Ability to work within city government structure:** Describe the submitter's ability to successfully execute a public art project, including previous work with local governments or other experience working with municipal staff, elected official, volunteer boards, or others to complete public sector projects.
- **References:** Submit three (3) current references, including the reference's name, phone, e-mail, and title as well as a brief description of the reference's professional association to the submitter.

If the City decides to issue a Request for Proposals, the following additional submittal materials will be required:

- **Artwork concept design(s):** Provide concept designs, including potential site locations, for the proposed artwork(s). Include up to five (5) images, including sketches, plans, models, renderings, precedents, or concepts.
- **Cost estimates:** Provide cost estimates for each proposed art piece, including best estimates of current year material, artist time, and installation costs.

# Evaluating Submittals for Artist/Artwork Selection

## Procedure

When the City receives submittals for a permanent or temporary public art project, including for public art commissions administered by the City, requests for public art donation, and other requests deemed public art, a Selection Panel will review submittals and recommend a preferred selection. The Selection Panel may consist of the following individuals:

- Working artist generally recognized for producing quality work
- Resident with special interest in the proposed project – Based on the project scope and location
- Mercer Island Arts Council Member – Serves as the Chair of the Selection Panel
- Other Mercer Island Board or Commission Member(s) – Based on the project scope and location
- Mercer Island City Council Member
- City Staff – Non-voting member
- Other individuals as appropriate

City staff and the Arts Council will propose a Selection Panel to the City Council as part of the process to seek approval for a proposed public art project. Once a Selection Panel is approved, the following process will be administered.

### 1. Review submittals.

Panelists will individually review and preliminarily score submittals using the Four Public Art Pillars Selection Criteria outlined at the end of this section.

### 2. Convene the Selection Panel.

After individually reviewing the submittals, Panelists will meet to review each submittal, compare their preliminary scores, and rank the submittals. Depending on the Panel's rankings and the scope of the project, the Panel may choose to invite a finalist or finalists to a finalist interview. Finalists will be compensated with an honorarium, the amount of which will be determined based on the overall project budget but will not be less than \$500 per finalist.

### 3. Seek approval of artist or artwork selection.

Once the Selection Panel reaches a consensus, the Chair will report the Panel's decision to the Arts Council for review and recommendation. City staff will transmit the Arts Council's recommendation to the City Council for approval and budget appropriation (if necessary).

### 4. Implement the project.

Upon City Council approval, City staff will notify all finalists of the result and move forward with the appropriate administrative steps (execute a contract, complete the donor transfer, etc.). Staff will also identify specific milestones relevant to the project scope and timeline for communicating progress to the Arts Council.

## Conflict of Interest

To avoid any conflict of interest or appearance thereof, any Panelist having an association with an applicant must disclose the association to the Selection Panel Chair immediately upon becoming

aware of such association. The Selection Panel Chair will determine if the association exempts the Panelist from discussion or dismissal from the Selection Panel.

## Rejection of All Submittals

If the Selection Panel finds that no submittal conforms to the Selection Criteria, it may recommend that the Arts Council:

- Reject all submittals and request a new solicitation;
- Cancel the project; or
- Another option as identified by the Arts Council and/or City staff.

## Four Public Art Pillars Selection Criteria

The criteria for selecting artists and/or artwork are based on Four Public Art Pillars outlined below.

Public Art Pillar	Evaluation Questions	Score
<b>Aesthetic</b>	<ul style="list-style-type: none"> <li>• Quality – Does the proposal demonstrate high artistic merit?</li> <li>• Representation – Will the proposal add new mediums, materials, artmaking processes, styles/genres, and/or artists to the public art collection?</li> <li>• Originality and Innovation – Will the proposal bring something fresh and unique to the public art collection?</li> <li>• Sustainability – Is resource conservation thoughtfully considered for the design and creation of the proposed project?</li> </ul>	
<b>Place</b>	<ul style="list-style-type: none"> <li>• Context – Does the proposal demonstrate understanding of the project site and its historical, cultural, and environmental context?</li> <li>• Functionality – How will the proposal integrate into and/or enhance site?</li> <li>• Sense of Identity – Will the proposal enhance and/or cultivate a strong sense of place for residents and visitors?</li> </ul>	
<b>Connection</b>	<ul style="list-style-type: none"> <li>• Inspiration – Will the proposal provoke feeling in the viewer?</li> <li>• Collaboration – Does the proposal provide opportunities for Mercer Island residents, community groups, and others to participate in the public art process?</li> <li>• Diversity – Will the proposed project resonate with people of diverse abilities, backgrounds, and beliefs?</li> <li>• Community Cohesion – Will the proposal foster community dialogue and enhance community members' understanding of each other?</li> <li>• Inclusion &amp; Accessibility – Does the proposal provide a safe and inclusive public art experience for all?</li> </ul>	
<b>Longevity</b>	<ul style="list-style-type: none"> <li>• Staying Power – Does the proposal demonstrate appeal for future Mercer Island generations?</li> <li>• Collection Care – Can the proposed project be completed and maintained within budget?</li> </ul>	
		<b>Total Score (out of 100)</b>

# Accepting Community-Initiated Project Proposals

## Procedure

Occasionally, members of the Arts Council, the community, or local organizations may propose a public art project for the City's consideration. The City may choose to establish a formal "Call for Project Proposals" or accept proposals on a rolling basis. To properly evaluate these proposals, the following process will be used.

### 1. Intake proposal.

City staff review project proposals and determine, in consultation with Arts Council leadership, whether the proposal should be transmitted to the Arts Council for review.

### 2. Present proposal to the Arts Council.

When a proposal is sent to the Arts Council for review, the proposal author will be invited to present to the Arts Council at a regular or special meeting. Following the presentation, the Arts Council will review the proposal using the Four Public Art Pillars Selection Criteria and either:

- Preliminarily accept the proposal;
- Reject the proposal;
- Seek additional information from the proposal author; or
- Request other next steps as identified by the Arts Council and/or City staff.

### 3. Advance the project proposal.

If the Arts Council decides to preliminarily accept the proposal, they may choose to recommend the following:

- Add the project to the Project Opportunities List for consideration in a future biennium;
- Prioritize the project in the current biennium; or
- Another option as identified by the Arts Council and/or City staff.

Following preliminary acceptance, City staff will seek relevant approvals, which may include from other City departments impacted by the proposed project and the City Council.

## Proposal Requirements

Community-initiated project proposals will include, but not be limited to, the following materials:

- Project overview
- Proposed location
- Design concepts
- Anticipated budget and funding strategy
- Demonstration of community support
- Description of public benefit
- Preferred project timeline

## Deaccessioning Public Art

Deaccession is a procedure to permanently withdraw an artwork from the public art collection. All artworks owned by the City are eligible for deaccession. (For donated works, all legal documents relating to the donation will be consulted prior to beginning the deaccession process.)

City staff are responsible for assessing the public art collection and recommending deaccession needs to the Arts Council. Works will be carefully and impartially evaluated within the context of the entire collection, and staff may consult other qualified individuals, including the artist, an art conservator, an appraiser, a curator, and/or the City Attorney's office, before recommending deaccession. Additionally, staff may consider notifying and seeking input from community members, organizations, and other individuals before making deaccession recommendations to the Arts Council.

### Criteria for Deaccession

A deaccession may be recommended for one or more of the following reasons:

- The artwork is being displaced from its current location and cannot be re-sited.
- The artwork has been damaged or has deteriorated, and repair is impractical or unfeasible.
- The condition or security of the artwork cannot be reasonably guaranteed by the City.
- The artwork endangers public safety.
- The artwork is not, or is only rarely, exhibited due to the lack of a suitable installation site.
- The artwork has been determined to be significantly incompatible or inferior in the context of the public art collection.
- The City wishes to replace the artwork with work of more significance by the same artist.
- The artwork requires excessive maintenance or has faults of design or workmanship.
- In the case of site-specific artwork, the artwork is destroyed by severely altering its relationship to the site.

### Seeking Approval to Deaccession

After a work has been identified for deaccession, City staff will present the assessment to the Arts Council for review and recommendation to the City Council. Upon receiving the Arts Council's recommendation, City staff will transmit the recommendation to the City Council for approval at a regularly scheduled meeting. Once City Council approves the recommendation, City staff will move forward with finalizing the deaccession, including coordinating deinstallation needs, updating the public art record, and messaging to the public.

### Disposing of Deaccessioned Artwork

Depending on the condition of the artwork and the conditions of the deaccession, City staff and the Arts Council may recommend that the work be:

- Returned to the artist;
- Traded for one or more works of comparable value by the artist;
- Sold in compliance with law and policies governing surplus property;
- Responsibly destroyed; or
- Responsibly disposed of in some other reasonable manner.

## Appendix E. Public Art Documentation Forms

### Public Art Record

Accession Number (Asset ID) \_\_\_\_\_

Title \_\_\_\_\_

Artist \_\_\_\_\_

Type & Medium \_\_\_\_\_

\_\_\_\_\_

Year Built \_\_\_\_\_ Year Acquired \_\_\_\_\_

Acquisition Method \_\_\_\_\_

Location \_\_\_\_\_

Dimensions \_\_\_\_\_

Condition on Acquisition \_\_\_\_\_

\_\_\_\_\_

Value \_\_\_\_\_



## Technical and Maintenance Requirements

**Accession Number (Asset ID)** \_\_\_\_\_

**Title** \_\_\_\_\_

**Artist** \_\_\_\_\_

**Material(s)** – Including material thickness; finishing materials (glaze, paint color and type, sanding grit, tool pattern, patina, surface sealer, etc.); welding or jointing materials; etc.

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**Fabrication Method(s)** – Including general construction techniques/methods; welding or jointing methods; casting alloy, wax body, glass or fiber type; finishing methods; etc.

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**Foundation Material/Method(s)**

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**Other maintenance considerations?**

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## Appendix F. Terms & Definitions

### **Accession**

Adding an artwork to the permanent public art collection.

### **Artist**

Practitioner who produces works of art for commission, acquisition, and/or exhibition.

### **Artwork**

All forms of art conceived in any discipline or medium, including visual, performance, literary, media, and other methods.

### **Conservation**

Repair of damaged or deteriorating artwork to maximize endurance while changing as little to the object as possible.

### **Deaccession**

Formal removal of accessioned artwork from the permanent collection.

### **Donation**

Artwork or sum of money given willingly and without compensation.

### **Maintenance**

Regular routine inspection and care of artwork carried out by a trained technician.

### **Medium**

May refer to both the type of artwork (e.g. painting, sculpture, earthwork, etc.) and the material(s) the artwork is made from.

### **Public Art**

Original works of art that are accessible to the public and that possess functional as well aesthetic qualities.

### **Public Art Collection**

All works of art owned and accessioned by the City of Mercer Island.

### **Restoration**

Treatment to return an artwork to a known or assumed state, often by the addition of non-original material.

### **Site-Specific**

Artwork specifically designed for and permanently installed in a particular location.

### **Temporary Exhibit**

Work or works of art loaned to the City of Mercer Island for limited exhibition in a public space.

### **Tombstone**

Lists the primary details of an artwork, including the object title, artist, creation date, and acquisition information

**VARA**

The Visual Artists Rights Act of 1990, or VARA, is a federal law that grants “moral rights” to authors of certain works of visual art, including paintings, sculptures, and limited-edition photographs. VARA gives artists two protections:

1. Right of attribution: The artist has the right to be credited as the creator of their work and can prevent their name from being used on a work they did not create or on one that has been distorted or mutilated.
2. Right of integrity: The artist can prevent any intentional modification, distortion, or mutilation of a work if it harms the artist’s reputation. For artworks designated as having “recognized stature,” the artist may also have the right to prevent the destruction of the work. For site-specific public art integrated in or attached to a building, VARA protects the art from being removed if doing so would modify or destroy it.

## Appendix G. Public Art Project Types

### Earthwork or Landform

Artwork made directly into a landscape by sculpting the land itself or making structures using natural materials such as grass, twigs, and rocks.

### Graphic Arts

Visual artistic expression typically produced on flat surfaces, including drawing, printmaking, banners, and tapestry.

### Light-Based Art

Visual artwork in which light is the main and/or sole medium of creation.

### Mixed Media

Artwork composed with a combination of media or materials.

### Mosaic

Artwork composed of tiles or other small parts traditionally made of ceramic, glass, stone, or other materials.

### Mural

Large-scale painting or other artwork applied directly on or attached to a wall, street, sidewalk, or other surface.

### Painting

Two-dimensional artwork produced by applying paint or other media on a surface.

### Performance Art

Artwork created through actions by the artist and/or other participants that may be live, recorded, spontaneous, and/or scripted.

### Photograph

Image produced by the action of light on a light-sensitive material.

### Sculpture

Three-dimensional artwork produced through carving, modeling, casting, constructing, or other processes using a variety of materials.

### Sound-Based Art

Art that uses sound as both its medium (what it is made of) and its subject (what it is about).

AB 6770: Approval of 6-Year Workplan for Art in Public Places  
Exhibit 2: Summary of Arts Council Planning Process

Item 5.

Date	Title	Resources	Summary
05/20/24	Special Hybrid Meeting (Workshop #1)	<a href="#">Agenda Item #2</a> <a href="#">Video Recording</a> (Begins at 7:13)	The Arts Council reviewed City planning documents relevant to public art and explored the City's public art collection and program. They shared their observations as well as short phrases/sentences they wrote responding to two prompts.
06/17/24	Special Hybrid Meeting (Workshop #2)	<a href="#">Agenda Item #2</a> <a href="#">Video Recording</a> (Begins at 3:02)	The Arts Council began discussing the framework for developing public art projects over the six-year planning horizon and shared feedback on public art policies.
07/17/24	Regular Hybrid Meeting	<a href="#">Agenda Item #5</a> <a href="#">Video Recording</a> (Begins at 1:30:00)	Staff recapped planning progress, and the Arts Council endorsed the Public Art Pillar as well as provided feedback on the planning process and timeline.
09/16/24	Special Hybrid Meeting (Workshop #3)	<a href="#">Agenda Item #1</a> <a href="#">Video Recording</a> (Begins at 01:59)	The Arts Council provided feedback on public art program goals, actions, and selection criteria as well as continued their discussion of public art procedures.
10/16/24	Regular Hybrid Meeting	<a href="#">Agenda Item #4</a> <a href="#">Video Recording</a> (Begins at 13:25)	Arts Council members provided feedback on the updated goals, actions, and selection criteria and previewed the first draft of the Project Opportunities List.
11/18/24	Special Hybrid Meeting (Workshop #4)	<a href="#">Agenda Item #2</a> <a href="#">Video Recording</a> (Begins at 19:00)	Arts Council members endorsed the goals for the public art program, reviewed the Project Opportunities List, and participated in a prioritization exercise to begin identifying projects to move to the Public Art Project Timeline.
01/15/25	Regular Hybrid Meeting	<a href="#">AC 25-01</a> <a href="#">Video Recording</a> (Begins at 9:23)	Arts Council members reviewed updated drafts of the Plan and the Project Opportunities List as well as started discussing the proposed 2025-2030 Public Art Project Timeline and the updated Guidelines for Administering the Mercer Island Public Art Program.
03/19/25	Special Hybrid Meeting	<a href="#">AC 25-02</a> <a href="#">Video Recording</a> (Begins at 3:51)	City staff presented the final draft of the Plan, and the Arts Council recommended that the Plan be finalized and transmitted to the City Council for approval.



## BUSINESS OF THE CITY COUNCIL CITY OF MERCER ISLAND

**AB 6771**  
**September 16, 2025**  
**Regular Business**

### AGENDA BILL INFORMATION

<b>TITLE:</b>	AB 6771: Business License Code Amendment (Second Reading Ordinance. No. 25C-22)	<input type="checkbox"/> Discussion Only <input checked="" type="checkbox"/> Action Needed: <input checked="" type="checkbox"/> Motion <input type="checkbox"/> Ordinance <input type="checkbox"/> Resolution
<b>RECOMMENDED ACTION:</b>	Adopt Ordinance No. 25C-22 to update City Code related to business licensing.	

<b>DEPARTMENT:</b>	Administrative Services Finance
<b>STAFF:</b>	Ali Spietz, Chief of Administration Matthew Mornick, Finance Director
<b>COUNCIL LIAISON:</b>	n/a
<b>EXHIBITS:</b>	1. Ordinance No. 25C-22
<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

### EXECUTIVE SUMMARY

The second reading of Ordinance No. 25C-22 updates the Mercer Island City Council to bring it into compliance with state requirements prior to October 2025.

- The City Council held the first reading of Ordinance No. 25C-22 on September 2, reviewing revisions to Chapter 5.01 of the Mercer Island City Code (MICC) including a new minimum threshold exemption for out-of-city businesses, direction for how this threshold will periodically increase, and staff proposed changes to revise language that is no longer relevant or desired ([AB 6758](#)).
- In 2024, the Association of Washington Cities (AWC) pulled together a working group to update the standard ordinance language for business licensing rules.
- To comply with state requirements, the City Council must adopt Ordinance No. 25C-22 before the mid-October deadline to take effect by January 1, 2026 (Exhibit 1).

### BACKGROUND

After the 2017 legislative session, new law required standardized rules for out-of-city licensing across the state (RCW 35.90.080). In response, the Association of Washington Cities (AWC) was tasked with developing minimum threshold language for business licensing by January 1, 2019.

The resulting AWC committee represented by cities within the region drafted a model ordinance in 2018, which included a mandatory definition of “engaging in business” and established a \$2,000 minimum threshold exemption when out-of-town or transient businesses are required to be licensed.

The 2018 ordinance was reviewed and updated by an AWC working group of cities in 2024 and requires an update to Chapter 5.01 of the Mercer Island City Code (MICC) for the City to be in compliance.

Cities must adopt the updated language by January 1, 2026. However, because the City of Mercer Island partners with the state Department of Revenue Business Licensing Service (BLS) for business licensing administration, the City must update language in the City code by mid-October 2025 to meet the state's 75-day notice requirement of any changes to the City's business licenses, including this mandatory change.

## ISSUE/DISCUSSION

Ordinance No. 25C-22 updates Chapter 5.01 MICC to bring it into compliance with the latest changes to the business licensing model ordinance, provides direction on how the new minimum threshold exemption will periodically increase, and staff also proposed revisions to clean up code language that is no longer relevant or desired (Exhibit 1). The main change includes a one-time increase from \$2,000 to \$4,000 for the out-of-city businesses exemption, effective January 1, 2026. Other changes include:

- Every four years thereafter, the out-of-city exemption will increase based on cumulative inflation.
- The rate of inflation will be calculated using the Consumer Price Index-U (CPI-U) Western for June of each year compared to the prior year for the previous four years.
- The rate of inflation will be calculated as zero in any year in which inflation was negative, and it will be capped at 5% per year or 20% over four years if inflation exceeded those amounts.
- To make the out-of-city business exemption easier to administer, the cumulative inflation amount will be rounded to the nearest \$100.

In addition to the mandated changes from the state, staff is proposing additional amendments to clarify and clean up outdated language as follows:

- References to the city clerk as the business licensing authority have been changed to the finance director per current practice.
- Clarifies that all businesses must comply with the chapter regardless of location (5.01.050).
- Replaces outdated language about home business, resident business, and nonresident business with language regarding fees for initial licensing and renewals (5.01.060).
- References to a Master Exhibitor's License were removed as this license is not used (5.01.060).
- Removes language about when fees are due as the state Department of Revenue since BLS handles this for the City (5.01.060).
- Replaces language about license period, renewal period, and how to display the license (5.01.070).
- Creates new section about notification suspension, revocation, or denial (5.01.115).
- Revises the appeal section for clarity and changes the appeal body from the City Council to the Hearing Examiner (5.01.120).

## NEXT STEPS

Upon adoption, MICC chapter 5.01 will be revised, and staff will notify the Department of Revenue BLS service of the code amendments regarding business licenses prior to the mid-October 2025 deadline.

## RECOMMENDED ACTION

Adopt Ordinance No. 25C-22 to update the Mercer Island City Code related to business licensing.



**CITY OF MERCER ISLAND  
ORDINANCE NO. 25C-22**

**AN ORDINANCE OF THE CITY OF MERCER ISLAND, WASHINGTON  
UPDATING CHAPTER 5.01 MICC TO INCLUDE AMENDMENTS REQUIRED  
UNDER CHAPTER 35.90 RCW, MUNICIPAL BUSINESS LICENSING,  
PROVIDING FOR SEVERABILITY, AND ESTABLISHING AN EFFECTIVE DATE.**

**WHEREAS**, the City of Mercer Island's business license requirements, including fees, are adopted in chapter 5.01 MICC; and

**WHEREAS**, a committee of the Association of Washington Cities (AWC) developed a model ordinance in accordance with RCW 35.90.080(1)(a) for adoption by cities that impose general business license requirements; and

**WHEREAS**, RCW 35.90.080(1)(c) requires the City to update its business license code to align with updates to mandatory requirements in the model ordinance; and

**WHEREAS**, the 2018 model ordinance was reviewed and updated by an AWC work group in 2024; and

**WHEREAS**, the 2024 update amends the exemption from the business license requirement for out-of-city businesses, increasing the minimum threshold amount from \$2,000 to \$4,000 with periodic increases to this threshold tied to inflation, effective January 1, 2026; and

**WHEREAS**, in addition to the mandatory revisions to chapter 5.01 MICC to include this new minimum threshold exemption and direction for how this threshold will periodically increase, staff proposes revisions to clarify language that is no longer relevant or desired.

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

**Section 1. Amended.** Chapter 5.01 MICC, Business License Code, shall be amended as set forth in Exhibit A to this Ordinance. Exhibit A is incorporated herein by this reference as if set forth in full.

**Section 2. 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, 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 3. Effective Date of Amendments.** Chapter 5.01 MICC, Business License Code, as amended in Section 1 of this Ordinance, shall take effect and be in force on 5 days after its passage and publication.

PASSED BY THE CITY COUNCIL OF THE CITY OF MERCER ISLAND, WASHINGTON, AT ITS MEETING ON SEPTEMBER \_\_\_\_\_, 2025.

CITY OF MERCER ISLAND

\_\_\_\_\_  
Salim Nice, Mayor

Approved as to Form:

ATTEST:

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

\_\_\_\_\_  
Andrea Larson, City Clerk

Date of Publication:

## Exhibit A

### Chapter 5.01 BUSINESS LICENSE CODE

- 5.01.010 - Short title.**
- 5.01.020 - Purpose.**
- 5.01.030 - Scope.**
- 5.01.035 - Definition of engaging in business.**
- 5.01.040 - Business license required.**
- 5.01.050 - Separate general business license required.**
- 5.01.060 - License fees—Payment.**
- 5.01.070 - License period, renewal, and display.**
- 5.01.080 - Penalty for late payment.**
- 5.01.090 - Refund request.**
- 5.01.100 - License issuance and renewal—Appeal from denial.**
- 5.01.110 - Suspension or revocation of licenses.**
- 5.01.115 - Notification of suspension, revocation, or denial.**
- 5.01.120 - Appeal.**
- 5.01.130 -Unlawful use—Transferability.**
- 5.01.140 - Licenses subject to specific controls.**
- 5.01.150 - Separate offenses.**
- 5.01.160 - Penalty for violations—Principal offender.**
- 5.01.170 - Effect on pending or past prosecutions.**

#### **5.01.010 Short title.**

This chapter shall be known as "the business license code" of the city of Mercer Island and may be cited as such.

#### **5.01.020 Purpose.**

The provisions of this chapter shall be an exercise of the power of the city to license for the purpose of revenue and regulation.

#### **5.01.030 Scope.**

All persons and businesses engaging in business within the city of Mercer Island shall be subject to the provisions of this chapter regardless of whether or not a place of business within the city is maintained, unless specifically exempted from licensing herein.

#### **5.01.035 Definition of engaging in business.**

- A. The term engaging in business (or variations thereof) as used in this chapter means commencing, conducting, or continuing in business, and also the exercise of corporate or franchise powers, as well as liquidating a business when the liquidators thereof hold themselves out to the public as conducting such business.
- B. This section sets forth examples of activities that constitute engaging in business in the city, and establishes safe harbors for certain of those activities so that a person who meets the criteria may engage in de minimus business activities in the city without having to pay a business license fee. The activities listed in this section are illustrative only and are not intended to narrow the definition of "engaging in business" in subsection A of this section. If an activity is not listed, whether it constitutes engaging in business in the city shall be determined by considering all the facts and circumstances and applicable law.

C. Without being all inclusive, any one of the following activities conducted within the city by a person, or its employee, agent, representative, independent contractor, broker or another acting on its behalf, constitutes engaging in business and requires a person to register and obtain a business license:

1. Owning, renting, leasing, maintaining, or having the right to use, or using, tangible personal property, intangible personal property, or real property permanently or temporarily located in the city.
2. Owning, renting, leasing, using, or maintaining an office, place of business, or other establishment in the city.
3. Soliciting sales.
4. Making repairs or providing maintenance or service to real or tangible personal property, including warranty work and property maintenance.
5. Providing technical assistance or service, including quality control, product inspections, warranty work, or similar services on or in connection with tangible personal property sold by the person or on its behalf.
6. Installing, constructing, or supervising installation or construction of real or tangible personal property.
7. Soliciting, negotiating, or approving franchise, license, or other similar agreements.
8. Collecting current or delinquent accounts.
9. Picking up and transporting tangible personal property, solid waste, construction debris, or excavated materials.
10. Providing disinfecting and pest control services, employment and labor pool services, home nursing care, janitorial services, appraising, landscape architectural services, security system services, surveying, and real estate services including the listing of homes and managing real property.
11. Rendering professional services such as those provided by accountants, architects, attorneys, auctioneers, consultants, engineers, professional athletes, barbers, baseball clubs and other sports organizations, chemists, consultants, psychologists, court reporters, dentists, doctors, detectives, laboratory operators, teachers, and veterinarians.
12. Meeting with customers or potential customers, even when no sales or orders are solicited at the meetings.
13. Training or recruiting agents, representatives, independent contractors, brokers or others, domiciled or operating on a job in the city, acting on its behalf, or for customers or potential customers.
14. Investigating, resolving, or otherwise assisting in resolving customer complaints.

15. In-store stocking or manipulating products or goods, sold to and owned by a customer, regardless of where sale and delivery of the goods took place.
  16. Delivering goods in vehicles owned, rented, leased, used, or maintained by the person or another acting on its behalf.
- D. If a person, or its employee, agent, representative, independent contractor, broker or another acting on the person's behalf, engages in no other activities in or with the city but the following, it need not register and obtain a business license:
1. Meeting with suppliers of goods and services as a customer.
  2. Meeting with government representatives in their official capacity, other than those performing contracting or purchasing functions.
  3. Attending meetings, such as board meetings, retreats, seminars, and conferences, or other meetings wherein the person does not provide training in connection with tangible personal property sold by the person or on its behalf. This provision does not apply to any board of director member or attendee engaging in business such as a member of a board of directors who attends a board meeting.
  4. Renting tangible or intangible property as a customer when the property is not used in the city.
  5. Attending, but not participating in, a trade show or multiple vendor events. Persons participating at a trade show shall review the city's trade show or multiple vendor event ordinances.
  6. Conducting advertising through the mail.
  7. Soliciting sales by phone from a location outside the city.
- E. A seller located outside the city merely delivering goods into the city by means of common carrier is not required to register and obtain a business license; provided, that it engages in no other business activities in the city. Such activities do not include those in subsection D of this section.
- F. The city expressly intends that engaging in business include any activity sufficient to establish nexus for purposes of applying the license fee under the law and the Constitutions of the United States and the State of Washington. Nexus is presumed to continue as long as the taxpayer benefits from the activity that constituted the original nexus generating contact or subsequent contacts.
- 5.01.40 Business license required.**
- A. It is unlawful for any person or business to engage in business in the city without first having obtained a business license ("license") from the City.
  - B. Persons or businesses engaging in business in the city, as defined in section 5.01.035, must comply with this chapter regardless of the physical location of the business (i.e., whether inside or outside Mercer Island city limits).

- C. Application for the license is made through the Washington State Department of Revenue's Business Licensing Service. The application must include all information required for all the licenses requested and all fees required for all licenses, as well as the handling fee required by RCW 19.02.075.

**5.01.050 Separate business license required.**

- A. If business is conducted from more than one premises in the city that is rented, leased, subleased, or owned by such business, a separate registration and license shall be required for each premises within the city.
- B. If more than one business, as indicated with a separate UBI number, is conducted upon or from a single premises, a separate registration and license shall be required for each separate business conducted, operated, engaged in, or practiced.

**5.01.60 License fees—Payment.**

A. The fee for each initial business license required by this chapter and the fee for renewal of each business license shall be established by city council resolution. In addition, separate handling fees may be charged by Business Licensing Service pursuant to RCW 19.02.075.

- B. License fee Exemptions. The following persons or businesses engaging in business in the City shall be required to obtain a business license and to pay the handling fee charged by Business Licensing Service pursuant to RCW 19.02.075, but are not subject to the City license fee:

1. Any person or business whose annual value of products, gross proceeds of sales, or gross income of the business in the city is equal to or less than \$2,000 and who does not maintain a place of business within the city, shall be exempt from the general business license requirements in this chapter. The threshold does not apply to regulatory license requirements or activities that require a specialized permit.

Beginning January 1, 2026, the threshold amount is \$4,000.

This threshold amount will be adjusted every forty-eight months on January 1, by an amount equal to the increase in the Consumer Price Index ("CPI") for "West Urban, All Urban Consumers" (CPI-U) for each 12-month period ending on June 30 as published by the United States Department of Labor Bureau of Labor Statistics or successor agency. To calculate this adjustment, the current rate will be multiplied by one plus the cumulative four-year (forty-eight month) CPI increase using each 12-month period ending on June 30 of each prior year and rounded to the nearest \$100. However, if any of the annual CPI increases are more than five (5) percent, a five (5) percent increase will be used in computing the annual basis and if any of the annual CPI decreased during the forty-eight-month period, a zero (0) percent increase will be used in computing the annual basis.

**5.01.070 License period, renewal, and display.**

- A. A business license will expire on the date established by the business licensing service and must be renewed on or before that date. The term and respective fee of the license may be prorated to synchronize the expiration date with the date established by the business licensing service.
- B. All businesses shall renew their business licenses each year and pay any associated fees. Renewal notification will be generated by the business licensing service 30 days prior to license expiration.

- C. *Display of License.* A license granted under this chapter shall be posted in a conspicuous location in the place of business of the licensee. No person shall allow any license to be posted, displayed, or used after its expiration, suspension, or revocation, or if it is not a valid license for the premises where displayed.

**5.01.080 Penalty for late payment.**

- A. All persons and businesses required to obtain licenses under this chapter shall pay all licensing fees as determined by the city and the business licensing service prior to the expiration of their current license. Any business that fails to obtain and pay the license fees prior to expiration of its current license may be assessed late renewal penalties by Business Licensing Service, as authorized under RCW 19.02.085.

B. A business license that remains delinquent for at least 120 days after the expiration date may be canceled. After cancellation, a person or business must reapply for a business license as provided in this chapter in order to continue engaging in business in the city.

**5.01.090 Refund request.**

If, pursuant to the provisions of this chapter, the applicant's request for a license is denied, either upon original application or renewal, 100 percent of the city's business license fee tendered only shall be refunded by the city to the applicant no later than 90 days following such denial; provided, that no refund shall be made where during the pendency of the original application the applicant has engaged in the business activity for which the license was intended, and in that case such amount shall be forfeited to the city.

**5.01.100 License issuance and renewal—Appeal from denial.**

- A. The finance director shall approve issuance of a business license to the applicant within ten working days if the information supplied to the city is complete and the required license fee is paid; otherwise, the license application shall be denied. Upon denial of the application, notice shall be sent to the applicant as set forth in MICC 5.01.120.
- B. Any applicant whose application has been denied may file an appeal and request a hearing as set forth in MICC 5.01.120.

**5.01.110 Suspension or revocation of licenses.**

- A. The finance director shall have the right to revoke or suspend any license at any time on the following grounds:
1. That the license was procured by fraud or false representation of facts;
  2. That the applicant or licensee or any of their agents or employees, while acting within the scope of their employment, has violated or failed to comply with any of the ordinances of the city; provided, that this section shall not apply to traffic violations or to violations of ordinances when said violations are corrected within a period of 30 days from the date of the violation or when said violations are deemed not significant by the finance director;
  3. That the licensee or any of their agents or employees has been convicted of either a felony or misdemeanor involving moral turpitude, or involving fraud or an attempt to defraud, while acting within the scope of their employment; or
  4. Conviction of a violation of any provision of this title shall be prima facie evidence to warrant suspension or revocation of the license.



The finance director, upon finding that one or more of the above cited conditions exist, shall suspend the business license for a period of 30 days in cases of a first violation and revoke the business license in cases involving a second violation.

- B. *Return of License Upon Revocation.* Whenever any license issued under this chapter is revoked, the licensee shall immediately return the license to the finance director.

**5.01.115 Notification of suspension, revocation, or denial.**

When the finance director determines that there is cause for denying, suspending, or revoking any license issued pursuant to this chapter, the finance director shall notify the applicant or person holding such license of the finance director's decision by personal service or by registered or certified mail, return receipt requested. Notice mailed to the address on file shall be deemed received three (3) days after mailing. The notice shall specify the grounds for the denial, suspension, or revocation. The suspension or revocation shall become effective fourteen (14) calendar days from the date the notice is delivered or deemed received unless the person affected thereby files a written appeal within such 14-day period as required by MICC 5.01.120.

**5.01.120 Appeal.**

- A. Any person or business aggrieved by a decision of the finance director regarding business licensing may appeal such determination to the hearing examiner pursuant to this section.
- B. *Form of Appeal.* An appeal must be in writing and must contain the following:
1. The name and address of the appellant;
  2. A statement identifying the decision being appealed;
  3. A statement setting forth the grounds for the appeal and identifying specific errors the finance director is alleged to have made in making the decision; and
  4. A statement identifying the requested relief.
- C. *Time and Place to Appeal.* An appeal shall be filed with the city clerk's office no later than 14 calendar days following the date the notification of suspension, revocation, or denial is deemed received pursuant to MICC 5.01.115. Failure to follow the appeal procedures in this section shall deny the hearing examiner jurisdiction to hear the appeal.
- D. *Appeal Hearing.* The city clerk shall transmit the appeal to the hearing examiner. The hearing examiner shall work with the parties to schedule a hearing date and shall notify the parties of such hearing date at least ten calendar days prior to the date set for the hearing. The hearing examiner shall conduct an appeal hearing in accordance with this chapter and procedures established by the hearing examiner.
- E. *Burden of Proof.* The appellant shall have the burden of proving by a preponderance of the evidence that the determination of the finance director is erroneous.
- F. *Hearing Record.* The hearing examiner shall make an electronic sound recording of each appeal hearing unless the proceedings are conducted solely in writing.
- G. *Decision of the Hearing Examiner.* Following the hearing, the hearing examiner shall enter a decision on the appeal, supported by written findings and conclusions in support thereof. A

copy of the findings, conclusions and decision shall be mailed to the appellant and to the finance director.

- H. During the pendency of an appeal of a notification of suspension or revocation of a license issued pursuant to this chapter, the finance director's determination shall be stayed.

#### **5.01.130 - Unlawful use—Transferability.**

##### **A. License—Unlawful use.**

1. It is unlawful for any person to use, or permit to be used, any license except those approved by the finance director in conformity with the provisions of this chapter.
2. It is unlawful for any person to make, or manufacture, any licenses except upon order of the finance director.

- B. Licenses—Not transferable. No license issued under provisions of this chapter shall be transferable or assignable. If a license is found in the possession of any person other than the licensee or his servants, agents or employees, such license shall be forthwith confiscated by officials of the city.

#### **5.01.140 Licenses subject to specific controls.**

The issuance of a license pursuant to the terms of this chapter and all activities of any licensee granted a license hereunder shall at all times be subject to all ordinances and regulations of the city enacted in the exercise of its police power, and the prohibition or regulation of any specific activity or sale of commodity by specific ordinance shall prevail over the terms and conditions of this chapter wherever they may conflict.

#### **5.01.150 Separate offenses.**

Each day that any person, firm, corporation or association shall operate any device, vehicle or thing, or engage in any business, calling, profession, trade, occupation or activity licensed herein without having procured a valid existing license as provided for by this chapter shall constitute a separate offense and be punished as such.

#### **5.01.160 Penalty for violations—Principal offender.**

- A. Violations—Penalty. Any person violating or failing to comply with any of the provisions of this chapter shall be deemed guilty of a misdemeanor, and, upon conviction thereof, shall be punished by a fine in a sum not to exceed \$500.00 or by imprisonment for a period not exceeding 90 days or both such fine and imprisonment.
- B. Principal offender defined. Every person concerned in any act or omission in violation of this chapter, or who aids or abets the same, whether present or absent, and every person who directly or indirectly counsels, encourages, hires, commands, induces or otherwise procures another to commit such violation is, and shall be, a principal under the terms of this title and shall be proceeded against and prosecuted as such.

#### **5.01.170 Effect on pending or past prosecutions.**

No prosecution now pending and no offense heretofore committed under any ordinance heretofore enacted shall be affected in any way by the passage of this chapter, but all such prosecutions shall be conducted to final judgment and all such offenses shall be prosecuted in the same manner as if this chapter had not been enacted.



## BUSINESS OF THE CITY COUNCIL CITY OF MERCER ISLAND

**AB 6773**  
**September 16, 2025**  
**Consent Agenda**

### AGENDA BILL INFORMATION

<b>TITLE:</b>	AB 6773: Luther Burbank Boiler Building Phase 1 Project Closeout	<input type="checkbox"/> Discussion Only <input checked="" type="checkbox"/> Action Needed: <input checked="" type="checkbox"/> Motion <input type="checkbox"/> Ordinance <input type="checkbox"/> Resolution
<b>RECOMMENDED ACTION:</b>	Accept the completed project and authorize staff to close out the project.	

<b>DEPARTMENT:</b>	Public Works
<b>STAFF:</b>	Jason Kintner, Chief of Operations Shelby Perrault, Capital Parks Manager Sarah Bluvas, CIP Project Manager
<b>COUNCIL LIAISON:</b>	n/a
<b>EXHIBITS:</b>	1. Project Location Map
<b>CITY COUNCIL PRIORITY:</b>	3. Make once-in-a-generation investments to update and modernize aging infrastructure, capital facilities, and parks.

<b>AMOUNT OF EXPENDITURE</b>	\$ 2,191,105
<b>AMOUNT BUDGETED</b>	\$ 2,521,556
<b>APPROPRIATION REQUIRED</b>	\$ n/a

### EXECUTIVE SUMMARY

The purpose of this agenda bill is to accept the completed Luther Burbank Boiler Building Phase 1 Project (PA0124, 90.25.0047) and authorize staff to close it out.

- This project stabilized the Luther Burbank Park Boiler Building, including seismic retrofits to the building, replacement of the building roof, and reinforcement of the brick chimney. The attached restroom and concession stand were also renovated.
- The Phase 1 stabilization project was included in the 2023-2024 Capital Improvement Program (CIP) with a project budget of \$2,012,300. At bid award, the project budget was increased to \$2,521,556 to construct the restroom annex renovations and a new viewing deck atop the annex. These improvements were originally included in the 2023-2024 CIP under the Luther Burbank Park Dock and Waterfront Improvements (PA0122) but were consolidated with the Boiler Building scope to streamline construction and improve cost efficiency.
- Two Washington State grant programs partially funded this project: the State Historical Society's (WSHS) Heritage Capital Program and the Recreation and Conservation Office's (RCO) Washington Wildlife and Recreation Program.
- The City awarded the public works contract to Ferguson Construction, Inc., on January 2, 2024, in an amount not to exceed \$1,891,377 ([AB6380](#)).

- During construction, the contractor was unable to complete the sewer pump connection for the restrooms, the new electrical supply for the buildings, and the new rooftop deck.
- The sewer pump connection and new electrical supply features will be incorporated into construction of the Luther Burbank Waterfront Improvements Project (90.25.0020). Costs for the rooftop deck will be re-evaluated during development of the 2027-2028 CIP, and construction of that feature will be incorporated into the Luther Burbank Boiler Building Phase 2 Project.
- The total completed project cost was \$2,191,105. Of the project budget savings of \$330,451, \$188,636 remains in project code 90.25.0047. Staff recommends moving these funds to 90.25.0020 to complete the sewer and electrical supply work as part of the Luther Burbank Park Waterfront Improvements Project.

## BACKGROUND

The 2006 Luther Burbank Park Master Plan identified the 1928 Boiler Building for reuse as a non-motorized watercraft facility. A 2017 study of the Boiler Building established the feasible reuse of the building for this purpose. It also outlined Phase 1 improvements to stabilize the Boiler Building with seismic retrofits, install a new roof membrane, repair masonry, and renovate the 1974 restroom annex.

Partial funding for the stabilization portion of Boiler Building Phase 1 was included in the 2021-2022 Capital Improvement Program (CIP) with full funding approved in the 2023-2024 CIP. During early design work on the Luther Burbank Park docks in 2020, the Parks and Recreation Commission began exploring a more comprehensive vision for the waterfront area. Initially, the restroom annex renovations were in the waterfront project scope ([AB 5868](#)). At the 30% design stage, this work was consolidated with the Boiler Building stabilization scope to streamline construction and improve cost efficiency. City Council supported this approach during the 30% design phase ([AB 6021](#)).

On January 2, 2024, City Council awarded a public works construction contract to Ferguson Construction Inc. in an amount not to exceed \$1,891,377 ([AB 6380](#)). The total approved budget was \$2,521,556 and is partially funded by two Washington State grant programs.

## ISSUE/DISCUSSION

### PROJECT DESCRIPTION

Ferguson Construction Inc. began work in February 2024. Improvements included:

- Installing a steel reinforcement framework inside the Boiler Building and around the chimney;
- Removing the top ten feet of the chimney;
- Pinning masonry cladding to the concrete structure;
- Installing a new roof membrane and chimney cap; and
- Renovating the restrooms and concession stand.

The project achieved substantial completion on November 21, 2024, and final acceptance on February 24, 2025.

### PROJECT EXPENDITURES

The total completed project cost for the Luther Burbank Boiler Building Phase 1 Project was \$2,191,105, resulting in total project budget savings of \$330,541.

LUTHER BURBANK BOILER BUILDING PHASE 1 (PA0124/90.25.0047)		
Description	Approved Project Budget	Actual Expenditures
Final Design & Bidding	\$63,000	\$50,766
Project Management	\$86,000	\$40,800
Original Construction Contract (includes WSST)	\$1,891,377	\$1,891,377
Construction Contingency	\$327,000	\$19,380
Construction Support Services	\$94,000	\$136,275
Construction Inspection and Testing	\$15,000	\$23,570
1% for the Arts	\$17,179	\$19,117
Historical Interpretive Program	\$28,000	\$9,820
<b>Total Project Cost</b>	<b>\$2,521,556</b>	<b>\$2,191,105</b>
Approved Budget (2023-2024)	\$2,521,556	\$2,521,556
<b>Budget Remaining</b>	<b>\$0</b>	<b>\$330,451</b>

During construction, the contractor was unable to complete the following project elements:

#### ***Rooftop Deck***

The City determined that the rooftop deck could not be permitted at the time of construction due to delayed land use approvals associated with the Luther Burbank Waterfront Improvements Project. Although land use permitting for the waterfront project was completed on May 12, 2025, it was subsequently determined that constructing the rooftop deck would trigger a change to the building's current occupancy classification, requiring additional upgrades that fall outside of the waterfront project scope. As a result, this work will need to be completed as part of the Luther Burbank Boiler Building Phase 2 Project (90.25.0024), which is scheduled to begin design in 2028. The construction contract savings for removing this project element was \$109,313. City staff will re-evaluate the cost to complete the rooftop deck during the development of the 2027-2028 CIP.

#### ***Sewer Pump Connection***

The installation of the new sewer pump was removed from the project scope after the contractor discovered a leak in the existing utility vault. The project team determined that the vault must be fully replaced but that timing would conflict with excavation work associated with the upcoming waterfront project. As a result, the City postponed the vault replacement and opted to close the restrooms for one season. The sewer vault will be replaced during construction of the Luther Burbank Waterfront Improvements Project (90.25.0020) in 2026.

Additionally, during trenching for the new sewer connection, the contractor encountered contaminated soil and abandoned concrete that needed to be removed. These and other unforeseen sewer-related issues added \$3,098 to the construction cost.

#### ***New Electrical Supply***

During construction, the electrical subcontractor determined that the existing underground conduit had deteriorated and could not support the future electrical needs of the Boiler Building and restroom annex. The project team designed a new 400-amp electrical service that requires a new electrical line connection to the transformer next to the Luther Burbank Administrative Building. Upgrading the service also requires approval

from Puget Sound Energy (PSE); the City started this permitting process in April 2024 and is still awaiting approval.

As part of the Boiler Building project, the electrical subcontractor relocated the electrical cabinet and meter to the north side of the Boiler Building and installed a new 400-amp disconnect and feeder to support the future service. This work added \$16,722 to the construction cost. Due to the permitting delays with PSE, work to build the new electrical line from the Administrative Building to the Boiler Building could not be completed as part of the Boiler Building project. The electrical line will be constructed with the waterfront improvements project in 2026.

## GRANT FUNDING

In June 2023, the Washington State Legislature approved a state budget that included funding through two grant programs to support this project:

- A State Historical Society Heritage Capital Program (HCP) grant of \$513,000 to support the Boiler Building stabilization; and
- A Recreation and Conservation Office (RCO) Washington Wildlife and Recreation Program (WWRP) grant of \$2,000,000 to support the Luther Burbank Park Waterfront Improvements Project (90.25.0020).

The entire HCP grant, minus a 3% administrative fee paid to the State Historical Society, was expended on this project. A portion of the WWRP grant funded the restroom and concession stand renovations. The remaining WWRP funds will be expended during construction of the waterfront improvements project in 2026.

The summary of grant reimbursements received for this project is provided below.

Grant Source	Reimbursement
State Historical Society Heritage Capital Program	\$497,610
RCO Washington Wildlife & Recreation Program	\$280,338
TOTAL	\$777,948

Staff anticipate submitting for reimbursement of the remaining WWRP funds once the waterfront design is complete (Q4 2025) and after construction is complete (Q4 2026). The RCO grant agreement for WWRP funds expires on December 31, 2026. If necessary, the City may request an extension; staff would initiate that process in June 2026 if needed.

Four historical marker plaques and an associated interpretive program were also developed for Luther Burbank Park as a condition of the HCP grant. The plaques are currently being fabricated and will be installed by the end of the year. Community members will be able to learn more about the park's cultural and natural history through information shared on [STORY](#), the City's digital engagement platform for Mercer Island art, history, and heritage.

## NEXT STEPS

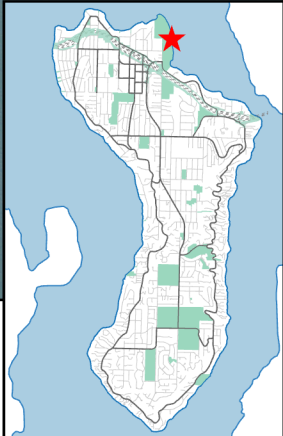
The sewer pump connection and completion of the new electrical service will be incorporated into the Luther Burbank Waterfront Improvements Project (90.25.0020), which will be constructed in 2026. The remaining \$188,636 in 90.25.0047 will be reallocated to 90.25.0020 to fund this work.

The rooftop deck will be completed as part of the Luther Burbank Boiler Building Phase 2 Project (90.25.0024), which is scheduled to begin design in 2028. Phase 2 will complete the transformation of the facility into a small craft boating center, further activating the waterfront complex. Once complete, the facility could support a three-season boating program, including classes, camps, and equipment rentals.

### **RECOMMENDED ACTION**

Accept the completed project and authorize staff to close it out.









## BUSINESS OF THE CITY COUNCIL CITY OF MERCER ISLAND

**AB 6774**  
**September 16, 2025**  
**Consent Agenda**

### AGENDA BILL INFORMATION

<b>TITLE:</b>	AB 6774: Acceptance of 2025-2027 Commute Trip Reduction Grant	<input type="checkbox"/> Discussion Only <input checked="" type="checkbox"/> Action Needed: <input checked="" type="checkbox"/> Motion <input type="checkbox"/> Ordinance <input type="checkbox"/> Resolution
<b>RECOMMENDED ACTION:</b>	Accept the 2025-2027 Commute Trip Reduction Grant and appropriate the \$31,300 of grant funds in the 2025-2026 biennial budget to the Public Works Department to support the administration of the Commute Trip Reduction program and the Climate Action Plan.	

<b>DEPARTMENT:</b>	Public Works
<b>STAFF:</b>	Jason Kintner, Chief of Operations Alanna DeRogatis, Sustainability Program Manager Amelia Tjaden, Management Analyst
<b>COUNCIL LIAISON:</b>	n/a
<b>EXHIBITS:</b>	1. WSDOT Grant Award Letter dated August 6, 2025. 2. Commute Trip Reduction Grant Agreement
<b>CITY COUNCIL PRIORITY:</b>	n/a

<b>AMOUNT OF EXPENDITURE</b>	\$ 31,300
<b>AMOUNT BUDGETED</b>	\$ n/a
<b>APPROPRIATION REQUIRED</b>	\$ 31,300

### EXECUTIVE SUMMARY

The purpose of this agenda item is to accept a grant for \$31,300 from the Washington State Department of Transportation (WSDOT). The funds from this grant will be used for the administration of the Commute Trip Reduction Program.

- The City of Mercer Island first adopted a Commute Trip Reduction (CTR) Plan in 2009 ([Ordinance No. 09C-10](#)) but has not had any CTR-affected worksites in the last few years. The arrival of Riot Games (2024) on the Island triggered the participation of the City of Mercer Island in the CTR program.
- Implementing a CTR program is one of the actions included in the City's Climate Action Plan, adopted by City Council in April 2023 ([AB 6246](#)).
- The City Council adopted the 2025-2029 Commute Trip Reduction 4-Year Plan on March 4, 2025 ([AB 6630](#)).
- Mercer Island was awarded a grant of \$31,300 to support the City's Commute Trip Reduction program for the 2025-2027 biennium (Exhibit 1). The grant covers program expenditures from July 1, 2025 through June 30, 2027.

## BACKGROUND

In 1991, the Washington State Legislature passed the Commute Trip Reduction (CTR) Law ([RCW 70A.15.4000-4110](#) and [Chapter 468-63 WAC](#)) to address air pollution, petroleum-fuel consumption, and traffic congestion. CTR law affects worksites with 100 or more full-time employees who begin their shift between 6:00AM and 9:00AM on weekdays in the nine most populous counties in the state. Affected worksites conduct CTR surveys every other year to measure vehicle-miles-traveled and the mode choices of their employees. The Washington State Department of Transportation (WSDOT) and jurisdictions use these survey results to report on collective progress toward drive-alone and vehicle-miles-traveled (VMT) reduction targets.

The City of Mercer Island first adopted a Commute Trip Reduction Plan in 2009 ([Ordinance No. 09C-10](#)). This ordinance set guidelines for affected employers to complete their participation in the program and satisfy compliance with the law. In the past few years, the City has not had any CTR-affected worksites and thus, halted participation in the program. Riot Games, a prominent video game development company, relocated its US headquarters to Mercer Island in 2024. The opening of the Riot Games office space established the first CTR-affected site on the Island in several years, triggering the need for the City to reestablish participation in the CTR program.

Implementation of a CTR program was also identified as an action the City's Climate Action Plan (CAP) that was adopted by the City Council in April 2023 ([AB 6246](#)). This action was included in the CAP as a strategy to reduce transportation-related greenhouse gas emissions on Mercer Island and to help the City achieve the CAP target of a 20% reduction in overall VMT by 2030 compared to 2017 levels.

The City Council adopted the 2025-2029 Commute Trip Reduction 4-Year Plan on March 4, 2025 ([AB 6630](#)). This plan described the current commuting conditions on Mercer Island and established the participation of the City in the program. The plan also laid out the necessary actions and implementation structure for the program, as well as services and strategies that could be used to achieve CTR targets.

## ISSUE/DISCUSSION

Mercer Island was awarded a grant of \$31,300 to support the City's Commute Trip Reduction (CTR) program for the 2025-2027 biennium (Exhibit 1). The grant covers program expenditures, from July 1, 2025, through June 30, 2027. Eligible costs for grant-related activities incurred after July 1, 2025, are reimbursable once the grant agreement (Exhibit 2) is executed.

Staff plan to use grant funds for eligible expenses like providing subsidies and incentives to promote non-single-occupancy-vehicle (SOV) modes of travel, administering biannual surveys to CTR affected worksites on the Island, and completing CTR program requirements, including quarterly reports and the administrative workplan. Activities are described in the 2025-2029 CTR 4-Year Plan.

## NEXT STEPS

Staff will implement and administer the Commute Trip Reduction program. Staff will conduct a biennial survey of employee commuting habits and use that data for updating the annual greenhouse gas emissions report.

## RECOMMENDED ACTION

Accept the 2025-2027 Commute Trip Reduction Grant and appropriate the \$31,300 of grant funds in the 2025-2026 biennial budget to the Public Works Department to support the administration of the Commute Trip Reduction program and the Climate Action Plan.

August 6, 2025

Amelia Tjaden  
City of Mercer Island  
9611 SE 36th St  
Mercer Island, WA 98040-3732

Subject: 2025-2027 Commute Trip Reduction formula grant distribution

Dear Amelia Tjaden:

Congratulations! We are pleased to distribute your organization's Commute Trip Reduction (CTR) formula grant for the 2025-2027 biennium.

The Washington State Department of Transportation (WSDOT) is distributing CTR grant funding to 27 organizations across the state to assist regional transportation planning organizations, counties, cities, and towns in implementing CTR plans.

Awards are contingent upon the availability of state funds.

<b>Program</b>	<b>Commute Trip Reduction</b>	<b>Emergency Ride Home</b>	<b>Total Award</b>
CTR formula distribution for 2025-2027	\$31,300		\$31,300

The Transportation Demand Management Technical Committee determined your allocation of formula funds.

CTR formula funds are reimbursable for grant-related activities beginning July 1, 2025. Project expenditures accrued prior to this date may not be charged to your award.

Wren Barulich, CTR projects planner, is your primary WSDOT contact, who will assist you with all aspects of your project. You can reach Wren at [wren.barulich@wsdot.wa.gov](mailto:wren.barulich@wsdot.wa.gov) or (360) 705-6926 should you have questions or concerns.

We look forward to finalizing your grant agreement and funding your project so that we can help you provide valuable services in your community. Again, congratulations!

Amelia Tjaden  
August 6, 2025  
Page 2

Sincerely,

A handwritten signature in blue ink, consisting of a stylized 'J' followed by a horizontal line and a loop.

Jill Nordstrom, grants and community partnerships manager  
Public Transportation Division

JN:dl

cc: Ali Spietz, City of Mercer Island  
Wren Barulich, WSDOT  
Firas Makhoul, WSDOT  
Evan Olsen, WSDOT  
Ricardo Gotla, WSDOT



**Washington State  
Department of Transportation**

**Public Transportation Division**  
310 Maple Park Avenue S.E.  
P.O. Box 47387  
Olympia, WA 98504-7387

**WSDOT Contact:** Wren Barulich  
360-705-6926  
[wren.barulich@wsdot.wa.gov](mailto:wren.barulich@wsdot.wa.gov)

Commute Trip Reduction (CTR)			
<b>Agreement Number</b>	PTD1215	<b>Grantee:</b>	<b>City of Mercer Island</b>
<b>Term of Project</b>	July 1, 2025 through June 30, 2027		<b>9611 SE 36th St Mercer Island, WA 98040-3732</b>
<b>Vendor #</b>	916017561 L	<b>Contact:</b>	Amelia Tjaden <a href="mailto:amelia.tjaden@mercerisland.gov">amelia.tjaden@mercerisland.gov</a>

**THIS AGREEMENT**, entered into by the Washington State Department of Transportation, hereinafter "WSDOT," and the Grantee identified above, hereinafter the "GRANTEE," individually the "PARTY" and collectively the "PARTIES."

WHEREAS, the State of Washington in its Sessions Laws of 2025, ESSB 5161, Sections 221 and 308, authorizes funding for Public Transportation Programs and other special proviso funding as identified in the budget through its 2025-2027 biennial appropriations to WSDOT; and

**NOW THEREFORE**, in consideration of the terms, conditions, covenants, and performances contained herein, or attached and incorporated and made a part hereof, IT IS MUTUALLY AGREED AS FOLLOWS:

### SCOPE OF WORK AND BUDGET

The GRANTEE agrees to provide Transportation Demand Management (TDM) services, primarily used to support local Commute Trip Reduction (CTR) programs associated with the Statewide Commute Trip Reduction Program, including: 1) Development and submission of an Administrative Work Plan by the end of the first quarter of this AGREEMENT that must be approved by WSDOT in writing; and 2) Implementation of the strategies and production of the deliverables outlined in the WSDOT-approved Administrative Work Plan in order to implement a CTR program. The Administrative Work Plan shall be incorporated as an amendment to this AGREEMENT.

Funds	Current Funds
Commute Trip Reduction (MMA)	\$ 31,300
<b>Total Project Cost</b>	<b>\$ 31,300</b>

**Budget:** Current Funds reflect total funding appropriated by the Washington State Legislature for the Project in the 2025-2027 biennium.

## **Section 2**

### **Purpose of Agreement**

The purpose of this AGREEMENT is for WSDOT to provide funds to the GRANTEE for public transportation services that meet the needs of persons in the State of Washington.

## **Section 3**

### **Scope of Project**

The GRANTEE agrees to perform all designated tasks of the Project under this AGREEMENT as described in “Scope of Work and Budget”.

## **Section 4**

### **Term of Agreement**

The GRANTEE shall commence, perform, and complete the work identified under this AGREEMENT within the time defined in the caption space header titled “Term of Agreement” on this AGREEMENT regardless of the date of signature and execution of this AGREEMENT unless terminated as provided herein.

## **Section 5**

### **General Compliance Assurance**

- A. The GRANTEE agrees to comply with all instructions as prescribed in WSDOT’s Public Transportation Grant Guidebook, Chapter 8: Commute Trip Reduction program, hereinafter referred to as the “Guidebook”, and any amendments thereto, found at <https://wsdot.wa.gov/business-wsdot/grants/public-transportation-grants/manage-your-public-transportation-grant>, which by this reference is fully incorporated herein.
- B. The GRANTEE agrees that WSDOT, and/or any authorized WSDOT representative, shall have not only the right to monitor the compliance of the GRANTEE with respect to the provisions of this AGREEMENT but also have the right to seek judicial enforcement with regard to any matter arising under this AGREEMENT.

## **Section 6**

### **Administrative Work Plan**

The GRANTEE agrees to submit to WSDOT an administrative work plan by the end of the first quarter of this agreement or when the GRANTEE submits its first invoice, whichever is sooner. The administrative work plan will include the following elements:

- A. The work plan shall identify the activities and deliverables associated with this AGREEMENT and other strategies as defined in the approved and locally adopted CTR plans. These plans may include, but are not limited to, recruiting new employer worksites, reviewing employer programs and providing site-specific suggestions for improved CTR performance, administering surveys, CTR Work Plan reviewing program exemption requests, providing employer training, providing incentives, performing promotion and marketing, and providing emergency ride home and other commuter services.
- B. The administrative work plan may be revised based on a mutual written agreement between the WSDOT Project Manager and the GRANTEE.

## **Section 7**

### **CTR Plan**

The GRANTEE shall prepare and submit a local CTR plan for each jurisdiction supported by project funds. The plan will meet the standards defined in the “Guidance Document.”



## **Section 8 Survey Coordination**

The GRANTEE agrees to coordinate with WSDOT and its contracting partners for Commute Trip Reduction employer surveys.

## **Section 9 Database Updates**

The GRANTEE agrees to provide WSDOT and the GRANTEE's contracting partners with updated lists of affected or participating worksites, employee transportation coordinators, and jurisdiction contacts, as requested. These updates will be submitted in a format specified by WSDOT.

## **Section 10 Use of State Funds for Incentives**

The GRANTEE agrees to use State funds provided as part of this AGREEMENT in accordance with incentives guidance that WSDOT shall provide to the GRANTEE.

## **Section 11 Coordination with Regional Transportation Planning Organizations (RTPO)**

The GRANTEE shall coordinate the development and implementation of its CTR plan and programs with the applicable regional transportation planning organization (RTPO). The GRANTEE agrees to notify the RTPO of any substantial changes to its plans and programs that could impact the success of the regional CTR plan. The GRANTEE agrees to provide information about the progress of its CTR plan and programs to the RTPO upon request.

## **Section 12 Project Records**

The GRANTEE agrees to establish and maintain accounts for the Project in order to sufficiently and properly reflect all eligible direct and related indirect Project costs incurred in the performance of this AGREEMENT. Such accounts are referred to herein collectively as the "Project Account." All costs claimed against the Project Account must be supported by properly executed payrolls, time records, invoices, contracts, and payment vouchers evidencing in sufficient detail the nature and propriety of the costs claimed.

## **Section 13 Funding Distribution**

The GRANTEE may distribute funds to local jurisdictions to include counties, cities, transit agencies, Transportation Management Associations, Metropolitan Planning Organizations, or other eligible organizations authorized to enter into agreements for the purposes of implementing CTR, plans as applicable, and as authorized by RCW 70A.15.4080, and by ordinances adopted pursuant to RCW 70A.15.4020(5).

## **Section 14 Reports**

The GRANTEE shall prepare and submit quarterly, and annual program reports pursuant to this agreement and as prescribed in WSDOT's Guidebook. Due to Legislative and WSDOT reporting requirements, any required quarterly progress reports shall be submitted for the duration of the AGREEMENT period regardless of whether the underlying funding sources have been exhausted. Post-grant annual performance reporting may also be required as prescribed in the aforementioned guidebook.

## Section 15 Implementation Plans

The GRANTEE shall incorporate appropriate sections of the “Scope of Work and Budget” and description of allowable incentives in accordance with the incentives guidance provided to the GRANTEE by WSDOT as set forth in Section 10 of this AGREEMENT, as well as the WSDOT-approved Administrative Work Plan, in all agreements with an eligible contracting partner(s), as necessary, to coordinate the development, implementation, and administration of such CTR plans, and in compliance with applicable ordinances.

## Section 16 Assignments and Subcontracts

- A. The GRANTEE shall submit to WSDOT a copy of any contract, amendment, or change order thereto pertaining to this Project for review and documentation. This includes any completed Project facilities and/or infrastructure under this AGREEMENT, or other actions obligating the GRANTEE in any manner with any third party with respect to its rights and responsibilities under this AGREEMENT, including any leasing and/or lending the Project or any part thereof to be used by anyone, not under the GRANTEE’s direct supervision.
- B. The GRANTEE agrees to include all applicable sections of the AGREEMENT such as **Sections 5, 10, 11, and Sections 15 through 27**, of this AGREEMENT in each subcontract and in all contracts, it enters into for the employment of any individual, procurement of any materials, or the performance of any work to be accomplished under this AGREEMENT.

## Section 17 Reimbursement and Payment

- A. Payment will be made by WSDOT on a reimbursable basis for actual costs and expenditures incurred while performing eligible direct and related indirect Project work during the life of the Project. Payment is subject to the submission to and approval by WSDOT of properly prepared invoices that substantiate the costs and expenses submitted by the GRANTEE for reimbursement. Failure to send in progress reports and financial information as required in **Section 14 – “Reports”** may delay payment. The GRANTEE shall submit an invoice detailing and supporting the costs incurred. Such invoices may be submitted no more than once per month and no less than once per year, during the course of this AGREEMENT. If approved by WSDOT, properly prepared invoices shall be paid by WSDOT within thirty (30) days of receipt of the invoice.
- B. **State Fiscal Year End Closure Requirement (RCW 43.88)**: The GRANTEE shall submit an invoice for completed work in the same state fiscal period in which the work was performed. As defined in RCW 43.88, the state fiscal period starts on July 1 and ends on June 30 of the following year. Reimbursement requests must be received by July 15 of each state fiscal period. If the GRANTEE is unable to provide an invoice by this date, the GRANTEE shall provide an estimate of the expenses to be billed so WSDOT may accrue the expenditures in the proper fiscal period. Any subsequent reimbursement request submitted will be limited to the amount accrued as set forth in this section. Any payment request received after the timeframe prescribed above will not be eligible for reimbursement.

## **Section 18 Energy Credit**

To the extent GRANTEE receives any monies from the sale or disposition of energy credits, decarbonization credits, environmental credits, or any other monies through its participation of a like program, GRANTEE agrees to reinvest those monies into services and projects consistent with the STATE'S public transportation grant program. GRANTEE'S obligation to reinvest these monies under this provision shall be in an amount no less than the proportion of the STATE'S funding of this AGREEMENT.

## **Section 19 Civil rights**

The GRANTEE shall not discriminate on the basis of race, color, national origin, or sex in the award and performance of any WSDOT-assisted contract or in the administration of its public transportation services.

## **Section 20 Compliance with Laws and Regulations**

- A. The GRANTEE agrees to abide by all applicable state and federal laws and regulations including but not limited to, those concerning employment, equal opportunity employment, nondiscrimination assurances, project record keeping necessary to evidence compliance with such federal and state laws and regulations, and retention of all such records. The GRANTEE will adhere to all applicable nondiscrimination provisions in chapter 49.60 RCW.
- B. Additionally, the GRANTEE agrees to comply, as applicable, with the following:
  - 1. SB 5974 Move Ahead Washington
  - 2. RCW 70A.02 Healthy Environmental for All (HEAL) ACT,
  - 3. RCW 70A. 65.260 Climate Commitment ACT, and
  - 4. Chapter 49.46 RCW – Minimum Wage Requirements & Labor Standards
  - 5. RCW 43.21C State Environmental Policy Act (SEPA)
  - 6. Executive Order 21-02 Archeological and Cultural Resources
- C. Except when a federal statute or regulation preempts state or local law, no provision of the AGREEMENT shall require the GRANTEE to observe or enforce compliance with any provision, perform any other act, or do any other thing in contravention of state or local law. If any provision or compliance with any provision of this AGREEMENT violates state or local law or would require the GRANTEE to violate state or local law, the GRANTEE agrees to notify WSDOT immediately in writing. Should this occur, WSDOT and the GRANTEE agree to make appropriate arrangements to proceed with or, if necessary, expeditiously, terminate the AGREEMENT.

## **Section 21 Ethics**

- A. Relationships with Employees and Officers of WSDOT. The GRANTEE shall not extend any loan, gratuity, or gift of money in any form whatsoever to any employee or officer of WSDOT, nor shall GRANTEE knowingly rent or purchase any equipment and materials from any employee or officer of WSDOT.
- B. Employment of Former WSDOT Employees. The GRANTEE hereby warrants that it shall not engage on a full-time, part-time, or other basis during the period of this AGREEMENT, any professional or technical personnel who are, or have been, at any time during the period of this AGREEMENT, in the employ of WSDOT without written consent of WSDOT.

## **Section 22 Anti-Lobbying**

- A. It is WSDOT's policy that no funds awarded through the agency to grantees can be used for lobbying activities.
- B. GRANTEEES who receive an award through WSDOT shall certify on an annual basis that the awarded funds are not used for lobbying activities. This certification may be provided as part of the Certification & Assurances annual submittal.

## **Section 23 Accounting Records**

The GRANTEE agrees to establish and maintain accounts for the Project in order to sufficiently and properly reflect all eligible direct and related indirect Project costs incurred in the performance of this AGREEMENT. Such accounts are referred to herein collectively as the "Project Account." All costs claimed against the Project Account must be supported by properly executed payrolls, time records, invoices, contracts, and payment vouchers evidencing in sufficient detail the nature and propriety of the costs claimed.

## **Section 24 Audits, Inspections, and Records Retention**

WSDOT, the State Auditor, and any of their representatives shall have full access to and the right to examine, during normal business hours and as often as they deem necessary, all of the GRANTEE's records with respect to all matters covered by this AGREEMENT. Such representatives shall be permitted to audit, examine and make excerpts or transcripts from such records, and to make audits of all contracts, invoices, materials, payrolls, and other matters covered by this AGREEMENT. In order to facilitate any audits and inspections, the GRANTEE shall retain all documents, papers, accounting records, and other materials pertaining to this AGREEMENT for six (6) years from the date of completion of the Project or the Project's final payment date. However, in case of audit or litigation extending past that six (6) year's period, then the GRANTEE must retain all records until the audit or litigation is completed. The GRANTEE shall be responsible to assure that the GRANTEE and any subcontractors of the GRANTEE comply with the provisions of this section and provide WSDOT, the State Auditor, and any of their representatives, access to such records within the scope of this AGREEMENT.

## **Section 25 Recapture Provision**

In the event that the GRANTEE fails to expend State Funds in accordance with state law and/or the provisions of this AGREEMENT, WSDOT reserves the right to recapture State Funds in an amount equivalent to the extent of noncompliance. The GRANTEE agrees to repay such State Funds under this recapture provision within thirty (30) days of demand.

## **Section 26 No obligation by the state government**

No contract between the GRANTEE and its subcontractors shall create any obligation or liability for WSDOT with regard to this AGREEMENT without WSDOT's specific written consent, notwithstanding its concurrence in, or approval of, the award of any contract or subcontract or the solicitations thereof.

## **Section 27 Personal Liability of Public Officers**

No officer or employee of WSDOT shall be personally liable for any acts or failure to act in connection with this AGREEMENT, it being understood that in such matters they are acting solely as agents of WSDOT.

## **Section 28**

### **Agreement Modifications**

- A. Either PARTY may request changes to this AGREEMENT, including changes in the Scope of Work and Budget. Such changes that are mutually agreed upon shall be incorporated as written amendments to this AGREEMENT. No variation or alteration of the terms of this AGREEMENT shall be valid unless made in writing and signed by authorized representatives of the PARTIES. However, changes to the Project title, the contact person of either PARTY, biennial adjustments with no impact to the overall project cost, or adding the Administrative Work Plan, will not require a written amendment, but will be approved and documented by WSDOT through an administrative revision or documentation in the Grants Management System. WSDOT shall notify the GRANTEE of any such approved revision in writing.
- B. If there is an increase or decrease in funding under this AGREEMENT, the GRANTEE and WSDOT agree to enter into a written amendment to this AGREEMENT, providing for an appropriate change in the Scope of Work and Budget and/or the Total Project Cost in order to reflect any such increase in funding.

## **Section 29**

### **Changed Conditions Affecting Performance**

The GRANTEE hereby agrees to immediately notify WSDOT of any change in conditions or law, or of any other event which may affect its ability to perform the Project in accordance with the provisions of this AGREEMENT.

## **Section 30**

### **Remedies for Misuse or Noncompliance.**

If WSDOT determines that the Project has been used in a manner materially different from Section 1, WSDOT may direct the GRANTEE to repay WSDOT the State-funded share of the Project. WSDOT may also withhold payments should it determine that the GRANTEE has failed to materially comply with any provision of this AGREEMENT.

## **Section 31**

### **Disputes**

- A. Disputes. Disputes, arising in the performance of this AGREEMENT, which is not resolved by agreement of the PARTIES, shall be decided in writing by the WSDOT Public Transportation Division's Assistant Director or Designee. This decision shall be final and conclusive unless within ten (10) days from the date of GRANTEE'S receipt of WSDOT's written decision, the GRANTEE mails or otherwise furnishes a written appeal to the Director of the Public Transportation Division or the Director's designee. The GRANTEE's appeal shall be decided in writing by the Director of the Public Transportation Division within thirty (30) days of receipt of the appeal by the Director of the Public Transportation Division or the Director's designee. The decision shall be binding upon the GRANTEE, and the GRANTEE shall abide by the decision.
- B. Performance During Dispute. Unless otherwise directed by WSDOT, GRANTEE shall continue performance under this AGREEMENT while matters in dispute are being resolved.

## **Section 32**

### **Termination**

- A. **Termination for Convenience.** WSDOT and/or the GRANTEE may suspend or terminate this AGREEMENT, in whole or in part, and all or any part of the financial assistance provided herein, at any time by written notice to the other PARTY. WSDOT and the GRANTEE shall agree upon the AGREEMENT termination provisions including but not

limited to the settlement terms, conditions, and in the case of partial termination the portion to be terminated. Written notification must set forth the reasons for such termination, the effective date, and in case of a partial termination the portion to be terminated. However, if, in the case of partial termination, WSDOT determines that the remaining portion of the award will not accomplish the purposes for which the award was made, WSDOT may terminate the award in its entirety. The PARTIES may terminate this AGREEMENT for convenience for reasons including, but not limited to, the following:

1. The requisite funding becomes unavailable through failure of appropriation or otherwise;
2. WSDOT determines, in its sole discretion, that the continuation of the Project would not produce beneficial results commensurate with the further expenditure of funds;
3. The GRANTEE is prevented from proceeding with the Project as a direct result of an Executive Order of the President with respect to the prosecution of a war or in the interest of national defense; or an Executive Order of the President or Governor of the state with respect to the preservation of energy resources;
4. The GRANTEE is prevented from proceeding with the Project by reason of a temporary preliminary, special, or permanent restraining order or injunction of a court of competent jurisdiction where the issuance of such order or injunction is primarily caused by the acts or omissions of persons or agencies other than the GRANTEE; or
5. The state Government determines that the purposes of the statute authorizing the Project would not be adequately served by the continuation of financial assistance for the Project.
6. In the case of termination for convenience under subsections A.1-5 above, WSDOT shall reimburse the GRANTEE for all costs payable under this AGREEMENT that the GRANTEE properly incurred prior to termination. The GRANTEE shall promptly submit its claim for reimbursement to WSDOT. If the GRANTEE has any property in its possession belonging to WSDOT, the GRANTEE will account for the same and dispose of it in the manner WSDOT directs.

**B. Termination for Default.** WSDOT may suspend or terminate this AGREEMENT for default, in whole or in part, and all or any part of the financial assistance provided herein, at any time by written notice to the GRANTEE, if the GRANTEE materially breaches or fails to perform any of the requirements of this AGREEMENT, including:

1. Takes any action pertaining to this AGREEMENT without the approval of WSDOT, which under the procedures of this AGREEMENT would have required the approval of WSDOT;
2. Jeopardizes its ability to perform pursuant to this AGREEMENT, United States of America laws, Washington state laws, or local governmental laws under which the GRANTEE operates;
3. Fails to make reasonable progress on the Project or other violation of this AGREEMENT that endangers substantial performance of the Project; or
4. Fails to perform in the manner called for in this AGREEMENT or fails, to comply with, or is in violation of, any provision of this AGREEMENT.
5. WSDOT shall serve a notice of termination on the GRANTEE, setting forth the manner in which the GRANTEE is in default. If it is later determined by WSDOT that the GRANTEE had an excusable reason for not performing, such as events which are not the fault of or are beyond the control of the GRANTEE, such as a strike, fire or flood, WSDOT may: (a) allow the GRANTEE to continue work after setting up a new delivery of performance schedule, or (b) treat the termination as a termination for convenience.

- C. WSDOT, in its sole discretion, may, in the case of a termination for breach or default, allow the GRANTEE ten (10) business days, or such longer period as determined by WSDOT, in which to cure the defect. In such cases, the notice of termination will state the time period in which cure is permitted and other appropriate conditions. If the GRANTEE fails to remedy to WSDOT's satisfaction the breach or default within the timeframe and under the conditions set forth in the notice of termination, WSDOT shall have the right to terminate this AGREEMENT without any further obligation to GRANTEE. Any such termination for default shall not in any way operate to preclude WSDOT from also pursuing all available remedies against GRANTEE and its sureties for said breach or default.
- D. In the event that WSDOT elects to waive its remedies for any breach by GRANTEE of any covenant, term or condition of this AGREEMENT, such waiver by WSDOT shall not limit WSDOT's remedies for any succeeding breach of that or of any other term, covenant, or condition of this AGREEMENT.
- E. Any termination of the AGREEMENT, whether for convenience or for default, that requires the AGREEMENT to be terminated or discontinued before the specified end date set forth in the caption header, "Term of Project", shall require WSDOT to amend the AGREEMENT by written amendment to reflect the termination date and reason for termination.

### **Section 33**

#### **Forbearance by WSDOT Not a Waiver**

Any forbearance by WSDOT in exercising any right or remedy under this agreement, or otherwise afforded by law, shall not be a waiver of or preclude the exercise of any such right or remedy.

### **Section 34**

#### **Waiver**

In no event shall any WSDOT payment of grant funds to the GRANTEE constitute or be construed as a waiver by WSDOT of any GRANTEE breach, or default, and shall in no way impair or prejudice any right or remedy available to WSDOT with respect to any breach or default. In no event shall acceptance of any WSDOT payment of grant funds by the GRANTEE constitute or be construed as a waiver by GRANTEE of any WSDOT breach, or default which shall in no way impair or prejudice any right or remedy available to GRANTEE with respect to any breach or default.

### **Section 35**

#### **WSDOT Advice**

The GRANTEE bears complete responsibility for the administration and success of the work as it is defined in this AGREEMENT and any amendments thereto. Although the GRANTEE may seek the advice of WSDOT, the offering of WSDOT advice shall not modify the GRANTEE's rights and obligations under this AGREEMENT and WSDOT shall not be held liable for any advice offered to the GRANTEE.

### **Section 36**

#### **Limitation of Liability and Indemnification**

- A. The GRANTEE shall indemnify and hold harmless WSDOT, its agents, employees, and officers and process and defend at its own expense any and all claims, demands, suits at law or equity, actions, penalties, losses, damages, or costs (hereinafter referred to collectively as "claims"), of whatsoever kind or nature brought against WSDOT, arising out of, in connection with or incident to this AGREEMENT and/or the GRANTEE's performance or failure to perform any aspect of this AGREEMENT. This indemnity provision applies to all claims against WSDOT, its agents, employees, and officers arising out of, in connection with, or incident to the acts or omissions of the GRANTEE, its agents, employees, and officers. Provided, however, that nothing herein shall require the

GRANTEE to indemnify and hold harmless or defend the WSDOT, its agents, employees, or officers to the extent that claims are caused by the acts or omissions of the WSDOT, its agents, employees, or officers. The indemnification and hold harmless provision shall survive termination of this AGREEMENT.

- B. The GRANTEE shall be deemed an independent GRANTEE for all purposes, and the employees of the GRANTEE or its subcontractors and the employees thereof, shall not in any manner be deemed to be the employees of WSDOT.
- C. The GRANTEE specifically assumes potential liability for actions brought by the GRANTEE's employees and/or subcontractors and solely for the purposes of this indemnification and defense, the GRANTEE specifically waives any immunity under the state Industrial Insurance Law, Title 51 Revised Code of Washington.
- D. In the event either the GRANTEE or WSDOT incurs attorney fees, costs, or other legal expenses to enforce the provisions of this section of this AGREEMENT against the other PARTY, all such fees, costs, and expenses shall be recoverable by the prevailing PARTY.

### **Section 37**

#### **Governing Law, Venue, and Process**

This AGREEMENT shall be construed and enforced in accordance with, and the validity and performance thereof shall be governed by the laws of the state of Washington. In the event that either PARTY deems it necessary to institute legal action or proceedings to enforce any right or obligation under this AGREEMENT, the PARTIES hereto agree that any such action shall be initiated in the state of Washington Thurston County Superior Court situated in Thurston County.

### **Section 38**

#### **Order of Precedence**

Any conflict or inconsistency in this AGREEMENT and its attachments will be resolved by giving documents precedence in the following order:

1. State law
2. This AGREEMENT
3. CTR Guidebook

### **Section 39**

#### **Severability**

If any covenant or provision of this AGREEMENT shall be adjudged void, such adjudication shall not affect the validity or obligation of performance of any other covenant or provision, or part thereof, that in itself is valid if such remainder conforms to the terms and requirements of applicable law and the intent of this AGREEMENT. No controversy concerning any covenant or provision shall delay the performance of any other covenant or provision except as herein allowed.

### **Section 40**

#### **Counterparts**

This AGREEMENT may be executed in several counterparts, each of which shall be deemed to be an original having identical legal effect. The GRANTEE does hereby ratify and adopt all statements, representations, warranties, covenants, and agreements and their supporting materials contained and/or mentioned in such executed counterpart and does hereby accept State Funds and agrees to all of the terms and conditions thereof.

### **Section 41**

#### **Execution**

This AGREEMENT is executed by the Director of the Public Transportation Division, Washington State Department of Transportation, or the Director's designee, not as an individual incurring



personal obligation and liability, but solely by, for, and on behalf of the Washington State Department of Transportation, in his/her capacity as Director of the Public Transportation Division.

**Section 42**  
**Binding Agreement**

The undersigned acknowledges that they are authorized to execute the AGREEMENT and bind their respective agency(ies) and/or entity(ies) to the obligations set forth herein.

IN WITNESS WHEREOF, the PARTIES hereto have executed this AGREEMENT the day and year last signed below.

WASHINGTON STATE  
DEPARTMENT OF  
TRANSPORTATION

GRANTEE

\_\_\_\_\_  
Authorized Representative  
Public Transportation Division

\_\_\_\_\_  
Authorized Representative

\_\_\_\_\_  
Title

\_\_\_\_\_  
Print Name

\_\_\_\_\_  
Date

\_\_\_\_\_  
Date



## BUSINESS OF THE CITY COUNCIL CITY OF MERCER ISLAND

**AB 6780**  
**September 16, 2025**  
**Consent Agenda**

### AGENDA BILL INFORMATION

<b>TITLE:</b>	AB 6780: Letter Regarding Renton Airport Night Flights	<input type="checkbox"/> Discussion Only
<b>RECOMMENDED ACTION:</b>	Authorize the Mayor to sign letters to the Renton Municipal Airport and Renton ATC Facility about night flights.	<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>	Salim Nice, Mayor Andrea Larson, City Clerk
<b>COUNCIL LIAISON:</b>	Lisa Anderl
<b>EXHIBITS:</b>	1. Letter to Renton Municipal Airport 2. Letter to Renton ATC Facility
<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

### EXECUTIVE SUMMARY

The purpose of this agenda bill is to authorize the Mayor to sign letters to the Renton Municipal Airport (Exhibit 2) and the Renton ATC Facility (Exhibit 2) regarding significant increases in low-altitude, noisy jet and turboprop overflights occurring at night.

### BACKGROUND

#### Renton Airport Advisory Committee

The Renton Airport Advisory Committee (RAAC) serves in an advisory capacity to the City of Renton Mayor and City Council on matters referred to the Committee by the Renton City Council. The primary function of this RAAC is to provide a forum for members of the community to discuss their concerns directly with airport operators and for collaborative problem solving and resolution of their issues. The City of Mercer Island has one position on the RAAC filled by a City Councilmember who attends the Committee meetings and also advocates for Mercer Island-related issues.

Councilmember Lisa Andrel is the appointed member to the RAAC, but due to the RAAC meeting schedule conflicting with the Mercer Island City Council meeting schedule, Mercer Island resident Captain Tom Imrich serves as the City of Mercer Island's designated proxy in Councilmember's Andrel absence.

**ISSUE/DISCUSSION**

A current issue impacting Mercer Island residents is turbine aircraft operating at night. Mr. Imrich, with Councilmember Andrel's concurrence, has drafted letters to encourage the Renton Municipal Airport and Renton ATC Facility work together to address nighttime flights by:

- Designating the east channel path as the preferred nighttime visual route when weather permits.
- Identifying the RNAV (GPS) Z Rwy 16 as the preferential instrument approach during nighttime conditions requiring IFR procedures.
- Limiting the use of the RNAV (GPS) Y Rwy 16 procedure to a secondary role, primarily as backup, and generally not assign it to turbine aircraft.

**RECOMMENDED ACTION**

Authorize the Mayor to sign letters to the Renton Municipal Airport and the Renton ATC Facility regarding significant increases in low-altitude, noisy jet, and turboprop overflights occurring at night.



**September 17, 2025**

Mr. Manny Cruz  
Director  
Renton Municipal Airport  
616 W Perimeter Rd, Unit A  
Renton, WA 98057

**Dear Mr. Cruz,**

The Mercer Island City Council wishes to formally convey our growing concerns regarding significant increases in low-altitude, noisy jet and turboprop overflights occurring at night.

Whenever possible, turbine aircraft operating at night in good weather should utilize the east channel for takeoffs and landings. If weather conditions prevent visual operations over the channel, the most appropriate instrument procedures should be designated, those that provide both the greatest noise relief and the highest level of safety.

This matter involves both safety and community impacts. For example, the RNAV (GPS) Y Rwy 16 approach permits descents as low as 780 feet MSL after AMILL waypoint, while Mercer Island terrain and tree heights can approach or exceed 400 feet MSL. By contrast, the RNAV (GPS) Z Rwy 16 procedure maintains higher altitudes, 2,000 feet MSL to WIBAT, before descending along a defined vertical navigation path. This offers a safer and less noisy alternative.

For these reasons, we support the RAAC recommendation that Renton Airport Management and the Renton ATC Tower work together to:

- Designate the east channel path as the preferred nighttime visual route when weather permits.
- Identify the RNAV (GPS) Z Rwy 16 as the preferential instrument approach during nighttime conditions requiring IFR procedures.
- Limit the use of the RNAV (GPS) Y Rwy 16 procedure to a secondary role, primarily as backup, and generally not assign it to turbine aircraft.

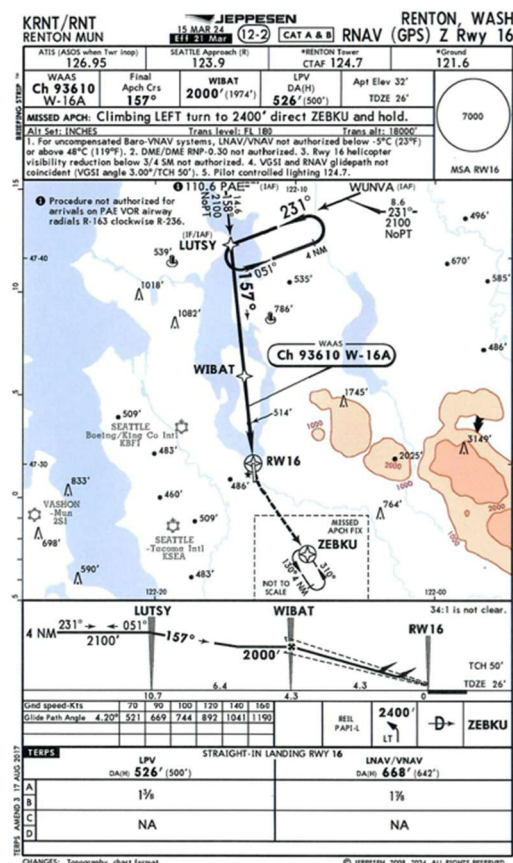
Looking further ahead, it is essential that Renton Airport and the FAA develop and implement RNAV RNP departures and approaches over the east channel for turbine

We appreciate your attention to this matter, which directly affects the safety and quality of life of Mercer Island residents.

Sincerely,

**Mayor Salim Nice**  
City of Mercer Island

## KRNT RNAV (GPS) Rwy 16 Instrument Approach Procedures



**Do not use at night**  
**Do not use for turbine aircraft**

**Preferential for turbine aircraft use  
at night, if unable to fly a visual  
approach over the East Channel**



**September 17, 2025**

Mr. Danny Canjura  
Tower Chief  
Renton ATC Facility  
616 W Perimeter Rd, Unit A  
Renton, WA 98057

**Dear Mr. Canjura,**

The Mercer Island City Council would like to bring forward our community's increasing concerns regarding additional nighttime turbine aircraft operations, particularly low-altitude, noisy jet and turboprop overflights.

We respectfully request that Renton Tower prioritize routing turbine aircraft over the east channel during nighttime operations when weather conditions permit visual flight. In circumstances requiring instrument approaches, we encourage designating the safest and least intrusive procedures.

Our concern stems from the fact that the RNAV (GPS) Y Rwy 16 allows aircraft to descend to 780 feet MSL after AMILL waypoint, uncomfortably close to Mercer Island's elevations and tree canopy. By contrast, the RNAV (GPS) Z Rwy 16 procedure maintains higher minimums until WIBAT and follows a defined VNAV path, thereby improving both noise abatement and flight safety.

Accordingly, we support the RAAC recommendation that:

- The east channel visual path be designated as the preferred nighttime route in good weather.
- The RNAV (GPS) Z Rwy 16 procedure be identified as the primary instrument approach at night.
- The RNAV (GPS) Y Rwy 16 procedure be retained only as a limited-use backup, and not normally assigned to turbine aircraft.

In the longer term, we encourage coordination between Renton Airport, FAA, and Renton Tower to restore and expand RNAV RNP departure and approach procedures over the east channel. Boeing's prior use of the "Renton North" RNP departure for decades provides a

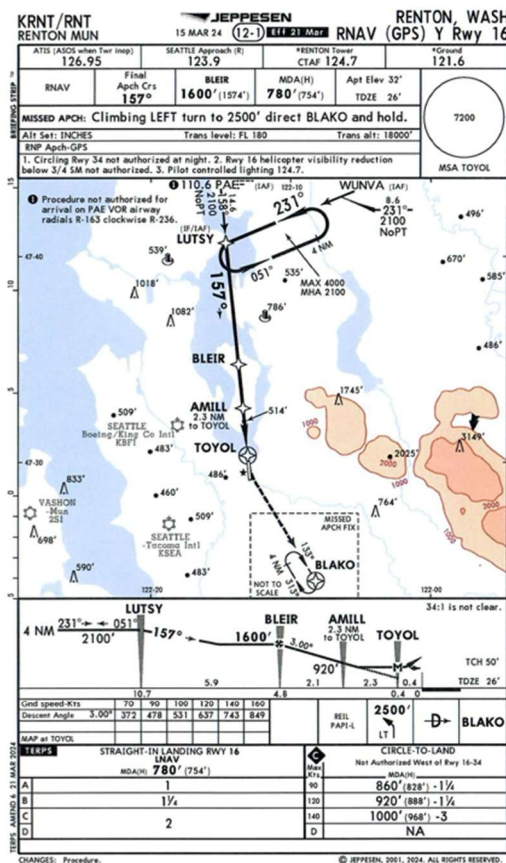
strong precedent for such procedures being both operationally feasible and beneficial for surrounding communities.

We appreciate your consideration of this matter and your role in ensuring safe, efficient, and community-sensitive operations at Renton.

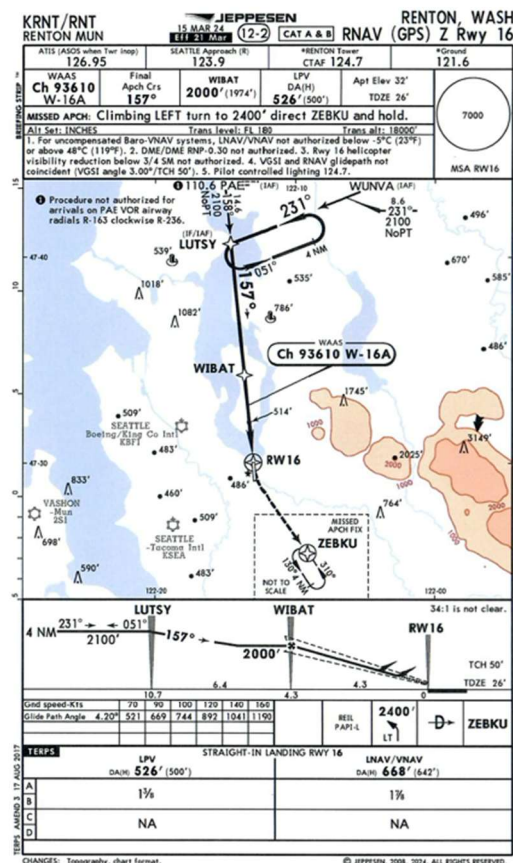
Sincerely,

**Mayor Salim Nice**  
City of Mercer Island

### KRNT RNAV (GPS) Rwy 16 Instrument Approach Procedures



**Do not use at night**  
**Do not use for turbine aircraft**



**Preferential for turbine aircraft use**  
**at night, if unable to fly a visual**  
**approach over the East Channel**



## BUSINESS OF THE CITY COUNCIL CITY OF MERCER ISLAND

**AB 6776**  
**September 16, 2025**  
**Regular Business**

### AGENDA BILL INFORMATION

<b>TITLE:</b>	AB 6776: Financial Status Update for the Second Quarter 2025 and Budget Amending Ordinance	<input type="checkbox"/> Discussion Only <input checked="" type="checkbox"/> Action Needed: <input checked="" type="checkbox"/> Motion <input checked="" type="checkbox"/> Ordinance <input type="checkbox"/> Resolution
<b>RECOMMENDED ACTION:</b>	Receive the FY 2025 Second Quarter Financial Status Update and adopt Ordinance No. 25-25, amending the 2025-2026 Biennial Budget.	

<b>DEPARTMENT:</b>	Finance
<b>STAFF:</b>	Matt Mornick, Finance Director LaJuan Tuttle, Deputy Finance Director Ben Schumacher, Financial Analyst
<b>COUNCIL LIAISON:</b>	n/a
<b>EXHIBITS:</b>	1. Financial Status Update – Second Quarter FY 2025 2. Ordinance No. 25-25 – 2025-2026 Budget Amendments
<b>CITY COUNCIL PRIORITY:</b>	4. Focus efforts and actions to be an environmentally and fiscally sustainable, connected, and diverse community.

### EXECUTIVE SUMMARY

The purpose of this agenda bill is to provide the City Council with a financial status update for the second quarter of fiscal year (FY) 2025.

- All funds are performing as expected through the first half of the fiscal year. Analysis across all funds is provided in the FY 2025 Second Quarter Financial Status Update (Exhibit 1).
- Budget amending Ordinance No. 25-25 (Exhibit 2) outlines changes to the 2025-2026 biennial budget since May 20, 2025.

As a reminder, FY 2025 is the second year in which the City will use the cash basis accounting method for financial reporting, as defined by the Washington State Auditor's Office (SAO). The change does not affect total revenues, only year-over-year comparisons in the financial status update when comparing to the 2024 transition year.



## ISSUE/DISCUSSION

### Impact of Transition to Cash Basis Reporting

Beginning January 1, 2024, the City implemented changes in accounting procedures to align with cash basis reporting as defined by the SAO. In 2024, certain revenues that were previously reported on an accrual basis with each quarterly Financial Status Update have switched to a true cash basis. Staff expects the transition to cash basis reporting to have impacts only related to comparison of totals throughout the 2024 transition year.

Most notable revenues impacted involve the timing of receipt for State shared revenues (sales tax, fuel taxes), Real Estate Excise Taxes, and limited external utility taxes. Distributions of these taxes received in January 2024 were accounted for as revenue that was earned and reported in December 2023. These receipts are not being reported again in any 2024 Financial Status Update, which impacts year-to-year comparisons, but not actual revenues received.

### Financial Status Update Q2 2025

The Financial Status Update (Exhibit 1) includes detailed analysis on the City's revenue and expenditure actuals from January 1 through June 30, 2025. The budget reflected in the update includes budget amendments adopted by ordinance through May 20, 2025 (see [Ordinance No. 25-10](#)).

General Fund revenues ended the quarter at \$19.7 million, which are within budget expectations. General sales tax revenues are consistent with FY 2024 numbers when comparing month-to-month returns due to higher-than-expected production across most business sectors, especially revenues related to the construction sector. Sales tax increases are tied to the lingering effects of inflation and the strength of the regional economy through June of this year.

Interest earnings in the first half of 2025 amount to \$942 thousand, marginally exceeding budget expectations. The Local Government Investment Pool (LGIP) saw consistent yields throughout the first six months of 2025 ending June at 4.39%, which represents only a 0.21% decrease compared to the beginning of the fiscal year.

Expenditures in the General Fund were \$21.0 million at the end of the second quarter, on par with budget expectations as outlined in Figure 1 on the following page. Expenditures are down nearly \$200 thousand from the prior year. This is a result of staffing costs related to Community Planning & Development (CPD) employees being moved out of the General Fund and into a separate CPD Fund, resulting in lower salary costs being represented in the General Fund.

GENERAL FUND EXPENDITURES (\$ in millions)	FY 2025 AMENDED BUDGET	% of AMENDED BUDGET	FY 2024 QUARTER 2 ACTUALS	FY 2025 QUARTER 2 ACTUALS	YTD as % of AMENDED BUDGET
Salaries & Benefits	\$17.40	44%	\$9.56	\$8.37	48%
Supplies	0.64	2%	0.31	0.28	44%
Contract Services	10.13	26%	1.07	5.81	57%
Other Services & Charges	7.36	19%	7.66	4.37	59%
Interfund Transfers Out	3.62	9%	2.78	2.19	61%
<b>TOTAL EXPENDITURES</b>	<b>\$39.15</b>	<b>100%</b>	<b>\$21.38</b>	<b>\$21.03</b>	<b>54%</b>

Figure 1

The Water, Sewer, and Stormwater Utility Funds are operating within budget expectations. Capital project expenditures in the first half of the year are traditionally low, given much of the capital work occurs in the summer months through the early fall. However, major project work is underway including the Water Reservoir Improvements and AC Main Replacement, among others.

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

## **RECOMMENDED ACTION**

Adopt Ordinance No. 25-25 amending the 2025-2026 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 2025. This report is comprised of the following four sections:

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

Beginning Fund Balance represents net excess resources from a prior year that have been appropriated to fund budgeted expenditures in fiscal year 2025.

Accounting Procedure Change in 2024

As of January 1, 2024, the City updated its accounting procedures to transition from Generally Accepted Accounting Practices (GAAP) full accrual financial reporting to the cash basis method as defined by the Washington State Auditor’s Office (SAO).

The primary impact of this change is the timing of when cash flows are considered revenues or expenditures. Under accrual-based accounting, revenues are recorded in the period earned regardless of when payment is received. An expenditure is recognized when the liability for goods or services is incurred.

Cash basis accounting recognizes revenues when the payment is received. Expenditures are recognized when payment is issued.

As a result, certain revenues previously reported on an accrual basis in quarterly Financial Status Updates have switched to a true cash basis, creating one-time impacts in how financial information is reported in 2024 relative to prior years.

In 2025, this change in accounting procedure only affects comparisons to the prior fiscal year. Revenues where this year-over-year comparison is apparent include State shared revenues (e.g., sales tax, fuel taxes), Real Estate Excise Taxes, and limited external utility taxes. Distributions of these revenues received in January 2024 were accounted as revenue earned and reported in December 2023.

These receipts are not being reported again, impacting year-to-year comparisons throughout the 2024-2025 transition years.

SEPTEMBER 16, 2025

FINANCIAL STATUS  
UPDATE

JUNE 30, 2025

2025 General Fund  
Amended Revenue Budget  
\$37.7 million

Amended Revenue Budget  
\$39.6 million

Revenue Actuals  
as of June 30,  
\$19.7 million  
(49.8% of amended budget)

Adopted Expenditure Budget  
\$37.2 million

Amended Expenditure Budget  
\$39.1 million

Expenditure Actuals  
as of June 30,  
\$21.0 million  
(53.7% of amended budget)

Contingency Fund Balance  
\$4.9 million

## GENERAL FUND

### Revenues

Overall, General Fund revenues were on track with budget expectations through the second quarter of the year. The 2025 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 half of the year, January 1 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, 2025

Revenue Category	2025 Adopted Budget	2025 Amended Budget	Prior YTD 6/30/2024	YTD 6/30/2025	YTD Revenue as % of Amended Budget
Property Tax	\$ 13,960,148	\$ 13,960,148	\$ 7,447,460	\$ 7,521,707	53.9%
Sales Tax - General	6,659,111	6,659,111	2,521,879	3,238,859	48.6%
Sales Tax - Criminal Justice	979,734	979,734	370,339	447,907	45.7%
Utility Taxes	4,983,774	4,983,774	2,017,782	2,432,083	48.8%
B&O Taxes	748,495	748,495	609,536	1,011,734	135.2%
Shared Revenues	1,641,950	1,641,950	431,179	688,583	41.9%
Cost Allocation-Overhead	2,411,870	2,411,870	552,083	1,205,935	50.0%
EMS Revenues	2,113,511	2,113,511	790,497	655,191	31.0%
Parks & Recreation	1,412,500	1,412,500	688,719	974,568	69.0%
License, Permit & Zoning	638,541	638,541	172,222	338,733	53.0%
Municipal Court	175,000	175,000	72,622	94,457	54.0%
Miscellaneous Revenue	251,456	251,456	208,614	177,069	70.4%
Interest Earnings	1,402,500	1,402,500	1,188,917	942,266	67.2%
Interfund Transfers	0	0	0	0	N/A
<b>Total Revenues</b>	<b>\$ 37,378,590</b>	<b>\$ 37,378,590</b>	<b>\$ 17,071,848</b>	<b>\$ 19,729,091</b>	<b>52.8%</b>
Appropriated Fund Balance	391,273	2,242,572	0	0	0.0%
<b>Total Resources</b>	<b>\$ 37,769,863</b>	<b>\$ 39,621,162</b>	<b>\$ 17,071,848</b>	<b>\$ 19,729,091</b>	<b>49.8%</b>

**Property Tax** is at 53.9 percent of the budget at the end of June. This revenue is on track with historical expectations.

**General Sales Tax** is 48.6 percent of the adopted budget through the end of June. Fiscal year 2024 totals were impacted by the change to cash basis reporting. This revenue category is within budget expectations in 2025.

Construction has historically been the largest component of sales tax revenue and has outperformed the Retail & Wholesale Trade sector in both 2024 and 2025. Retail & Wholesale trade is down in 2025

compared to the previous year, while construction has increased and maintains its place as the top performing business sector. Sales tax revenues have been strong through the first half of 2025 despite economic uncertainties. The following table compares Sales Tax revenue by business sector from February through June for 2024 and 2025.

2024-2025 General Sales Tax Revenue by Business Sector (\$ in thousands)						
Business Sector	FEB thru JUN 2024	FEB thru JUN 2025	Increase / (Decrease)	% of Total		
				2024	2025	Sector Totals Change
Construction	\$970	\$1,107	\$137	38.5%	41.5%	3.0%
Retail & Wholesale Trade	\$782	\$767	(\$15)	31.0%	28.7%	-2.3%
All Other Sectors	\$221	\$191	(\$30)	8.8%	7.2%	-1.6%
Admin & Support Services	\$204	\$219	\$15	8.1%	8.2%	0.1%
Food Services	\$116	\$143	\$27	4.6%	5.3%	0.7%
Professional, Scientific & Tech	\$86	\$92	\$6	3.4%	3.5%	0.0%
Finance/Insurance/Real Estate	\$79	\$76	(\$3)	3.1%	2.9%	-0.3%
Telecommunications	\$62	\$73	\$11	2.5%	2.7%	0.3%
<b>Total</b>	<b>\$2,520</b>	<b>\$2,668</b>	<b>\$148</b>	<b>100.0%</b>	<b>100.0%</b>	

\*For comparison sake the table excludes January for 2024 and 2025 due to the change in accounting procedures.

**Criminal Justice Sales Tax** is 45.7 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. According to the most recent data from King County's Office of Economic and Financial Analysis, taxable sales are down through the beginning of 2025 by 0.1 percent compared to the prior fiscal year.

**Utility Taxes** are 48.8 percent of budget at the end of June. Fiscal year 2024 totals were impacted by the change to cash basis reporting and the delay in both monthly and quarterly (e.g., cable and garbage) utility tax remittances. However in 2025, this revenue category is performing with historical trends.

**Business & Occupation (B&O) Tax** is 135.2 percent of budget at the end of June. Most of the City's registered businesses file an annual B&O tax return where the deadline for remitting annual taxes is April 15<sup>th</sup> of the following year. This revenue is exceeding budget expectations for the fiscal year due to greater than anticipated economic activity.

**Shared Revenues** are 41.9 percent of the budget through the end of second quarter. This revenue category is impacted by the change to cash basis reporting. State shared revenues received in January 2024 were accrued and reported as revenue in December 2023 and are excluded from FY 2024. In 2025, this revenue category is performing with historical trends.

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 multiple contract cities; and financial support for the School Resource Officer received from the Mercer Island School District. The timing of these revenues is variable with most received in the fourth quarter of the year.

**EMS Revenues** are 31.0 percent of budget at the end of June. Revenues are below budget expectations due to a revenue sharing agreement established with Eastside Fire & Rescue (EF&R) in January 2025. A portion of what used to be received as a direct revenue to the City (revenues from emergency medical transports) is now being directly collected by EF&R.

As a result, this revenue category will appear below budget expectations this biennium. However, EF&R will reimburse the revenue in the first quarter of the following year to offset the annual costs associated with the City's contract with EF&R.

**Parks and Recreation** revenues are 69.0 percent of budget at the end of the second quarter. Revenue sources include Community Center rentals, field rentals, program fees, rent payments from the annex building outside the Mercer Island Community and Event Center (MICEC), and boat launch fees. Recreation program revenues are above prior year totals primarily due to Field Use and Community Center rentals, which are up \$107 thousand and \$56 thousand respectively compared to the prior year.

**License, Permit, and Zoning Fees** are 53.0 percent of budget at the end of June. This revenue category consists of fees related to business licenses and a cable franchise. This revenue is performing within budget expectations.

It should be noted that this revenue category has historically included fees related to development services which is no longer the case. During the 2025-2026 biennial budget process, the City Council directed staff to establish a fund for all Community Planning & Development (CPD) revenue and expenditures. The new Development Services Fund will have analysis in the All Other Funds section of the quarterly status update moving forward.

**Municipal Court** revenues are performing within budget expectations, ending the second quarter at 72.4 percent of budget. Revenues for 2024 in this category were impacted by the transition to cash basis. Total revenues in 2025 increased compared to the prior year partially due the transition to cash basis, but primarily to the volume of case filings climbing back towards historical trends through the first six months of the year.

**Interest Earnings** are budgeted in the General Fund as an estimate of earnings tied to the balance of the City's idle General Fund cash resources and LEOFF 1 long-term care reserve as invested in the State Treasury Local Government Investment Pool (LGIP). Per current budget policy, interest earnings are distributed to the various funds based on their relative cash balances at the end of each quarter.

Revenues are performing above budget expectations, ending in the second quarter at 67.2% percent of budget. However, revenues are lower than the prior year due to lower idle cash reserves and interest rates tracking lower than the same period in the prior year.

All other revenues are within budget 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 2025 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 for the first half of the year, January through the end of June. Additional details of material variances from the amended budget are discussed in the narrative below.

### GENERAL FUND: Expenditures

As of June 30, 2025

General Fund Department	2025 Adopted Budget	2025 Amended Budget	Prior YTD 6/30/2024	YTD 6/30/2025	YTD Expense as % of Amended Budget
Administrative Services*	\$ 1,216,636	\$ 1,367,636	\$ 237,611	\$ 600,660	43.9%
City Attorney's Office	1,078,131	1,078,131	441,336	627,138	58.2%
City Council	60,626	60,626	29,317	24,753	40.8%
City Manager's Office*	756,734	756,734	674,422	413,463	54.6%
Finance	1,502,600	1,502,600	564,704	570,471	38.0%
Fire	8,851,380	8,851,380	4,844,187	5,366,235	60.6%
Human Resources	861,493	861,493	374,314	371,802	43.2%
Information & Geographic Services	203,983	203,983	89,743	95,040	46.6%
Municipal Court	694,875	694,875	197,014	315,718	45.4%
Non-Departmental	2,530,711	2,530,711	1,761,080	1,754,840	69.3%
Parks & Recreation	2,313,817	2,313,817	981,103	972,543	42.0%
Police	9,491,752	9,491,752	4,457,476	4,961,984	52.3%
Public Works	5,799,178	5,859,178	2,294,200	2,788,045	47.6%
<b>Total Expenditures</b>	<b>\$ 35,361,916</b>	<b>\$ 35,572,916</b>	<b>\$ 16,946,507</b>	<b>\$ 18,862,693</b>	<b>53.0%</b>
Interfund Transfers	1,871,823	3,572,122	2,776,252	2,167,484	60.7%
<b>Total Expenditures + Interfund Transfers</b>	<b>\$ 37,233,739</b>	<b>\$ 39,145,038</b>	<b>\$ 19,722,759</b>	<b>\$ 21,030,177</b>	<b>53.7%</b>

\*-With the change of enterprise-wide financial software in 2025, a handful of divisions were reclassified to another department.

In reviewing expenditures by department, the following are noteworthy:

**Fire** department expenditures are 60.6 percent of budget at the end of June. This reflects the second of three payments for the one-time transition costs to represented Fire staff in the first quarter of the fiscal year. All other expenditures are within budget.

**Non-Departmental** expenditures ended June at 69.3 percent of budget. The largest line-item expenditure in this department is the annual payment of liability and property insurance that occurs in full in January. Other expenditures in the category are expected to remain within budget throughout the year.

All other expenditures are within 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 2025 adopted and amended 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 include January 1 through June 30, 2025. Additional detail regarding major variances is discussed in the narrative following the table.

#### UTILITY FUNDS: Revenues

As of June 30, 2025

Revenue Category	2025 Adopted Budget	2025 Amended Budget	Prior YTD 6/30/2024	YTD 6/30/2025	YTD Revenue as % of Amended Budget
<b>Operating Revenues</b>					
Water Utility	\$ 12,596,569	\$ 12,596,569	\$ 4,528,425	\$ 5,103,262	40.5%
Sewer Utility	12,636,827	12,636,827	6,198,490	6,217,357	49.2%
Storm Water Utility	2,999,045	3,049,045	1,330,841	1,610,867	53.7%
<b>Interest Earnings</b>					
Water Utility	712,250	712,250	405,000	766,039	107.6%
Sewer Utility	181,615	181,615	259,416	208,676	114.9%
Storm Water Utility	155,883	155,883	128,820	117,765	75.5%
<b>Proceeds of Debt Issuance</b>					
Water Utility	-	-	-	-	N/A
Sewer Utility	-	-	-	-	N/A
Storm Water Utility	-	-	-	-	N/A
<b>Total Revenues</b>	<b>\$ 29,282,189</b>	<b>\$ 29,332,189</b>	<b>\$ 12,850,993</b>	<b>\$ 14,023,965</b>	<b>47.8%</b>

Water, Sewer, and Storm Water Utility operating revenues are within budget expectations and reflect the seasonality of utility revenues. Adopted rate increases that became effective January 1, 2025, result in dollar increases as compared to fiscal year 2024 revenues over the same period.

Interest earnings for the Water, Sewer, and Storm Water Utility funds have continued to exceed revenue expectations. The Local Government Investment Pool held a relatively high yield throughout the first six months of 2025, ranging from 4.60 percent at the beginning of January to 4.39 percent through the end of June.

Finance and Public Works staff completed the sale of limited tax general obligation (LTGO) bonds to finance and refinance capital improvements to the City's water distribution system on October 24, 2024 ([AB 6538](#)). Jefferies LLC was announced the winning bidder and the City received the full amount of the bond sale award in early November. Total revenues generated from the bond sale are \$26.6 million, have been received, and have begun to be spent down.

The additional \$3.2 million bond revenue received is a result of the Public Works Trust Fund (PWTF) low-interest loan awarded to fund the Booster Chlorination System improvements ([AB 6142](#)).



## Expenditures

The table below lists the 2025 adopted and amended expenditure budget by Utility fund and category, January through June actuals, and a percentage of budget spent. Prior year actuals are presented for comparative purposes. The budget and actual amounts are through the first six months of the year. Additional details of major variances are discussed following the table.

### UTILITY FUNDS: Expenditures

As of June 30, 2025

Category	2025 Adopted Budget	2025 Amended Budget	Prior YTD 6/30/24	YTD 6/30/25	YTD Expense as % of Amended Budget
<b>Operating Expenditures</b>					
Water Utility	\$ 7,206,789	\$ 7,206,789	\$ 2,410,298	\$ 2,804,362	38.9%
Sewer Utility	8,893,670	9,056,097	4,181,963	4,997,591	55.2%
Storm Water Utility	2,436,253	2,486,253	804,249	1,124,679	45.2%
<b>Capital Projects</b>					
Water Utility	13,326,729	24,427,338	6,453,355	7,817,134	32.0%
Sewer Utility	4,478,584	7,826,242	782,399	1,464,645	18.7%
Storm Water Utility	2,413,497	2,645,902	299,223	127,187	4.8%
<b>Debt Service</b>					
Water Utility	2,426,562	2,426,562	15,338	913,676	37.7%
Sewer Utility	1,028,615	1,028,615	455,314	442,700	43.0%
Storm Water Utility	-	-	-	-	N/A
<b>Total Expenditures</b>	<b>\$ 42,210,699</b>	<b>\$ 57,103,798</b>	<b>\$ 15,402,139</b>	<b>\$ 19,691,975</b>	<b>34%</b>

Expenditures in the Storm Water and Sewer Utility funds are within expectations at the end of the second quarter. Operating expenditures in the Water Utility appear underspent due to lower than anticipated costs relating to water purchased for resale. This can be attributed to the volatility that weather can bring to the seasonality of the utilities.

Through the end of the second quarter, multiple large capital improvement projects are either in the design phase or continuing construction. Staff is prioritizing work in the Water Utility to spend down time limited revenues related to the bond issuance in November 2024. Notable capital projects are described in further detail below.



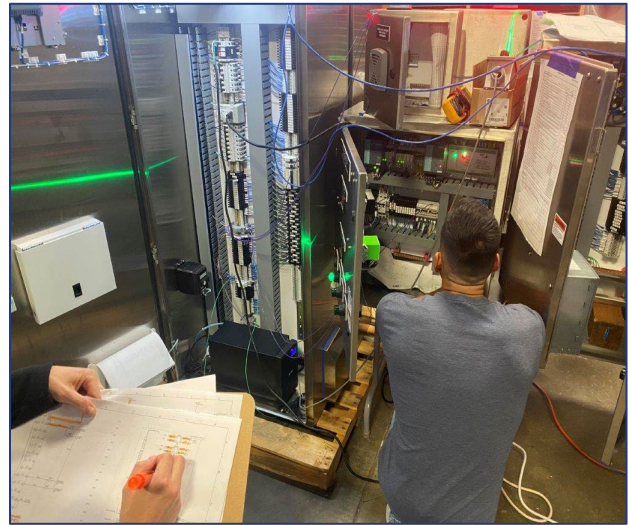
The **Meter Replacement Implementation** project replaced approximately 7,900 aging water meters throughout the City as part of the new Advanced Metering Infrastructure (AMI) system. City Council awarded the bid for the installation of this system in July 2022 ([AB 6112](#)). Meter deployment began in March 2024 and was completed in August 2024.

Work on data collector station permitting and installation is ongoing. Of the six total data collectors needed for the AMI system, three are operational, while the remaining three are awaiting permit approval and/or installation.

When the AMI system is fully operational, the new meters will send water usage data directly to the City's utility billing system and will allow customers to access information about water use, leak notifications, and alerts via an online portal. Total project costs are nearly \$5.8 in the 2023-2024 biennium, and approximately \$1.4 M in the 2025-2026 biennium.

Design work for the **Sewer SCADA System Replacement** was completed in Q3 2022, and a construction contract ([AB 6190](#)) was awarded in Q4 2022. Due to ongoing supply chain delays, construction was delayed until Q4 of 2024. Throughout Q1 and Q2 2024, the project team held regular meetings to finalize construction work plans and approve necessary submittals.

In Q3 2024, all required permits were secured, including shoreline development, right-of-way use, electrical, and commercial fire alarm permits. City staff approved the final layouts of the sewer SCADA screens, completed factory acceptance testing, installed new communications antennas, and performed resident notifications for the first batch of sites to be upgraded. Construction is expected to wrap up in Q3 2025.



The current **Comprehensive Pipeline Replacement Rehabilitation & Replacement Program** involves relining existing sewer mains using a cured-in-place pipe process in the Mercerwood neighborhood (Sewer Basin 40).

The project occurred in two phases. Phase 1 was completed in 2023. Phase 2 was completed in Q2 of 2024. The project lined more than 12,000 feet of existing sewer main with cured-in-place pipe and installed 111 service connection seals. As a result of the project, the majority of Sewer Basin 40, previously the oldest sewer collection area on the Island, is now the newest with a 50-year design life.

## ALL OTHER FUNDS

### Revenues

The table below lists the 2025 amended revenue budget, second quarter actuals, and the percentage of budget received. Prior year actuals are presented for comparative purposes. The budget and actual amounts are through the end of June. Additional details of major variances are discussed in the narrative following the table.

#### ALL OTHER FUNDS: Revenues

As of June 30, 2025

Fund Name	2025 Adopted Budget	2025 Amended Budget	Prior YTD 6/30/2024	YTD 6/30/2025	YTD Revenue as % of Amended Budget
Self Insurance Claim	\$ 10,000	\$ 10,000	\$ -	\$ -	N/A
Street	5,415,499	6,951,202	2,368,358	3,218,486	46.3%
Contingency	-	-	65,712	-	N/A
1% for the Arts	15,000	32,000	-	-	0.0%
Youth & Family Services	3,876,503	3,876,503	1,494,473	1,343,680	34.7%
ARPA	-	-	721,567	-	N/A
Development Services	4,200,890	4,200,890	2,308,596	4,090,828	97.4%
Town Center Parking Facilities	-	-	35,489	-	N/A
Capital Improvement	10,883,279	14,248,638	2,166,479	2,726,993	19.1%
Technology & Equipment	650,000	852,208	140,000	285,000	33.4%
Municipal Facility Replacement	168,773	953,773	2,400,000	168,773	17.7%
Equipment Rental	3,355,378	3,550,915	880,750	794,811	22.4%
Computer Equipment	1,705,225	1,705,225	546,554	742,865	43.6%
Firefighter's Pension	137,000	137,000	80,276	81,813	59.7%

**Street Fund** revenues are 46.3 percent of budget at the end of June. The primary revenue sources in the Street Fund for fiscal year 2025 are Real Estate Excise Tax (REET) and expected reimbursements from the 2017 Sound Transit Settlement Agreement. Just over \$1.9 million of Sound Transit Mitigation reimbursements has been received through June with the remaining funds on track to be reimbursed to the City before December 2025.

The Street Fund is impacted by the change to cash basis reporting for comparison purposes. REET is on par with 2024, but underperforming compared to recent historical trends. Year-over-year comparisons indicate 2025 revenues will remain lower than prior years due to a sluggish real estate market on the Island.

Property sales recorded in February through June of 2025 were down 7 sales when compared to the same period in 2024. The property sales recorded for both 2024 and 2025 fall well below the 10-year historical average. It is worth noting that the average property sale price has also decreased in FY 2025 when compared to 2024 by nearly \$145 thousand per property, which is the primary driver of the decline seen in total REET revenues between the two years.

**Development Services Fund** revenues are 97.4 percent of budget at the end of June. This is primarily due to a one-time transfer of restricted fund balance from the General Fund to the Development Services

Fund operating reserve that included deferred development fee revenue tied to ongoing permit projects at the turn of the fiscal year and prior year resources generated by CPD that are restricted to permit-related services. Other operating revenues are withing budget expectations.

**Youth & Family Services** revenues ended June at 34.7 percent of the amended budget. This is primarily due to a slowdown in Thrift Shop revenues and counseling services. An agreement with the Boys & Girl Club Organization to fund a counselor position was terminated based on an mutual agreement between both parties, resulting in no service costs being incurred or recouped this biennium. Thrift shop revenues are down nearly \$173 thousand in fiscal year 2025 relative to the prior year due to the closure of the Thrift Shop this spring to address safety improvements to the building. Other revenues are within budget expectations.

**Capital Improvement Fund** revenues are 19.1 percent of budget at the end of the second quarter. Similar to the Street Fund, REET is a primary revenue source in the Capital Improvement Fund. Staff will continue to monitor factors relating to REET to better inform expectations for the remainder of FY 2025 and beyond.

In addition, the budget for revenues in 2025 includes \$3.6 million in State Grant funding, of which 22.6 percent has been collected to date. Staff intend to submit for reimbursement for these available funds as project milestones are met. As an example, reimbursement for grants related to the Luther Burbank Dock & Waterfront Improvements project will occur once the waterfront design is complete (Q4 2025) and after construction is complete (Q4 2026).

**Firefighter's Pension Fund** revenues are 59.7 percent of budget at the end of June. Investment interest earnings are similar when compared to 2024. This decrease in interest earnings comes as local government investment pool yields have remained consistent, although slightly fell through the first half of 2025.

All other revenues are within expected norms through the end of June.

## Expenditures

The table below lists the 2025 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 the second quarter. Additional details of major variances are discussed in the narrative following the table.

### ALL OTHER FUNDS: Expenditures

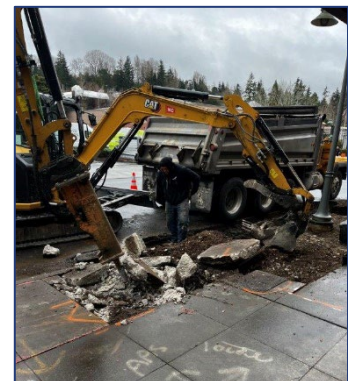
As of June 30, 2025

Fund Name	2025 Adopted Budget	2025 Amended Budget	Prior YTD 6/30/2024	YTD 6/30/2025	YTD Expense as % of Amended Budget
Self Insurance Claim	\$ 10,000	\$ 10,000	\$ -	\$ -	N/A
Street	5,495,896	6,951,202	1,170,676	3,151,148	45.3%
Contingency	-	-	-	-	N/A
1% for the Arts	15,000	32,000	1,525	4,445	13.9%
Youth & Family Services	3,876,503	3,876,503	1,675,542	1,669,988	43.1%
ARPA	-	-	721,567	-	N/A
Development Services	4,104,376	4,104,376	1,660,956	1,824,247	44.4%
Capital Improvement	10,883,279	14,248,638	2,595,167	3,333,285	23.4%
Technology & Equipment	493,000	695,208	189,445	101,544	14.6%
Municipal Facility Replacement	-	785,000	-	118,087	15.0%
Equipment Rental	2,536,727	2,732,264	1,078,204	711,648	26.0%
Computer Equipment	1,463,979	1,463,979	818,235	785,392	53.6%
Firefighter's Pension	137,000	137,000	65,095	52,800	38.5%

**Street Fund:** Total expenditures are 45.3 percent of budget at the end of the second quarter. Operating expenditures are within budget expectations. This level of expenditure for the capital projects in the Street Fund are commonplace given many capital projects are currently underway, resulting in notable expenditures in the latter half of the year.

The **80th Avenue Sidewalk Improvements** consists of replacing sidewalks along the east side of 80th Avenue from SE 27th Street to SE 32nd Street. Much of the sidewalk removal is the result of street tree roots raising sidewalk panels. Many of the trees will be removed and replaced based on declining health and impact on sidewalks. New trees will be planted, and in some areas planting cells will be installed underneath the new sidewalks.

In addition, street lighting will be replaced on both sides of 80th Avenue and a small area of sidewalk in the 3000 block of 78th Avenue will be rebuilt. The project was awarded to Always Active Services ([AB 6513](#)) in July of 2024. Construction started in early December of 2024 with completion expected in Q3 of 2025.



**Capital Improvement Fund** expenditures ended June at 23.4 percent of budget. This level of expenditure for capital projects is commonplace given how many capital projects are currently underway. Expenditures are \$738 thousand more compared to 2024, reflecting staff's aggressive focus on tackling significant capital reinvestments. Notable projects are described in further detail below.



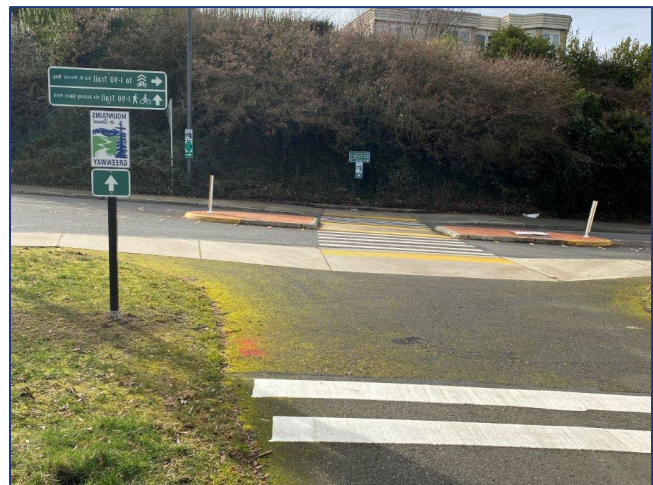
The **Luther Burbank Park Sport Courts Renovation** project was awarded in July 2023 ([AB 6309](#)). This project was identified as part of the 2022 Parks, Recreation, and Open Space (PROS) program. The scope of this project has been altered twice, [AB 6465](#) and [AB 6533](#), with the latter concerning subgrade remediation work that was identified in July as critical. Excavation of the existing subgrade was completed in September. Paving work began in late September and was completed by the end of October. The newly paved courts were opened for public use in November for the entirety of the Winter season. The courts were closed again in Q2 2025 for the installation of the permanent acrylic surfacing.



The **Luther Burbank Boiler Building Improvements Phase 1** project was awarded in January 2024 ([AB 6380](#)). This project reinforced the building's structure against earthquake damage and installed a new roof. It also renovated the restroom annex.

Construction began in Q1 2024. At the end of Q4 2024, the work is 95% complete. Issues with the building's sewer and electrical service have resulted in scope changes. A new electrical service and sewer vault will be installed in Q2 2025.

The **Aubrey Davis Park Trail Improvements** project was awarded in June 2024 ([AB 6482](#)). The project is 90% complete. New concrete paving in the ballfield/restroom area has been installed, along with pavement markings to alert trail users at intersections. Fencing has been installed to guide where foot traffic can cross the trail. Shoulder improvements and landscaping are underway. Lighting, signage and park furnishings were delayed due to supply issues and are expected to wrap up in Q3 2025. This project is funded by the Washington State legislature through a grant from the Department of Commerce.



**Technology & Equipment Fund:** Total expenditures are 14.6 percent of budget at the end of June. This level of expenditure falls within historical expectations through the second quarter. Projects with notable expenditures through June this year include the Financial Software Implementation (currently on track) and Technology Equipment Replacement program, which has spending levels on track with budget expectations.

**Equipment Rental Fund** expenditures ended June at 26.0 percent of budget. Expenditures in this fund consist of Honeywell Site Remediation costs and fleet services, including replacements. Funds that were are currently encumbered for fleet replacements, but have yet to be expended until the new vehicles arrive.

All other variances meet budget expectations through the end of June.

Two summary listings of the originally adopted 2025-2026 Budget (expenditures only), broken down by year, and amendments adopted by Ordinance through May 20, 2025 are presented below.

Fund Type / Fund Name	Original 2025 Budget	2025 Budget Adjustments						Amended 2025 Budget
		Administrative Biennial Corrections	ORD 25-10 24 to 25 Carry forward	ORD 25-10 Q1 FSU	Q2 FSU	Q3 FSU		
<b>General Purpose Funds:</b>								
General	37,233,739		151,000	1,760,299				39,145,038
Self-Insurance	10,000							10,000
Youth Services Endowment	-							-
<b>Special Revenue Funds:</b>								
Street*	5,495,896		1,455,306					6,951,202
Contingency	-							-
1% for the Arts	15,000		17,000					32,000
Youth & Family Services	3,876,503							3,876,503
Development Services	4,104,376							4,104,376
<b>Debt Service Funds:</b>								
Bond Redemption (Voted)	-							-
Bond Redemption (Non-Voted)	-							-
<b>Capital Projects Funds:</b>								
Town Center Parking Facilities*	-							-
Capital Improvement*	10,883,279		2,226,939	1,138,420				14,248,638
Technology & Equipment*	493,000		202,208					695,208
Facility Repl Reserve*	-		785,000					785,000
<b>Enterprise Funds:</b>								
Water*	22,960,080		10,411,104	689,505				34,060,689
Sewer*	15,096,406		3,347,658					18,444,064
Stormwater*	4,849,750		282,405					5,132,155
<b>Internal Service Funds:</b>								
Equipment Rental*	2,536,727		195,537					2,732,264
Computer Equipment*	1,463,979							1,463,979
<b>Trust Funds:</b>								
Firefighter's Pension	137,000							137,000
<b>Total</b>	<b>109,155,735</b>	<b>-</b>	<b>19,074,157</b>	<b>3,588,224</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>131,818,116</b>

\* Capital Improvement Program (CIP) projects are accounted for in these funds.



Fund Type / Fund Name	Original 2026 Budget	2026 Budget Adjustments							Amended 2026 Budget
		Administrative Biennial Corrections	Q1 FSU	Q2 FSU	Q3 FSU	Q4 FSU	Q1 FSU	Q2 FSU	
<b>General Purpose Funds:</b>									
General	38,676,518								38,676,518
Self-Insurance	10,000								10,000
Youth Services Endowment	-								-
<b>Special Revenue Funds:</b>									
Street*	4,902,902								4,902,902
Contingency	-								-
1% for the Arts	15,000								15,000
Youth & Family Services	4,110,833								4,110,833
Development Services	4,334,220								4,334,220
<b>Debt Service Funds:</b>									
Bond Redemption (Voted)	-								-
Bond Redemption (Non-Voted)	-								-
<b>Capital Projects Funds:</b>									
Town Center Parking Facilities*	-								-
Capital Improvement*	9,554,202								9,554,202
Technology & Equipment*	355,931								355,931
Capital Reserve*	-								-
<b>Enterprise Funds:</b>									
Water*	25,162,916								25,162,916
Sewer*	16,359,832								16,359,832
Stormwater*	4,622,520								4,622,520
<b>Internal Service Funds:</b>									
Equipment Rental*	3,003,139								3,003,139
Computer Equipment*	1,544,174								1,544,174
<b>Trust Funds:</b>									
Firefighter's Pension	145,000								145,000
<b>Total</b>	<b>112,797,187</b>	-	-	-	-	-	-	-	<b>112,797,187</b>

\* Capital Improvement Program (CIP) projects are accounted for in these funds.

**CITY OF MERCER ISLAND  
ORDINANCE NO. 25-25**

**AN ORDINANCE OF THE CITY OF MERCER ISLAND, WASHINGTON,  
INCORPORATING CERTAIN BUDGET REVISIONS TO THE 2025-2026  
BIENNIAL BUDGET AND AMENDING ORDINANCE NO 24-21 and 25-10.**

**(BUDGET AMENDMENT NO. 2)**

WHEREAS, the City Council adopted the 2025-2026 Budget by Ordinance No. 24-21 on December 3, 2024, 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>	Police	Pilot program to test stationary Automatic License Plate Reader (APLR) equipment.	AB 6688	2025	\$ 15,000	Unappropriated fund balance
	Non-Departmental	Transfer to Municipal Facility Replacement Fund - Building purchase	AB 6738	2025	\$ 3,302,358	
<b>Street Fund</b>	Public Works	Transportation Improvement Plan	AB 6711	2025-2026	\$ 2,904,231	Unappropriated fund balance
<b>Capital Improvement</b>	Non-Departmental	Transfer to Municipal Facility Replacement Fund - Building purchase	AB 6738	2025	\$ 1,670,752	Unappropriated fund balance
<b>Town Center Parking</b>	Non-Departmental	Transfer to Municipal Facility Replacement Fund - Building purchase	AB 6738	2025	\$ 744,082	Unappropriated fund balance
<b>Municipal Facility Replacement</b>	Non-Departmental	Purchase of 9655 Building	AB 6738	2025	\$ 9,080,000	Unappropriated fund balance
<b>Equipment Rental</b>	Police	Marine Patrol vessel replacement	AB 6757	2025	\$ 60,000	Vehicle replacement reserve

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

**Section 1. Amending the 2025-2026 Budget**

The 2025-2026 Budget for the City of Mercer Island, as adopted in Ordinance No. 24-21 and amended by Ordinance 25-10, is hereby amended to incorporate increases in resources and expenditures in the following funds for the 2025-2026 biennium:

Fund	Fund Name	Resources	Expenditures
001	General Fund	\$ 3,317,358	\$ 3,317,358
110	Street Fund	\$ 2,904,231	\$ 2,904,231
310	Town Center Parking	\$ 744,082	\$ 744,082
320	Capital Improvement	\$ 1,670,752	\$ 1,670,752
350	Facility Replacement Reserve	\$ 9,080,000	\$ 9,080,000
510	Equipment Rental	\$ 60,000	\$ 60,000
<b>Total</b>		<b>\$ 17,776,423</b>	<b>\$ 17,776,423</b>

**Section 2. Amending Previously Adopted Budget Ordinances**

City Ordinance 24-21 and 25-10, 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 16th DAY OF SEPTEMBER 2025.

CITY OF MERCER ISLAND

\_\_\_\_\_  
Salim Nice, Mayor

ATTEST:

\_\_\_\_\_  
Andrea Larson, City Clerk

APPROVED AS TO FORM:

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

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



## BUSINESS OF THE CITY COUNCIL CITY OF MERCER ISLAND

**AB 6772**  
**September 16, 2025**  
**Regular Business**

### AGENDA BILL INFORMATION

<b>TITLE:</b>	AB 6772: Code Amendments Regarding E-motorcycle Regulations (Ordinance No. 25C-24, Second Reading)	<input type="checkbox"/> Discussion Only <input checked="" type="checkbox"/> Action Needed: <input checked="" type="checkbox"/> Motion <input checked="" type="checkbox"/> Ordinance <input type="checkbox"/> Resolution
<b>RECOMMENDED ACTION:</b>	Adopt Ordinance No. 25C-24, amending Title 10 of the Mercer Island City Code relating to electric motorcycles, as presented in Exhibit 1.	

<b>DEPARTMENT:</b>	City Manager
<b>STAFF:</b>	Jessi Bon, City Manager Michelle Bennett, Interim Chief of Police Mike Seifert, Police Commander Amelia Tjaden, Management Analyst
<b>COUNCIL LIAISON:</b>	n/a
<b>EXHIBITS:</b>	1. Ordinance No. 25C-24 2. Changes from First Reading of Ordinance No. 25C-24
<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

### EXECUTIVE SUMMARY

The purpose of this agenda item is to conduct a second reading and adoption of Ordinance No. 25C-24 (Exhibit 1), establishing regulations for electric motorcycles (e-motorcycles) on Mercer Island.

- Mercer Island has seen an increase in usage of e-motorcycles and e-dirt bikes over the past two years, particularly among youth 12-15 years of age.
- E-motorcycles and e-dirt bikes differ from e-bikes in that they have an electric motor with a power output that exceeds 750 watts that can propel the vehicle faster than 28 miles per hour. The e-dirt bikes have a dirt bike style frame with foot pegs or brackets. E-bikes, by comparison, have operable foot pedals and a maximum assisted speed of 20mph or 28mph.
- Currently, the Mercer Island Police Department (MIPD) will attempt to contact youth under the age of 16 when observed riding e-motorcycles/e-dirt bikes. When this occurs, MIPD will call the parent or guardian to pick up their child and the vehicle and advise them on the regulations related to their use.
- MIPD is limited in what enforcement actions it can take. There is an enforcement gap between what types of violations the Mercer Island Municipal Court can process and the age of the riders. In

addition, State laws have not kept up with the changing technology and work needs to be done to address the inconsistencies.

- On September 2, 2025, City Council conducted the First Reading of Ordinance No. 25C-24 ([AB 6763](#)).
- Ordinance No. 25C-24 (Exhibit 1) was amended from the first reading in response to City Council feedback. The amendments are shown in Exhibit 2.
- Ordinance No. 25C-24, if adopted, will classify e-motorcycles, e-dirt bikes, and e-bikes that have been modified to no longer meet definition of an electric-assisted bicycle in RCW 46.04.169 as “electric motorcycles” and they will be subject to the regulations and requirements for operating a motorcycle on a public road or right-of-way. The ordinance would go into effect on January 1, 2026.
- Staff are currently working on new regulations related to e-bike use on Mercer Island and those work items will be coming to the City Council by Q1 2026, or sooner, if possible.
- Mercer Island is working with other cities and the Association of Washington Cities to evaluate potential changes to State law and are hopeful these recommendations will be considered by the State Legislature during the 2026 session.

## BACKGROUND

On May 20, 2025, the City Council amended the 2025-2026 Work Plan to include the development of an ordinance regulating the operation of e-bikes and e-motorcycles on the Island ([AB 6688](#)). On September 2, 2025, the City Council conducted the First Reading of Ordinance No. 25C-24 ([AB 6763](#)) related to e-motorcycles and e-bikes.

Mercer Island has seen an increase in usage of electric motorcycles/electric dirt bikes (e-motorcycles/e-dirt bikes) over the past two years. Many of the riders are 12-15 years of age and they are not legally allowed to operate this type of vehicle on the right-of-way. Riders often demonstrate unsafe riding behaviors, creating a danger to themselves and others.

The proposed ordinance (Exhibit 1) would classify e-motorcycles, e-dirt bikes, and e-bikes that have been modified to no longer meet definition of an electric-assisted bicycle in RCW 46.04.169 as “electric motorcycles” and they will be subject to the regulations and requirements for operating a motorcycle on a public road or right-of way. Additionally, the ordinance would establish that operation of e-motorcycles and e-dirt bikes by unlicensed individuals is unlawful in public places.

### Differences Between E-Bikes, Traditional Electric Motorcycles, and E-Motorcycles/E-Dirt Bikes

Under Washington State law, there are clear differences between e-bikes, traditional electric motorcycles, and e-motorcycles/e-dirt bikes.

Under [RCW 46.04.169](#), e-bikes are bicycles that are assisted by an electric motor. Some e-bikes only provide electric assistance when the rider is pedaling, while others can propel the e-bike using electric power alone. Either way, a legal e-bike will always have functional pedals capable of propelling the bike and a maximum assisted speed of 20mph (when using only electric power) or 28mph (with the rider pedaling). The power output from an e-bike motor will never exceed 750 watts.

[RCW 46.04.330](#) provides the definition for a motorcycle. In short, "motorcycle" means a motor vehicle designed to travel on two to three wheels, on which the driver rides on a seat and steers the vehicle with a handlebar. "Motorcycle" excludes a motorized foot scooter, an electric-assisted bicycle, and a moped. Much like electric cars, motorcycle manufacturers have evolved their product lines to include alternatives to gas-

powered vehicles. Traditional motorcycles that only use electric power and are sold under the brands of Harley Davidson or Kawasaki, for example, can be purchased at dealerships and specialty stores. These vehicles require registration, a license plate, and a license with a motorcycle endorsement to operate.

The e-motorcycles and e-dirt bikes that are the primary subject of complaints on Mercer Island are powered solely by an electric motor with a power output that exceeds 750 watts. These vehicles have a dirt-bike-style frame and often have foot pegs or brackets instead of operable pedals. E-motorcycles/e-dirt bikes continue to power the vehicle after it has reached 28 mph, which distinguishes them from e-bikes.

Today, e-motorcycles and e-dirt bikes are widely available for purchase and are often labeled as ‘e-bikes.’ Consumers are not aware that the item they are purchasing is in fact an e-motorcycle, and that it is illegal to operate on the right-of-way. The City of Mercer Island has been running an information campaign about the difference between an e-bike and an e-motorcycle/e-dirt bike, but more needs to be done.

### **Enforcement**

Currently, when feasible, MIPD will attempt to contact youth riding e-motorcycles/e-dirt bikes. MIPD will call the rider’s parent(s) or guardian to pick up the youth and their vehicle. During the school year, if a youth rides an e-motorcycle/e-dirt bike to Islander Middle School or Mercer Island High School, the School Resource Officer will identify the youth and call their parents and have them pick up the vehicle. In both circumstances, MIPD reminds the parents and the child of the dangers of these types of vehicles and informs parents of the regulations around their use.

There are two issues restricting MIPD’s ability to take additional enforcement actions staff are working to resolve. First, there is an enforcement gap due to the ages of the youth riding e-motorcycles/e-dirt bikes. The Mercer Island Municipal Court (Municipal Court) can only process juvenile defendants if they are 16 or 17 years of age, and the offense is a traffic/driving offense. Since many of the riders operating e-motorcycles/e-dirt bikes on the Island are 15 years old and under, their case cannot be processed by the Municipal Court. All e-motorcycle cases involving a defendant that is 15 years or younger would be forwarded to the Juvenile Division of the King County Prosecuting Attorney’s Office. Due to high caseloads and prioritization of violent crime, it is unlikely that the King County Prosecutor would take enforcement action in juvenile e-motorcycle cases.

The second issue relates to [RCW 46.04.330](#), the definition of a motorcycle. While this definition could be interpreted to include e-motorcycles, the path towards enforcing these vehicles and instituting criminal penalties is not straightforward. It is likely that e-motorcycles/e-dirt bikes were not contemplated or in existence when these definitions were last revised.

The e-motorcycles/e-dirt bikes operated on Mercer Island have a dirt bike-style frame and have a lower power output than a traditional electric motorcycle, like a Harley Davidson or a Kawasaki, but a higher power output than an e-bike. These vehicles cost significantly less than a traditional electric motorcycle and are widely available for purchase online. E-motorcycles/e-dirt bikes are not defined in State law and fall into a grey area between e-bikes and traditional electric motorcycles, and this is restricting the City’s ability to regulate these vehicles.

As many jurisdictions are navigating issues with underage riders operating e-motorcycles/e-dirt bikes, the best solution would be for the WA State Legislature to adopt modern definitions for these vehicles and accompanying regulations. City staff are currently engaging with the Association of Washington Cities and

regional partners to advocate for legislative changes to address these issues. These recommendations will be included in the draft 2026 Legislative Priorities presented to the City Council for consideration in November.

## ISSUE/DISCUSSION

Ordinance No. 25C-24 (Exhibit 1) would classify e-motorcycles, e-dirt bikes, and e-bikes that have been modified to exceed 28mph as electric motorcycles and thus subject to the regulations and requirements for operating a motorcycle on a public road or right-of-way. In the ordinance, *electric motorcycle* means a - motorcycle, as defined by [RCW 46.04.330](#), which is powered by an electric motor and:

1. Is not equipped with fully operable pedals capable of propelling it. Foot pegs are not considered pedals; or
2. Has a motor with a power output that exceeds 750 watts; or
3. Has a motor that continues to provide assistance when the vehicle reaches the speed of twenty-eight miles per hour.

This means that any vehicle that travels on two or three wheels has a handlebar and a seat, has an electric motor, and meets any of the conditions listed in the definition, is an electric motorcycle and subject to the corresponding regulations. This definition would include the e-motorcycles seen on the Island, e-dirt bikes, e-bikes that have been modified to exceed 28mph, as well as vehicles powered solely by a throttle that do not go faster than 28mph. These vehicles would be subject to the requirements for operating a motorcycle.

Ordinance No. 25C-24 would make the following amendments to Title 10 – Vehicles and Traffic of the Mercer Island City Code:

- Adopts a definition for electric motorcycles.
- Prohibits the operation of an e-motorcycle by any person who does not have a valid driver's license with a motorcycle endorsement.
- Prohibits the operation of any e-motorcycle that does not display a valid license plate.
- Prohibits the operation of e-motorcycles on any sidewalk, pedestrian path, and within public parks.
- Establishes the ability for MIPD to impound an e-motorcycle.

Violations of the regulations that would be established under Ordinance. No. 25C-24 are civil infractions, subject to the following penalties.

- First offense: \$250
- Second offense: \$500
- Third and subsequent offenses: \$750 and possible referral for criminal citation under [RCW 46.20.005](#) Driving without a license

Ordinance No. 25C-24 was amended from the first reading with the following changes. The changes are shown in Exhibit 2.

- The definition of an 'electric motorcycle' (MICC 10.04.170) was updated to make the clause about the vehicles having operable pedals conditional, and to clarify that the motor continues to power the vehicle when it reaches 28 mph.
- MICC 10.53.010 was amended to remove reference to individuals under 16 years old, as state law requires a person to be 16 years old to obtain a driver's license. This section was also amended to remove reference to registering a vehicle with the Washington State Department of Licensing, instead

requiring the vehicles to display a valid license plate issued by a state or comparable government agency.

- A section was added to MICC 10.53.010 to require people operating an electric motorcycle to wear a helmet.
- MICC 9.30.150, regarding park rules, was amended to require operators of motor vehicles, including e-motorcycles, to be properly licensed. During the September 2, 2025, City Council meeting, staff was asked to clarify the regulations around operating a bicycle in a park. Under the current code, bicycles are allowed in designated park areas. Staff will continue to review this language and will update this section when the Parks Code is updated.

While Ordinance No. 25C-24 does not fully address all the issues related to the City's ability to regulate these vehicles, the code amendments provide MIPD with a tool to assist with reducing the number of e-motorcycles/e-dirt bikes being operated unlawfully on Mercer Island and assign a monetary penalty. Further, impoundment and retrieval, as well as the civil infractions, serve as educational mechanisms to alert parents and riders of the dangers of these vehicles.

## NEXT STEPS

### Enforcement and Process for Impoundment

If adopted, the ordinance will go into effect on January 1, 2026. Staff will use the next few months to establish the process for impoundment of e-motorcycles/e-dirt bikes and make any changes needed to facilitate this process. This work may include amending Chapter 10.22 MICC Impounding and the City's Fee Schedule to establish set fees for impoundment. Adding these fees would allow MIPD to recover some of the costs associated with enforcement actions.

During the implementation time frame, staff will also determine where impounded e-motorcycles/e-dirt bikes will be stored, as well as the process for retrieval, which is challenging given that the Police Department is currently operating out of temporary trailers.

### Anticipated Regulatory Actions on E-Motorcycles/E-Dirt Bikes and E-Bikes

As this issue continues to develop, both on Mercer Island and regionally, staff will update the regulations to address emerging needs and provide reports on the effectiveness of established regulations.

Staff will return to the City Council with a separate ordinance to establish regulations for e-bikes.

Additionally, staff are exploring the possibility of instituting a parental or adult vehicle owner responsibility clause that would shift the burden of a violation of e-motorcycle or e-bike regulations from the minor who committed the act to their parent, guardian, or the owner of the e-motorcycle.

### Communications

After adoption of Ordinance No. 25C-24, staff will continue the comprehensive outreach campaign, shifting the message to communicate the new regulations for e-motorcycles/e-dirt bikes. This campaign will include coordination with the Mercer Island School District, outreach to parents, updates to the existing [E-Bike Safety webpage](#), social media posts, and communications in the MI Weekly.



**Strategy with the State Legislature**

Staff have notified the Association of Washington Cities (AWC) of the emerging issues related to e-motorcycles/e-dirt bikes and e-bikes and will continue to work with AWC to promote legislative solutions.

City staff will work with AWC and legislators to see if there is potential for additional state action. Staff are interested in State support on differentiating traditional electric motorcycles (e.g. Harley Davidson), and e-motorcycles/e-dirt bikes. Staff are also interested in State policy on e-bikes, including requirements on labeling and education on classification at point of sale.

Getting a bill through the legislature often takes multiple years and requires several smaller bills that build on each other. Staff have determined the best place to start is an updated definition of e-motorcycles/e-dirt bikes. This will be staff's recommendation as a key goal for the 2026 Legislative Session.

**RECOMMENDED ACTION**

Adopt Ordinance No. 25C-24, amending Title 10 of the Mercer Island City Code relating to electric motorcycles, as presented in Exhibit 1.

**CITY OF MERCER ISLAND  
ORDINANCE NO. 25C-24**

**AN ORDINANCE OF THE CITY OF MERCER ISLAND, WASHINGTON, AMENDING MERCER ISLAND CITY CODE RELATED TO ELECTRIC MOTORCYCLES; ADOPTING A NEW CHAPTER 10.53 MICC RELATED TO ELECTRIC MOTORCYCLES; AMENDING MERCER ISLAND SECTION 9.30.150, VEHICLES; PROVIDING FOR SEVERABILITY; AND ESTABLISHING AN EFFECTIVE DATE.**

WHEREAS, Mercer Island has seen an increase in popularity in e-motorcycle ridership within the City; and

WHEREAS, e-motorcycles can pose public safety issues if not operated appropriately, including traveling at high speeds on streets and sidewalks, or when demonstrating tricks; and

WHEREAS, on May 20, 2025, the City Council amended the 2025-2026 Workplan to include the development of an ordinance regulating the operation of e-bikes and e-motorcycles on the Island; and

WHEREAS, City Staff, including the Mercer Island Police Department, have drafted potential regulations for e-motorcycles to address the public safety issues.

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

- Section 1.**      **Amended.** Chapter 10.04, Definitions, MICC shall be amended as set forth in Exhibit A of this ordinance.
- Section 2.**      **Adopted.** New Chapter 10.53, Electric Motorcycles, MICC shall be adopted as set forth in Exhibit B of this ordinance.
- Section 3.**      **Amended.** MICC 9.30.150, Vehicles, shall be amended as set forth in Exhibit C of this ordinance.
- Section 4.**      **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 5.**      **Effective date.** This ordinance shall take effect and be in force on January 1, 2026, provided thirty days have passed since the date of publication.

PASSED BY THE CITY COUNCIL OF THE CITY OF MERCER ISLAND, WASHINGTON AT ITS MEETING ON THE 16<sup>TH</sup> DAY OF SEPTEMBER, 2025.

CITY OF MERCER ISLAND

\_\_\_\_\_  
Salim Nice, Mayor

Approved as to Form:

ATTEST:

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

\_\_\_\_\_  
Andrea Larson, City Clerk

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

**EXHIBIT A****Chapter 10.04 – DEFINITIONS**

....

**10.04.170 – Electric motorcycle,**

Electric motorcycle means a motorcycle, as defined by RCW 46.04.330, which is powered by an electric motor and:

1. Is not equipped with fully operable pedals capable of propelling it. Foot pegs are not considered pedals; or
2. Has a motor with a power output that exceeds 750 watts; or
3. Has a motor that continues to provide assistance when the vehicle reaches the speed of twenty-eight miles per hour.

....

## EXHIBIT B

### **Chapter 10.53 – ELECTRIC MOTORCYCLES**

#### **10.53.010 Restrictions on the operation of electric motorcycles.**

The following regulations apply to the operation of electric motorcycles on Mercer Island streets, right-of-way, easements, and publicly accessible parking lots.

1. No person may operate an electric motorcycle that is not displaying a valid license plate issued by a state or comparable government agency.
2. No person without a valid driver's license with a motorcycle endorsement may operate an electric motorcycle.
3. To be operated on a public street or road, an electric motorcycle must meet the requirements of RCW 46.61.705.
4. No person may operate an electric motorcycle on any sidewalk, pedestrian path, park trail, or within City-owned or controlled parks (except areas open to vehicle traffic).
5. Any person operating or riding an electric motorcycle must wear a motorcycle helmet. The motorcycle helmet neck or chin strap must be fastened securely while the electric motorcycle is in motion. For purposes of this section, "motorcycle helmet" means a protective covering for the head consisting of a hard outer shell, padding adjacent to and inside the outer shell, and a neck or chin strap type retention system, with the manufacturer's certification applied in accordance with 49 C.F.R. Sec. 571.218 indicating that the motorcycle helmet meets standards established by the United States department of transportation.

#### **10.53.020 Impoundment and penalties for operation of an electric motorcycle.**

1. A law enforcement officer may impound, as defined in MICC 10.04.180, any electric motorcycle operated in violation of this chapter.
2. The impounded vehicle may be redeemed in accordance with MICC 10.22.060.
3. Violations of MICC 10.53.010 are deemed civil infractions and are subject to the following penalties:
  - a. First offense: \$250
  - b. Second offense: \$500
  - c. Third and subsequent offenses: \$750 and possible referral for criminal citation under RCW 46.20.005.
4. In addition to the penalties set out in this section, violators must pay the costs of impound, storage, and court fees in accordance with MICC 10.22.070.

#### **10.53.030 Enforcement authority.**

[The Mercer Island Police Department is authorized to enforce the provisions of this chapter and may issue civil infractions, impound vehicles, and take other lawful action necessary to protect public safety and ensure compliance.](#)

**EXHIBIT C****9.30.150 - Vehicles.**

It is unlawful to ride or drive any bicycle, motor vehicle, motorcycle, [electric motorcycle as defined in MICC Ch. 10.04](#), or motor-driven cycle over or through any park except along and upon the public roads, streets or other designated areas therein or to operate any vehicle at a speed in excess of the posted speed limit. Both the operator or driver of such motor vehicle, motorcycle, [electric motorcycle as defined in MICC Ch. 10.04](#), or motor-driven cycle and such vehicle shall be properly licensed if required by state law [or City of Mercer Island ordinance](#).

**EXHIBIT A****Chapter 10.04 – DEFINITIONS**

....

**10.04.170 – Electric motorcycle,**

*Electric motorcycle* means a motorcycle, as defined by RCW 46.04.330, which is powered ~~solely by electricity~~ by an electric motor and:

1. Is not equipped with fully operable pedals capable of propelling it. Foot pegs are not considered pedals; or
2. Has a motor with a power output that exceeds 750 watts; or ~~is capable of traveling over 28 mph with motor assistance;~~
3. Has a motor that continues to provide assistance when the vehicle reaches the speed of twenty-eight miles per hour.

....



## EXHIBIT B

### Chapter 10.53 – ELECTRIC MOTORCYCLES

#### **10.53.010 Restrictions on the ~~Prohibited~~ operation of electric motorcycles. ~~within the City of Mercer Island.~~**

The following regulations apply to the operation of electric motorcycles on Mercer Island streets, right-of-way, easements, and publicly accessible parking lots.

- ~~1. No person under the age of 16 may operate an electric motorcycle.~~
- ~~2. No person may operate an electric motorcycle that is not registered with the Washington State Department of Licensing and does not have a valid license plate.~~
1. No person may operate an electric motorcycle that is not displaying a valid license plate issued by a state or comparable government agency.
2. No person without a valid driver's license with a motorcycle endorsement may operate an electric motorcycle.
3. To be operated on a public street or road, an electric motorcycle must meet the requirements of RCW 46.61.705.
4. No person may operate an electric motorcycle on any sidewalk, pedestrian path, park trail, or within City-owned or controlled parks (except areas open to vehicle traffic).
5. Any person operating or riding an electric motorcycle must wear a motorcycle helmet. The motorcycle helmet neck or chin strap must be fastened securely while the electric motorcycle is in motion. For purposes of this section, "motorcycle helmet" means a protective covering for the head consisting of a hard outer shell, padding adjacent to and inside the outer shell, and a neck or chin strap type retention system, with the manufacturer's certification applied in accordance with 49 C.F.R. Sec. 571.218 indicating that the motorcycle helmet meets standards established by the United States department of transportation.

#### **10.53.020 Impoundment and penalties for operation of an electric motorcycle.**

1. A law enforcement officer may impound, as defined in MICC 10.04.180, any electric motorcycle operated in violation of this chapter.
2. The impounded vehicle may be redeemed in accordance with MICC 10.22.060.
3. Violations of MICC 10.53.010 are deemed civil infractions and are subject to the following penalties:
  - a. First offense: \$250
  - b. Second offense: \$500

- c. Third and subsequent offenses: \$750 and possible referral for criminal citation under RCW 46.20.005.
- 4. In addition to the penalties set out in this section, violators must pay the costs of impound, storage, and court fees in accordance with MICC 10.22.070.

**10.53.030 Enforcement authority.**

The Mercer Island Police Department is authorized to enforce the provisions of this chapter and may issue civil infractions, impound vehicles, and take other lawful action necessary to protect public safety and ensure compliance.

**EXHIBIT C****9.30.150 - Vehicles.**

It is unlawful to ride or drive any bicycle, motor vehicle, motorcycle, electric motorcycle as defined in MICC Ch. 10.04, or motor-driven cycle over or through any park except along and upon the public roads, streets or other designated areas therein or to operate any vehicle at a speed in excess of the posted speed limit. Both the operator or driver of such motor vehicle, motorcycle, electric motorcycle as defined in MICC Ch. 10.04, or motor-driven cycle and such vehicle shall be properly licensed if required by state law or City of Mercer Island ordinance.



## BUSINESS OF THE CITY COUNCIL CITY OF MERCER ISLAND

**AB 6779**  
**September 16, 2025**  
**Regular Business**

### AGENDA BILL INFORMATION

<b>TITLE:</b>	AB 6779: Public Safety and Maintenance Facility Site Zoning	<input type="checkbox"/> Discussion Only <input checked="" type="checkbox"/> Action Needed: <input checked="" type="checkbox"/> Motion <input type="checkbox"/> Ordinance <input type="checkbox"/> Resolution
<b>RECOMMENDED ACTION:</b>	Direct the City Manager to prepare and submit a rezone application to rezone City Hall parcels 9655500185 and 2655500075 to Public Institution (PI) and to appropriate \$22,064 from the General Fund unassigned fund balance for associated permit review fees.	

<b>DEPARTMENT:</b>	City Manager
<b>STAFF:</b>	Jessi Bon, City Manager Jason Kintner, Public Works Director Kellye Hilde, Public Works Deputy Director Robbie Cunningham Adams, Senior Management Analyst
<b>COUNCIL LIAISON:</b>	n/a
<b>EXHIBITS:</b>	<ol style="list-style-type: none"> <li>Existing Parcels Zoning Designations</li> <li>Recommended Updated Zoning Designations</li> <li>April 15, 2025 Original Proposed Boundary Line Adjustment and Zoning Change</li> </ol>
<b>CITY COUNCIL PRIORITY:</b>	3. Make once-in-a-generation investments to update and modernize aging infrastructure, capital facilities, and parks.

<b>AMOUNT OF EXPENDITURE</b>	\$ n/a
<b>AMOUNT BUDGETED</b>	\$ n/a
<b>APPROPRIATION REQUIRED</b>	\$22,064

### EXECUTIVE SUMMARY

The purpose of this agenda item is for the City Council to authorize the City Manager to prepare and submit a rezone application to rezone City Hall parcels 9655500185 and 2655500075 from Residential (R-8.4) and Commercial Office (CO) to Public Institution (PI) and to appropriate \$22,064 from the General Fund unassigned fund balance for associated permit review fees.

- During its April 15, 2025 City Council meeting, the Council directed the City Manager to pursue a boundary line adjustment between the City Hall and Public Works parcels based on the final Public Safety and Maintenance Facility (PSM) site layout and prepare and submit a rezone application of the south City Hall parcel to Public Institution (PI). The north parcel was recommended to remain as Commercial Office (CO) ([AB 6656](#)).

- Parcel 9655500185 (Public Works Building and Yard) is currently a split zone as R-8.4 and CO. Parcel 2655500075 (City Hall Site) is currently zoned as CO (see Exhibit 1).
- The revised site plan confirms that the full 13.62-acre City Hall campus is needed to accommodate the relocated PSM Building, Operations Building, associated parking, and maintenance and operations activities.
- Based on these findings, staff now recommend rezoning both parcels to PI (see Exhibit 2). With both parcels in the same zoning designation, the revised PSM layout can be refined using consistent zoning regulations for both parcels.
- With both parcels proposed for rezoning to PI, the original rationale for a boundary line adjustment to retain a portion of the City Hall parcel as CO is diminished (see Exhibit 3). The need for a boundary line adjustment will be revisited as design progresses.

## BACKGROUND

### Zoning Codes and Maps

Zoning divides land within a jurisdiction into specific areas for use such as residential, multi-family, commercial, or environmental protection. Local governments use zoning to regulate development and safeguard sensitive or critical areas. The official zoning map, which must align with the comprehensive plan, shows the actual permitted uses of each parcel and governs how land can be developed.

The City of Mercer Island's zoning boundaries are shown on the official Zoning Map in [Appendix D of the development code](#). Any new or amended zoning boundaries adopted by the City Council are added to the code through updated or additional zone maps, including parts or units of maps adopted separately. Changes to zone boundaries become effective only through an ordinance adopting the amended map or its parts.

### Public Safety and Maintenance Facility Sizing, Placement, and Zoning

During the April 15, 2025 City Council meeting, the PSM Design Team presented a recommended change to the site layout, based on value engineering, that would move the PSM Building and the Operations Building north on the site ([AB 6656](#)). This proposed site layout revision reduced construction costs, increased operational effectiveness, and left space for future additional operational capacity as needed to ensure the campus is positioned to serve the City over the next 50-plus years.

The proposed PSM Facility layout includes the placement of the Operations Building on top of the property line between the existing City Hall and Public Works parcels. The PSM Design Team recommended a boundary line adjustment to move the parcel line north – closer to SE 36th St. The need for the boundary line adjustment and the future placement of that boundary line will be determined once the PSM Facility reaches 60% design. Design is currently at 30% and the location of site amenities may still shift as design progresses.

Additionally, both parcels comprising the current City Hall campus have the correct comprehensive plan land use designation, which is "Public Facility" (PF). The zoning, however, is different and this was identified for resolution as part of the PSM Facility development process.

The City Manager recommended the new south parcel created by the proposed boundary line adjustment be rezoned to PI consistent with other public facilities on Mercer Island. The north parcel was recommended to remain as CO to preserve flexibility for its future use. The proposed rezone is site-specific, and once the re-zone application is submitted, it will be reviewed by the City using a quasi-judicial process.

The City Council approved the revised PSM Facility site layout and directed the City Manager to pursue a boundary line adjustment between the City Hall and Public Works parcels based on the final site layout and to prepare and submit a rezone application of the south City Hall parcel to PI.

## ISSUE/DISCUSSION

### Proposed New PSM Zoning and Boundary Line Strategy

The revised site plan confirms that the full 13.62 acres of the City Hall campus are needed to accommodate the relocated PSM Building, Operations Building, associated parking, and maintenance and operations activities. Earlier site plan versions left some portions of the property outside the core functional footprint, but the northward migration of the buildings now makes clear that the entire property is integral to the long-term functioning of the campus.

For this reason, it is no longer practical to retain any portion of the City Hall parcel in the CO zone. Therefore, staff recommend rezoning both parcels to PI (see Exhibit 2). With both parcels under a single zoning designation, the revised PSM layout can be advanced using a consistent set of development regulations.

## NEXT STEPS

Upon approval of the motion to prepare and submit a rezone application, the City Manager will work with staff and legal counsel to set this item for review in late 2025 or early 2026. The rezone work will need to be completed before permits are submitted for the project in mid to late 2026.

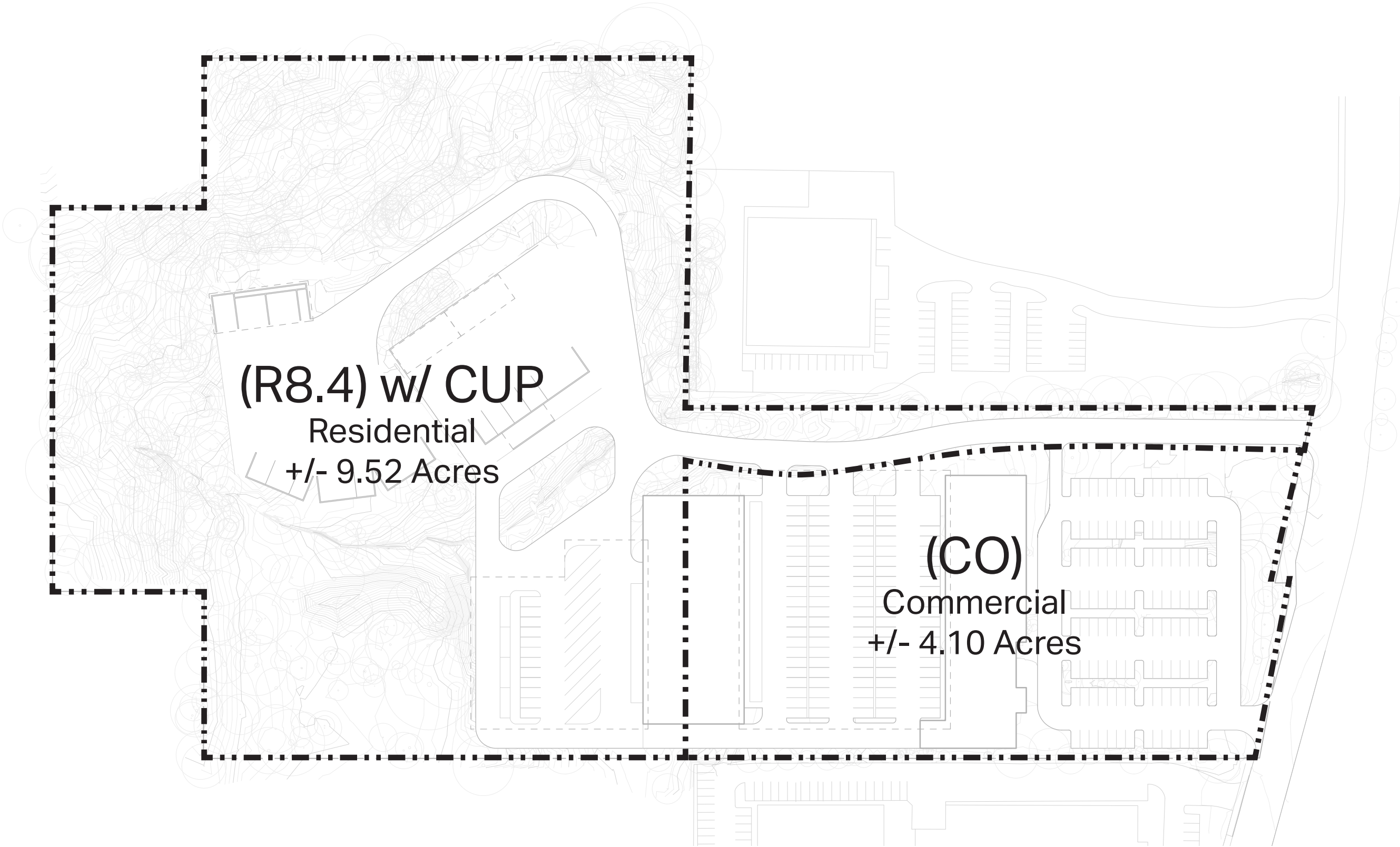
The need for the boundary line adjustment and the future placement of that boundary line will be determined once the PSM Facility reaches 60% design. Design is currently at 30% and the location of site amenities may still shift as design progresses.

## RECOMMENDED ACTION

Direct the City Manager, or designee, to prepare and submit a rezone application to rezone City Hall parcels 9655500185 and 2655500075 from R-8.4 and Commercial Office (CO) to Public Institution (PI) and to appropriate \$22,064 from the General Fund unassigned fund balance for associated permit review fees.

# EXISTING PARCELS ZONING DESIGNATIONS

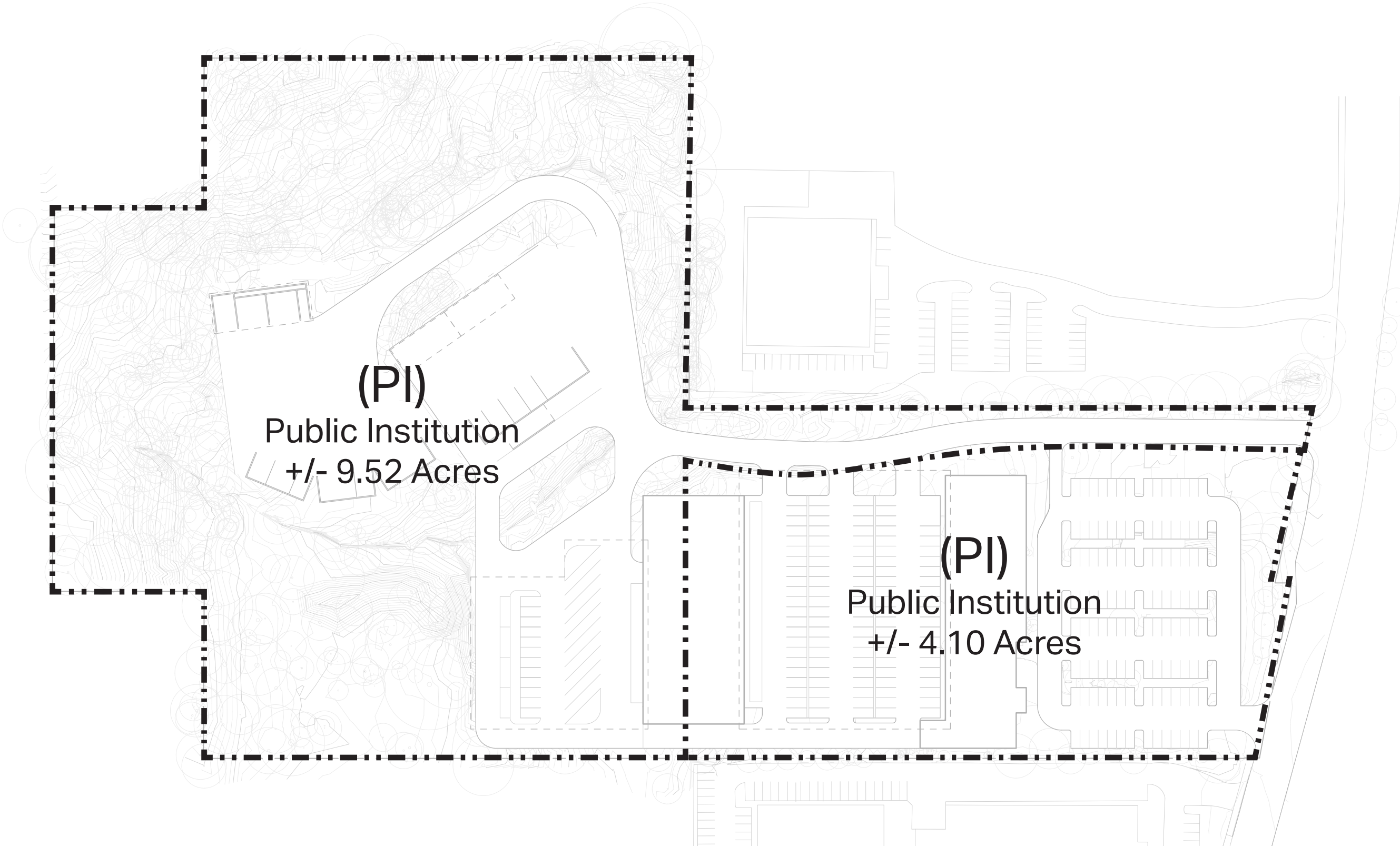
This diagram illustrates the existing boundary lines and zoning designations for each parcel.





# UPDATED ZONING DESIGNATION FOR EACH PARCEL

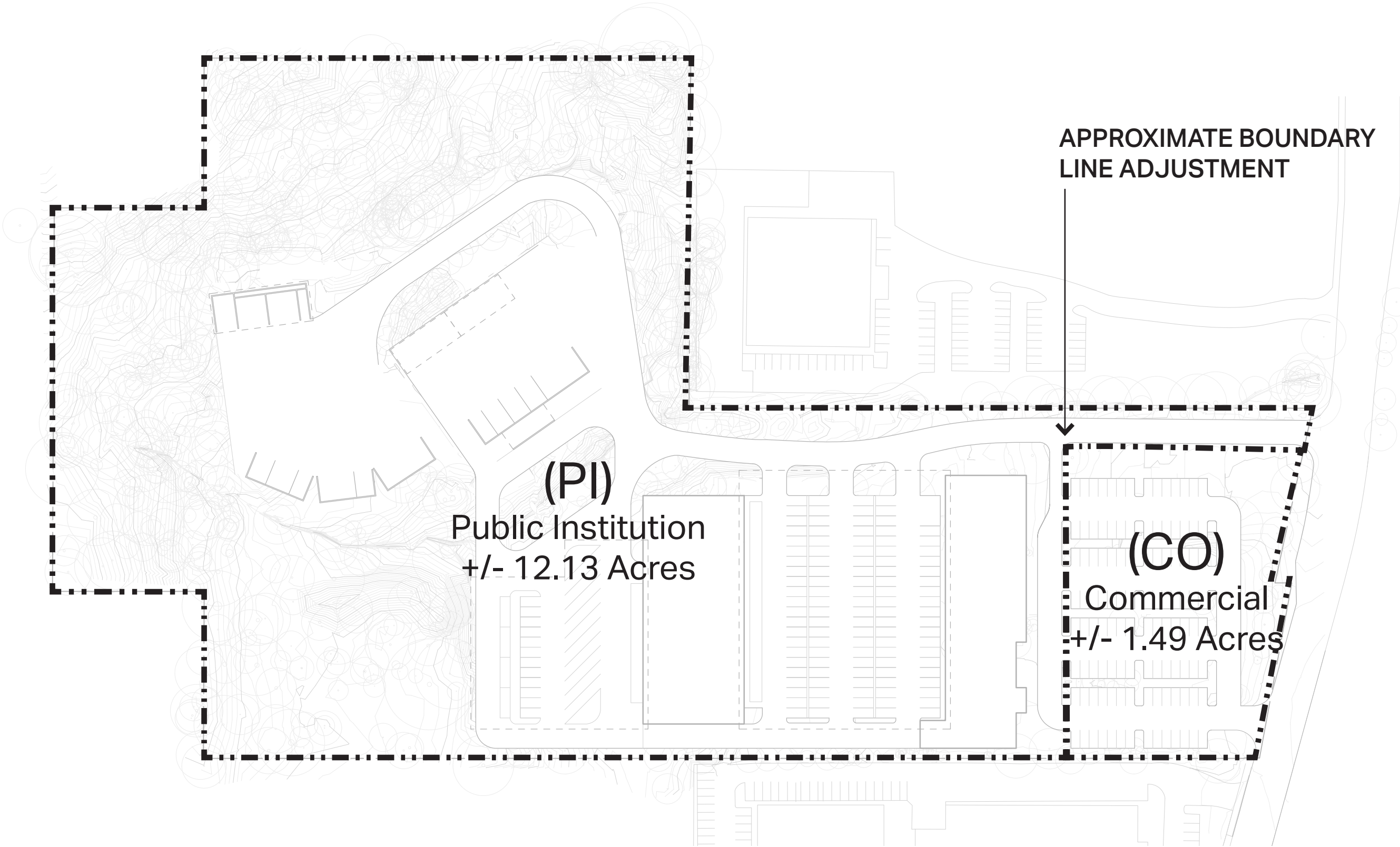
This diagram illustrates the updated potential rezone on both parcels from Residential (R8.4) and Commercial/Office (CO) respectively to Public Institution (PI). The Design Team is not proposing a boundary line adjustment at this time.





APRIL 15, 2025 CITY COUNCIL MEETING

This diagram illustrated the original approximate boundary line adjustment and corresponding potential rezone from Residential (R8.4) to Public Institution (PI) discussed at the April 15, 2025 City Council Meeting





# 2025 PLANNING SCHEDULE

Item 13.

Please email the City Manager & City Clerk when an agenda item is added, moved, or removed.

Items are not listed in any particular order. Agenda items & meeting dates are subject to change.

OCTOBER 7, 2025			DD	FN	CA	Clerk	CM
ABSENCES:			9/26	9/29	9/29	9/30	9/30
ITEM TYPE   TIME   TOPIC					STAFF		
STUDY SESSION							
SPECIAL BUSINESS							
	AB xxxx: Mercer Island Community Fund Recognition (Resolution No. xxxx)				Jason Kintner/Katie Herzog		
CONSENT AGENDA							
--	AB xxxx: September 25, 2025 Payroll Certification				Ali Spietz/Nicole Vannatter		
--	AB xxxx: Certification of Claims September 1-15, 2025				LaJuan Tuttle/Ashley Olson		
--	AB xxxx: Domestic Violence Action Month, Proclamation No. xxx				Mayor Nice/Derek Franklin		
--	AB xxxx: Arbor Day, Proclamation No. xxx				Mayor Nice/Andrew Prince		
--	AB xxxx: Indigenous Peoples’ Day, Proclamation No. xxx				Mayor Nice/Andrea Larson		
--	AB xxxx: Safe Streets and Roads for All Program Grant Agreement for Transportation Action Plan				Jason Kintner/Patrick Yamashita/Rebecca Corigliano		
--	AB xxxx: Safe Streets and Roads for All Program Grant Agreement for Pedestrian and Bicycle Facilities Plan				Jason Kintner/Patrick Yamashita/Rebecca Corigliano		
--	AB 6769: 2025 Work Plan Update				Jessi Bon/Casey Thompson		
REGULAR BUSINESS							
20	AB 6775: Briefing on in-lieu of fee work for town center affordable housing				Jeff Thomas/Alison Van Gorp		
	AB 6778: Renaming Luther Burbank Pickleball Courts to Jake Jacobson Pickleball Courts (Resolution No. xxxx)				Mayor Nice/Jessi Bon/Carson Hornsby		
EXECUTIVE SESSION							

OCTOBER 21, 2025			DD	FN	CA	Clerk	CM
ABSENCES:			10/10	10/13	10/13	10/14	10/14
ITEM TYPE   TIME   TOPIC					STAFF		
STUDY SESSION							
SPECIAL BUSINESS							
CONSENT AGENDA							
--	AB xxxx: October 10, 2025 Payroll Certification				Ali Spietz/Nicole Vannatter		
	AB xxxx: Certification of Claims September 16-30, 2025				LaJuan Tuttle/Ashley Olson		

<b>REGULAR BUSINESS</b>		
60	AB xxxx: 2025-2026 Capital Improvement Program Update	Jason Kintner/Kellye Hilde/ Matt Mornick
10	AB xxxx: B&O Tax Code Amendment (First Reading Ord. No. 25C-23)	Matt Mornick
<b>EXECUTIVE SESSION</b>		

NOVEMBER 4, 2025		DD	FN	CA	Clerk	CM
ABSENCES:		10/24	10/27	10/27	10/28	10/28
ITEM TYPE   TIME   TOPIC				STAFF		
STUDY SESSION						
SPECIAL BUSINESS						
CONSENT AGENDA						
--	AB xxxx: October 24, 2025 Payroll Certification			Ali Spietz/Nicole Vannatter		
--	AB xxxx: Certification of Claims October 1-15, 2025			LaJuan Tuttle/Ashley Olson		
--	AB xxxx: Shop Small Month, Proclamation No. xxx			Mayor Nice/Deb Estrada		
--	AB xxxx: B&O Tax Code Amendment (Second Reading Ord. No. 25C-23)			Matt Mornick		
REGULAR BUSINESS						
30	AB xxxx: 2025-2026 Mid-Biennial Budget Workshop (Placeholder)			Matt Mornick		
45	AB xxxx: Permanent regulations in MICC Title 19 for Temporary Uses and Structures (First Reading of Ordinance No. 25C-xx)			Jeff Thomas/Molly McGuire		
45	AB xxxx: Permanent regulations in MICC Title 19 for regulations related to housing production and permit streamlining (First Reading Ordinance No. 25C-xx)			Jeff Thomas/Adam Zack		
EXECUTIVE SESSION						

NOVEMBER 18, 2025				DD	FN	CA	Clerk	CM
ABSENCES:				11/7	11/7	11/7	11/10	11/10
ITEM TYPE   TIME   TOPIC						STAFF		
STUDY SESSION								
SPECIAL BUSINESS								

<b>CONSENT AGENDA</b>		
--	AB xxxx: November 10, 2025 Payroll Certification	Ali Spietz/Nicole Vannatter
--	AB xxxx: Certification of Claims October 16-31, 2025	LaJuan Tuttle/Ashley Olson
--	AB xxxx: Permanent regulations in MICC Title 19 for Temporary Uses and Structures (Second Reading of Ordinance No. 25C-xx)	Jeff Thomas/Molly McGuire
--	AB xxxx: Permanent regulations in MICC Title 19 for regulations related to housing production and permit streamlining (First Reading Ordinance No. 25C-xx)	Jeff Thomas/Adam Zack
<b>REGULAR BUSINESS</b>		
60	AB xxxx: Receive the Q3 2025 Financial Status Update and budget amending ordinance; adoption of the 2026 property tax ordinances, 2026 fee schedule update, and the 2026 NORCOM budget Resolution No. XXXX.	Matt Mornick/ Ali Spietz
15	AB xxxx - Public Hearing and First Reading of an ordinance amending Chapter 16.01 – Historical Designation of the Mercer Island City Code to comply with recent statewide legislation (HB 1576)	Jeff Thomas/Madelyn Nelson
30	AB xxxx: Adoption of 2026 Legislative Priorities	Jessi Bon/Robbie Cunningham Adams
20	AB 6777: 2024 MIPD Annual Report	Michelle Bennet/Mike Seifert/Jeff Magnan
<b>EXECUTIVE SESSION</b>		

DECEMBER 2, 2025		DD	FN	CA	Clerk	CM
ABSENCES:		11/21	11/24	11/24	11/25	11/25
ITEM TYPE   TIME   TOPIC				STAFF		
STUDY SESSION						
SPECIAL BUSINESS						
CONSENT AGENDA						
--	AB xxxx: November 25, 2025 Payroll Certification			Ali Spietz/Nicole Vannatter		
--	AB xxxx: Certification of Claims November 1-15, 2025			LaJuan Tuttle/Ashley Olson		
--	AB xxxx - Second Reading of an ordinance amending Chapter 16.01 – Historical Designation of the Mercer Island City Code to comply with recent statewide legislation (HB 1576)			Jeff Thomas/Madelyn Nelson		
REGULAR BUSINESS						
45	AB xxxx: Resolution to set the 2026 Docket			Jeff Thomas/Molly McGuire		
EXECUTIVE SESSION						

**DECEMBER 16, 2025 – POTENTIALLY CANCELED**

DD

FN

CA

Clerk

Item 13.

ABSENCES:

ITEM TYPE   TIME   TOPIC			STAFF
STUDY SESSION			
SPECIAL BUSINESS			
CONSENT AGENDA			
REGULAR BUSINESS			
EXECUTIVE SESSION			