



CITY OF MERCER ISLAND

CITY COUNCIL SPECIAL VIDEO MEETING

Tuesday, May 5, 2020 at 5:00 PM

COUNCIL MEMBERS:

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

LOCATION & CONTACT:

Mercer Island City Hall - Council Chambers
9611 SE 36th Street | Mercer Island, WA 98040
Phone: 206.275.7793 | www.mercergov.org

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

VIRTUAL MEETING NOTICE

The virtual meeting will be broadcast live on MITV Channel 21 and live-streamed on the City's YouTube Channel at <https://www.youtube.com/c/mercerislandcouncil>

Telephone: To listen to the meeting or speak live under "Appearances" via telephone, please call 253.215.8782 and enter Webinar ID 851 0273 4923 when prompted.

Internet: To watch the meeting over the internet or speak live under "Appearances," via your computer's microphone, follow these steps:

- 1) Click the link <https://us02web.zoom.us/j/85102734923?pwd=K3hNcnRXd1RTZVZqQUQqak1wRi9BQT09>
- 2) If the Zoom app is not installed on your computer, you will be prompted to download it.
- 3) If prompted for Webinar ID, enter 851 0273 4923
- 4) Enter Password 851646

Written Comments: Written comments may be submitted at the Mercer Island Let's Talk [Council Connects](#) page. Written comments received by 4pm on May 5, 2020 will be forwarded to all Councilmembers and a brief summary of the comments will be included in the minutes of the meeting.

Virtual Appearances: Individuals wishing to provide live, spoken appearances will need to register their request with the City Clerk at 206.275.7793 or email deb.estrada@mercergov.org and leave a message before 4 p.m. on the day of the Council meeting. Please reference "Appearances for May 5 Council Meeting" on your correspondence. The City Clerk will call on you by name or telephone number when it is your turn to speak.

In Person Appearances: **CANCELED** This will only be permitted if Governor Inslee lifts the "Stay Home, Stay Healthy" order — in that case, strict meeting attendance guidelines and social distancing measures will be required of all attendees. Please note, all Councilmembers will be participating remotely and there will be limited staff present. Unless otherwise announced, City Hall remains closed to the public.

CALL TO ORDER & ROLL CALL

PLEDGE OF ALLEGIANCE

AGENDA APPROVAL

CITY MANAGER REPORT

APPEARANCES

1. Guidance for Public Appearances

Individuals wishing to provide live, spoken appearances will need to register their request in advance with the City Clerk at 206.275.7793 or email deb.estrada@mercergov.org and leave a message before 4pm on the day of the Council meeting. Please reference "Appearances for May 5 Council Meeting" on your correspondence. During the meeting, the City Clerk will call on you by name or telephone number when it is your turn to speak (you will have three minutes).

CONSENT CALENDAR

2. Approve **Accounts Payable** Reports:
 - A. Report for the period ending April 17, 2020 in the amount of \$561,952.01, and
 - B. Report for the period ending April 24, 2020 in the amount of \$168,425.42
3. Approve **Certification of Payroll** dated:
 - A. March 27, 2020 in the amount of \$818,167.33
 - B. April 24, 2020 in the amount of \$790,824.26
4. AB 5686: 2020 Water System Improvements Project & Bid Award
Recommended Action: Award the 2020 Water System Improvements project to Oceanside Construction in the amount of \$705,841, set the total project budget at \$1,194,009, and direct the City Manager to execute the construction contract.

REGULAR BUSINESS

5. AB 5684: Backflow Prevention Assembly Testing Enforcement Update
Recommended Action: Adopt Ordinance No. 20C-07, amending MICC 15.14.060 and MICC 15.14.080 related to enforcement of certification and testing of Backflow Prevention Assemblies.
6. AB 5688: Small Business Support Update & Port of Seattle Grant Application
Recommended Action: Staff recommends the City Council receive the report and review the attached exhibits related to the Port of Seattle Economic Development Partnership Grant program. No further City Council action is needed at this time.
7. AB 5689: City Manager's Request for Salary Reduction
Recommended Action: Authorize the Mayor to negotiate and execute an amendment to the current City Manager Employment Agreement for a 10% temporary salary reduction through the end of 2020.
8. AB 5687: Financial Forecast, COVID-19 Impacts, and Cost Saving Measures
Recommended Action: Appropriate \$962,168 from the Contingency Fund to support the City's on-going COVID-19 emergency response through June 30, 2020. Direct staff to replenish the Contingency Fund when state and federal funds related to COVID-19 are received, up to the amount appropriated.

OTHER BUSINESS

9. Planning Schedule
10. Councilmember Absences & Reports

ADJOURNMENT



CITY CLERK'S OFFICE
CITY OF MERCER ISLAND, WASHINGTON

9611 SE 36th Street | Mercer Island, WA 98040-3732
(206) 275-7793 | www.mercergov.org

Appearances

Appearances are scheduled for the May 5, 2020 Council meeting and there are three options to provide verbal comment and one option for written comment.

Individuals wishing to provide live, spoken appearances will need to register their request with the City Clerk at 206.275.7793 or email deb.estrada@mercergov.org and leave a message before 4 p.m. on the day of the Council meeting. Please reference "Appearances for May 5 Council Meeting" on your correspondence and kindly provide the email address or phone number you will use to join the meeting. The City Clerk will call on you by name or telephone number when it is your turn to speak.

Verbal Comment ("Appearances") may be provided as follows:

Telephone: Use the Zoom provided phone number (253.215.8782) and the May 5 Webinar ID 851 0273 4923 when prompted.

Audio (no video) via Zoom Webinar: Please click link provided in the agenda to join the Zoom Webinar as an "Attendee" with your microphone muted and no video. You will be able to view the meeting, and during the appearances portion you will be invited by the City Clerk to unmute and speak for up to 3 minutes.

In Person Appearances in the Council Chambers: The safety of our community members and staff is very important to the City. If Governor Inslee lifts the "Stay Home, Stay Healthy" order on Monday, May 4, careful meeting attendance guidelines and social distancing measures will be required of all attendees and strictly enforced for the safety of everyone in attendance.

- Face coverings must be worn to be admitted to City Hall.
- In person attendees will be asked to undergo a self-health check at the door.
- Appropriate 6 ft separation and social distancing must be maintained at all times while in City Hall.
- To meet social distancing requirements, no more than four (4) members of the public will be allowed into the Council Chambers at the same time and must stand or sit in pre-marked locations.
- Access to City Hall will be from the main (east) entrance. Exiting from the building will be directed to the south/Police lobby door.
- Please consider your own health and safety needs as you make a decision about whether to attend a City Council meeting in person at this time.

Please note, all Councilmembers will be participating remotely and there will be limited staff present. In person appearances will be videotaped as part of the meeting broadcast.

Written Comments: Written comments for the May 5, 2020 meeting may be submitted at the Mercer Island Let's Talk [Council Connects](#) page. Written comments received by 4pm on Tuesday, May 5, will be forwarded to all council members and a brief summary of the comments will be included in the minutes of the meeting.

City Hall

Entry & Exits for Public Meetings



Face Coverings will be required



**Please wear protective face coverings and keep
6 feet from others while you are visiting us.**

CLOTH FACE COVERINGS SHOULD:



**Fit snugly but
comfortably against
the side of the face**



**Be secured with
ties or ear loops**



**Include multiple
layers of fabric**



**Allow for
breathing without
restriction**



**Be able to be
laundered without
damage**

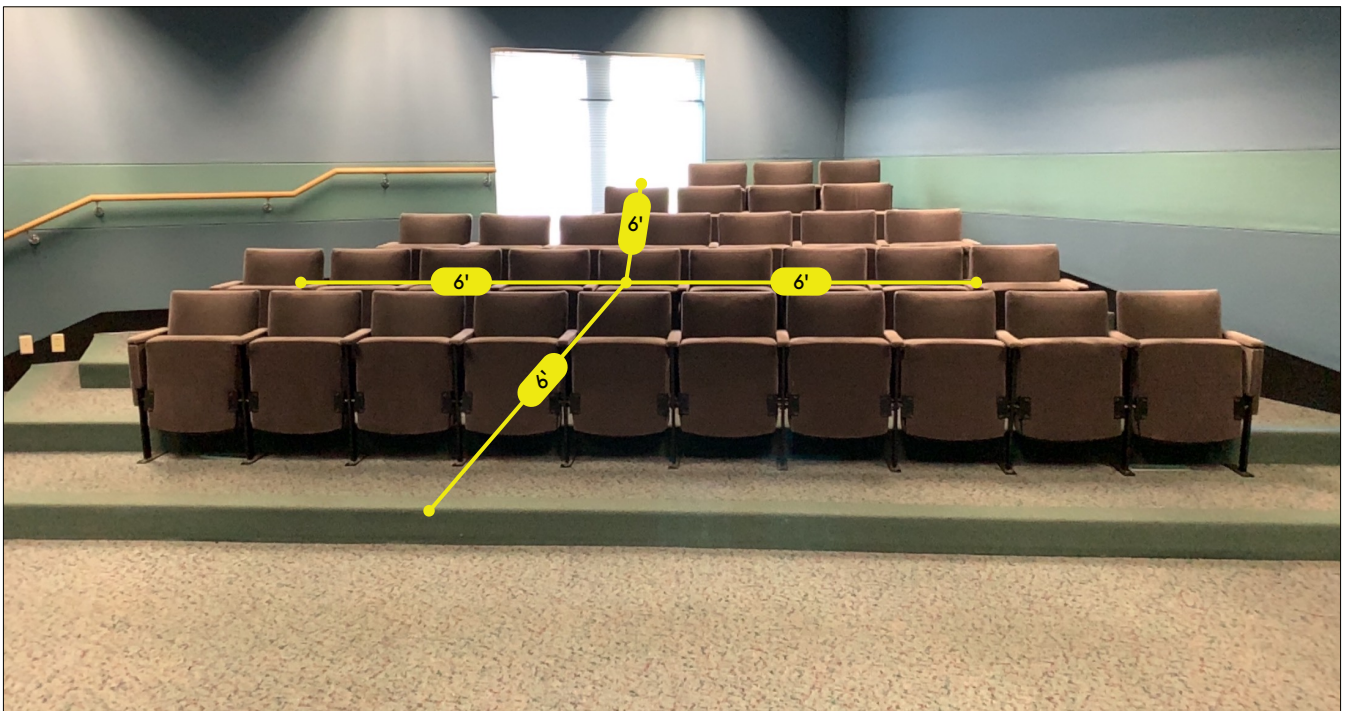


**Be worn by children
over age 2**

Social Distancing measures will be in place such as cleaning stations, visual reminders, and signage



Seating will be limited, due to social distancing requirements



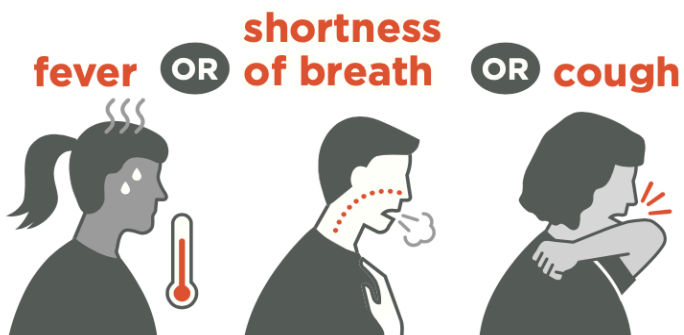
Public comment - one person at a time will come into Council Chambers



Please be safe and smart

- ✓ Always wash your hands before and after wearing a mask.
- ✓ Use the ties or loops to put your mask on and pull it off.
- ✓ Don't touch the front of the mask, especially when you take it off.
- ✓ Put on and remove your mask while inside your home. Public transportation, elevators and stairwells can be high-contamination areas.
- ✓ Wash and dry your cloth mask daily and keep it in a clean, dry place.
- ✓ Remember that masks offer only limited protection and work best in combination with hand washing and physical distancing.

Stay home if you have any of these symptoms:




Other symptoms:

- chills
- repeated shaking with chills
- muscle pain
- headache
- sore throat
- loss of taste or smell

CERTIFICATION OF CLAIMS

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



Finance Director

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

Mayor

Date

<u>Report</u>	<u>Warrants</u>	<u>Date</u>	<u>Amount</u>
Check Register	203174-203244	4/17/2020	\$ 561,952.01 \$ 561,952.01

Accounts Payable Report by GL Key

PO #	Check #	Vendor:	Transaction Description	Check Amount
<i>Org Key: 001000 - General Fund-Admin Key</i>				
P0107329	00203242	WA ST TREASURER'S OFFICE	MAR2020 MI Court Transmittal	2,948.23
P0107314	00203205	JACK AND JILL OF AMERICA INC	Rental FA-3445 cancelled due t	2,222.00
P0107313	00203213	MARYMOOR VELODROME ASSOC	Rental FA-3830 cancelled due t	1,934.00
P0107329	00203242	WA ST TREASURER'S OFFICE	MAR2020 MI Court Transmittal	1,720.66
P0107315	00203212	MANY LIGHTS FOUNDATION	Rental FA-4356 cancelled due t	1,614.00
P0107329	00203242	WA ST TREASURER'S OFFICE	MAR2020 MI Court Transmittal	1,175.30
P0107328	00203242	WA ST TREASURER'S OFFICE	MAR2020 State Court Transmitta	1,064.39
P0107328	00203242	WA ST TREASURER'S OFFICE	MAR2020 State Court Transmitta	653.84
P0107328	00203242	WA ST TREASURER'S OFFICE	MAR2020 State Court Transmitta	527.99
P0107329	00203242	WA ST TREASURER'S OFFICE	MAR2020 MI Court Transmittal	449.47
P0107318	00203202	HARRIS, ADAM	Rental FA-4471 cancelled due t	404.00
P0107329	00203242	WA ST TREASURER'S OFFICE	MAR2020 MI Court Transmittal	337.22
P0107328	00203242	WA ST TREASURER'S OFFICE	MAR2020 State Court Transmitta	231.20
P0107329	00203242	WA ST TREASURER'S OFFICE	MAR2020 MI Court Transmittal	224.38
P0107329	00203242	WA ST TREASURER'S OFFICE	MAR2020 MI Court Transmittal	173.21
P0107328	00203242	WA ST TREASURER'S OFFICE	MAR2020 State Court Transmitta	117.90
P0107328	00203242	WA ST TREASURER'S OFFICE	MAR2020 State Court Transmitta	115.37
P0107328	00203242	WA ST TREASURER'S OFFICE	MAR2020 State Court Transmitta	104.52
P0107329	00203242	WA ST TREASURER'S OFFICE	MAR2020 MI Court Transmittal	83.81
P0107329	00203242	WA ST TREASURER'S OFFICE	MAR2020 MI Court Transmittal	69.20
P0107329	00203242	WA ST TREASURER'S OFFICE	MAR2020 MI Court Transmittal	45.88
P0107329	00203242	WA ST TREASURER'S OFFICE	MAR2020 MI Court Transmittal	18.12
P0107329	00203242	WA ST TREASURER'S OFFICE	MAR2020 MI Court Transmittal	18.10
P0107328	00203242	WA ST TREASURER'S OFFICE	MAR2020 State Court Transmitta	17.13
P0107329	00203242	WA ST TREASURER'S OFFICE	MAR2020 MI Court Transmittal	14.75
<i>Org Key: 402000 - Water Fund-Admin Key</i>				
P0107321	00203196	EXCEL SUPPLY COMPANY	INVENTORY PURCHASES	840.66
P0107363	00203201	GRAINGER	INVENTORY PURCHASES	263.35
P0107365	00203201	GRAINGER	INVENTORY PURCHASES	31.61
<i>Org Key: 814074 - Garnishments</i>				
	00203177	UNITED STATES TREASURY	UNITED STATES TREASURY	826.84
<i>Org Key: 814075 - Mercer Island Emp Association</i>				
	00203175	MI EMPLOYEES ASSOC	WSCCCE	292.50
<i>Org Key: CM1200 - City Clerk</i>				
P0107326	00203208	KING COUNTY TREASURY	2019 Voters Pamphlet	1,216.72
P0107332	00203188	CODE PUBLISHING CO	Website Update Ord. 19C-21,	1,005.75
<i>Org Key: CR1100 - Human Resources</i>				
P0107357	00203228	PUBLIC SAFETY TESTING INC	Police Quarterly Fees	449.00
<i>Org Key: FN1100 - Administration (FN)</i>				
P0107388	00203200	Government Finance	INTERACTIVE FINANCIAL FORECAST	4,995.00
P0107310	00203191	DATAQUEST LLC	Pre-hire Background Check	46.50
<i>Org Key: FN4501 - Utility Billing (Water)</i>				
P0107349	00203219	METROPRESORT	MARCH 2020 PRINTING AND MAILIN	178.67
P0107349	00203219	METROPRESORT	MARCH 2020 PRINTING AND MAILIN	166.37

Accounts Payable Report by GL Key

PO #	Check #	Vendor:	Transaction Description	Check Amount
P0107300	00203219	METROPRESORT	MARCH 2020 PRINTING AND MAILIN	91.01
P0107300	00203219	METROPRESORT	MARCH 2020 PRINTING AND MAILIN	84.94
<i>Org Key: FN4502 - Utility Billing (Sewer)</i>				
P0107349	00203219	METROPRESORT	MARCH 2020 PRINTING AND MAILIN	178.67
P0107349	00203219	METROPRESORT	MARCH 2020 PRINTING AND MAILIN	166.37
P0107300	00203219	METROPRESORT	MARCH 2020 PRINTING AND MAILIN	91.01
P0107300	00203219	METROPRESORT	MARCH 2020 PRINTING AND MAILIN	84.94
<i>Org Key: FN4503 - Utility Billing (Storm)</i>				
P0107349	00203219	METROPRESORT	MARCH 2020 PRINTING AND MAILIN	178.66
P0107349	00203219	METROPRESORT	MARCH 2020 PRINTING AND MAILIN	166.36
P0107300	00203219	METROPRESORT	MARCH 2020 PRINTING AND MAILIN	91.00
P0107300	00203219	METROPRESORT	MARCH 2020 PRINTING AND MAILIN	84.94
<i>Org Key: FR1100 - Administration (FR)</i>				
	00203174	CENTURYLINK	PHONE USE APRIL 2020	801.42
P0107282	00203210	KROESENS UNIFORM COMPANY	Daily Uniforms	522.56
P0107301	00203181	ASPECT SOFTWARE INC	Monthly Telestaff Charges	165.00
P0107303	00203218	MERCER ISLAND REPORTER	2020 Subscription	45.00
<i>Org Key: FR2100 - Fire Operations</i>				
P0107276	00203225	NORCOM 911	911 NORCOM	41,255.50
P0106709	00203195	EPSCA	MONTHLY RADIO ACCESS FEES 49 R	1,111.00
P0107282	00203210	KROESENS UNIFORM COMPANY	Duty Uniforms	345.13
P0106709	00203195	EPSCA	QTLY ACCESS FEE REBATE FIRE	-194.04
<i>Org Key: FR5100 - Community Risk Reduction</i>				
P0107302	00203204	INTL ASSOC OF ARSON INV	2020 Dues	280.00
<i>Org Key: GGM001 - General Government-Misc</i>				
P0107304	00203214	Matrix Consulting Group	Fire Service Study Inv. #2	5,500.00
P0107386	00203207	KC TREASURY	2020 PROPERTY TAX	1,869.19
P0107331	00203227	PROJECT A INC	Quarterly Hosting and SiteSear	1,244.50
<i>Org Key: GGM004 - Gen Govt-Office Support</i>				
P0107330	00203217	MERCER ISLAND GUILD OF	MI Directories for City Staff	700.00
<i>Org Key: GGM005 - Genera Govt-L1 Retiree Costs</i>				
P0107361	00203199	GOODMAN, J C	LEOFF1 Retiree Medical Expense	1,355.79
P0107311	00203211	LYONS, STEVEN	FRLEOFF1 Retiree Medical Expen	588.22
P0107308	00203233	RUCKER, MANORD J	LEOFF1 Retiree Medical Expense	495.94
P0107359	00203199	GOODMAN, J C	LEOFF1 Retiree Medical Expense	240.00
P0107360	00203199	GOODMAN, J C	LEOFF1 Retiree Medical Expense	212.75
P0107358	00203194	ELSOE, RONALD	LEOFF1 Retiree Medical Expense	67.92
<i>Org Key: GGM100 - Emerg Incident Response</i>				
P0107321	00203196	EXCEL SUPPLY COMPANY	CLOROX DISINFECTING WIPES	102.18
<i>Org Key: IGVO11 - Chamber of Commerce</i>				
P0106841	00203220	MI CHAMBER OF COMMERCE	MONTHLY CHAMBER OF COMMERCE	600.00
<i>Org Key: IS2100 - IGS Network Administration</i>				
	00203174	CENTURYLINK	PHONE USE APRIL 2020	2,118.64

Accounts Payable Report by GL Key

PO #	Check #	Vendor:	Transaction Description	Check Amount
<i>Org Key: MT2255 - Urban Forest Management (ROW)</i>				
P0107362	00203198	FORESTRY SUPPLIERS INC	TAGS NUMBERED & BINOCULARS	236.37
<i>Org Key: MT2300 - Planter Bed Maintenance</i>				
	00203176	PUGET SOUND ENERGY	PSE MAR 2020	2,298.34
<i>Org Key: MT3000 - Water Service Upsizes and New</i>				
P0106654	00203203	IMELDA RODRIGUEZ	CONCRETE REPAIR 4712 89TH AVE	2,706.00
<i>Org Key: MT3100 - Water Distribution</i>				
P0106493	00203178	AFCOMM-LLC	LIGHTS FOR NIGHT WORK	5,086.96
P0107355	00203222	MI HARDWARE - UTILITY	MISC. HARDWARE FOR THE MONTH O	59.32
<i>Org Key: MT3150 - Water Quality Event</i>				
P0107245	00203237	LINKO TECHNOLOGY INC	2020 CROSS CONNECTION WEB TEST	912.00
P0107286	00203179	AM TEST INC	WATER QUALITY INV 115096	25.00
<i>Org Key: MT3400 - Sewer Collection</i>				
P0106493	00203178	AFCOMM-LLC	LIGHTS FOR NIGHT WORK	5,086.95
<i>Org Key: MT3500 - Sewer Pumps</i>				
	00203176	PUGET SOUND ENERGY	PSE ENERGY USAGE MAR 2020	5,331.74
	00203176	PUGET SOUND ENERGY	PSE ENERGY USAGE MAR 2020	766.19
	00203174	CENTURYLINK	PHONE USE APRIL 2020	440.38
<i>Org Key: MT4150 - Support Services - Clearing</i>				
P0106363	00203244	XEROX CORPORATION	2020 COPIER CHARGES	333.77
P0106555	00203239	UTILITIES UNDERGROUND LOCATION	2020 UTILITY LOCATES	294.12
P0106497	00203189	COMCAST	2020 PW WIFI SERVICE	86.39
P0106709	00203195	EPSCA	MONTHLY RADIO ACCESS FEES 1 RA	25.25
P0106709	00203195	EPSCA	QTLY ACCESS FEE REBATE PUBLIC	-4.41
<i>Org Key: MT4200 - Building Services</i>				
	00203176	PUGET SOUND ENERGY	PSE ENERGY USAGE MAR 2020	7,633.98
	00203176	PUGET SOUND ENERGY	PSE ENERGY USAGE MAR 2020	3,205.86
P0107324	00203230	RAINIER BUILDING SERVICES	QUARTERLY FLOOR WAXING	544.00
P0107372	00203192	EASTSIDE EXTERMINATORS	CITY HALL EXTERMINATOR SERVICE	246.33
P0107356	00203221	MI HARDWARE - BLDG	MISC. HARDWARE FOR THE MONTH O	13.83
<i>Org Key: MT4300 - Fleet Services</i>				
P0106771	00203185	CARQUEST AUTO PARTS STORES	2020 MONTHLY FLEET PARTS	512.58
P0106772	00203180	AMERIGAS-1400	2020 PROPANE DELIVERY	365.34
P0107322	00203182	AUTONATION INC	FL-0507 FLEET REPAIRS	234.15
P0107375	00203216	MERCER ISLAND CHEVRON	FUEL	137.27
P0107322	00203182	AUTONATION INC	FL-0506 FLEET REPAIRS	123.17
<i>Org Key: MT4501 - Water Administration</i>				
P0107327	00203235	SEATTLE PUBLIC UTILITIES	March 2020 Water Purchase	86,337.45
	00203174	CENTURYLINK	PHONE USE APRIL 2020	58.21
<i>Org Key: PO1350 - Police Emergency Management</i>				
P0106709	00203195	EPSCA	MONTHLY RADIO ACCESS FEES 13 R	328.25
P0106709	00203195	EPSCA	QTLY ACCESS FEE REBATE EMAC	-57.33

Accounts Payable Report by GL Key

PO #	Check #	Vendor:	Transaction Description	Check Amount
<i>Org Key: PO1650 - Regional Radio Operations</i>				
P0106709	00203195	EPSCA	MONTHLY RADIO ACCESS FEES 59 R	1,515.00
P0106709	00203195	EPSCA	QTLY ACCESS FEE REFUND POLICE	-264.60
<i>Org Key: PO1800 - Contract Dispatch Police</i>				
P0107276	00203225	NORCOM 911	911 NORCOM	142,392.22
<i>Org Key: PO2100 - Patrol Division</i>				
P0107348	00203210	KROESENS UNIFORM COMPANY	Patrol uniforms/equipment	156.62
<i>Org Key: PO2200 - Marine Patrol</i>				
	00203234	SCHROEDER, SCOTT W	DRUG SCREEN/TWIC REGISTRATION	178.25
<i>Org Key: PR2100 - Recreation Programs</i>				
P0107316	00203193	EISEN, CHLOE L	Instructor payment for French	657.00
<i>Org Key: PR2104 - Special Events</i>				
P0105406	00203197	FLEMING'S HOLIDAY LIGHTING LLC	Holiday Light installation on	5,102.86
<i>Org Key: PR2108 - Health and Fitness</i>				
P0107317	00203226	PACIFIC NW NAGINATA FEDERATION	Program payment for Naginata #	1,189.50
<i>Org Key: PR4100 - Community Center</i>				
	00203176	PUGET SOUND ENERGY	PSE ENERGY USAGE MAR 2020	3,093.10
	00203224	NEIGHBORHOOD HOUSE INC	CREDIT CORRECTION	558.00
P0107350	00203215	MED-TOX NORTHWEST	GYM FLOOR COATING EVALUATION-	500.00
	00203174	CENTURYLINK	PHONE USE APRIL 2020	55.79
	00203224	NEIGHBORHOOD HOUSE INC	Masterclass training canceled	-558.00
<i>Org Key: PR6100 - Park Maintenance</i>				
	00203176	PUGET SOUND ENERGY	PSE ENERGY USAGE MAR 2020	1,265.00
P0107310	00203191	DATAQUEST LLC	Re-hire Background Checks	116.50
<i>Org Key: PR6200 - Athletic Field Maintenance</i>				
	00203174	CENTURYLINK	PHONE USE APRIL 2020	90.13
<i>Org Key: PR6500 - Luther Burbank Park Maint.</i>				
	00203229	PUGET SOUND ENERGY	ENERGY USAGE MAR 2020	1,396.59
P0107324	00203230	RAINIER BUILDING SERVICES	QUARTERLY FLOOR WAXING	272.00
	00203174	CENTURYLINK	PHONE USE APRIL 2020	117.12
<i>Org Key: PR6600 - Park Maint-School Related</i>				
	00203176	PUGET SOUND ENERGY	PSE ENERGY USAGE MAR 2020	580.33
<i>Org Key: PR6900 - Aubrey Davis Park Maintenance</i>				
	00203176	PUGET SOUND ENERGY	PSE ENERGY USAGE MAR 2020	420.83
<i>Org Key: PY4619 - Flex Spending Admin 2019</i>				
	00203231	REECE, GARETH	FLEX SPENDING REIMBURSEMENT	5,000.00
<i>Org Key: ST0001 - ST Traffic Safety Enhancements</i>				
P0103076	00203209	KPG	W MERCER WAY ELEMENTRY SPEED	4,615.11
P0102334	00203209	KPG	2019 ON CALL TRANPORATION	2,882.80
<i>Org Key: ST0020 - ST Long Term Parking</i>				

Accounts Payable Report by GL Key

PO #	Check #	Vendor:	Transaction Description	Check Amount
	00203176	PUGET SOUND ENERGY	PSE ENERGY USAGE MAR 2020	179.71
<i>Org Key: WD140R - Drainage System Pipe Replacem</i>				
P0105308	00203183	BLUELINE GROUP	9600 WMW WATER S;YSTEM IMPROVE	1,747.00
<i>Org Key: WD301S - Neighborhood Spot Drainage Imp</i>				
P0106557	00203206	KAMINS CONSTRUCTION INC	WMW PH2 2 ROADSIDE SHOULDER	1,683.05
<i>Org Key: WG105R - Community Center Bldg Repairs</i>				
P0106980	00203236	SOREANO'S PLUMBING INC	ANNEX HW TANK REPLACEMENT (RE)	1,622.50
<i>Org Key: WR101R - Residential Street Improvement</i>				
P0106568	00203187	CM DESIGN GROUP	2020 ARTERIAL & RESIDENTIAL	13,112.17
<i>Org Key: WR152R - 80th Ave Sidewalk (28th-32nd)</i>				
P0104658	00203209	KPG	80TH AVE SE PEDESTIAN IMPROVEM	990.00
<i>Org Key: WR916R - SE 68th and 70th Place ICW EMW</i>				
P0106568	00203187	CM DESIGN GROUP	2020 ARTERIAL & RESIDENTIAL	13,112.17
<i>Org Key: WR918R - SE 40th St 76th to 78th</i>				
P0106568	00203187	CM DESIGN GROUP	2020 ARTERIAL & RESIDENTIAL	13,112.18
<i>Org Key: WS901D - Sewer Sys Pump Sta Repairs</i>				
P0107287	00203190	CUMMINS SALES & SERVICE	GERARATOR COMMISSION PS 13/17/	2,267.16
<i>Org Key: WS901E - Sewer Sys Emergency Repairs</i>				
P0107288	00203184	BOLLES CONSTRUCTION INC	SEWER MAIN REPAIR	6,550.15
<i>Org Key: WS901G - Sewer System Generator Repl</i>				
P0102393	00203186	CHS ENGINEERS LLC	GENERATOR 13/17/24 AND PS 18	1,104.26
<i>Org Key: WW522R - Reservoir Generator</i>				
P0105058	00203223	MURRAYSMITH INC	RESERVOIR STANDBY DIESEL GENER	6,310.50
<i>Org Key: WW718R - Main 87th and 88th Ave SE</i>				
P0105308	00203183	BLUELINE GROUP	9600 WMW WATER SYSTEM	2,200.00
<i>Org Key: WW914R - 96th 97th Ave and SE 34th Main</i>				
P0105308	00203183	BLUELINE GROUP	9600 WMW WATER S;YSTEM IMPROVE	2,523.35
<i>Org Key: XR543C - WMW Shoulders (Ph 2-3)</i>				
P0106557	00203206	KAMINS CONSTRUCTION INC	WMW PH2 2 ROADSIDE SHOULDER	107,593.54
<i>Org Key: XR810R - SE 36th and NMW Crosswalk</i>				
P0107155	00203209	KPG	TRANSPORTATION CAPITAL PROJECT	3,544.75
<i>Org Key: YF1100 - YFS General Services</i>				
P0107367	00203241	VERIZON WIRELESS	February 24 - March 23 Verizon	125.02
P0107366	00203243	WASHINGTON STATE PATROL	Background checks	121.00
P0107309	00203243	WASHINGTON STATE PATROL	Background check	11.00
<i>Org Key: YF1200 - Thrift Shop</i>				
	00203176	PUGET SOUND ENERGY	PSE ENERGY USAGE MAR 2020	530.55
<i>Org Key: YF2100 - School/City Partnership</i>				
P0107368	00203232	REGIONAL TOXICOLOGY SERVICES	March 2020 lab fees invoice	51.15

Accounts Payable Report by GL Key

PO #	Check #	Vendor:	Transaction Description	Check Amount
<i>Org Key: YF2600 - Family Assistance</i>				
P0107373	00203240	UW VALLEY MEDICAL CENTER	Emergency assistance medical b	374.04
<i>Org Key: YF2700 - Special Project - Response</i>				
P0107369	00203238	ULINE	Personal Protective Equipment	144.91
<i>Org Key: YF2850 - Federal SPF Grant</i>				
P0107323	00203224	NEIGHBORHOOD HOUSE INC	Most Steer Clear Movie Theater	1,000.00
Total				561,952.01

Accounts Payable Report by Check Number

Check No	Check Date	Vendor Name/Description	PO #	Invoice #	Invoice Date	Check Amount
00203174	04/14/2020	CENTURYLINK PHONE USE APRIL 2020		OH013244	04/01/2020	3,681.69
00203175	04/14/2020	MI EMPLOYEES ASSOC WSCCCE		OH013246	04/10/2020	292.50
00203176	04/14/2020	PUGET SOUND ENERGY PSE MAR 2020		OH013245	03/25/2020	25,305.63
00203177	04/14/2020	UNITED STATES TREASURY UNITED STATES TREASURY		OH013247	04/10/2020	826.84
00203178	04/17/2020	AFCOMM-LLC LIGHTS FOR NIGHT WORK	P0106493	6130	04/01/2020	10,173.91
00203179	04/17/2020	AM TEST INC WATER QUALITY INV 115096	P0107286	115096	03/31/2020	25.00
00203180	04/17/2020	AMERIGAS-1400 2020 PROPANE DELIVERY	P0106772	3104397979	03/21/2020	365.34
00203181	04/17/2020	ASPECT SOFTWARE INC Monthly Telestaff Charges	P0107301	ASI0508367	04/05/2020	165.00
00203182	04/17/2020	AUTONATION INC FL-0506 FLEET REPAIRS	P0107322	148229	04/01/2020	357.32
00203183	04/17/2020	BLUELINE GROUP 9600 WMW WATER S;YSTEM IMPROVE	P0105308	18562	04/02/2020	6,470.35
00203184	04/17/2020	BOLLES CONSTRUCTION INC SEWER MAIN REPAIR	P0107288	3039	03/30/2020	6,550.15
00203185	04/17/2020	CARQUEST AUTO PARTS STORES 2020 MONTHLY FLEET PARTS	P0106771	OH013249	03/17/2020	512.58
00203186	04/17/2020	CHS ENGINEERS LLC GENERATOR 13/17/24 AND PS 18	P0102393	801703-2003	03/27/2020	1,104.26
00203187	04/17/2020	CM DESIGN GROUP 2020 ARTERIAL & RESIDENTIAL	P0106568	20009	03/06/2020	39,336.52
00203188	04/17/2020	CODE PUBLISHING CO Website Update Ord. 19C-21,	P0107332	66447	03/31/2020	1,005.75
00203189	04/17/2020	COMCAST 2020 PW WIFI SERVICE	P0106497	0365550-0520	04/12/2020	86.39
00203190	04/17/2020	CUMMINS SALES & SERVICE GERARATOR COMMISSION PS 13/17/	P0107287	AS-83906	03/11/2020	2,267.16
00203191	04/17/2020	DATAQUEST LLC Pre-hire Background Check	P0107310	11734	03/31/2020	163.00
00203192	04/17/2020	EASTSIDE EXTERMINATORS CITY HALL EXTERMINATOR SERVICE	P0107372	501089	04/10/2020	246.33
00203193	04/17/2020	EISEN, CHLOE L Instructor payment for French	P0107316	9672/9674	04/03/2020	657.00
00203194	04/17/2020	ELSOE, RONALD LEOFF1 Retiree Medical Expense	P0107358	OH013257	04/13/2020	67.92
00203195	04/17/2020	EPSCA MONTHLY RADIO ACCESS FEES 49 R	P0106709	10017	04/01/2020	2,459.12
00203196	04/17/2020	EXCEL SUPPLY COMPANY INVENTORY PURCHASES	P0107321	118775/119911	03/16/2020	942.84
00203197	04/17/2020	FLEMING'S HOLIDAY LIGHTING LLC Holiday Light installation on	P0105406	7151	02/06/2020	5,102.86
00203198	04/17/2020	FORESTRY SUPPLIERS INC TAGS NUMBERED & BINOCULARS	P0107362	669928-00	03/17/2020	236.37
00203199	04/17/2020	GOODMAN, J C LEOFF1 Retiree Medical Expense	P0107361	OH013261	04/13/2020	1,808.54

Accounts Payable Report by Check Number


Check No	Check Date	Vendor Name/Description	PO #	Invoice #	Invoice Date	Check Amount
00203200	04/17/2020	Government Finance INTERACTIVE FINANCIAL FORECAST	P0107388	MI-0420-01	04/01/2020	4,995.00
00203201	04/17/2020	GRAINGER INVENTORY PURCHASES	P0107365	9499116656	04/08/2020	294.96
00203202	04/17/2020	HARRIS, ADAM Rental FA-4471 cancelled due t	P0107318	FA-4471	04/03/2020	404.00
00203203	04/17/2020	IMELDA RODRIGUEZ CONCRETE REPAIR 4712 89TH AVE	P0106654	13748	02/21/2020	2,706.00
00203204	04/17/2020	INTL ASSOC OF ARSON INV 2020 Dues	P0107302	30784/30795	03/25/2020	280.00
00203205	04/17/2020	JACK AND JILL OF AMERICA INC Rental FA-3445 cancelled due t	P0107314	OH013251	04/03/2020	2,222.00
00203206	04/17/2020	KAMINS CONSTRUCTION INC WMW PH2 2 ROADSIDE SHOULDER	P0106557	OH013248	03/31/2020	109,276.59
00203207	04/17/2020	KC TREASURY 2020 PROPERTY TAX	P0107386	OH013271	04/30/2020	1,869.19
00203208	04/17/2020	KING COUNTY TREASURY 2019 Voters Pamphlet	P0107326	2123277	03/09/2020	1,216.72
00203209	04/17/2020	KPG 2019 ON CALL TRANPORATION	P0107155	3-1520	04/07/2020	12,032.66
00203210	04/17/2020	KROESENS UNIFORM COMPANY Daily Uniforms	P0107348	59737/59862/5989	04/06/2020	1,024.31
00203211	04/17/2020	LYONS, STEVEN FRLEOFF1 Retiree Medical Expen	P0107311	OH013255	04/07/2020	588.22
00203212	04/17/2020	MANY LIGHTS FOUNDATION Rental FA-4356 cancelled due t	P0107315	OH013250	04/03/2020	1,614.00
00203213	04/17/2020	MARYMOOR VELODROME ASSOC Rental FA-3830 cancelled due t	P0107313	OH013252	04/03/2020	1,934.00
00203214	04/17/2020	Matrix Consulting Group Fire Service Study Inv. #2	P0107304	20-13#2	04/04/2020	5,500.00
00203215	04/17/2020	MED-TOX NORTHWEST GYM FLOOR COATING EVALUATION-	P0107350	33041	03/31/2020	500.00
00203216	04/17/2020	MERCER ISLAND CHEVRON FUEL	P0107375	OH013264	03/03/2020	137.27
00203217	04/17/2020	MERCER ISLAND GUILD OF MI Directories for City Staff	P0107330	13629	02/28/2020	700.00
00203218	04/17/2020	MERCER ISLAND REPORTER 2020 Subscription	P0107303	MI-167089	03/25/2020	45.00
00203219	04/17/2020	METROPRESORT MARCH 2020 PRINTING AND MAILIN	P0107349	IN621892	04/03/2020	1,562.94
00203220	04/17/2020	MI CHAMBER OF COMMERCE MONTHLY CHAMBER OF COMMERCE	P0106841	OH013268	04/10/2020	600.00
00203221	04/17/2020	MI HARDWARE - BLDG MISC. HARDWARE FOR THE MONTH O	P0107356	OH013263	03/31/2020	13.83
00203222	04/17/2020	MI HARDWARE - UTILITY MISC. HARDWARE FOR THE MONTH O	P0107355	OH013262	03/31/2020	59.32
00203223	04/17/2020	MURRAYSMITH INC RESERVOIR STANDBY DIESEL GENER	P0105058	19-2659.00-4	04/11/2020	6,310.50
00203224	04/17/2020	NEIGHBORHOOD HOUSE INC Masterclass training canceled	P0107323	022920	02/29/2020	1,000.00
00203225	04/17/2020	NORCOM 911 911 NORCOM	P0107276	0000904/0000905.	04/01/2020	183,647.72

Accounts Payable Report by Check Number

Check No	Check Date	Vendor Name/Description	PO #	Invoice #	Invoice Date	Check Amount
00203226	04/17/2020	PACIFIC NW NAGINATA FEDERATION Program payment for Naginata #	P0107317	9717	04/01/2020	1,189.50
00203227	04/17/2020	PROJECT A INC Quarterly Hosting and SiteSear	P0107331	20-1537	04/01/2020	1,244.50
00203228	04/17/2020	PUBLIC SAFETY TESTING INC Police Quarterly Fees	P0107357	2020-0150	04/02/2020	449.00
00203229	04/17/2020	PUGET SOUND ENERGY ENERGY USAGE MAR 2020		OH013267	03/27/2020	1,396.59
00203230	04/17/2020	RAINIER BUILDING SERVICES QUARTERLY FLOOR WAXING	P0107324	18-1241	04/07/2020	816.00
00203231	04/17/2020	REECE, GARETH FLEX SPENDING REIMBURSEMENT		OH013256	04/10/2020	5,000.00
00203232	04/17/2020	REGIONAL TOXICOLOGY SERVICES March 2020 lab fees invoice	P0107368	TC-20290033120	03/31/2020	51.15
00203233	04/17/2020	RUCKER, MANORD J LEOFF1 Retiree Medical Expense	P0107308	OH013254	04/07/2020	495.94
00203234	04/17/2020	SCHROEDER, SCOTT W DRUG SCREEN/TWIC REGISTRATION		OH013265	04/11/2020	178.25
00203235	04/17/2020	SEATTLE PUBLIC UTILITIES March 2020 Water Purchase	P0107327	OH013253	03/01/2020	86,337.45
00203236	04/17/2020	SOREANO'S PLUMBING INC ANNEX HW TANK REPLACEMENT (RE)	P0106980	42988.01	01/20/2020	1,622.50
00203237	04/17/2020	LINKO TECHNOLOGY INC 2020 CROSS CONNECTION WEB TEST	P0107245	6971	03/31/2020	912.00
00203238	04/17/2020	ULINE Personal Protective Equipment	P0107369	117682237	03/04/2020	144.91
00203239	04/17/2020	UTILITIES UNDERGROUND LOCATION 2020 UTILITY LOCATES	P0106555	00030174	03/31/2020	294.12
00203240	04/17/2020	UW VALLEY MEDICAL CENTER Emergency assistance medical b	P0107373	8099-3/3/20	03/03/2020	374.04
00203241	04/17/2020	VERIZON WIRELESS February 24 - March 23 Verizon	P0107367	9851087764	03/23/2020	125.02
00203242	04/17/2020	WA ST TREASURER'S OFFICE MAR2020 MI Court Transmittal	P0107328	8500/555	03/20/2020	10,110.67
00203243	04/17/2020	WASHINGTON STATE PATROL Background check	P0107366	I20004478	02/05/2020	132.00
00203244	04/17/2020	XEROX CORPORATION 2020 COPIER CHARGES	P0106363	099966326	04/01/2020	333.77
					Total	<u>561,952.01</u>

CERTIFICATION OF CLAIMS

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



Finance Director

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

Mayor

Date

<u>Report</u>	<u>Warrants</u>	<u>Date</u>	<u>Amount</u>
Check Register	203245-203323	4/24/2020	\$ 168,425.42 \$ 168,425.42

Accounts Payable Report by GL Key

PO #	Check #	Vendor:	Transaction Description	Check Amount
<i>Org Key: 402000 - Water Fund-Admin Key</i>				
	00203286	LOWELL RICKLEFS	PERMIT NO LONGER NEEDED	3,744.00
	00203286	LOWELL RICKLEFS	REFUND PERMIT NO LONGER NEEDED	750.00
<i>Org Key: 814074 - Garnishments</i>				
	00203316	UNITED STATES TREASURY	PAYROLL 4-24-20	826.85
<i>Org Key: 814075 - Mercer Island Emp Association</i>				
	00203289	MI EMPLOYEES ASSOC	MERCER ISLAND EMPLOYEE ASSOC.	292.50
<i>Org Key: 814076 - City & Counties Local 21M</i>				
	00203321	WSCCCE AFSCME AFL-CIO	WSCCCE	2,659.12
<i>Org Key: 814077 - Police Association</i>				
	00203298	POLICE ASSOCIATION	POLICE ASSOCIATION	2,428.67
<i>Org Key: CM1100 - Administration (CM)</i>				
	00203274	HONG, JESSICA	CLOROX WIPES FOR CM OFFICE	16.49
<i>Org Key: CM1200 - City Clerk</i>				
P0107400	00203308	SOUND PUBLISHING INC	Ntc. 2489635 3/24 Special Coun	51.07
P0107400	00203308	SOUND PUBLISHING INC	Ntc. 2489568 3/17 Meeting CXL	42.78
<i>Org Key: CR1100 - Human Resources</i>				
P0107396	00203299	PUBLIC SAFETY TESTING INC	Fire Quarterly Fees	300.00
P0107400	00203308	SOUND PUBLISHING INC	Ntc. 2489185 Class & Comp Stud	58.33
	00203274	HONG, JESSICA	ERGO MOUSE PAD	18.65
<i>Org Key: DS0000 - Development Services-Revenue</i>				
	00203309	SOUND TRANSIT	460600.168100.35006	1,567.50
	00203286	LOWELL RICKLEFS	PERMIT NO LONGER NEEDED	502.40
	00203314	TAHOMA ELECTRICAL SVCS	PERMIT NOT NEEDED	104.80
	00203309	SOUND TRANSIT	460600.168100.35006	47.03
	00203314	TAHOMA ELECTRICAL SVCS	REFUND PERMIT NOT NEEDED	4.03
<i>Org Key: FN1100 - Administration (FN)</i>				
P0107422	00203310	STATE AUDITOR'S OFFICE	FYE 18 AUDIT	1,017.00
<i>Org Key: FN2100 - Data Processing</i>				
P0107421	00203312	SUPERION LLC	ONESOLUTION ANNUAL MAINT FEE	11,676.94
P0107420	00203288	METROPRESORT	1ST QUARTER B&O PRINTING AND	131.06
P0107420	00203288	METROPRESORT	1ST QUARTER B&O PRINTING AND	71.36
P0107417	00203312	SUPERION LLC	ONESOLUTION GLOBAL CORE IFAS A	56.84
<i>Org Key: FN4501 - Utility Billing (Water)</i>				
P0107416	00203288	METROPRESORT	MARCH 2020 PRINTING AND MAILIN	86.45
P0107416	00203288	METROPRESORT	MARCH 2020 PRINTING AND MAILIN	80.82
P0107420	00203288	METROPRESORT	APRIL PRINTING AND MAILING OF	72.26
P0107420	00203288	METROPRESORT	APRIL PRINTING AND MAILING OF	67.56
<i>Org Key: FN4502 - Utility Billing (Sewer)</i>				
P0107416	00203288	METROPRESORT	MARCH 2020 PRINTING AND MAILIN	86.45
P0107416	00203288	METROPRESORT	MARCH 2020 PRINTING AND MAILIN	80.82
P0107420	00203288	METROPRESORT	APRIL PRINTING AND MAILING OF	72.27

Accounts Payable Report by GL Key

PO #	Check #	Vendor:	Transaction Description	Check Amount
P0107420	00203288	METROPRESORT	APRIL PRINTING AND MAILING OF	67.57
<i>Org Key: FN4503 - Utility Billing (Storm)</i>				
P0107416	00203288	METROPRESORT	MARCH 2020 PRINTING AND MAILIN	86.44
P0107416	00203288	METROPRESORT	MARCH 2020 PRINTING AND MAILIN	80.82
P0107420	00203288	METROPRESORT	APRIL PRINTING AND MAILING OF	72.27
P0107420	00203288	METROPRESORT	APRIL PRINTING AND MAILING OF	67.57
<i>Org Key: FR1100 - Administration (FR)</i>				
P0107393	00203313	SYSTEMS DESIGN WEST LLC	March 2020 Transport Fees	829.20
P0107394	00203260	CULLIGAN SEATTLE WA	Water Service/Fire	221.22
P0107391	00203256	COMCAST	Internet Charges/Fire	62.39
P0107395	00203267	FIRE ENGINEERING	2020 Subscription	24.00
<i>Org Key: FR2100 - Fire Operations</i>				
P0107398	00203282	KROESENS UNIFORM COMPANY	Duty Uniforms	1,140.67
P0107399	00203305	SEA WESTERN INC	Bunker Gear	307.56
P0107397	00203292	NORTHWEST SAFETY CLEAN	Bunker Gear Cleaning	84.80
<i>Org Key: FR2400 - Fire Suppression</i>				
	00203279	JORGENSEN, LAWRENCE M	TRUFUEL50:1 110 OZ	134.40
<i>Org Key: FR2500 - Fire Emergency Medical Svcs</i>				
P0107392	00203247	AIRGAS USA LLC	Oxygen/Fire	20.06
P0107390	00203311	STERICYCLE INC	On-Call Charges/Fire	10.36
<i>Org Key: GGM001 - General Government-Misc</i>				
P0107374	00203272	HEARTLAND LLC	March 2020 Services	1,362.50
P0107426	00203253	BRINKS INC	ARMORED CAR SERVICE	1,100.13
P0107424	00203253	BRINKS INC	ARMORED CAR SERVICE	974.11
P0107427	00203253	BRINKS INC	JAN 2020 ARMORED TRANSPORTATIO	895.03
P0107425	00203253	BRINKS INC	ARMORED CAR SERVICE	723.29
P0107428	00203253	BRINKS INC	MARCH 2020 ARMORED	715.87
P0107423	00203253	BRINKS INC	ARMORED CAR SERVICE	659.40
<i>Org Key: GGM005 - Genera Govt-L1 Retiree Costs</i>				
P0107414	00203262	DEVENY, JAN P	LEOFF1 Retiree LTC Expense	41,489.00
P0107413	00203304	SCHOENTRUP, WILLIAM	FRLEOFF1 Retiree Medical Expen	884.41
	00203273	HILTNER, PETER	LEOFF1 Medicare Reimb	556.00
	00203307	SMITH, RICHARD	LEOFF1 Medicare Reimb	231.70
	00203250	BARNES, WILLIAM	LEOFF1 Medicare Reimb	222.40
	00203261	DEEDS, EDWARD G	LEOFF1 Medicare Reimb	222.40
	00203304	SCHOENTRUP, WILLIAM	LEOFF1 Medicare Reimb	222.40
	00203270	GOODMAN, J C	LEOFF1 Medicare Reimb	211.90
	00203287	LYONS, STEVEN	LEOFF1 Medicare Reimb	199.90
	00203315	THOMPSON, JAMES	LEOFF1 Medicare Reimb	196.40
	00203320	WHEELER, DENNIS	LEOFF1 Medicare Reimb	181.70
	00203262	DEVENY, JAN P	LEOFF1 Medicare Reimb	177.20
	00203283	KUHN, DAVID	LEOFF1 Medicare Reimb	177.20
	00203252	BOOTH, GLENDON D	LEOFF1 Medicare Reimb	177.10
	00203265	ELSOE, RONALD	LEOFF1 Medicare Reimb	176.70
	00203249	AUGUSTSON, THOR	LEOFF1 Medicare Reimb	175.90
	00203255	CALLAGHAN, MICHAEL	LEOFF1 Medicare Reimb	175.90

Accounts Payable Report by GL Key

PO #	Check #	Vendor:	Transaction Description	Check Amount
	00203291	MYERS, JAMES S	LEOFF1 Medicare Reimb	175.90
	00203246	ADAMS, RONALD E	LEOFF1 Medicare Reimb	175.60
	00203263	DOWD, PAUL	LEOFF1 Medicare Reimb	173.10
	00203317	WALLACE, THOMAS	LEOFF1 Medicare Reimb	170.10
	00203245	ABBOTT, RICHARD	LEOFF1 Medicare Reimb	165.50
	00203277	JOHNSON, CURTIS	LEOFF1 Medicare Reimb	163.70
	00203303	RUCKER, MANORD J	LEOFF1 Medicare Reimb	162.90
	00203271	HAGSTROM, JAMES	LEOFF1 Medicare Reimb	158.80
	00203285	LOISEAU, LERI M	LEOFF1 Medicare Reimb	157.80
	00203269	FORSMAN, LOWELL	LEOFF1 Medicare Reimb	144.60
	00203318	WEGNER, KEN	LEOFF1 Medicare Reimb	144.60
	00203301	RAMSAY, JON	LEOFF1 Medicare Reimb	136.20
P0107410	00203265	ELSOE, RONALD	LEOFF1 Retiree Medical Expense	123.72
P0107409	00203277	JOHNSON, CURTIS	FRLEOFF1 Retiree Medical Expen	67.38
P0107408	00203271	HAGSTROM, JAMES	FRLEOFF1 Retiree Medical Expen	65.73
<i>Org Key: GGM100 - Emerg Incident Response</i>				
	00203278	JOKINEN, DAVID R	LATEX GLOVES FOR PATROL	137.49
<i>Org Key: GGM606 - Excess Retirement-Fire</i>				
	00203250	BARNES, WILLIAM	LEOFF1 Excess Benefit	1,825.50
	00203258	COOPER, ROBERT	LEOFF1 Excess Benefit	1,783.02
	00203277	JOHNSON, CURTIS	LEOFF1 Excess Benefit	964.85
	00203304	SCHOENTRUP, WILLIAM	LEOFF1 Excess Benefit	920.76
	00203301	RAMSAY, JON	LEOFF1 Excess Benefit	502.04
<i>Org Key: IGHS02 - Eastside Legal Aid Program</i>				
P0107401	00203251	BELLEVUE, CITY OF	2020 Human Services Pooled Pro	3,500.00
<i>Org Key: IGHS03 - CHILDREN'S RESPONSE CENTER</i>				
P0107401	00203251	BELLEVUE, CITY OF	2020 Human Services Pooled Pro	1,500.00
<i>Org Key: IGHS05 - King County Sexual Assault</i>				
P0107401	00203251	BELLEVUE, CITY OF	2020 Human Services Pooled Pro	2,500.00
<i>Org Key: IGHS07 - Domestic Violence</i>				
P0107401	00203251	BELLEVUE, CITY OF	2020 Human Service Pooled Prog	10,000.00
<i>Org Key: IS1100 - IGS Mapping</i>				
P0107407	00203284	LATITUDE GEOGRAPHICS GROUP LTD	GEOCORTEX ESSENTIALS	1,287.50
<i>Org Key: IS2100 - IGS Network Administration</i>				
P0107116	00203281	KING COUNTY FINANCE	I-NET MONTHLY SERVICES FROM	1,122.00
<i>Org Key: IS3101 - GIS Analyst Water Fund</i>				
P0107407	00203284	LATITUDE GEOGRAPHICS GROUP LTD	GEOCORTEX ESSENTIALS	1,287.50
<i>Org Key: IS3102 - GIS Analyst Sewer Fund</i>				
P0107407	00203284	LATITUDE GEOGRAPHICS GROUP LTD	GEOCORTEX ESSENTIALS	1,287.50
P0107407	00203284	LATITUDE GEOGRAPHICS GROUP LTD	GEOCORTEX ESSENTIALS	1,287.50
<i>Org Key: MT4150 - Support Services - Clearing</i>				
P0107384	00203268	FIRE PROTECTION INC	FIRE & SECURITY ALARM MONITORI	129.64
<i>Org Key: MT4200 - Building Services</i>				

Accounts Payable Report by GL Key

PO #	Check #	Vendor:	Transaction Description	Check Amount
P0107385	00203300	RAINIER BUILDING SERVICES	JANITORIAL SERVICE FOR MONTH E	5,126.11
P0107434	00203268	FIRE PROTECTION INC	CITY HALL ANNUAL FIRE ALARM	979.00
P0107403	00203319	WESTERN ENTRANCE	CITY HALL REPLACE FRONT DOOR C	902.00
P0107384	00203268	FIRE PROTECTION INC	FIRE & SECURITY ALARM MONITORI	777.84
P0107433	00203268	FIRE PROTECTION INC	PW ANNUAL FIRE ALARM CONFIDENC	539.00
P0107431	00203294	PACIFIC AIR CONTROL INC	FS91 COMPRESSOR REPAIR	463.10
P0107432	00203275	INTERIOR FOLIAGE CO, THE	CITY HALL INTERIOR LANDSCAPING	282.70
P0107385	00203300	RAINIER BUILDING SERVICES	CREDIT FOR NOT CLEANING DURING	-546.44
<i>Org Key: MT4300 - Fleet Services</i>				
P0105794	00203280	KIA MOTORS FINANCE	PW 2019 KIA NIRO PHEV LEASE	407.61
P0105794	00203280	KIA MOTORS FINANCE	PW 2019 KIA NIRO PHEV LEASE	405.80
P0105794	00203280	KIA MOTORS FINANCE	PW 2019 KIA NIRO PHEV LEASE	386.09
	00203276	JASMAN, JEREMY	CONTRACT HARDWARE	34.80
<i>Org Key: MT4420 - Transportation Planner Eng</i>				
P0107400	00203308	SOUND PUBLISHING INC	Ntc. 2489482 TIP Public Commen	59.37
<i>Org Key: PO1350 - Police Emergency Management</i>				
P0107418	00203306	SKYLINE COMMUNICATIONS INC	MARCH 2020 EOC INTERNET	206.55
P0107419	00203306	SKYLINE COMMUNICATIONS INC	APRIL 2020 EOC INTERNET	206.55
<i>Org Key: PO2100 - Patrol Division</i>				
	00203278	JOKINEN, DAVID R	SCANNER FOR PATROL	439.99
	00203278	JOKINEN, DAVID R	USB PORTS FOR PATROL	112.75
	00203278	JOKINEN, DAVID R	PLASTIC BAGS FOR PATROL	32.96
<i>Org Key: PO2201 - Dive Team</i>				
P0107412	00203293	Overlake Medical Center	Dive Team Specialist Physical	487.42
	00203278	JOKINEN, DAVID R	ALARM BAGS FOR DIVE TEAM	27.34
<i>Org Key: PR1100 - Administration (PR)</i>				
P0105327	00203257	CONSERVATION TECHNIX INC	Parks, Recreation and Open Spa	11,440.50
P0106616	00203323	XEROX CORPORATION	Monthly lease charges for colo	237.21
<i>Org Key: PR2108 - Health and Fitness</i>				
P0107389	00203296	PNBOA	Program payment for basketball	2,152.50
<i>Org Key: PR4100 - Community Center</i>				
P0107385	00203300	RAINIER BUILDING SERVICES	JANITORIAL SERVICE FOR MONTH E	2,496.77
P0107430	00203268	FIRE PROTECTION INC	ANNUAL FIRE ALARM CONFIDENCE T	1,452.00
P0107427	00203253	BRINKS INC	JAN 2020 ARMORED TRANSPORTATIO	471.23
P0107423	00203253	BRINKS INC	ARMORED CAR SERVICE	463.56
P0107424	00203253	BRINKS INC	ARMORED CAR SERVICE	459.71
P0107426	00203253	BRINKS INC	ARMORED CAR SERVICE	457.00
P0107425	00203253	BRINKS INC	ARMORED CAR SERVICE	456.38
P0107428	00203253	BRINKS INC	MARCH 2020 ARMORED	448.77
P0106612	00203322	XEROX CORPORATION	Monthly lease charges for colo	354.23
P0107384	00203268	FIRE PROTECTION INC	FIRE & SECURITY ALARM MONITORI	259.28
P0107385	00203300	RAINIER BUILDING SERVICES	CREDIT FOR NOT CLEANING DURING	-288.09
<i>Org Key: PR5500 - Literary Program</i>				
P0107404	00203302	RHOADES, LANCE	MIAC Literary Classics on Film	400.00

Accounts Payable Report by GL Key

PO #	Check #	Vendor:	Transaction Description	Check Amount
<i>Org Key: PR6500 - Luther Burbank Park Maint.</i>				
P0107385	00203300	RAINIER BUILDING SERVICES	JANITORIAL SERVICE FOR MONTH E	2,151.25
P0107437	00203294	PACIFIC AIR CONTROL INC	1/17/20 REPAIR BROKEN T-STATE	636.46
P0107436	00203268	FIRE PROTECTION INC	ANNUAL FIRE ALARM CONFIDENCE T	539.00
P0107384	00203268	FIRE PROTECTION INC	FIRE & SECURITY ALARM MONITORI	388.96
P0107385	00203300	RAINIER BUILDING SERVICES	CREDIT FOR NOT CLEANING DURING	-1,165.54
<i>Org Key: PY4619 - Flex Spending Admin 2019</i>				
	00203266	ESTRADA, DEBORAH	FLEX SPENDING REIMBURSEMENT	286.08
<i>Org Key: WG102R - Maintenance Building Repairs</i>				
P0107435	00203294	PACIFIC AIR CONTROL INC	REPLACE WAREHOUSE REZNOR	3,983.10
<i>Org Key: WP122P - Open Space - Pioneer/Engstrom</i>				
P0102736	00203264	EARTHCORPS INC	2019-2020 Forest Restoration	877.50
<i>Org Key: WP122R - Vegetation Management</i>				
P0102736	00203264	EARTHCORPS INC	2019-2020 Forest Restoration	1,237.50
<i>Org Key: WP710C - Street End - Lincoln Landing</i>				
P0095391	00203297	PND ENGINEERS INC	Lincoln Landing Design Enginee	700.00
<i>Org Key: XP520R - Recreational Trail Connections</i>				
P0106732	00203254	BRUCE C ALLEN & ASSOC INC	MI Boat Launch Showalter Prope	3,000.00
<i>Org Key: XP710R - Luther BB Minor Capital LEVY</i>				
P0104854	00203248	ANCHOR QEA LLC	Luther Burbank Irrigation Inta	1,075.50
<i>Org Key: YF1100 - YFS General Services</i>				
P0107402	00203251	BELLEVUE, CITY OF	2020 Human Services Pooled Pgm	357.00
P0106616	00203323	XEROX CORPORATION	Monthly lease charges for colo	239.12
P0107427	00203253	BRINKS INC	JAN 2020 ARMORED TRANSPORTATIO	96.39
P0107425	00203253	BRINKS INC	ARMORED CAR SERVICE	91.42
P0107426	00203253	BRINKS INC	ARMORED CAR SERVICE	89.48
P0107424	00203253	BRINKS INC	ARMORED CAR SERVICE	87.26
P0107423	00203253	BRINKS INC	ARMORED CAR SERVICE	87.26
P0107428	00203253	BRINKS INC	MARCH 2020 ARMORED	87.26
<i>Org Key: YF1200 - Thrift Shop</i>				
P0107385	00203300	RAINIER BUILDING SERVICES	JANITORIAL SERVICE FOR MONTH E	2,184.74
P0107424	00203253	BRINKS INC	ARMORED CAR SERVICE	801.07
P0107429	00203268	FIRE PROTECTION INC	ANNUAL FIRE ALARM CONFIDENCE T	473.00
P0107426	00203253	BRINKS INC	ARMORED CAR SERVICE	459.53
P0107425	00203253	BRINKS INC	ARMORED CAR SERVICE	457.36
P0107423	00203253	BRINKS INC	ARMORED CAR SERVICE	455.32
P0107427	00203253	BRINKS INC	JAN 2020 ARMORED TRANSPORTATIO	453.58
P0107428	00203253	BRINKS INC	MARCH 2020 ARMORED	446.43
P0107384	00203268	FIRE PROTECTION INC	FIRE & SECURITY ALARM MONITORI	259.28
P0107385	00203300	RAINIER BUILDING SERVICES	CREDIT FOR NOT CLEANING DURING	-1,144.55
<i>Org Key: YF2600 - Family Assistance</i>				
P0106395	00203259	CREATIVE LEARNING CENTER	Preschool payments for Emergen	533.32
P0106853	00203290	MI SCHOOL DISTRICT	Preschool payments for Emergen	456.00
P0106373	00203295	PEBBLE @ MIPC, THE	Preschool pay for Emergen. T	409.40

Accounts Payable Report by GL Key

PO #	Check #	Vendor:	Transaction Description	Check Amount
P0106373	00203295	PEBBLE @ MIPC, THE	Preschool payments for Emergen	291.50
			Total	<u>168,425.42</u>

Accounts Payable Report by Check Number

Check No	Check Date	Vendor Name/Description	PO #	Invoice #	Invoice Date	Check Amount
00203245	04/24/2020	ABBOTT, RICHARD LEOFF1 Medicare Reimb		MAY2020B	05/20/2020	165.50
00203246	04/24/2020	ADAMS, RONALD E LEOFF1 Medicare Reimb		MAY2020B	05/20/2020	175.60
00203247	04/24/2020	AIRGAS USA LLC Oxygen/Fire	P0107392	9969973576/827	03/31/2020	20.06
00203248	04/24/2020	ANCHOR QEA LLC Luther Burbank Irrigation Inta	P0104854	67069	03/23/2020	1,075.50
00203249	04/24/2020	AUGUSTSON, THOR LEOFF1 Medicare Reimb		MAY2020B	05/20/2020	175.90
00203250	04/24/2020	BARNES, WILLIAM LEOFF1 Medicare Reimb		MAY2020A	05/20/2020	2,047.90
00203251	04/24/2020	BELLEVUE, CITY OF 2020 Human Services Pooled Pro	P0107402	36347	04/07/2020	17,857.00
00203252	04/24/2020	BOOTH, GLENDON D LEOFF1 Medicare Reimb		MAY2020B	05/20/2020	177.10
00203253	04/24/2020	BRINKS INC MARCH 2020 ARMORED TRANSPORTAT	P0107423	10857797	01/01/2020	11,436.84
00203254	04/24/2020	BRUCE C ALLEN & ASSOC INC MI Boat Launch Showalter Prope	P0106732	20-0033A	02/26/2020	3,000.00
00203255	04/24/2020	CALLAGHAN, MICHAEL LEOFF1 Medicare Reimb		MAY2020B	05/20/2020	175.90
00203256	04/24/2020	COMCAST Internet Charges/Fire	P0107391	0005511-0515	05/15/2020	62.39
00203257	04/24/2020	CONSERVATION TECHNIX INC Parks, Recreation and Open Spa	P0105327	901	04/01/2020	11,440.50
00203258	04/24/2020	COOPER, ROBERT LEOFF1 Excess Benefit		MAY2020A	05/20/2020	1,783.02
00203259	04/24/2020	CREATIVE LEARNING CENTER Preschool payments for Emergen	P0106395	8218/8123	03/20/2020	533.32
00203260	04/24/2020	CULLIGAN SEATTLE WA Water Service/Fire	P0107394	202004672721	03/31/2020	221.22
00203261	04/24/2020	DEEDS, EDWARD G LEOFF1 Medicare Reimb		MAY2020B	05/20/2020	222.40
00203262	04/24/2020	DEVENY, JAN P LEOFF1 Medicare Reimb	P0107414	OH013278	04/21/2020	41,666.20
00203263	04/24/2020	DOWD, PAUL LEOFF1 Medicare Reimb		MAY2020B	05/20/2020	173.10
00203264	04/24/2020	EARTHCORPS INC 2019-2020 Forest Restoration	P0102736	7773	02/29/2020	2,115.00
00203265	04/24/2020	ELSOE, RONALD LEOFF1 Medicare Reimb	P0107410	OH013281	04/21/2020	300.42
00203266	04/24/2020	ESTRADA, DEBORAH FLEX SPENDING REIMBURSEMENT		OH013280	04/24/2020	286.08
00203267	04/24/2020	FIRE ENGINEERING 2020 Subscription	P0107395	OH013273	04/25/2020	24.00
00203268	04/24/2020	FIRE PROTECTION INC FIRE & SECURITY ALARM MONITORI	P0107429	46148	04/18/2020	5,797.00
00203269	04/24/2020	FORSMAN, LOWELL LEOFF1 Medicare Reimb		MAY2020B	05/20/2020	144.60
00203270	04/24/2020	GOODMAN, J C LEOFF1 Medicare Reimb		MAY2020B	05/20/2020	211.90

Accounts Payable Report by Check Number

Check No	Check Date	Vendor Name/Description	PO #	Invoice #	Invoice Date	Check Amount
00203271	04/24/2020	HAGSTROM, JAMES LEOFF1 Medicare Reimb	P0107408	OH013282	04/21/2020	224.53
00203272	04/24/2020	HEARTLAND LLC March 2020 Services	P0107374	1210-1013	04/13/2020	1,362.50
00203273	04/24/2020	HILTNER, PETER LEOFF1 Medicare Reimb		MAY2020B	05/20/2020	556.00
00203274	04/24/2020	HONG, JESSICA CLOROX WIPES FOR CM OFFICE		OH013289	04/20/2020	35.14
00203275	04/24/2020	INTERIOR FOLIAGE CO, THE CITY HALL INTERIOR LANDSCAPING	P0107432	43087	04/01/2020	282.70
00203276	04/24/2020	JASMAN, JEREMY CONTRACT HARDWARE		OH013291	03/25/2020	34.80
00203277	04/24/2020	JOHNSON, CURTIS LEOFF1 Medicare Reimb	P0107409	OH013283	04/21/2020	1,195.93
00203278	04/24/2020	JOKINEN, DAVID R LATEX GLOVES FOR PATROL		OH013290	04/14/2020	750.53
00203279	04/24/2020	JORGENSEN, LAWRENCE M TRUFUEL50:1 110 OZ		OH013293	04/20/2020	134.40
00203280	04/24/2020	KIA MOTORS FINANCE PW 2019 KIA NIRO PHEV LEASE	P0105794	APR2020-19	04/21/2020	1,199.50
00203281	04/24/2020	KING COUNTY FINANCE I-NET MONTHLY SERVICES FROM	P0107116	195059-420	04/30/2020	1,122.00
00203282	04/24/2020	KROESENS UNIFORM COMPANY Duty Uniforms	P0107398	59335/38/37	04/10/2020	1,140.67
00203283	04/24/2020	KUHN, DAVID LEOFF1 Medicare Reimb		MAY2020B	05/20/2020	177.20
00203284	04/24/2020	LATITUDE GEOGRAPHICS GROUP LTD GEOCORTEX ESSENTIALS MAINTENAN	P0107407	INV0013991	04/20/2020	5,150.00
00203285	04/24/2020	LOISEAU, LERI M LEOFF1 Medicare Reimb		MAY2020B	05/20/2020	157.80
00203286	04/24/2020	LOWELL RICKLEFS REFUND PERMIT NO LONGER NEEDED		OH013292	04/22/2020	4,996.40
00203287	04/24/2020	LYONS, STEVEN LEOFF1 Medicare Reimb		MAY2020B	05/20/2020	199.90
00203288	04/24/2020	METROPRESORT 1ST QUARTER B&O PRINTING AND	P0107416	IN622332	04/14/2020	1,123.72
00203289	04/24/2020	MI EMPLOYEES ASSOC MERCER ISLAND EMPLOYEE ASSOC.		OH013275	04/24/2020	292.50
00203290	04/24/2020	MI SCHOOL DISTRICT Preschool payments for Emergen	P0106853	2020-401	04/01/2020	456.00
00203291	04/24/2020	MYERS, JAMES S LEOFF1 Medicare Reimb		MAY2020B	05/20/2020	175.90
00203292	04/24/2020	NORTHWEST SAFETY CLEAN Bunker Gear Cleaning	P0107397	20-26857	04/08/2020	84.80
00203293	04/24/2020	Overlake Medical Center Dive Team Specialist Physical	P0107412	1151004	03/26/2020	487.42
00203294	04/24/2020	PACIFIC AIR CONTROL INC FS91 COMPRESSOR REPAIR	P0107435	29591	04/20/2020	5,082.66
00203295	04/24/2020	PEBBLE @ MIPC, THE Preschool pay for Emergen. T	P0106373	OH013285-CFAM	04/10/2020	700.90
00203296	04/24/2020	PNBOA Program payment for basketball	P0107389	1261	03/20/2020	2,152.50

Accounts Payable Report by Check Number

Check No	Check Date	Vendor Name/Description	PO #	Invoice #	Invoice Date	Check Amount
00203297	04/24/2020	PND ENGINEERS INC Lincoln Landing Design Enginee	P0095391	2003136	03/18/2020	700.00
00203298	04/24/2020	POLICE ASSOCIATION POLICE ASSOCIATION		OH013276	04/24/2020	2,428.67
00203299	04/24/2020	PUBLIC SAFETY TESTING INC Fire Quarterly Fees	P0107396	2020-0184	04/02/2020	300.00
00203300	04/24/2020	RAINIER BUILDING SERVICES JANITORIAL SERVICE FOR MONTH E	P0107385	18-1230	03/31/2020	8,814.25
00203301	04/24/2020	RAMSAY, JON LEOFF1 Medicare Reimb		MAY2020A	05/20/2020	638.24
00203302	04/24/2020	RHOADES, LANCE MIAC Literary Classics on Film	P0107404	OH013272	04/25/2020	400.00
00203303	04/24/2020	RUCKER, MANORD J LEOFF1 Medicare Reimb		MAY2020B	05/20/2020	162.90
00203304	04/24/2020	SCHOENTRUP, WILLIAM LEOFF1 Medicare Reimb	P0107413	OH013279	04/21/2020	2,027.57
00203305	04/24/2020	SEA WESTERN INC Bunker Gear	P0107399	INV5787	04/14/2020	307.56
00203306	04/24/2020	SKYLINE COMMUNICATIONS INC MARCH 2020 EOC INTERNET	P0107419	IN45471	04/01/2020	413.10
00203307	04/24/2020	SMITH, RICHARD LEOFF1 Medicare Reimb		MAY2020B	05/20/2020	231.70
00203308	04/24/2020	SOUND PUBLISHING INC Ntc. 2489568 3/17 Meeting CXL	P0107400	7978245	03/31/2020	211.55
00203309	04/24/2020	SOUND TRANSIT 460600.168100.35006		OH013288	04/14/2020	1,614.53
00203310	04/24/2020	STATE AUDITOR'S OFFICE FYE 18 AUDIT	P0107422	L135902	04/09/2020	1,017.00
00203311	04/24/2020	STERICYCLE INC On-Call Charges/Fire	P0107390	3005057521	03/31/2020	10.36
00203312	04/24/2020	SUPERION LLC ONESOLUTION ANNUAL MAINT FEE	P0107417	275125	04/01/2020	11,733.78
00203313	04/24/2020	SYSTEMS DESIGN WEST LLC March 2020 Transport Fees	P0107393	20200670	04/08/2020	829.20
00203314	04/24/2020	TAHOMA ELECTRICAL SVCS PERMIT NOT NEEDED		OH013287	04/14/2020	108.83
00203315	04/24/2020	THOMPSON, JAMES LEOFF1 Medicare Reimb		MAY2020B	05/20/2020	196.40
00203316	04/24/2020	UNITED STATES TREASURY PAYROLL 4-24-20		OH013277	04/24/2020	826.85
00203317	04/24/2020	WALLACE, THOMAS LEOFF1 Medicare Reimb		MAY2020B	05/20/2020	170.10
00203318	04/24/2020	WEGNER, KEN LEOFF1 Medicare Reimb		MAY2020B	05/20/2020	144.60
00203319	04/24/2020	WESTERN ENTRANCE CITY HALL REPLACE FRONT DOOR C	P0107403	4712	02/19/2020	902.00
00203320	04/24/2020	WHEELER, DENNIS LEOFF1 Medicare Reimb		MAY2020B	05/20/2020	181.70
00203321	04/24/2020	WSCCCE AFSCME AFL-CIO WSCCCE		OH013274	04/24/2020	2,659.12
00203322	04/24/2020	XEROX CORPORATION Monthly lease charges for colo	P0106612	099966325	04/01/2020	354.23

Accounts Payable Report by Check Number

Check No	Check Date	Vendor Name/Description	PO #	Invoice #	Invoice Date	Check Amount
00203323	04/24/2020	XEROX CORPORATION Monthly lease charges for colo	P0106616	099966324	04/01/2020	476.33
					Total	<u>168,425.42</u>



CITY OF MERCER ISLAND CERTIFICATION OF PAYROLL

PAYROLL PERIOD ENDING
PAYROLL DATED

3.20.2020
3.27.2020

Net Cash	\$	519,501.07
Net Voids/Manuals	\$	8,891.44
Net Total	\$	528,392.51
Federal Tax Deposit - Key Bank	\$	82,349.57
Social Security and Medicare Taxes	\$	47,140.13
Medicare Taxes Only (Fire Fighter Employees)	\$	2,561.67
State Tax (Massachusetts)	\$	23.07
Public Employees Retirement System 2 (PERS 2)	\$	29,897.77
Public Employees Retirement System 3 (PERS 3)	\$	6,729.61
Public Employees Retirement System (PERSJM)	\$	870.75
Public Safety Employees Retirement System (PSERS)	\$	214.08
Law Enforc. & Fire fighters System 2 (LEOFF 2)	\$	25,928.45
Regence & LEOFF Trust - Medical Insurance	\$	12,261.91
Domestic Partner/Overage Dependand - Insurance	\$	1,106.36
Group Health Medical Insurance	\$	1,036.14
Health Care - Flexible Spending Accounts	\$	1,939.72
Dependent Care - Flexible Spending Accounts	\$	1,098.85
ICMA Deferred Compensation	\$	37,749.02
Fire 457 Nationwide	\$	21,022.86
Roth - ICMA	\$	460.00
Roth - Nationwide	\$	940.00
Tax Levy	\$	826.85
Child Support	\$	599.99
Mercer Island Employee Association	\$	300.00
Cities & Towns/AFSCME Union Dues	\$	2,659.12
Police Union Dues	\$	2,428.67
Fire Union Dues	\$	2,153.38
Fire Union - Supplemental Dues	\$	160.00
Standard - Supplemental Life Insurance	\$	487.00
Unum - Long Term Care Insurance	\$	353.55
AFLAC - Supplemental Insurance Plans	\$	514.42
Coffee Fund	\$	144.00
Transportation	\$	136.67
HRA - VEBA	\$	5,681.21
Tax & Benefit Obligations Total	\$	289,774.82

TOTAL GROSS PAYROLL	\$ 818,167.33
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I, the undersigned, do hereby certify under penalty of perjury that the materials have been furnished, the services rendered or the labor performed as described herein, that any advance payment is due and payable pursuant to a contract or is available as an option for full or partial fulfillment of a contractual obligation, and that the claim is a just, due and unpaid obligation against the City of Mercer Island, and that I am authorized to authenticate and certify to said claim.

Finance Director

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

Mayor

Date



CITY OF MERCER ISLAND CERTIFICATION OF PAYROLL

PAYROLL PERIOD ENDING

4.17.2020

PAYROLL DATED

4.24.2020

Net Cash	\$	510,478.11
Net Voids/Manuals	\$	2,024.34
Net Total	\$	512,502.45

Federal Tax Deposit - Key Bank	\$	80,074.18
Social Security and Medicare Taxes	\$	45,985.71
Medicare Taxes Only (Fire Fighter Employees)	\$	2,399.33
State Tax (Massachusetts)	\$	16.52
Public Employees Retirement System 2 (PERS 2)	\$	28,619.53
Public Employees Retirement System 3 (PERS 3)	\$	6,328.44
Public Employees Retirement System (PERSJM)	\$	870.75
Public Safety Employees Retirement System (PSERS)	\$	214.08
Law Enforc. & Fire fighters System 2 (LEOFF 2)	\$	24,673.66
Regence & LEOFF Trust - Medical Insurance	\$	12,378.81
Domestic Partner/Overage Dependant - Insurance	\$	512.88
Group Health Medical Insurance	\$	1,031.14
Health Care - Flexible Spending Accounts	\$	1,939.72
Dependent Care - Flexible Spending Accounts	\$	1,098.85
ICMA Deferred Compensation	\$	34,872.30
Fire 457 Nationwide	\$	19,652.86
Roth - ICMA	\$	475.00
Roth - Nationwide	\$	940.00
Tax Levy	\$	826.85
Child Support	\$	599.99
Mercer Island Employee Association	\$	292.50
Cities & Towns/AFSCME Union Dues	\$	2,659.12
Police Union Dues	\$	2,428.67
Fire Union Dues	\$	2,153.38
Fire Union - Supplemental Dues	\$	160.00
Standard - Supplemental Life Insurance	\$	413.40
Unum - Long Term Care Insurance	\$	353.55
AFLAC - Supplemental Insurance Plans	\$	388.71
Coffee Fund	\$	144.00
Transportation	\$	136.67
HRA - VEBA	\$	5,681.21
Tax & Benefit Obligations Total	\$	278,321.81

TOTAL GROSS PAYROLL	\$ 790,824.26
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I, the undersigned, do hereby certify under penalty of perjury that the materials have been furnished, the services rendered or the labor performed as described herein, that any advance payment is due and payable pursuant to a contract or is available as an option for full or partial fulfillment of a contractual obligation, and that the claim is a just, due and unpaid obligation against the City of Mercer Island, and that I am authorized to authenticate and certify to said claim.



 Finance Director

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

 Mayor Date



**BUSINESS OF THE CITY COUNCIL
CITY OF MERCER ISLAND**

**AB 5686
May 5, 2020
Consent Calendar**

AGENDA BILL INFORMATION

TITLE:	AB 5686: 2020 Water System Improvements Project	<input type="checkbox"/> Discussion Only
RECOMMENDED ACTION:	Award the 2020 Water System Improvements Project to Oceanside Construction in the amount of \$705,841, set the total project budget at \$1,194,009, and direct the City Manager to execute the construction contract.	<input checked="" type="checkbox"/> Action Needed: <input checked="" type="checkbox"/> Motion <input type="checkbox"/> Ordinance <input type="checkbox"/> Resolution

DEPARTMENT:	Public Works
STAFF:	Rona Lin, Utilities Engineer
COUNCIL LIAISON:	Lisa Anderl
EXHIBITS:	1. Vicinity Map
CITY COUNCIL PRIORITY:	1. Prepare for the impacts of growth and change with a continued consideration on environmental sustainability.

AMOUNT OF EXPENDITURE	\$ 1,194,009
AMOUNT BUDGETED	\$ 1,235,000
APPROPRIATION REQUIRED	\$ n/a

SUMMARY

BACKGROUND

The 2020 Water System Improvements project combines two separate capital improvement projects into a single contract for construction. The two construction projects were advertised together to increase opportunities in the current bidding climate, minimize duplicate efforts in project management, and to achieve economies of scale. Project sites are shown on Exhibit 1, the Vicinity Map. The two individual projects, as adopted in the 2019-2020 Capital Budget, are:

- 1) 96th Ave, SE 34th, and 97th Ave SE Water System Improvements – Schedule A & C
- 2) 87th – 88th Ave SE Water System Improvements – Schedule B

A brief description of work is outlined below:

- 1) Scope of work for Schedule A includes the abandonment of 1,050 lineal feet (LF) of aging, problematic water main (paralleled to an existing water main), replacement of 110 LF of undersized water main, and replacement of associated water system components such as fire hydrants and water services. Scope of work for Schedule C includes upgrade of 180 LF of deteriorated storm lines and associated catch basins. In addition to aging and deteriorating infrastructure, this project was prioritized to be completed prior to King County’s North Mercer Island and Enatai Sewer Upgrade project.

- 2) Scope of work for Schedule B includes replacement of 1,280 LF of water main and its associated water system components. This project was elevated to high priority due to water quality conditions and other criteria during the 2019-2020 CIP Budget process.

Design for the 2020 Water System Improvements project began in October 2019 and was completed in March 2020. The project was advertised for bids on March 23, 2020. Four construction bids were received and opened on Tuesday, April 7, 2020. Table 1 below shows the bid results.

TABLE 1: BID RESULTS				
Company Name	Schedule A** Water System	Schedule B** Water System	Schedule C Stormwater System	Total Bid Amount
Oceanside Construction	\$230,593.00	\$404,283.00	\$70,965.00	\$705,841.00
B&B Utilities & Excavating	\$277,532.75	\$456,560.50	\$79,566.50	\$813,659.75
Fury Site Works	\$258,474.08	\$508,039.77	\$74,286.33	\$840,800.18
Ponderosa Pacific	\$251,720.26	\$543,118.62	\$152,903.68	\$947,742.56
Engineer's Estimate	\$216,584.50	\$429,077.00	\$84,330.00	\$729,991.50
<i>**Bid amount under SCHEDULE A & B includes Washington State Sales Tax of 10.0%</i>				

Staff reviewed the bid submittals and confirmed that the apparent low bidder, Oceanside Construction, is a responsive low bidder. Oceanside Construction has constructed comparable water system improvements for other agencies including the Cities of Renton and Kirkland, and Whatcom County Public Works. In 2016, Oceanside successfully completed the 2016 Hydrant Replacements project for the City of Mercer Island on time and within budget. Review of the Labor and Industries (L&I) website confirms Oceanside Construction is a contractor in good standing, with no license violations, outstanding lawsuits, nor L&I debt. Based on staff's review of the bid submittals and successful past performance for the City, Oceanside is the lowest responsible bidder for the project.

PROJECT BUDGET

Table 2 summarizes the overall project costs and available budget. No funding appropriation is required.

TABLE 2: TOTAL PROJECT BUDGET				
2020 Water System Improvements	Schedule A Water System	Schedule B Water System	Schedule C Stormwater	Total
Construction	\$209,630	\$367,530	\$70,965	\$648,125
Sales Tax @ 10.0% (Schedule A&B)	<u>20,963</u>	<u>36,753</u>	<u>0</u>	<u>57,716</u>
Oceanside Construction Contract	\$230,593	\$404,283	\$70,965	\$705,841
Contingency - 20%	46,119	80,857	14,193	141,168
Design	75,000	50,000	17,000	142,000
Project Management/Maintenance Team	20,000	78,000	15,000	113,000
Inspection Services	20,000	62,000	10,000	92,000
Total Project Budget	\$391,712	\$675,140	\$127,158	\$1,194,009
2019-20 Budget - Schedule A (Construction)	392,000			392,000
2019-20 Budget - Schedule B (Note 1)		703,000		703,000
2019-20 Budget - Stormwater			140,000	140,000
Total Approved Biennium Budget	\$392,000	\$703,000	\$140,000	1,235,000
<i>Note 1: Due to potential water main work on 88th Ave SE, north of the proposed site in coming years, 88th Ave SE was deleted from this project. Budget amount of \$703,000 indicated above is calculated proportion for 87th Ave SE only.</i>				

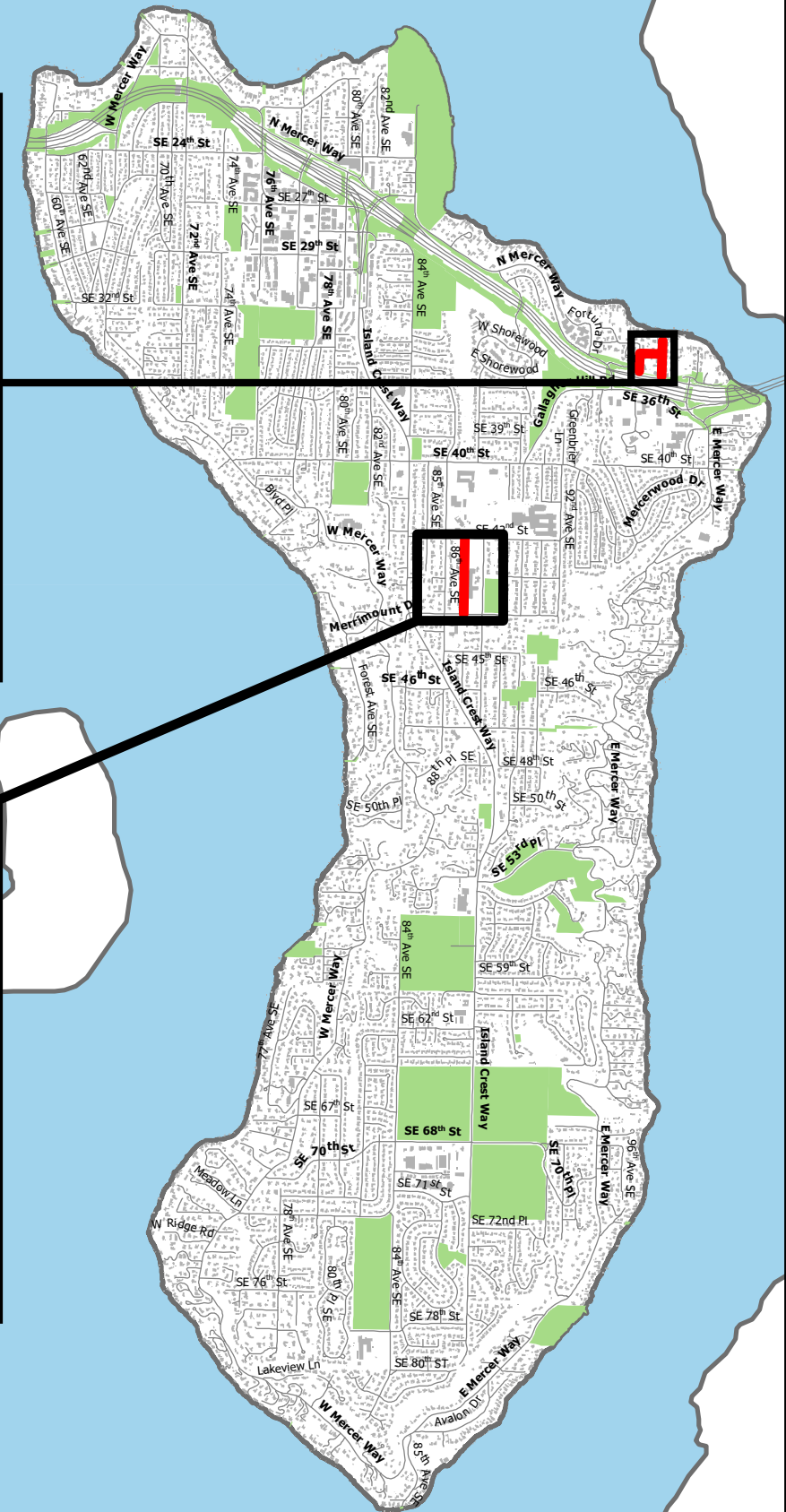
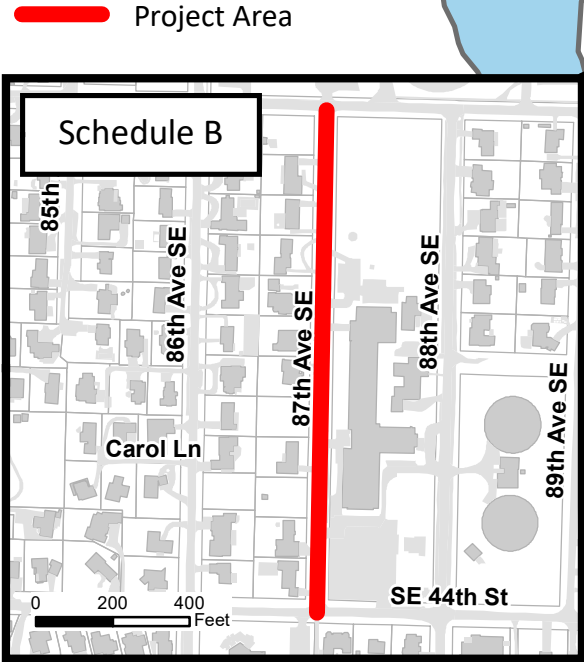
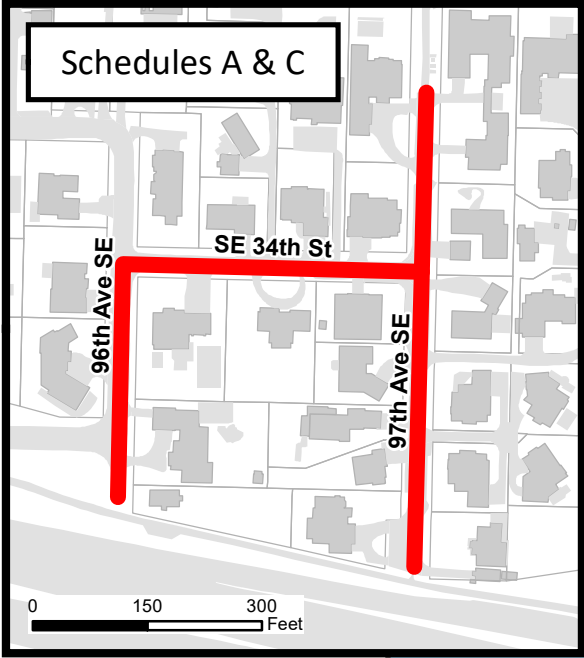
All three Schedules' budgets are within the approved funding of \$1,235,000 set in the 2019-2020 Budget.

Construction of the 2020 Water System Improvements Project is scheduled to begin in mid to late May 2020 and be completed by end of August 2020. Water distribution repair is deemed an essential activity to provide for public health, amid the Covid-19 pandemic, as authorized by Governor Jay Inslee.

RECOMMENDATION

Award the 2020 Water System Improvements project to Oceanside Construction in the amount of \$705,841, set the total project budget at \$1,194,009, and direct the City Manager to execute the construction contract.

City of Mercer Island 2020 Water System Improvements Project Vicinity Map



Project Area



0 0.25 0.5 1 Miles

2020 Water System Improvements Exhibit
Map Date: 4/22/2020



BUSINESS OF THE CITY COUNCIL CITY OF MERCER ISLAND

AB 5684
May 5, 2020
Regular Business

AGENDA BILL INFORMATION

TITLE:	AB 5684: Backflow Prevention Assembly Testing Enforcement Update	<input type="checkbox"/> Discussion Only <input checked="" type="checkbox"/> Action Needed:
RECOMMENDED ACTION:	Adopt Ordinance No. 20C-07 to Amend Enforcement of Certification and Testing of Backflow Prevention Assemblies	<input checked="" type="checkbox"/> Motion <input checked="" type="checkbox"/> Ordinance <input type="checkbox"/> Resolution

DEPARTMENT:	Public Works
STAFF:	Alison Van Gorp, Policy Group Lead
COUNCIL LIAISON:	n/a
EXHIBITS:	1. Ordinance No. 20C-07
CITY COUNCIL PRIORITY:	n/a

AMOUNT OF EXPENDITURE	\$ n/a
AMOUNT BUDGETED	\$ n/a
APPROPRIATION REQUIRED	\$ n/a

SUMMARY

Completion of annual backflow testing is a necessary requirement to protect the City's water supply. Backflow tests are required to be performed by June 30 of each year. While many customers have already completed the required testing, some have not been able to do so given circumstances related to the COVID-19 Pandemic. One of the primary challenges is concerns related to safe access to backflow assemblies located inside a residence.

The purpose of this agenda bill is to eliminate the civil infractions associated with backflow testing, which effectively provides a three-month "grace period" for customers to complete the testing without incurring additional infractions or penalties. This ordinance, does not, however suspend the backflow testing requirement for this year

Customers facing challenges with completing backflow testing are encouraged to contact City of Mercer Island staff via the Call Center at 206-275-7626 to discuss options.

BACKGROUND

State law ([Washington Administrative Code 246-290-490](#)) requires water purveyors to have a Cross Connection Control Program to protect the public from contaminated drinking water. Any plumbing

connection that could potentially allow a contaminate to enter the City's drinking water system must be protected by a backflow prevention assembly, which must be tested annually, at a minimum.

Backflow prevention assemblies are installed on cross connections between the City's potable water supply and a non-potable fluid. Common property features that require a backflow prevention assembly include irrigation systems, swimming pools, and fountains. About one third of Mercer Island's water service connections are covered by this requirement, and most property owners are accustomed to receiving a notification of the testing requirement each year from the City. Annual testing by a certified backflow tester is required, and results are reported to the City via an online portal. This process is a key component of the City's Cross Connection Control Program, which was updated and strengthened following the *E. coli* contamination event and boil water advisory in 2014.

Companies that provide backflow testing are considered "essential" under the Governor's Stay Home, Stay Healthy order and have continued to perform backflow testing work. These companies have implemented no-contact protocols when tests are performed and must meet CDC and social-distancing guidelines. Challenges and concerns remain for some residents, however, due to backflow assemblies located inside a residence.

ORDINANCE AMENDMENT

Staff are recommending the City Council adopt Ordinance No. 20C-07 (Exhibit 1) amending MICC 15.14.060 and MICC 15.14.080 to eliminate monetary penalties from the backflow certification and testing enforcement process.

When the Code Compliance code was adopted in 2017 (Chapter 6.10 MICC), the code amendment changed the penalties in 15.14.080 to civil infractions. In practice, staff have found that issuing civil infractions for a violation of the testing requirement is extremely onerous given existing staff resources and municipal court capacity. Staff were planning to bring forward this recommended amendment later this year, but recently made the decision to accelerate the work in light of the COVID-19 Pandemic.

This amendment does not eliminate the requirement to complete backflow testing this year. Per the current code, residents are required to complete testing by June 30. If the testing deadline is missed, staff perform a series of follow-up steps (outlined in the code) to facilitate compliance with the testing requirements. These steps will still be implemented to ensure all backflow testing is completed by September 30.

Customers experiencing challenges completing backflow testing related to the COVID-19 Pandemic should contact City staff via the Call Center at 206-275-7626 to discuss options.

RECOMMENDATION TO WAIVE SECOND READING

Given the rapidly approaching deadlines related to testing and noticing, staff recommends that the City Council waive the second reading of the ordinance and adopt the code amendment on May 5, 2020. This will provide the staff adequate time to provide clear and consistent messaging in the notices that are sent to water customers.

RECOMMENDATION

1. Suspend the City Council Rules of Procedures Section 6.3 requiring a second reading of an ordinance.
2. Adopt Ordinance No. 20C-07, amending MICC 15.14.060 and MICC 15.14.080 related to enforcement of certification and testing of Backflow Prevention Assemblies.

**CITY OF MERCER ISLAND
ORDINANCE NO. 20C-07**

**AN ORDINANCE OF THE CITY OF MERCER ISLAND AMENDING
ENFORCEMENT OF CERTIFICATION AND TESTING REQUIREMENTS FOR
BACKFLOW PREVENTION ASSEMBLIES, PROVIDING FOR SEVERABILITY
AND ESTABLISHING AN EFFECTIVE DATE.**

WHEREAS, the Washington Administrative Code 246-290-490 requires water purveyors to protect water quality by controlling and eliminating cross connections, including the mandatory use of backflow prevention assemblies; and

WHEREAS, Mercer Island City Code (MICC) 15.14 requires backflow prevention assemblies to be installed at the city's water service connection per city standards. The backflow preventer must be certified at installation and tested annually to ensure proper functioning; and

WHEREAS, the enforcement procedures detailed in MICC 14.14.060 and MICC 15.14.080 currently include monetary penalties for non-compliance; and

WHEREAS, the current COVID-19 pandemic and public health emergency has resulted in financial difficulties for many as well as impacts on the ability for testers to access some backflow preventer assemblies for the annual testing procedure; and

WHEREAS, the Washington State Department of Health has not provided an extension to the annual compliance deadlines for the cross connection control program and annual testing of backflow prevention devices is essential for the protection of water quality; and

WHEREAS, the protection of water quality is a very high priority for the City of Mercer Island and the City would like to ensure backflow assembly testing is completed on schedule, while also avoiding any undue financial hardship for residents and businesses during the COVID-19 emergency. As such, the testing requirement and timeline will remain in place but the city will remove monetary penalties for noncompliance;

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

Section 1: **MICC 15.14.060 Amended.** MICC 15.14.060 is amended to read as follows:

15.14.060 Certification response and enforcement.

A. *Certification Response Required.* The city will periodically send a certification to identify consumers with property features which may require approved backflow preventers. Consumers shall return the certification within 30 days.

B. *Enforcement.* In the event the consumer has failed to respond to the certification within the specified time period, the consumer shall be subject to the following penalties:

1. Initial Warning. Written ~~warning notice~~ shall be sent to the consumer or, alternatively, a copy of such ~~written notice~~ warning shall be posted on the

premises involved. The ~~notice warning~~ shall provide that the certification ~~shall~~ must be returned within 30 days of the date the notice is mailed or posted on the premises.

2. ~~First Violation~~Final Warning. If the consumer does not correct the violation by returning the certification within 30 days of issuance of or the posting of the initial first written notice~~warning~~, ~~the consumer shall receive a \$50 penalty~~ the consumer shall be issued a final warning that water service to the premises may be terminated after 30 days.

3. ~~Second and Subsequent~~Notice of Violations. If the consumer does not correct the violation by returning the certification within 30 days of the issuance of or the posting of the final warning, ~~the first or subsequent penalty~~, ~~the consumer shall receive an additional \$50 penalty~~ the consumer shall be issued a written notice of violation, and water service to the premises shall be shut off.

Section 2: **MICC 15.14.080 Amended.** MICC 15.14.080 is amended to read as follows:

15.14.080 Enforcement

A. The city shall have the authority to terminate water service, and take abatement action as set forth in MICC [15.14.090](#) and ~~impose monetary penalties~~ for violations of the inspection, testing and installation requirements in this chapter.

B. ~~Water Service Termination and Monetary Penalties~~. In the event that the water purveyor, or his/her designee, determines that an unlawful cross-connection exists and/or that the consumer has failed to meet the inspection and testing requirements for backflow preventers, the consumer shall be subject to the following penalties:

1. Initial Warning. Written ~~notice warning~~ shall be sent to the consumer or, alternatively, a copy of such ~~written notice warning~~ shall be posted on the premises involved. The ~~notice warning~~ shall provide that the unlawful cross-connection ~~shall~~ must be corrected by testing or installation within 30 days of the date the ~~notice warning~~ is mailed-issued or posted on the premises.

2. ~~First Violation~~Final Warning. If the consumer does not correct the violation by testing or installation within 30 days of the first issuance or posting of the written notice initial warning, the consumer shall be issued an ~~infraction as provided in MICC [6.10.050\(C\)](#)~~ and a final warning notice that water service to the premises may be terminated after 30 days.

3. ~~Second~~Notice of Violation. If the consumer does not correct the violation by testing or installation within 30 days of the issuance or posting of the first infraction~~final warning~~, the consumer shall be issued a notice of violation a ~~second infraction as provided in MICC [6.10.050\(C\)](#)~~ and water service to the premises ~~may~~ shall be shut off immediately.

4. If the water purveyor determines that service should not be interrupted, the city may hire a contractor to abate the unlawful cross-connection as set forth in MICC [15.14.090](#).

Section 3: **Severability.** If any section, sentence, clause or phrase of this ordinance or any municipal code section amended hereby should be held to be invalid or unconstitutional by a court of competent jurisdiction, such invalidity or unconstitutionality shall not affect the validity of any other section, sentence, clause or phrase of this ordinance or the amended code section.

Section 4: **Publication and Effective Date.** A summary of this Ordinance consisting of its title shall be published in the official newspaper of the City. This Ordinance shall take effect and be in full force five days after the date of publication.

PASSED by the City Council of the City of Mercer Island, Washington at its special meeting on May 5, 2020 and signed in authentication of its passage.

CITY OF MERCER ISLAND

Benson Wong, Mayor

Approved as to Form:

ATTEST:

Bio Park, City Attorney

Deborah A. Estrada, City Clerk

Date of Publication: _____



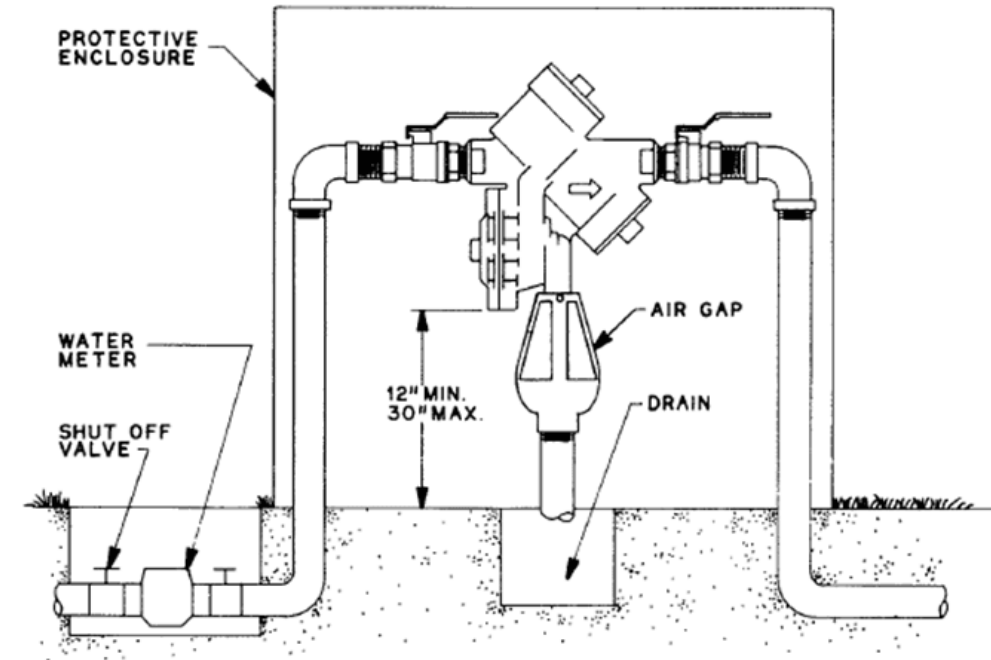
Backflow Assembly Testing

Amending the Enforcement Process

CITY COUNCIL | May 5, 2020

What is a backflow prevention assembly?

- ❑ Plumbing device - creates an “air gap” between the city water supply and private water lines
- ❑ Prevents potentially contaminated water from flowing back into the city system
- ❑ Required at “cross connections” between the city water supply and non-potable fluids
 - ❑ sprinkler systems, swimming pools, fountains



Why is testing required?

- ❑ State law requires annual testing (WAC 246-290-490)
 - ❑ This law has not changed as a result of COVID-19
- ❑ Safety of the city water supply
 - ❑ If a backflow assembly fails, the city water supply is at risk of contamination



Context

- ❑ In 2017, the CPD update to the code compliance regulations made the penalty for a testing violation a civil infraction
 - ❑ Requires hand writing each carbon copy citation
 - ❑ Must be processed and mailed from the municipal court
- ❑ In practice, issuing hundreds of civil infractions each spring/summer has been extremely onerous for staff
- ❑ Prior to the COVID-19 emergency, staff were considering a code amendment to address this issue



Proposed Amendment

- ❑ Eliminates civil infractions and monetary penalties related to testing violations

- ❑ Water shut-off remains the end point for enforcement
 - ❑ Necessary to protect the water supply
 - ❑ Shut off comes only after a series of warnings
 - ❑ Unrelated to water bills – City will not shut off water due to late payment

- ❑ Mayor Wong edits (with staff revisions)



Customer Assistance

- ❑ Staff are available to troubleshoot testing challenges
- ❑ If customer is unable to cover the cost of the test, the City can connect to resources through the Emergency Assistance Program
- **Contact the Call Center for assistance: 206-275-7626**



Motion

1. Suspend the City Council Rules of Procedures Section 6.3 requiring a second reading of an ordinance
2. Adopt Ordinance No. 20C-07, amending MICC 15.14.060 and MICC 15.14.080 related to enforcement of certification and testing of Backflow Prevention Assemblies *[as revised]*



Thank you





BUSINESS OF THE CITY COUNCIL CITY OF MERCER ISLAND

AB 5688
May 5, 2020
Regular Business

AGENDA BILL INFORMATION

TITLE:	AB 5688: Small Business Support Update & Port of Seattle Grant Application	<input checked="" type="checkbox"/> Discussion Only <input type="checkbox"/> Action Needed:
RECOMMENDED ACTION:	Receive the report.	<input type="checkbox"/> Motion <input type="checkbox"/> Ordinance <input type="checkbox"/> Resolution

DEPARTMENT:	City Manager	
STAFF:	Sarah Bluvas, Small Business Liaison	
COUNCIL LIAISON:	Jake Jacobson	Craig Reynolds
EXHIBITS:	1. 2020 Port of Seattle Economic Development Partnership Grant Guidelines 2. City of Mercer Island Application for Port of Seattle Grant	
CITY COUNCIL PRIORITY:	3. Implement an economic development program.	

AMOUNT OF EXPENDITURE	\$ 6,135
AMOUNT BUDGETED	\$ 0
APPROPRIATION REQUIRED	\$ n/a

SUMMARY

Staff will provide a presentation on small business support efforts to-date as well as discuss the Port of Seattle grant program and next steps for accepting funding once the City receives the grant award.

COVID-19 & MERCER ISLAND BUSINESS UPDATE

During the COVID-19 emergency, many City staff have been reassigned from their normal operating duties to roles in the Emergency Operations Center (EOC). Sarah Bluvas, a member of the Parks & Recreation Department, was reassigned on March 19, 2020, to support Mercer Island's local business community. In this role, Bluvas is partnering with Councilmembers, the Mercer Island Chamber of Commerce, and local business owners and advocates to hear and resolve concerns; share local, state, and federal resources; and raise awareness for local business support among the community.

PORT OF SEATTLE ECONOMIC DEVELOPMENT GRANT

In addition to providing ongoing communication and technical assistance, staff is seeking financial resources to strengthen efforts to support the local business community during the COVID-19 recovery period. Staff identified and applied for a grant through the Port of Seattle Economic Development Partnership Program, which is an annual, cooperative program to help fund local economic development initiatives across King

County. Since the program's inception in 2016, the Port has awarded \$1.8 million through 58 grants to 30 cities, including more than \$47,000 to Mercer Island in 2017 and 2018. Funding is awarded on a per-capita calculation (between \$5,000 and \$65,000 based on the city's population) and requires a 50 percent match of dollars and in-kind support. The final deadline to submit project evaluations to the Port is November 2, 2020.

In 2020, the Port is allowing cities to fund COVID-19 relief and recovery for small businesses. Mercer Island is eligible to receive \$24,470, with an additional match requirement of \$12,235. Approximately half of this match (\$6,100) can come from in-kind support in the form of staff time, and the other half (\$6,135) will be provided as a cash match. Matching grant funds will be provided from the small general government professional services budget.

Exhibits 1 and 2 include the grant program guidelines and the City's 2020 application. Over the last two months, staff, in consultation with the Mercer Island Chamber of Commerce, Mercer Island City Council representatives, and local business owners/other community advocates, have heard recurring issues impacting the business community and the City's ability to support it during the COVID-19 crisis. These include:

- Lack of a comprehensive contact list and consistent mechanism for communicating with all businesses on Mercer Island
- Lack of community awareness of on-Island businesses and of organizations that are still "open for business" during the COVID-19 crisis
- Lack of consistent messaging of the importance of local economic development and supporting local businesses
- Lack of understanding of current business needs to create a sustainable, thriving local business sector

While this grant funding will only provide short-term financial support, staff aim to begin addressing some of these issues by focusing the project scope on two coinciding phases:

- **Transition Local Business Community into COVID-19 Reemergence/Recovery Phases** (May-October 2020): This phase will enable continued outreach to local businesses to share resources and technical assistance as well as support a community-wide "support local" marketing campaign to build awareness as local businesses begin resuming some operations.
- **Collect Data for Future Planning Needs** (May-October 2020): This phase will support efforts to build out the City's database of local business contact information as well as establish new foundations to enable future policy and strategic planning related to economic and Town Center development on Mercer Island.

The high-level goals and action items funded through this grant include the following:

Project 1: Transition Local Business Community into COVID-19 Reemergence/Recovery Phases

High-Level Goals:

1. Keep local businesses top-of-mind with local and off-Island customers to retain local businesses and local spending
2. Connect all Mercer Island businesses with resources and technical assistance to do business in the post-COVID-19 era

High-Level Actions:

- Expand "Shop Local-Spend Like It Matters" marketing campaign with branding/design (locally sourced), advertising (print, digital), community mailer, local press, website updates, and other

content/efforts to promote the local business community during the emergency and into the recovery phase

- Outreach to businesses via mail, e-mail, website, and other methods to share recovery resources

Project 2: Collect Data for Future Planning Needs

High-Level Goals:

1. Fill gaps in City's database of contact and other information for local businesses
2. Document business challenges and needs pre- and post-COVID-19 emergency

High-Level Actions:

- Administer online/print survey to collect contact information and assess business needs
- Pilot temporary/non-permanent placemaking projects to test and collect feedback on policy-related ideas (ex. pocket parks, outside seating in Town Center, drop-off/pick-up zones)

An overarching goal of the grant project scope is to redirect awarded dollars back into the local Mercer Island economy by using local contractors and services to complete project needs as much as possible. Staff anticipate the funds will be used for the following types of expenses:

- Project management (City staff and Mercer Island Chamber of Commerce)
- Contracting services (Mercer Island consultants in branding/marketing and needs assessment/research/survey; Mercer Island artists; and other local professional service providers as identified and/or needed)
- Outreach and marketing collateral (business postcard mailer; print and digital graphics for social media, window displays, print media, etc; temporary signage; and other pieces as identified to promote the local business community)

RECOMMENDATION

Staff recommends the City Council receive the report and review the attached exhibits related to the Port of Seattle Economic Development Partnership Grant program. No further City Council action is needed at this time.



Port of Seattle Century Agenda

2020 Economic Development Partnership Program Guidelines

The Port of Seattle Economic Development Partnership Program is an annual, cooperative economic development program to help fund local economic development initiatives across King County.

How much funding is available?

Based on a per-capita calculation, King County cities (except Seattle) may each receive between \$5,000 and \$65,000 based on the city's population. See Appendix A for eligible award amounts by city.

The maximum grant allocation for each city, with populations between 5,000 and 65,000 people, is based on one dollar per resident. Population estimates are determined by the [Washington State Office of Financial Management](#), which publishes population estimates each year. The Port uses the most recent population estimates at the start of the grant cycle. Cities with populations numbering less than 5,000 people are eligible to receive grant funds up to \$5,000 and cities with populations numbering more than 65,000 people are eligible to receive grant funding up to \$65,000.

Grant funds require a 50 percent match of dollars or in-kind resources. In-kind resources can only be used for up to 25 percent of the grant award amount. For example, a grant request for \$50,000 in Port funds would require the city to commit \$25,000 in matching dollars and/ or in-kind resources. Of that \$25,000, up to \$12,500 of in-kind resources could be applied toward the match requirement.

Who can apply and how may the funds be used and?

Eligible Applicants

City governments in King County except for the City of Seattle.

Eligible Projects

Port of Seattle funds must be used on projects to benefit small and emerging businesses, create jobs, foster business growth, or support the Port of Seattle business interests. Uses may include:

- Small business development (including incubator/accelerator projects)
- Business recruitment initiatives designed to attract new companies to a region or city
- Industry retention and assistance service delivery or projects (e.g. workforce development)
- Tourism development
- Downtown revitalization
- Commercial or industrial property development
- Workforce development
- Other community or economic development projects that support new investment and job creation

Ineligible Projects

- Capital projects including projects to construct either new facilities or make significant, long-term improvements to existing facilities.
- Underwriting general or capital expenses associated with an event or program already in progress.
- Any project that would violate federal, state or local laws.
- Any project that would fall outside of the authorized activities that Ports can fund or engage in.

The Port of Seattle recommends applicant cities meet with Port of Seattle staff before submitting the Economic Development Partnership Program applications.

How are projects evaluated and what are the reporting requirements?

Once the program application is approved, the Port will enter into a contract with the city that defines the terms of the funds. The project budget and project scope of work from the application are used in the agreement between the Port of Seattle and each participating city.

At the close of the project, applicants are required to fill out a Project Final Report on the effectiveness of the project and submit invoices for final payment.

To demonstrate that funds have been spent on project-related activities, applicants need to maintain receipts showing project expenses. In-kind matching resources can be documented by showing the value of the resources. For example, “in-kind” staff time can be documented by showing the person’s hourly rate and the hours worked on each project.

All 2020 projects, invoices, and reporting associated with the projects must be submitted electronically to the Port of Seattle by **12:00 pm on Monday, November 2, 2020**.

All associated grant material can be emailed to meyer.j@portseattle.org. The Port recommends submitting materials before the deadline.

The Port of Seattle grant award cannot exceed the predetermined amount, even if the project’s actual cost increases above the project budget. If actual project costs in any budget category deviate more than 25 percent of the total Port contribution to the project, then please contact the

Port of Seattle.

The applicant will need to document any budget changes in the Project Final Report.

Appendix A: 2020 Maximum Grant Award Amounts by City

City	2020 Award Amounts
Algona	\$ 5,000
Auburn (part)	\$ 65,000
Beaux Arts Village	\$ 5,000
Bellevue	\$ 65,000
Black Diamond	\$ 5,000
Bothell (part)	\$ 28,570
Burien	\$ 52,000
Carnation	\$ 5,000
Clyde Hill	\$ 5,000
Covington	\$ 20,280
Des Moines	\$ 31,580
Duvall	\$ 7,840
Enumclaw (part)	\$ 12,200
Federal Way	\$ 65,000
Hunts Point	\$ 5,000
Issaquah	\$ 37,590
Kenmore	\$ 23,320
Kent	\$ 65,000
Kirkland	\$ 65,000

Lake Forest Park	\$ 13,250
Maple Valley	\$ 26,180
Medina	\$ 5,000
Mercer Island	\$ 24,470
Milton (part)	\$ 5,000
Newcastle	\$ 12,450
Normandy Park	\$ 6,610
North Bend	\$ 6,965
Pacific (part)	\$ 6,875
Redmond	\$ 65,000
Renton	\$ 65,000
Sammamish	\$ 64,410
SeaTac	\$ 29,180
Shoreline	\$ 56,370
Skykomish	\$ 5,000
Snoqualmie	\$ 13,670
Tukwila	\$ 20,930
Woodinville	\$ 12,410
Yarrow Point	\$ 5,000
Total Eligible Funding	\$ 1,012,150

Appendix B: Sample Metrics and Measures of Success by Project Type

The following list of sample metrics and measures of success can be used as a guide when considering different types of projects.

Project Type	Sample Metrics
Business and investment attraction	<ul style="list-style-type: none"> • Number and type of businesses contracted at an event or as part of a campaign • Number and type of leads from marketing or sales activity • Businesses attracted and number of jobs created
Business creation and entrepreneurship	<ul style="list-style-type: none"> • Number of individuals trained in entrepreneurial training programs including demographic information or survey information • Number and types of businesses served and types of services provided • Number of contacts made to small businesses • Number and types of trainings provided • Number of new business starts/ businesses created
Business retention and expansion	<ul style="list-style-type: none"> • Number and type of businesses contacted, expanded, or retained • Number of businesses assisted (the type of assistance, the value of assistance provided, etc.) • Ratings of the business climate in the community • Activities that are done to support a “Buy Local” campaign and that quantify the campaign engagement
Marketing	<ul style="list-style-type: none"> • Website metrics like impressions, new users, top acquisitions channels, most visited pages, etc. • Email list size/ growth, open rate, and click rates • Number of articles written, social media generated, or reporters or influencers reached from public relations activities • The changes (before and after) of a revised or newly created website that may address user-friendliness and/ or mobile responsiveness • Amount of impressions, reach, or audience demographics of a specific ad in print, radio or online media
Reports, feasibility studies, or market research	<ul style="list-style-type: none"> • Report finding and next steps on the specific results of research conducted
Events and marketplace	<ul style="list-style-type: none"> • The number of visitors, vendors, exhibits, etc. • Value of visitors gathered by vendor survey • Publicity stemming from the event
Client satisfaction and engagement	<ul style="list-style-type: none"> • Community/client satisfaction rating (via a survey) • Clients follow-up visits and continued engagement • Number of client success stories from participants in programs • Client retention

For a more detailed list of sample metrics by type of economic development activity and discussion of metrics, please see "[Making it Count: Metrics for High Performing EDOs](#)" by the International Economic Development Council.



Port of Seattle Century Agenda

2020 Economic Development Partnership Program City Application

City:	<u>Mercer Island</u>
Federal Tax Number:	<u>91-6017561</u>
Contact Name:	<u>Sarah Bluvas</u>
Title:	<u>Small Business Liaison</u>
Telephone:	<u>206.549.1758</u>
Email:	<u>sarah.bluvas@mercergov.org</u>
Address:	<u>2040 84th Avenue SE</u>
City, State, Zip:	<u>Mercer Island, WA 98040</u>
Alternate Contact:	<u>Kirsten Taylor</u>
Alternate Telephone:	<u></u>
Alternate Email:	<u>kirsten.taylor@mercergov.org</u>

Declaration: *I HEREBY CERTIFY THAT THE INFORMATION GIVEN IN THIS APPLICATION TO THE PORT OF SEATTLE IS TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE.*

Signature of Responsible Official: _____

Print or Type Name and Title: Sarah Bluvas, Small Business Liaison

Date: April 24, 2020

Project Description and Budget

1. **Project Description:** Summarize the project(s) you plan to support through the economic development partnership program. Include a brief description of the goal(s) and/ or issues to be addressed with each project.

We plan to focus on providing support to the local business community during the COVID-19 emergency. We plan to structure the grant period in two overlapping projects:

- **Transition Local Business Community into COVID-19 Recovery Phases** (May-October 2020): This phase will enable continued outreach to local businesses to share resources and technical assistance as well as support a community-wide “Shop Local-Spend Like It Matters”/”Back Open for Business” marketing campaign already underway.
- **Collect Data for Future Planning Needs** (May-October 2020): This phase will support efforts to strengthen the City’s database of local business contact information as well as establish new foundations to enable future policy and strategic planning related to economic and Town Center development on Mercer Island.

Project 1: Transition Local Business Community into COVID-19 Recovery Phases

High-Level Goals:

- Keep local businesses top-of-mind with local and off-Island customers to retain local businesses and local spending
- Connect all Mercer Island businesses with resources and technical assistance to do business in the post-COVID-19 era

High-Level Actions:

- Expand “Shop Local-Spend Like It Matters” marketing campaign with branding/design (locally sourced), advertising (print, digital), community mailer, local press, website updates, and other content/efforts to promote the local business community during the emergency and into the recovery phase
- Outreach to businesses via mail, e-mail, website, and other methods to share recovery resources

Project 2: Collect Data for Future Planning Needs

High-Level Goals:

1. Fill gaps in City’s database of contact and other information for local businesses
2. Document business challenges and needs pre- and post-COVID-19 emergency

High-Level Actions:

- Administer online/print survey to collect contact information and assess business needs
- Pilot temporary/non-permanent placemaking projects to test and collect feedback on policy-related ideas (ex. pocket parks, outside seating in Town Center, drop-off/pick-up zones)

2. **Brief Description Bullets:** Summarize the complete scope of work and goals briefly using 2 - 4 bullets. These bullets will be used to describe each city’s project(s) to the Port of Seattle Commission.
- Encourage local spending and sales at Mercer Island businesses by residents and tourists through a “Shop Local-Spend Like It Matters” buy local marketing campaign
 - Outreach to businesses via mail, e-mail, website, and other methods to share recovery resources and other types of technical assistance
 - Update and build out the City’s business database for disaster recovery efforts and collect information about business climate and economic development needs from business owners to inform future planning and policy efforts
3. **Project Scope of Work:** Outline project components, goals, outputs, timelines, measures of success, and outcomes (short, medium, or long-term) using the table below (attach additional information if necessary). View Appendix B for samples metrics and measures of success. The table is used in the contract between the Port of Seattle and each city.

Project or component:	Project goal(s):	Output(s) and final deliverable(s):	Estimated completion:	Metrics or measures of success:	Describe the short-term, intermediate or long-term outcomes of the project.
Transition Local Business Community into COVID-19 Recovery	<p>Keep local businesses top-of-mind with local and off-Island customers and encourage local spending to retain local businesses and local spending</p> <p>Connect all Mercer Island businesses with resources and technical assistance to conduct business in the post-COVID-19 era</p>	<p>“Shop Local-Spend Like It Matters” marketing campaign, including:</p> <ul style="list-style-type: none"> • Locally designed branding and messaging • Print advertising / outreach & collateral • Digital advertising / outreach & collateral • Print / digital editorial • Collaboration with local arts community to design creative ways to build awareness for local businesses. Examples could include visual storytelling; temporary arts installations / 	<p>Business outreach / data collection completed by July 2020</p> <p>Ongoing updates to Let’s Talk website but push during grant period completed by August 2020</p> <p>Ongoing marketing campaign but push during grant period completed by September 2020</p> <p>Marketing dashboard finished by October 2020</p>	<p>Number of businesses reached via mail / e-mail campaign</p> <p>Number of business responses to mail / e-mail campaign</p> <p>Number of site visits to Spend Local website (launch date-September 2020)</p> <p>Number of redirect visits to businesses listed on Spend Local website (launch date-September 2020)</p> <p>Number of businesses able to</p>	<p>Short-term</p> <ul style="list-style-type: none"> • Better communication with the local business community • Strengthened community support of local businesses • Increased spending at local businesses • Increased sales tax revenue <p>Intermediate</p> <ul style="list-style-type: none"> • Local businesses reopen / resume services efficiently and sustainably <p>Long-term</p> <ul style="list-style-type: none"> • Community

		<p>elements for brick-and-mortar locations to draw residents back to Town Center (if / when it's safe to do so); and other artistic ways to promote local businesses</p> <ul style="list-style-type: none"> • Simple Buy / Spend Local website to use as central landing place for local business information and can be refined / expanded on in the future <p>All-business outreach mailer (regular and digital mail) [**overlaps with survey deliverable in project 2**]</p> <p>Summary dashboard of marketing impacts / results</p> <p>Database of businesses contacted</p> <p>Database of marketing, training, and other business resources shared on Let's Talk website</p>		<p>resume modified / full services by October 2020 (pending additional executive orders)</p> <p>Number of artists supported through business / arts partnership</p>	<p>members choose local businesses first when it comes to shopping and service needs</p>
<p>Collect Data for Future Planning Needs</p>	<p>Fill gaps in City's database of local business contact and other information</p> <p>Document business needs and challenges</p>	<p>Needs assessment survey deployed to all Island businesses (using business license registration list) [**overlaps with business mailer</p>	<p>Business outreach / data collection completed by July 2020</p> <p>Planning interventions</p>	<p>Number of businesses reached via mail / e-mail survey</p> <p>Number of business responses to mail /</p>	<p>Short-term</p> <ul style="list-style-type: none"> • Better communication with the local business community • More accurate understanding of

	pre- and post-COVID-19 emergency	<p>deliverable in project 1**]</p> <p>1-3 temporary / non-permanent placemaking projects to draw community members back to Town Center and test ideas for future economic and community development plans. Examples could include:</p> <ul style="list-style-type: none"> • Creating temporary sidewalk seating and retail areas to temporarily expand business footprints while maintaining safe social distancing • Converting public parking into temporary pocket parks to provide more outdoor space for community members to visit (when it is safer to do so) • Enabling pop-up retail enhancements like drop-off / pick-up zones to enable businesses to more efficiently and safely serve customers when phasing into recovery <p>Updated internal database of business contact information</p> <p>Report summarizing</p>	<p>implemented June-August 2020</p> <p>Internal database ongoing but push during grant period completed by August 2020</p> <p>Findings report completed by September 2020</p>	<p>e-mail survey</p> <p>Number of interactions with / feedback from temporary placemaking projects</p> <p>Number of business contacts added to internal database</p>	<p>local business needs / challenges</p> <p>Intermediate</p> <ul style="list-style-type: none"> • Better informed planning processes to develop long-range economic development efforts <p>Long-term</p> <ul style="list-style-type: none"> • Mercer Island has a healthier and more stable local business community
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		feedback from needs assessment survey and planning interventions			
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4. **Connection to Port of Seattle interests:** Explain how your project benefits the Port of Seattle and ties to the Port’s business interests?

Our project aims to preserve small business and stimulate economic recovery for the City of Mercer Island, a regional patron of the Port of Seattle that relies on SeaTac International airport as a gateway for tourism and commerce. Maintaining the local Mercer Island economy is good for the region, which ultimately benefits the Port of Seattle and its goal of promoting economic development in King County.

5. **Project Budget:** Identify each project budget category, total funds (including the monetary value of in-kind resources), Port of Seattle funds and City monetary and in-kind matching funds. Include the total funds from each column in the second to last row. Include the percentage contributions to the Port of Seattle’s contribution in the last row. This table is used in the contract between the Port of Seattle and each city.

Category:	Port of Seattle Funds Awarded:	City Monetary Matching Funds:	City In-kind Matching Funds:	Total Funds (Including In-Kind):	Project Category
Transition Local Business Community into COVID-19 Recovery Phases	\$15,000	\$3,000	\$3,000 in City staff support	\$21,000	Small Business Assistance
Collect Data for Future Planning Needs	\$9,470	\$3,500	\$3,000 in City staff support	\$15,970	Economic Development Planning
Total Funds:	\$24,470	\$6,500	\$6,000	\$36,970	
Percentage contribution to Port Funds*:	100%	25%	25%		

*City monetary and in-kind matching funds must add up to at least 50% of the Port of Seattle funds awarded.

6. **Collaboration with partners:** Please identify any community organizations (chamber of commerce, neighborhood associations, Small Business Development Centers, SCORE, Greater Seattle Partners, etc.) you plan to work with to complete all or part of your project(s)?

- Mercer Island Chamber of Commerce
 - Mercer Island Arts Council
 - Mercer Island restaurants and retailers
 - Other local businesses
 - Local artists / arts community
 - Regional partners (Greater Seattle Partners, Startup425, etc.)
7. **Use of consultants or contractors:** If you plan to use consultants or contractors to complete all or part of the project, please identify the firm or type of firm you plan to hire for this project.

Local marketing / branding consultant

Local artists (design work, visual storytelling, other business collaborations)

Printing services

Mailing services

Needs assessment survey / data design and analysis

Small Business Support Staff Report

May 5, 2020

Agenda

- What have we been working on?
- Successes & Challenges of Small Business Support
- Where do we go from here?
- Port of Seattle Economic Development Partnership Grant

What have we been working on?

Outreach & Marketing Support

Outreach to Mercer Island Businesses

- Let's Talk for Business Resources: letstalk.mercergov.org/coronavirus_business
- Weekly Chamber of Commerce and Local Retailer Check-ins
- Regular “Small Business Brief” E-mails to Business Contacts
- Connecting with local and regional Economic Development contacts

Raising Awareness for Local Business Support

- #TakeoutTuesday Social Media Campaign
- “Shop Local - Spend Like it Matters” Messaging
- Mercer Island Restaurant/Business Guide Digital Map: mercerisland.relish.com

Financial Relief Awareness & Education

Connecting Small Businesses with Federal and Other Resources

- Paycheck Protection Program
- Economic Injury Disaster Loan
- Working Washington Small Business Emergency Grant
- Private grant opportunities

WeLoveMI Campaign Collaboration

WeLoveMI Updates

Find all Mercer Island organizations participating in one place:

www.welovemi.org

Support for Local Businesses

- 19 businesses participating
- \$73,533 raised by the community
- 493 individual donations

Support for Local Nonprofits

- 22 nonprofits participating
- Includes YFS Foundation, MI Schools Foundation, Youth Theatre NW, MI Boys & Girls Club, and MI Parks & Recreation

Policy & Process Support

- Expediting Off-Premise Endorsement Requests
- Utilities Payment Plans
- Food Priority Pick-Up Zones
- B&O Tax Payment Extension
- Additional policy exploration with Councilmembers, CPD staff, Chamber of Commerce, and local business owners

Successes

- Improving coordination with Chamber of Commerce
- Communicating consistently with business community during crisis
- Responding efficiently to provide businesses relief and/or enable them to pivot

Challenges

- Limited resources to provide direct COVID-19 relief to businesses
- Community awareness of services available on the Island
- Not all businesses prepared or able to shift to online/remote services
- Short-term, crisis-related relief vs. long-term economic impact and development needs

Where does the City go from here?

Short-Term

- Connect local businesses with COVID-19 relief, including “reopening” guidance and resources
- Encourage more businesses to join and promote WeLoveMI campaign

Mid-Term

- Fill gaps in City’s contact list for local businesses
- Consistently message importance of “Support Local”
- Conduct local business sector needs assessment (COVID-19 impact and beyond)

Questions?

Port of Seattle Economic Partnership Grant

Grant Program Overview

- Program created in 2016
- Funds local economic development initiatives across King County
- \$1.8m through 58 grants to 30 cities to-date
- Mercer Island received \$47k total for projects in 2017 and 2018

Funding Allocations & Requirements

- Awarded on a per-capita calculation (between \$5k and \$65k based on city pop.)
- Requires a 50% match of dollars and in-kind support
- Final grant reports due to the Port on November 2, 2020

Resource for Small Business Support During COVID-19 Crisis

Issues to Address

- Communication with local business community
- Community awareness of Mercer Island businesses
- Consistent “Support Local” message
- Local business needs assessment

Funding Eligibility

- Grant award: \$24,470
- Required match: \$12,235
 - Half from in-kind support (staff time, etc.)
 - Half from cash match



2020 Project Proposal: ReSt(ART) MI

Two Concurrent Project Areas

- Transition Local Business Community into COVID-19 Reemergence & Recovery Phases
- Collect Data for Future Planning Needs

Proposal Collaborators

- Other City departments
- Port of Seattle
- Mercer Island Chamber of Commerce
- Local business community
- City Council
- Mercer Island Arts Council

COVID-19 Reemergence & Recovery

- Enables continued outreach to local businesses to share resources and technical assistance to aid with reemergence/recovery
- Supports community-wide “Support Local” marketing campaign to build awareness and patronage of Mercer Island businesses as economy phases into reopening

High-Level Goals & Actions

Goals

1. Connect all Mercer Island businesses with resources and technical assistance to do business in the post-COVID-19 era
2. Keep local businesses top-of-mind with local and off-Island customers to retain local businesses and local spending

Actions

- Expand “Support Local” marketing with branding/design (locally sourced), advertising, local press, website updates, and other content/efforts
- Outreach to businesses via mail, e-mail, website, and other methods to share recovery resources

Queuing Up Future Planning Needs

- Support efforts to expand City's database of local business contacts
- Collect information to enable future policy exploration and/or strategic planning related to economic and Town Center Development on Mercer Island

High-Level Goals & Actions

Goals

1. Fill gaps in the City's database of contact and other information for local businesses
2. Document business challenges pre- and post-COVID-19 emergency

Actions

- Administer online or print survey to collect contact information and assess business needs
- Pilot temporary/non-permanent placemaking projects to test and collect feedback on policy-related ideas (e.g. Outdoor seating in Town Center, retail drop-off/pick-up zones, pocket parks)

Collaborative Partners

- Mercer Island Chamber of Commerce
- Mercer Island restaurants and retailers
- Other local businesses
- Mercer Island Arts Council volunteers
- Local artists and arts community
- Regional partners (Greater Seattle Partners, Startup425, Seattle Metropolitan Chamber of Commerce, etc.)

The ART in ReSt(ART) MI

- Infuse arts and culture elements into project work energize, inspire, and reengage Mercer Island with the local business community
- Examples include:
 - Branding and marketing design
 - Temporary wayfinding or other signage needs
 - In-person or virtual “window display” designs
 - Impermanent placemaking elements to encourage/promote safe social distancing in business districts
- Possibility to leverage the City’s existing 4Culture grant funding

Estimated Budget

Project Focus Area	Port of Seattle Funds	City Cash Match	City In-Kind Match	Total Cash & In-Kind Funds
COVID-19 Reemergence & Recovery	\$15k	\$3k	\$3k (Staff support)	\$21k
Queuing Future Planning Needs	\$9,470	\$3,135	\$3k (Staff support)	\$15,970
Total Funds	\$24,470	\$6,135	\$6,000	\$36,605

Anticipated Expense Areas

- Project Management
- Contractor Services
- Outreach & Marketing Collateral

*Aim to use as many **local services** as possible*

Questions?

Next Steps for Port of Seattle Grant

- Awaiting contract from Port of Seattle - Anticipated May 15
- Seek City Council acceptance at future meeting - Targeting May 19
- Form working group to accomplish project work
- Get started!



BUSINESS OF THE CITY COUNCIL CITY OF MERCER ISLAND

AB 5689
May 5, 2020
Regular Business

AGENDA BILL INFORMATION

TITLE:	AB 5689: City Manager's Request for Salary Reduction	<input type="checkbox"/> Discussion Only
RECOMMENDED ACTION:	Authorize the Mayor to negotiate and execute an amendment to the City Manager Employment Agreement for a 10% temporary salary reduction.	<input checked="" type="checkbox"/> Action Needed: <input checked="" type="checkbox"/> Motion <input type="checkbox"/> Ordinance <input type="checkbox"/> Resolution

DEPARTMENT:	City Council
STAFF:	Mayor Benson Wong / City Attorney Bio Park
COUNCIL LIAISON:	Benson Wong
EXHIBITS:	n/a
CITY COUNCIL PRIORITY:	2. Articulate, confirm, and communicate a vision for effective and efficient city services. Stabilize the organization, optimize resources, and develop a long-term plan for fiscal sustainability.

AMOUNT OF EXPENDITURE	\$ n/a
AMOUNT BUDGETED	\$ n/a
APPROPRIATION REQUIRED	\$ n/a

SUMMARY

The COVID-19 pandemic has created a health and economic emergency that is significantly impacting the Mercer Island community. The pandemic is also impacting the City's finances. In an effort to achieve budget savings during this emergency, City Manager Bon is asking the City Council to reduce her salary by 10% for the remainder of 2020.

Because the City Manager's salary is a contractual provision in the City Manager's Employment Agreement (the "Agreement"), the City Council has to authorize an amendment to the Agreement in order for her salary to be reduced. Consequently, Council authorization is requested to allow the Mayor to negotiate with City Manager Bon, and to execute an amendment to the Agreement for a 10% temporary salary reduction.

RECOMMENDATION

Authorize the Mayor to negotiate and execute an amendment to the current City Manager Employment Agreement for a 10% temporary salary reduction through the end of 2020.



**BUSINESS OF THE CITY COUNCIL
CITY OF MERCER ISLAND**

**AB 5687
May 5, 2020
Regular Business**

AGENDA BILL INFORMATION

TITLE:	AB 5687: Financial Forecast, COVID-19 Impacts, and Cost Saving Measures	<input type="checkbox"/> Discussion Only
RECOMMENDED ACTION:	Appropriate \$962,168 from the Contingency Fund to support the City’s on-going COVID-19 emergency response through June 30, 2020 and provide feedback on policy considerations here forward.	<input checked="" type="checkbox"/> Action Needed: <input checked="" type="checkbox"/> Motion <input type="checkbox"/> Ordinance <input type="checkbox"/> Resolution

DEPARTMENT:	Finance
STAFF:	Matthew Mornick, Interim Finance Director
COUNCIL LIAISON:	
EXHIBITS:	<ol style="list-style-type: none"> 1. City Manager April 29, 2020 Memo 2. General Fund and Youth and Family Services Fund Forecasts 3. Summary of Staffing Changes 4. Ordinance
CITY COUNCIL PRIORITY:	n/a

AMOUNT OF EXPENDITURE	\$ n/a
AMOUNT BUDGETED	\$ n/a
APPROPRIATION REQUESTED	\$ \$962,168

SUMMARY

EXECUTIVE SUMMARY

Staff forecasts a \$4.3 million revenue shortfall in the General Fund and a \$1.3 million revenue shortfall in the Youth and Family Services (“YFS”) Fund through the end of 2020. This agenda bill outlines in detail the General Fund and YFS Fund financial assessment, a summary of staff actions to date, and initial policy considerations. Staff recommends the City Council receive this report, appropriate \$962,168 of contingency funds to support the City’s ongoing emergency response to the COVID-19 Pandemic and provide direction on policy considerations outlined in the “Next Steps” section of the agenda bill.

BACKGROUND

On April 7, staff presented [AB 5676](#) to the City Council with an initial financial forecast focused on areas of the City’s budget where impacts from COVID-19 were most immediate and understood. Revenue shortfalls at year-end were projected up to \$2.5 million in the General Fund (Parks and Recreation Department and Sales Tax), and up to \$1.6 million in the YFS Fund.

Staff committed to return to Council early May with a complete General Fund and YFS Fund financial forecast and plans to address the revenue shortfalls.

Efforts to address the revenue shortfalls have been grouped in phases. Phase 1 included a focused review of the YFS Department as well as park and recreation programs and services during the end of March and early April. Phase 2 included a review of all departments and funds receiving General Fund support, apart from Special Revenue and Capital Project Funds. These Funds will be reviewed in Phase 3, along with Utility Funds and other City funds that will likely see revenue reductions as a result of the COVID-19 emergency.

Attached as Exhibit 1 is a memo provided to the City Council on April 29, 2020 by the City Manager. The memo outlines the detailed actions taken in Phase 1 and Phase 2 to address the revenue shortfalls and to ensure that essential services are maintained.

What follows is a comprehensive General Fund and YFS Fund financial assessment, a summary of staff actions to date, and initial policy considerations.

FINANCIAL FORECASTS

On April 29, 2020 Governor Inslee announced the State's first steps to ease certain COVID-19 restrictions including allowing certain low-risk construction projects to resume and the partial re-opening of some outdoor recreation activities. The latest measures, along with the [comprehensive set of factors](#) guiding the State's approach to easing restrictions, have been accounted for in the April financial forecasts of General Fund and YFS Fund revenues.

Forecasting revenue impacts of the COVID-19 pandemic on the City's General Fund is particularly difficult because of the rapidity and magnitude of the economic impact. This current economic event has no precedent. The closest comparable period when national and global economic activity was brought to a near complete shutdown was following the Great Depression and leading-up to World War II.

All assumptions presented in this forecast are based on the best information available to date and subject to change pending further analysis, receipt of better financial information, analysis of year-to-date actuals, and updates on State measures to protect the general public.

It is important to note that once State orders are lifted, the long-term economic ramifications will be unclear. Staff anticipate residual economic impacts that will hinder the City's ability to swiftly return to normalcy. Further, many of the cost saving measures presented in this agenda bill have one-time costs that extend into 2020. For example, the City pays 50% of unemployment costs over a 39-week period. The City does not have an unemployment reserve. Staff and the City Council need to bear this in mind as financial impacts of the Pandemic will likely extend into 2021, with a full recovery unlikely until 2022. Staff is closely monitoring data and will provide the City Council with regular updates as often as circumstances warrant.

Summary of General Fund Revenue Impacts by Revenue Category

Staff is currently forecasting a \$4.3 million revenue shortfall in the General Fund through the end of 2020 as a result of the economic contraction caused by COVID-19. This \$4.3 million figure does not include the \$700,000 expense staff referred to in [AB 5676](#) as the 27th pay period, the amount of which has likely declined given recent workforce reductions.

The following analysis walks through the underlying assumptions and anticipated impacts to revenues within the General Fund.

Property Tax: As Exhibit 2 demonstrates, the 2020 Adopted Budget assumed \$12.7 million in Property Tax revenue, representing 40% of total General Fund revenues. This is a relatively stable revenue source. The current forecast assumes a modest 3% reduction in this revenue due to the increased potential for non-payment.

	Adopted 2020 Budget	April Forecast	Difference
Property Tax	\$12,717,185	12,363,273	(353,912)

Sales Tax: The 2020 Adopted Budget assumed \$5.1 million in Sales Tax revenue, representing 16% of total General Fund revenues. Sales tax is a revenue source susceptible to economic contractions. Between 2008 – 2010, the City’s Sales Tax revenues experienced a 22% decline. The Great Recession resulted in prolonged reductions that accumulated somewhat gradually. The current economic downturn is far more sudden.

As a result, the current forecast assumes a 20% reduction in Sales Tax at year-end. What took two years to develop during the Great Recession happened immediately in March 2020. For the remainder of 2020, the assumption is a 20% reduction in Sales Tax through the end of May, then a 13% reduction through year-end, with specific focus on business sectors most impacted by the current Pandemic, including construction, retail, and food services.

It is important to note this initial estimate is subject to change. The City has never seen a sudden and near-complete shutdown as has unfolded through the spring. Assumptions will be modified as Sales Tax revenue data becomes available (there is typically a two-month lag in reporting) and when staff has a better sense of changing economic conditions.

	Adopted 2020 Budget	April Forecast	Difference
General Sales Tax	\$5,098,849	4,228,902	(869,947)

Utility Taxes: The 2020 Adopted Budget assumed \$4.6 million in Utility Tax revenues, representing 15% of total General Fund revenues. This revenue stream is, for the most part, not subject to economic volatility. During the Great Recession, the City saw a 5% decrease in telephone and cellular utility tax revenues. For the purposes of this forecast, the assumption is that declines in telephone and cellular sectors will fall 5% from April through the end of 2020, resulting in an 8% decrease in revenues at year-end.

	Adopted 2020 Budget	April Forecast	Difference
Utility Taxes	\$4,660,869	4,271,542	(389,327)

License, Permits, and Zoning Fees: The 2020 Adopted Budget assumed \$3.3 million in license, permit, and zoning revenues, representing 10% of the General Fund. Revenue tied to development services is highly technical to predict given the variation between when City services are provided and when payment for these services is received.

The Community Planning and Development (CPD) Department’s 2019 year-end revenues were 20% below budget estimates for the year. This downward trend continued into the first quarter of 2020. At present, a handful of large development projects are in the pipeline and may move forward, while routine permit applications have somewhat slowed. CPD staff anticipate this recent downward trend to carry through 2020. Given these factors, this forecast assumes a 30% decline in permit revenues through the end of 2020, which represents a \$1.2 million shortfall at year-end.

	Adopted 2020 Budget	April Forecast	Difference
License, Permits, and Zoning Fees	\$3,345,634	2,109,780	(1,235,854)

Business and Occupation Taxes: The 2020 Adopted Budget assumed \$600,000 in business and occupation (B&O) Tax revenue, representing 2% of total General Fund revenues. The business community has been significantly impacted by the COVID-19 economic contraction. Several local businesses have shut down or sharply curtailed operations. On April 7, 2020, the City Council authorized staff to provide B&O tax extensions to quarterly filers. While this revenue stream remained relatively stable during the Great Recession, this forecast applies a 10% reduction to 2020 B&O revenues. Because this tax is based on gross receipts and annual B&O taxpayers file taxes by April 15 for the prior year, a much greater impact to B&O Tax revenues is anticipated in 2021.

	Adopted 2020 Budget	April Forecast	Difference
B&O Taxes	\$662,171	607,137	(55,034)

Parks and Recreation: The 2020 Adopted Budget assumed \$1.6 million in Parks & Recreation revenues, representing 5% of total General Fund revenues. These include revenues from community center rentals, recreation programming, and park facility rentals. Revenue generating activities within the department stopped overnight mid-March, having an unprecedented impact on the Department’s operations.

This forecast assumes programming and rental activity will not resume operations until September, although this still warrants further analysis. The current forecast also assumes operations from September through the end of the year will meet 75% of projected budget goals.

	Adopted 2020 Budget	April Forecast	Difference
P&R Revenues	\$1,592,900	581,523	(1,011,377)

Emergency Medical Service (EMS) Revenues: The 2020 Adopted Budget assumed \$1.4 million for this revenue stream, representing 4% of total General Fund revenues. This utility charge is adjusted each year based on the average cost of four firefighter positions, which were hired in 1996 to provide capacity to handle simultaneous EMS calls. Because utility charges are slated to continue, the assumption includes no change to this revenue stream.

	Adopted 2020 Budget	April Forecast	Difference
EMS Revenues	\$1,391,867	1,391,867	-

Cost Allocation: The 2020 Adopted Budget assumed \$751,000 for this revenue stream, representing 2% of total General Fund revenues. These revenue categories reflect internal transfers between funds. Because of the technical nature of these revenues, this forecast assumes no change.

	Adopted 2020 Budget	April Forecast	Difference
Cost Allocation	\$751,222	751,222	-

Shared Revenues: The 2020 Adopted Budget assumed \$1.2 million in shared/intergovernmental revenues, representing 4% of total General Fund revenues. This category includes revenues that the City receives from the State and Federal governments.

This forecast reduces a handful of State and Federal government revenues that mirror sales tax activity. These include liquor excise tax, liquor control board profits, and marijuana excise tax, among others. While liquor stores remain open, this assumes a reduction due to the closure of restaurants and bars.

However, most shared revenues were held constant through year-end given they are not affected by the current economic contraction.

	Adopted 2020 Budget	April Forecast	Difference
Shared Revenues	\$1,205,849	980,650	(225,199)

Municipal Court Revenues: The 2020 Adopted Budget assumed \$347,000 in General Fund revenue collected from fines, forfeitures, fees, costs, and penalties associated with the enforcement of local and State law. Because Court revenues are highly dependent on caseload, and the Municipal Court has been closed since March, the forecast assumes a 35% revenue shortfall through year-end, which also aligns with recent workload trends from the prior year.

	Adopted 2020 Budget	April Forecast	Difference
Municipal Court	\$346,604	217,692	(128,912)

Miscellaneous Revenues: The 2020 Adopted Budget assumed \$223,000 in miscellaneous revenues in the General Fund. This category includes a variety of revenues. Staff assume no change to this revenue stream in the forecast.

	Adopted 2020 Budget	April Forecast	Difference
Miscellaneous Revenues	\$223,200	223,200	-

Interest Earnings: The 2020 Adopted Budget assumed \$26,000 in General Fund revenue from interest earned on the City's Law Enforcement Officer and Firefighter (LEOFF) I Long-Term Care Reserve. The City pools its cash and invests it in various instruments authorized by State law. Most of the City's cash is invested in the Washington State Investment Pool and in U.S. Treasury and Agency obligations. The City's LEOFF I reserve assumed 1.6% interest earnings in 2020. Given the recent economic contraction, staff revised this assumption

to align with the projected yield experienced in the first quarter of 2020 within the local government investment pool of 0.8%.

	Adopted 2020 Budget	April Forecast	Difference
Interest Earnings	\$25,604	14,181	(11,423)

General Fund Expenditure Forecast

In recent years, the City’s annual General Fund revenues have ended the year within roughly 98 – 99% of the budgeted levels. In adopting the 2019-2020 Biennial Budget, the City took significant steps to reduce expenditures with minimal impact to service levels. Attrition through impending retirements, limited term contract positions, and existing vacancies were factors that informed budget reductions of \$1.2 million to balance the 2019-2020 budget. Based on these steps, this forecast assumes City expenditures would end 2020 on target. **Given the revised revenue forecast presented above, however, the City cannot spend as planned when the 2019-2020 budget was adopted.**

Expenditures related to Emergency Operations

The first week of March, staff activated the City’s Emergency Operations Center (EOC) to Level Three status in response to the Pandemic. Level Three is the lowest level of activation in which a smaller group of City staff lead the response. By month’s end, the activation was elevated to Level One status – the highest-level activation within the City’s emergency command system. This continued through the end of April.

From early March, staff began tracking every expenditure associated with the City’s COVID-19 emergency response. This includes emergency purchases and staff time, with demand on City resources peaking in April when nearly 40 City employees were involved at some level in the emergency response.

Although the City is still providing critical emergency response services, on May 4 the number of employees and resources will be consolidated to a Level Two activation in anticipation of a prolonged Pandemic response. Level Two activation requires fewer staff resources, while still providing a framework and the necessary resources for response and recovery planning related to the Pandemic.

Staff anticipates the EOC will remain active through the end of 2020, and potentially into 2021. Refer to Exhibit 1 for information on EOC roles and responsibilities moving forward to ensure the life, property, and public services in the Mercer Island community remain protected during the ongoing Pandemic.

One of the most critical EOC functions is tracking resources taken from the City’s General Fund to address ongoing demands related to emergency operations, as well as identifying potential State and Federal grants and reimbursement strategies to support the City’s emergency response efforts.

Because the City has been obligated to provide critical essential public services while also performing emergency operations since the first week of March, there has been a significant strain on City resources. Between staffing the EOC and acquiring critical supplies that included personal protective equipment, the City expended \$662,168 through May 1, 2020.

To address expenditures to date and continue staffing the EOC at a Level 2 activation through June 30, staff requests \$962,168 of Contingency Funding.

Expenditures as of May 1, 2020	
Staffing Costs	
2 weeks (2/22 - 3/6) at L3* operation	(12,000)
1 month (3/7 - 4/3) at L3,2,1 operation	(260,000)
1 month (4/4 - 5/1) at L1 operation	(240,000)
Total	(512,000)
Supplies and Services	
Actual costs through 5/1	(36,269)
Encumbered costs through 5/1**	(113,899)
Total expenditures to date \$	(662,168)
Forecasts through June	
Staffing Levels	
Estimated hours at L2 operation per month	2,000 hrs
Monthly staffing costs	140,000
Staffing costs	280,000
Supplies and Services	
Estimated monthly supply costs at L2 operation	10,000
Estimated monthly service costs at L2 operation	-
Supply and service costs	20,000
Total Forecasted Expenditures through July	300,000
Total Contingency Fund appropriation request \$	962,168

* The EOC has operated at three (3) levels during the COVID-19 crisis: Level 3 (L3) – Monitoring only, Level 2 (L2) – Partial Activation, Level 1 (L1) – Full Activation.

**Encumbered costs consist of third-party agreements for equipment related to the COVID-19 response. This encumbrance includes mobile phones and computer acquisition for staff working in an emergency response capacity.

Historically, local jurisdictions have been eligible for State and Federal reimbursements when a Federal disaster is declared. A normal reimbursement is shared among governmental agencies: 75% is covered by the Federal government, 12.5% by the State, with the remaining 12.5% the City's responsibility. Efforts are well underway to complete a Federal Emergency Management Agency (FEMA) public assistance application, which provides grant monies to public agencies that provide management, control, and reduction of immediate threats to public health and safety. The timeline and reimbursement amounts are still unknown.

On April 27, 2020 Governor Inslee announced nearly \$300 million from the State's federal stimulus award is being directed to local governments that did not receive direct distributions under the CARES Act. Funds will be used to cover critical expenses related to the COVID-19 Pandemic. The preliminary estimate is that the City of Mercer Island will receive \$734,000 from the State to support the COVID-19 response. This amount is not yet confirmed, and it remains unclear when these funds will become available.

Fund Balance Implications

The City's Contingency Fund is presently \$4,212,000 million, the balance equaling 13% of the 2020 Adopted Budget General Fund expenditures. As part of the 2019-2020 budget process, the City Council increased the target funding level from 10% to 12.5% of General Fund budgeted expenditures. The current balance in the Contingency Fund slightly exceeds Council's goal for the 2019-2020 budget by 0.5%.

With the revised revenue forecast and expenditures continuing at current levels, the City could expect to end 2020 drawing down the entire balance of the Contingency Fund. Staff does not recommend this approach. It

would put the City on an untenable trajectory early on in an unparalleled and potentially prolonged economic recession. The more prudent path is to reduce expenditures to align with anticipated revenues and carefully meter the use of contingency funds and other reserves.

Summary of Youth and Family Services Fund Revenue Impacts

The YFS Fund was created to account for all revenues and expenditures directly related to the YFS Department. These programs include the VOICE/SVP program, Joblink, Thrift Store operations, Community Counseling, Senior Services, Emergency Assistance, and School Mental Health Counselors. YFS is predominantly supported by Thrift Shop sales, as well as donations from the Mercer Island Youth and Family Services (MIYFS) Foundation, federal grants, and charges for services.

Current projections indicate a \$1.3 million revenue shortfall in the YFS Fund through the end of 2020 as a result of the economic contraction caused by COVID-19 Pandemic. The following analysis walks through underlying assumptions and anticipated impacts to revenues within the YFS Fund.

Mercer Island Thrift Shop: The 2020 Adopted Budget assumed \$1.97 million in Thrift Shop revenues, representing 65% of YFS Fund revenues. The Thrift Shop closed March 16. For the purposes of this forecast, the current assumption is no revenues in April, May, or June. A re-opening is currently projected in July, with Thrift Store operations projected to meet 50% of monthly revenue goals through year-end.

	Adopted 2020 Budget	April Forecast	Difference
Thrift Shop Revenues	1,969,320	868,638	(1,100,682)

Charges for Services: The 2020 Adopted Budget assumed \$319,000 in revenues from additional YFS services, representing 11% of YFS Fund revenues. These services include fees from family counseling services, the VOICE/SVP program, as well as the Mercer Island School District’s commitment in support of the school counseling program. Given current restrictions on operations related to the Stay Home, Stay Healthy Order, a decision was made to cancel the summer VOICE/SVP program. Given Phase 1 and Phase 2 cost saving measures, staff assumes significantly reduced revenues from family counseling services through the remainder of the year.

	Adopted 2020 Budget	April Forecast	Difference
Charges for Services	319,000	99,971	(219,029)

Donations and Miscellaneous: The 2020 Adopted Budget assumes \$354,000 in donation revenues, including those from the MIYFS Foundation, representing 12% of YFS Fund revenues. Donations includes revenues earmarked for emergency assistance support, senior services, and general YFS program support. The MIYFS Foundation donation includes funds to support a 2020 budget amendment that restored a half-time Geriatric Specialist position within the YFS Department.

The MIYFS Foundation committed to providing the City receipt of their second quarter donation and funds for the Geriatric Specialist position in May. In coordination with the MIYFS Foundation, staff assumes full receipt of donations in 2020.

	Adopted 2020 Budget	April Forecast	Difference
Donations and Misc.	\$354,015	354,015	-

Other Revenues: The 2020 Adopted Budget assumes \$393,000 in other revenues, representing 13% of YFS Fund Revenues. These include King County and Federal grant funds, as well as interest earning from the YFS Endowment. Staff assume no change to this revenue stream in the forecast.

	Adopted 2020 Budget	April Forecast	Difference
Other Revenues	\$393,100	393,100	-

Youth and Family Services Expenditure Forecast Implications

Based on prior years, staff forecasts potential expenditure savings in the YFS Fund, specifically savings in the supplies budget and on expenses associated with building maintenance at the Thrift Shop, among others. The overall net impact to the YFS Fund 2020 budget is a \$1.2 million shortfall in the YFS Fund through the end of 2020 as a result of the economic contraction caused by COVID-19. The revised YFS Fund forecast presented above indicates the City cannot spend as planned in the 2019-2020 adopted budget.

Below is an outline of cost saving measures, implemented in phases to address budget shortfalls in both the YFS fund and General Fund.

COST SAVING MEASURES

City's Response

Staff began examining ways to reduce expenditures mid-March when the magnitude of the COVID-19 Pandemic came into focus, with specific attention on the General Fund and YFS Fund. These efforts have been categorized into phases, based on how new information and financial and budgetary impacts resulting from COVID-19 has come to light.

Below is a summary of initial cost saving measures known as Phase 1. These measures were implemented the end of March into early April. A detailed recounting of these cost saving measures is recounted in Exhibit 1.

PHASE 1 001 – GENERAL FUND Cost Saving Measures		Total
Beginning General Fund budget shortfall		\$(4,300,000)
1.1 Parks and Recreation casual, contract, and seasonal labor – layoffs		200,000
1.2 Parks and Recreation hiring freeze		550,000
1.3 Vacancy savings from other General Fund departments		400,000
P1 General Fund Savings Subtotal		750,000
P1 Ending Balance		\$(3,150,000)

PHASE 1 160 – YFS FUND Cost Saving Measures		Total
Beginning YFS Fund budget shortfall		\$(1,300,000)
1.4 YFS dept casual, contract, and seasonal labor – layoffs		\$450,000
	P1 YFS Fund Savings Subtotal	450,000
	P1 Ending Balance	\$(850,000)

After Phase 1 cost saving measures, the remaining 2020 General Fund shortfall was projected at \$3.15 million, excluding the \$700,000 budgetary impact from the 27th pay period. A projected \$850,000 shortfall in the YFS Fund remained after Phase 1 reductions.

Once staff verified a clear and complete picture of the financial and budgetary impacts to the YFS Fund and General Fund the second week of April, staff implemented Phase 2 cost saving measures, as outlined below.

PHASE 2 001 – GENERAL FUND Cost Saving Measures		Total
Beginning General Fund budget shortfall		(3,150,000)
2.1 Parks and Recreation staffing – layoffs		1,040,000
2.2 Parks and Recreation operating reductions		421,000
2.3 Facility staffing – layoffs		146,000
2.4 Non-essential professional training and related travel reductions		50,000
2.5 Reduced utilities and maintenance services at closed City facilities		100,000
	P2 General Fund Savings Subtotal	1,757,000
	P2 Ending Balance	\$(1,393,000)

PHASE 2 160 – YFS FUND Cost Saving Measures		Total
Beginning YFS Fund budget shortfall		(850,000)
2.7 YFS staffing – layoffs (90-day versus permanent)		114,000 – 341,000
2.8 YFS staffing – furloughs (through year-end)		151,000
2.9 Other		146,000
2.10 Thrift Store staffing JUL – DEC 2020		(174,000)
	P2 YFS Fund Savings Subtotal	237,000 – 464,000
	P2 Ending Balance	\$(632,000) – (405,000)

After Phase 2 cost saving measures, the remaining 2020 General Fund shortfall is \$1.4 million, excluding the \$700,000 budgetary impact due to the 27th pay period. A budget shortfall in the YFS Fund between \$632,000 and \$405,000 remains for fiscal year 2020 after Phase 2 reductions. This calculation is up to date, and slightly different than what was reported in Exhibit 1 on April 29, 2020 due to additional analysis.

Given the projected savings outlined above, it is clear further reductions or additional resources are required to address the General Fund and YFS Fund revenue shortfalls in 2020. Other cost savings measures still under review include:

- Additional workforce reductions through layoffs, furloughs, salary reductions, etc.
- Suspending non-essential professional service contracts, particularly in the General Fund.
- Identifying potential transfers from the General Fund that could be delayed or eliminated.
- Tracking additional Federal and State resources to supplement emergency operations costs.

- Initiating discussions with labor partners to explore additional ways to close the budget gap.

Policy Considerations

Some options under consideration involve policy decisions by the City Council. These include:

1. Implementing a furlough program for all non-represented employment positions.
2. Reducing City Hall operations to four days per week, which could be done in conjunction with a furlough program.
3. Use of the compensated absence reserve to cover one-time cash-out costs.
4. An Interfund loan between the Utility Fund and the General Fund.
5. Other scenarios, including revisiting options presented in [AB 5552](#) as part of the Management Partners assessment in 2019.

Staff would appreciate initial feedback from the City Council on these potential policy matters, with a goal of identifying those that warrant further research and follow-up.

NEXT STEPS

Within five weeks the organization has undergone substantial changes. Focus has shifted to establishing new service levels given Phase 1 and Phase 2 cost saving measures and exploring other means to address the budget shortfalls from COVID-19. Changes will be ongoing.

At the May 19, 2020 City Council meeting, staff will provide the following:

- An assessment of funding tied to the capital program and Utility Funds
- Updates on cost-saving measures
- Follow-up on City Council recommended policy measures

Staff will continue to monitor General Fund revenues, as well as develop forecasts for non-General Fund revenues, and provide regular updates on the City's financial position. All this work will inform the 2021-2022 biennial budget process, slated to commence early summer.

RECOMMENDATION

Staff recommends the City Council:

1. Appropriate \$962,168 from the Contingency Fund to support the City's on-going COVID-19 emergency response through June 30, 2020. Direct staff to replenish the Contingency Fund when state and federal funds related to COVID-19 are received, up to the amount appropriated.
2. Provide feedback on policy considerations.

Per Council's direction, staff will return to Council May 19 with a budget amending ordinance to appropriate Contingency Funds.



MEMORANDUM

COVID-19: Workforce Reductions

TO: City Council
FROM: Jessi Bon, City Manager
RE: COVID-19 Fiscal Impacts & Workforce Reductions
DATE: April 29, 2020

The COVID-19 Pandemic has created a health and economic emergency that is significantly impacting the Mercer Island community. The Pandemic is also impacting the City's finances. The purpose of this memorandum is to update you on an initial list of actions taken to ensure the City of Mercer Island remains fiscally sound and is positioned to sustain essential services such as police, fire, utilities, and transportation.

Staff will present an updated financial analysis on the General Fund and the YFS Fund at the May 5, 2020 City Council Meeting. The May 19, 2020 City Council meeting will include a discussion and updated financial forecasts on the City's capital programs and Utility Funds.

BACKGROUND

At the end of February 2020, the first known case of COVID-19 was confirmed in King County. What followed was the enactment of a number of King County and Statewide measures to slow the spread of the virus. Two of the earlier impacts on the City of Mercer Island that resulted from these measures were the closure of the Mercer Island Community and Event Center (MICEC) on March 11 and the closure of the Mercer Island Thrift Shop on March 16. Both closures resulted in an immediate and ongoing loss of significant revenues to the City.

At the April 7, 2020 City Council meeting the staff provided an initial projection of the negative revenue impacts due to the Pandemic, focusing primarily on revenues generated through the Parks and Recreation Department, the Youth & Family Services (YFS) Department, and Sales Tax. The initial projections were as follows:

Category	2020 Projected Revenue Losses (4/7/20)
Parks & Recreation	\$1.1 million
Sales Tax	\$1.3 million
Youth & Family Services	\$1.1 million

The following are some of the assumptions used to develop these early projections:

- **The financial impacts of the Pandemic will extend into 2021, with a full recovery unlikely until 2022.** This planning assumption still holds and is being used to prepare future forecasts.
- The Thrift Store, which provides critical revenue to sustain YFS operations, was originally assumed to resume operations in June and meet 50% of the 2020 budget revenue goal through the end of the year. The 50% revenue projection goal was utilized because July, August, and November have historically been high revenue generating months. With the ongoing Pandemic response and

impacts to retail, this assumption has since been modified, such that no revenue is projected until July 2020 at the earliest. Projected Thrift Store revenue losses for 2020 remain at \$1.1 million.

- Recreation programming, facility rentals, and field rentals will likely not resume until September 2020. Although the Governor has recently announced a loosening of restrictions on outdoor recreation, events, gatherings, league play etc. are still not allowed. Considerable uncertainty remains about when these services will resume and what operating requirements will be needed to safely open parks and recreation facilities.

The financial presentation for the May 5, 2020 City Council meeting will include updated projections and a detailed analysis for the General Fund and the YFS Fund.

WORKFORCE REDUCTIONS

It is the City Manager's responsibility, serving as the Chief Executive of the City, to implement budget directives and ensure the City remains fiscally sound. Given the immediate losses to City revenues and projected future losses, immediate expenditure reductions were needed. These reductions, consisting mostly of layoffs and furloughs, were implemented in two phases over the past two months.

Unless otherwise noted, the savings described below include one-time vacation cash-out costs for those employees separating from employment.

This cost-savings projections also include the City's estimated portion of unemployment costs. Political subdivisions and most nonprofit organizations that are exempt from federal unemployment taxes under Section 501(c)(3) of the Internal Revenue Code have two options for unemployment insurance payments:

1. Reimbursable method: Pay for actual unemployment benefits of former employees
This option is available to political subdivisions and most nonprofit organizations. A reimbursable employer is billed every three months for its share of unemployment-insurance benefits received by former employees during the preceding calendar quarter.
2. Local Government Tax
This method is available only to cities, counties, and towns. Employers who elect this option are assigned a tax rate of 1.25% of total gross wages for the first eight quarters. After that, the tax rate is computed using an experience rating system based on benefits paid to former employees.

The City of Mercer Island, like most other cities, uses the reimbursable method for unemployment insurance payments. **This means that the City self-insures by paying for the unemployment costs of former employees.** This method has been the standard practice for local governments as unemployment costs are typically very low, except for rare circumstances such as the current Pandemic.

With the passage of the CARES Act, self-insured employers will be reimbursed for half (1/2) of the unemployment costs by the federal program. The mechanism for reimbursement is still being worked out by the State Employment Security Department and the timing of any reimbursement to the City is currently unclear. The City does not have a reserve set aside for unemployment expenses, but staff are tracking the expenses as they are incurred and have included the unemployment costs in the analysis below. Given the new Federal legislation related to the Pandemic, most employees will be eligible for 39 weeks of unemployment.

GENERAL FUND

2020 General Fund Revenue Projections

Pending further analysis, the current General Fund financial forecast indicates a projected revenue loss of \$4.3 million in Fiscal Year 2020. The details of this analysis will be presented at the May 5, 2020 City Council meeting and includes projected losses in Sales Tax, Property Tax, permit revenues, B&O Tax, recreation programming revenue, facility rental revenue, and more.

The General Fund includes the Parks and Recreation Department, which alone is forecasted to lose \$1 million in revenue through the end of August and up to \$1.4 million at year-end if programs and/or facility operations do not resume and meet budget objectives.

Phase 1 – General Fund Workforce Reductions

In March and early April, I made the difficult decision to layoff eighteen (18) Parks and Recreation Department employees:

- Parks Maintenance Seasonal Staff (3)
- Community Center Casual Labor Staff (5)
- Recreation Instructors (10)

The estimated savings from the Phase 1 layoffs is \$200,000 for the remainder of 2020 assuming all of the positions remain vacant. While some staff re-hires will be required once the Community Center re-opens, the timing of the re-opening, and the composition and mix of programs and services to be restored will be subject to future policy discussions with the City Council.

Recruitment for the following positions in the Parks and Recreation Department was also suspended and these positions will remain vacant through 2020:

- Marketing Coordinator (1)
- Parks Foreman (1)
- Recreation Coordinator - Contract (1)
- Remaining Parks Maintenance Seasonal Positions (8 to 9 positions)

The estimated 2020 savings for these positions is \$550,000.

Phase 2 – General Fund Workforce & Other Reductions

At the end of April and in further consideration of the projected \$4.3 million shortfall in the General Fund, the decision was made to layoff fourteen (14) employees in the Parks and Recreation Department:

- Parks and Recreation Director (1)
- Recreation Manager (1)
- Parks Operations Manager (1)
- Community Programs Manager (1)
- Reservations & Customer Service Supervisor (1)
- Recreation Supervisor (1)
- Customer Service Specialist/MICEC (3)
- Recreation Coordinator (1)
- MICEC Operations Coordinator (1)
- Senior P&R Administrative Assistant (1)

- Parks Project Coordinator (1)
- Natural Resource Specialist (1)

The estimated savings from the Phase 2 layoffs is \$1.04 million for the remainder of 2020 assuming all of the positions remain vacant. These savings do not include vacation cash-out costs (one-time payouts at separation) as some of the staff may continue serving in a temporary role in the Emergency Operations Center (EOC) through the end of May. (See information on page 7 about the EOC).

Staff re-hires will be required once the Community Center re-opens and other services resume, but the timing of the re-opening and the composition and mix of programs and services to be restored is subject to future policy discussions with the City Council.

In addition to staff reductions, a number of other cost saving measures are planned in the Parks and Recreation Department. This includes reductions in advertising, summer programming staff, travel and training, supplies, utilities, and more. These additional budget reductions are estimated at \$421,000 through the end of August. Further reductions may be considered and are largely dependent on when/if recreation programs and services are restored in 2020.

For the time being, recreation and MICEC customer service needs will be handled through the EOC. Park maintenance staff are currently reporting to Public Works leadership. Limited park maintenance operations deemed essential are planned to resume in May. All other Parks and Recreation programs, services, and projects are suspended.

Facilities:

City buildings remain closed, with the exception of the Police and Fire Department facilities. When services resume, staff anticipate in-person operations will be limited for the duration of 2020. Given the scaled back facility operations and the need to mitigate the revenue losses in the General Fund, the decision was made to layoff two (2) employees in the Facilities Division:

- Facilities Project Manager (1)
- Facility Maintenance Technician (1)

For the remainder of the year, facility needs will be handled through the EOC. The restoration of facility maintenance services will be part of future policy discussions with the City Council.

The estimated savings from the Phase 2 layoffs in the Facilities Division is \$146,000 for the remainder of 2020.

Other:

Additional General Funds cost-savings measures implemented in March and April include:

- A savings of \$50,000+ by eliminating all non-essential professional training and related travel through 2020. Several staff divisions are still evaluating mandatory training needs, so this number will be updated in the future.
- A savings of \$100,000+ due to powering down utilities at closed City facilities and reducing some building and landscaping maintenance activities. Projected savings will increase as the building closure is extended.

General Fund Summary

In summary, the Phase 1 and Phase 2 General Fund reductions will result in the following projected savings:

Reductions	2020 Estimated Savings
Phase 1 – P&R Layoffs	\$ 200,000
Phase 1 – P&R Hiring Freeze	\$ 550,000
Phase 2 – P&R Layoffs	\$1,040,000
Phase 2 – P&R Operating Reductions	\$ 421,000
Phase 2 – Facilities Layoffs	\$ 146,000
Other	\$ 150,000
Total	\$2,507,000

The total estimated savings resulting from these reductions is \$2.5 million for 2020, with most of the savings resulting from the suspension of MICEC operations and related recreation programs and services.

Phase 3 – Potential Reductions and Policy Considerations

Given the projected savings provided above, it is clear that further reductions or additional resources will be needed to address the projected \$4.3 million General Fund revenue shortfall in 2020. Other cost savings measures still under review include:

- Additional workforce reductions through layoffs, furloughs, salary reductions, etc.
- Suspending non-essential contracts, particularly in the General Fund.
- Identifying potential transfers from the General Fund that could be delayed or eliminated.
- Tracking Federal and State resources to supplement emergency operations costs.
- Initiating discussions with labor partners to explore additional ways to close the budget gap.

Some of the options under consideration involve policy decisions by the City Council, such as:

- Implementing a furlough program for all non-represented employment positions.
- Reducing City Hall operations to four days per week, which could be done in conjunction with a furlough program.
- Implementing an early retirement program.
- Use of the compensated absence reserve to cover one-time cash-out costs.
- Interfund loan between the Utility Fund and the General Fund.
- Other scenarios, including revisiting options presented as part of the Management Partners assessment in 2019.

It is important to note that the projected loss of \$4.3 million in General Fund revenue includes a \$1.2 million revenue shortfall for licensing, permits, and zoning fees through the end of the year. At the time this memorandum was prepared staff were still assessing reduction and cost-savings scenarios for the Community Planning and Development Department.

YOUTH AND FAMILY SERVICES (YFS) FUND

2020 YFS Fund Revenue Projections

The current financial analysis includes a projected loss of \$1.1 million in Thrift Store revenue and a \$200,000 loss in revenue for other services in 2020. This analysis now assumes the Thrift Store will resume operations in July 2020 and achieve 50% of the revenue goals through the end of the year. To a certain

degree, this assumption is speculative - restrictions on retail operations have not been lifted and guidelines for operations during the Pandemic are still being developed.

Phase 1 - YFS Fund Workforce Reductions

In late March and early April, I made the difficult decision to layoff twenty-two (22) YFS employees:

- Thrift Shop Contract Staff (10)
- Thrift Shop Casual Labor (5)
- Thrift Shop Work Study (6)
- Donor Development Officer (1)

The estimated savings from the Phase 1 layoffs is \$404,000 for the remainder of 2020 assuming all positions remain vacant. Given that the Thrift Store is planned to re-open in the July timeframe, current financial models also include \$174,000 in future 2020 staff costs.

Phase 2 – YFS Fund Workforce & Other Reductions

At the end of April and in consideration of the projected remaining shortfall in the YFS Fund, the decision was made to place the following positions on 90-Day Standby Layoffs:

- YFS Director (1)
- Administrative Assistant (1)
- Elementary School Mental-Health Counselors (2)
- Healthy Youth Initiative & Voice Coordinator (1)
- Community Based Counselor (1)

The decision to place these six (6) positions on 90-day Standby was to allow time for the City Council to discuss policy options related to YFS services and operations, while also immediately drawing down expenses. A decision on whether or not to extend these layoffs beyond 90-days will need to be made in early July.

The estimated savings for the 90-day Standby layoffs is \$114,000 (over the 90-day period). If the layoffs are extended through the end of 2020, the estimated savings is \$304,000.

Additional reductions were made in the YFS Department via furloughs (reductions in work hours/week):

- Senior Program Manager & Clinical Supervisor (8-hours/week furlough) (1)
- Community Development & Administrative Manager (8-hours/week furlough) (1)
- Employment & Emergency Assistance Staff (8-hours/week furlough) (1)
- School Mental Health Counselors (12-hours/week furlough) (5)
- Thrift Shop Business Coordinator (20-hours/week furlough) (1)
- Thrift Shop Operations Coordinator (20-hours/week furlough) (1)
- Elementary Clinical Supervisor & Senior Services Counselor (20-hours/week furlough) (1)

The two (2) Thrift Store employees are anticipated to be furloughed for two months assuming that the Thrift Store reopens in July. The other nine (9) YFS staff furloughs are assumed to extend through the end of 2020 and the total estimated savings from the furloughs is \$151,000.

In addition to staff reductions, a number of other budget reductions are proposed in the YFS Department. This includes repair and maintenance costs, utility costs, reduction in supplies, and suspension of training and travel. These additional cost saving measures are estimated at \$59,000 through the end of the year.

YFS Fund Summary

In summary, the YFS Fund cost saving measures implemented thus far have resulted in the following projected savings:

Reductions	2020 Estimated Savings
YFS - Phase 1 Layoffs	\$404,000
YFS – Phase 2 Layoffs (90-day vs. full year)	\$114,000 to \$304,000
YFS – Phase 2 Furloughs	\$151,000
Other	\$59,000
Total	\$728,000 to \$918,000

The estimated 2020 savings resulting from these reductions ranges from \$728,000 to \$918,000. Factoring in the \$174,000 in staff costs to resume Thrift Store operations and the projected \$1.3 million revenue loss, a shortfall of \$556,000 to \$746,000 remains. Further reductions or additional resources will still be needed to close the gap in 2020.

Youth and Family Services Foundation

City staff along with Mayor Wong recently met with two board members from the Youth and Family Services Foundation to discuss scenarios to address the funding gap in 2020. The Foundation has committed to providing additional funding support in 2020, along with continued support for YFS in 2021 and beyond. At the meeting it was recommended that a working group of City Councilmembers and Foundation Board members be formed to focus on prioritizing service needs for 2020 and beginning discussions on a long-term strategy to stabilize funding for Youth and Family Services.

EMERGENCY OPERATIONS

As the City continues to address the impacts of the Pandemic, it is important to ensure resources are available to sustain the City’s emergency response, including the essential recovery and long-term planning work that is currently underway.

EOC Status

The City’s EOC began operating in response to the Pandemic at Level 3 the first week in March and was elevated to Level 1 status by the end of that month. Level 1 EOC operations have continued since that time with staff resource demands peaking in April when nearly 40 City staff were assigned to a specific emergency response role. Although the City is still providing critical emergency response services, the number of employees needed to support the EOC workload has declined and resource are being adjusted.

Last week staff began implementing a strategy to consolidate EOC staff roles in anticipation of a prolonged Pandemic response extending through the end of 2020 and into 2021. Effective the first week in May, the EOC will be scaled back to 14 employees assigned to emergency response roles. Ongoing functions in the EOC include:

- **Logistics** – Responsible for facilities, supplies, equipment, transportation, timekeeping, finances, human resources, and technology needs. This team is also responsible for pursuing grants and Federal reimbursements.

- **Operations** – Responsible for public safety, parks, human services, utilities, infrastructure, planning, volunteers, and small business support.
- **Planning** – Responsible for situation reports, data collection, call center/customer service, policy analysis, and recovery planning.
- **Other** – The emergency response and recovery planning also require dedicated legal and communications resources.

The EOC team is currently responsible for sustaining a variety of operations including Citywide customer service functions, limited MICEC/recreation needs, facilities, supply procurement, and more.

In preparation for the slow lift or modification of the “Stay Home, Stay Healthy” Orders, the EOC team has begun working on critical operating planning to safely resume City Operations. Staff members from all departments are participating in these efforts. These are a few examples of the tasks that are currently underway:

- Modifications to facilities including implementation of physical barriers (plexiglass shields) at customer service counters in City buildings.
- Developing operating protocols for MICEC specific to facility rentals, recreation programs, drop-in programs, leagues, and more.
- Cleaning and disinfecting protocols for all facilities.
- Updating personnel policies and staff training plans to ensure a safe work environment.

A number of the planning projects, particularly the work related to resuming suspended operations (MICEC, recreation programming, YFS, etc.) will be part of future policy discussions with the City Council.

Emergency Operation Costs

The City does not have a dedicated reserve for emergency operations expenses. Previous emergencies were generally short-term in duration and the operating costs were absorbed by individual Departments. In this case, and given the significant financial impacts to the City, dedicated funding will be needed to sustain the emergency response and recovery planning through the end of the year.

Staff plan to discuss funding options to sustain EOC operations with the City Council at the May 5, 2020 meeting.

Future Reimbursements

Historically, local jurisdictions have been eligible for State and Federal reimbursements when a Federal disaster is declared. The normal reimbursement share is 75% from the Federal government, 12.5% from the State of Washington, and 12.5% remains the responsibility of the City. Staff have been closely tracking the City’s costs related to the emergency response per FEMA requirements and are prepared to seek reimbursement when the opportunity arises. The timing and amount of the reimbursement is unknown.

Cares Act Funding from Washington State

Governor Inslee announced on Monday, April 27, that nearly \$300 million will be awarded from the State’s federal stimulus funding to local governments that did not receive direct distributions under the federal CARES Act. Funds can be used to cover critical expenses arising from the COVID-19 emergency, including isolation and quarantine sites, staffing, and the procurement of medical supplies and equipment for health care providers and first responders. The preliminary estimate is that the City of Mercer Island will receive \$734,000 from the State to support the COVID-19 response.

Once the funding amount is confirmed, the City Council will address the allocation and use of funds. A final estimate of CARES Act funding from the State is anticipated within a week.

HUMAN RESOURCES SUPPORT/ONE-TIME WORK ITEMS

The City has an immediate resource need in the Human Resources Department to address a number of work items related to benefits administration, policy updates, new software implementation, and conversion of paper records to electronic format. These are generally short-term work items that will be completed by the end of 2020. Many of these work items arose from the results of the recent State Audit and other recent staff findings.

The recommendation is to retain two to three employees from the recently announced layoffs to complete the following work items:

- Provide administrative support with the payroll audit, benefit payments, DRS reporting, unemployment benefits tracking, and leave accruals.
- Research and apply retention requirements for personnel files and payroll records. Paper personnel files are currently archived through 1960.
- Digitize current personnel files and payroll records.
- Research and respond to backlogged requests for information from the Department of Retirement Services.
- Implement the NEOGOV software platform that will automate current manual processes and support the entire employee lifecycle, including online applications acceptance, performance management, and automated forms. The main component is implementing an HRIS system that includes payroll, benefits administration, and automated time and attendance tracking.

Currently, the Human Resources Department consists of a Human Resources Specialist and a Payroll Specialist. The Chief of Administration has been supporting the Department since January in an almost full-time capacity. Due to the Pandemic all progress on the software implementation has ceased and staff have been focusing primarily on supporting employee transitions.

Staff are preparing an allocation request for the May 19, 2020 City Council meeting to fund this one-time work. There is salary savings due to the vacant Human Resources Director position and that will be factored into the analysis. It is imperative that these outstanding work-items be addressed in 2020.

CONCLUSION

This is a very challenging time for our community. The City has projected a significant loss of revenues as a result of the Pandemic, the impacts of which are expected to extend into 2021. These losses, coupled with the unexpected and ongoing expense of managing an emergency response and an already uncertain budget forecast, required immediate reductions in staffing and operation costs.

Decisions to cut and/or reduce services and staff are very difficult. These are not decisions any City Manager wants to make. Although these decisions are fiscally responsible, they are devastating to the community and the City organization.

There are many critical policy decisions ahead of us and this will remain the primary focus in 2020. I look forward to collaborating with the community, our many partners, the City Council, and the staff as we look to the next phase of recovery and rebuilding.

General Fund

Forecast - Pending Further Analysis

As of May 1, 2020

001 - GENERAL FUND	2020 Adopted Budget	FY 2020												2020 Forecast (APR)	Difference from Adopted
		JAN Actuals	FEB Actuals	MAR Actuals	APR Estimates	MAY Estimates	JUN Estimates	JUL Estimates	AUG Estimates	SEP Estimates	OCT Estimates	NOV Estimates	DEC Estimates		
GENERAL FUND - BEGINNING BALANCE		3,445,352	983,537	324,083											
REVENUE															
01-PROPERTY TAX	\$12,717,185	26,696	249,893	677,963	3,686,978	2,041,972	95,419	27,648	41,829	180,549	3,847,078	1,444,044	43,204	12,363,273	(353,912)
02-GENERAL SALES TAX	\$5,098,849	537,187	415,847	293,516	208,838	293,300	339,765	394,986	351,014	338,603	371,840	350,643	333,364	4,228,902	(869,947)
03-UTILITY TAXES	\$4,660,869	341,428	274,224	296,958	241,511	247,679	564,078	226,980	301,658	638,686	244,276	279,439	614,625	4,271,542	(389,327)
04-LICENSE, PERMIT, AND ZONING FEES	\$3,345,634	207,805	157,812	111,584	216,874	151,419	142,584	184,855	196,827	115,836	119,058	163,118	342,008	2,109,780	(1,235,854)
05-B&O TAXES	\$662,171	-	9,679	1,506	-	25,963	77,110	54,236	23,897	740	47,570	51,240	315,197	607,137	(55,034)
06-PARK AND RECREATION	\$1,592,900	95,384	105,555	18,334	-	-	-	-	-	94,188	90,669	74,991	102,402	581,523	(1,011,377)
07-EMS REVENUES	\$1,391,867	90,129	53,660	222,689	67,980	95,552	169,082	96,501	54,694	199,901	61,766	158,956	120,956	1,391,867	0
08-COST ALLOCATION	\$751,222	62,599	62,599	38,896	69,675	69,675	69,675	69,675	69,675	69,675	69,675	69,675	29,728	751,222	0
09-INTERFUND TRANSFERS	\$0	-	-	-	-	-	-	-	-	-	-	-	-	-	-
10-SHARED REVENUES	\$1,205,849	-	56,109	1,684	6,079	42,744	297,007	2,925	44,904	45,013	7,704	48,888	427,594	980,650	(225,199)
11-MUNICIPAL COURT	\$346,604	19,216	23,564	12,897	22,959	18,329	16,363	8,498	27,954	17,371	20,760	14,495	15,285	217,692	(128,912)
12-MISCELLANEOUS REVENUES	\$223,200	59,745	33,273	33,828	6,219	11,662	14,741	20,163	1,990	14,524	10,158	7,175	9,722	223,200	0
13-INTEREST EARNINGS	\$25,604	79,927	65,980	(137,493)	102	142	1,567	158	163	1,770	145	146	1,574	14,181	(11,423)
TOTAL REVENUES & SOURCES	\$32,021,954	1,520,116	1,508,195	1,572,362	4,527,214	2,998,437	1,787,389	1,086,625	1,114,605	1,716,855	4,890,698	2,662,812	2,355,660	27,740,968	(4,280,986)
EXPENDITURES															
01-SALARIES AND WAGES*	\$17,036,708	1,954,360	1,314,703	1,969,139											
02-BENEFITS	\$6,346,019	867,316	458,230	617,828											
03-SUPPLIES	\$840,904	14,848	63,242	48,125											
04-OTHER SERVICES AND CHARGES	\$4,328,991	781,063	175,260	272,046											
05-INTERGOVERNMENTAL SERVICES	\$1,345,588	238,279	30,149	84,220											
06-CAPITAL OUTLAY	\$44,850	-	-	6,887											
07-DEBT SERVICE	\$0	-	-	-											
08-INTERFUND SERVICES AND CHARGES	\$1,956,928	126,065	126,065	126,065											
TOTAL EXPENDITURES & USES	31,899,988	3,981,931	2,167,649	3,124,310										31,580,988	
<i>Estimated monthly revenues are based on April forecast.</i>														General Fund Revenue Shortfall	
<i>*Salary and Wages are not fully posted through March. The \$1.9M figure in March is an estimate.</i>														(4,280,986)	

Youth and Family Services Fund

Forecast - Pending Further Analysis

Prepared May 1, 2020

160 - YFS FUND	2020	FY 2020												2020	Difference from Adopted
	Adopted Budget	JAN Actuals	FEB Actuals	MAR Actuals	APR Estimates	MAY Estimates	JUN Estimates	JUL Estimates	AUG Estimates	SEP Estimates	OCT Estimates	NOV Estimates	DEC Estimates	Forecast (APR)	
YFS FUND - BEGINNING BALANCE		506,477	384,840	317,442	110,997	(84,505)	(228,850)	(236,211)	(483,667)	(523,663)	(608,166)	(736,124)	(819,878)		
REVENUE															
YOUTH SERVICE THRIFT SHOP	\$1,969,320	153,930	148,491	47,706	-	-	-	84,432	94,557	82,797	82,699	99,443	74,583	\$868,638	(1,100,682)
CHARGES FOR SERVICES	\$319,000	8,509	8,741	6,917	7,804	1,000	61,000	1,000	1,000	1,000	1,000	1,000	1,000	\$99,971	(219,029)
DONATIONS & MISC.	\$354,015	9,561	277	342	70,000	127,624	-	4,290	695	76,000	1,020	37,000	27,205	\$354,015	(0)
INTERGOVT-KC	\$41,000	27,038	-	500	-	-	1,628	3,012	3,800	1,628	1,747	1,647	-	\$41,000	(0)
FEDERAL GRANT	\$348,600	-	-	-	-	-	174,000	-	87,000	-	87,600	-	-	\$348,600	-
TRANSFER FROM GF/OTHER	\$3,500	-	-	-	-	-	718	-	-	718	-	-	2,065	\$3,500	0
TOTAL REVENUES & SOURCES	\$3,035,435	199,038	157,509	55,465	77,804	128,624	237,346	92,735	187,052	162,143	174,067	139,090	104,853	\$1,715,724	(1,319,711)
EXPENDITURES															
SALARIES & WAGES	\$1,713,962	209,094	140,560	150,548	127,706	127,706	127,706	192,114	127,706	127,706	127,706	127,706	127,707	\$1,713,962	(0)
BENEFITS	\$741,541	89,389	48,377	81,668	54,908	54,908	54,908	82,841	54,908	54,908	54,908	54,908	54,909	\$741,541	(0)
SUPPLIES	\$71,615	539	3,294	3,076	4,189	5,653	5,128	3,246	5,423	4,275	5,493	5,079	7,368	\$52,764	18,851
PROFESSIONAL SERVICES	\$355,600	-	-	-	69,275	67,449	31,030	34,099	17,095	30,274	89,733	8,363	8,281	\$355,600	0
WATER, SEWER, AND STORM DRAIN	\$3,960	-	-	-	304	-	314	-	676	-	802	-	659	\$2,755	1,205
OTHER SERVICES AND CHARGES	\$178,621	13,156	23,539	17,481	7,620	6,909	15,796	17,266	10,646	19,143	12,703	14,928	12,649	\$171,836	6,785
REPAIR & MAINTENANCE	\$46,150	-	-	-	761	2,026	1,507	2,307	1,879	1,577	1,973	3,153	4,242	\$19,425	26,725
INTERGOVERNMENTAL SERVICES	\$9,335	-	640	640	225	-	-	-	398	445	390	390	468	\$3,596	5,739
INTERFUND SERVICES AND CHARGES	\$118,638	8,497	8,497	8,497	8,317	8,317	8,317	8,317	8,317	8,317	8,317	8,317	26,607	\$118,638	0
<i>Estimated monthly revenues and expenditures are based on April forecast</i>															
TOTAL EXPENDITURES & USES	\$3,239,422	320,675	224,907	261,910	273,306	272,969	244,706	340,190	227,048	246,646	302,025	222,844	242,890	\$3,180,116	59,306
														<i>Change from 2020 Budget Adoption Assumptions</i>	
														\$ (1,260,405)	

Phase 1 Reductions

Layoffs

Department	Position	Bargaining Group
Parks & Recreation	MICEC Customer Service Representative	Non-Rep
Parks & Recreation	MICEC Customer Service Representative	Non-Rep
Parks & Recreation	MICEC Customer Service Representative	Non-Rep
Parks & Recreation	MICEC Customer Service Representative	Non-Rep
Parks & Recreation	MICEC Customer Service Representative	Non-Rep
Parks & Recreation	Recreation Instructors	Non-Rep
Parks & Recreation	Recreation Instructors	Non-Rep
Parks & Recreation	Recreation Instructors	Non-Rep
Parks & Recreation	Recreation Instructors	Non-Rep
Parks & Recreation	Recreation Instructors	Non-Rep
Parks & Recreation	Recreation Instructors	Non-Rep
Parks & Recreation	Recreation Instructors	Non-Rep
Parks & Recreation	Recreation Instructors	Non-Rep
Parks & Recreation	Recreation Instructors	Non-Rep
Parks & Recreation	Parks Maintenance Seasonal (9-months)	AFSCME Affiliated
Parks & Recreation	Parks Maintenance Seasonal (9-months)	AFSCME Affiliated
Parks & Recreation	Parks Maintenance Seasonal (9-months)	AFSCME Affiliated
Public Works	ROW Seasonal (9-months)	AFSCME Affiliated
Public Works	Utilities Seasonal (9-months)	AFSCME Affiliated
YFS - Thrift Shop	Thrift Shop Production Assistant	Non-Rep
YFS - Thrift Shop	Thrift Shop Apparal Assistant	Non-Rep
YFS - Thrift Shop	Thrift Shop Customer Sercive Associate	Non-Rep
YFS - Thrift Shop	Thrift Shop Customer Service Assoc 3rd Key	Non-Rep
YFS - Thrift Shop	Thrift Shop Apparel Prod & Merch Asst	Non-Rep
YFS - Thrift Shop	Thrift Shop Customer Services Associate	Non-Rep
YFS - Thrift Shop	Thrift Shop Production Assistant	Non-Rep
YFS - Thrift Shop	Thrift Shop Production Assistant	Non-Rep
YFS - Thrift Shop	Thrift Shop Apparel Production Assistant	Non-Rep
YFS - Thrift Shop	Thrift Shop Production Assistant	Non-Rep
YFS - Thrift Shop	Thrift Shop Assistant/Lead	Non-Rep
YFS - Thrift Shop	Thrift Shop Production Lead	Non-Rep
YFS - Thrift Shop	Thrift Shop Apparel Production Lead	Non-Rep
YFS - Thrift Shop	Thrift Shop Administrative Assistant	Non-Rep
YFS - Thrift Shop	Thrift Shop Production Assistant	Non-Rep
YFS - Thrift Shop	Thrift Shop Production Assistant	Non-Rep
YFS - Thrift Shop	Thrift Shop Production Assistant	Non-Rep
YFS - Thrift Shop	Thrift Shop Production Assistant	Non-Rep
YFS - Thrift Shop	Thrift Shop Production Assistant	Non-Rep
YFS - Thrift Shop	Thrift Shop Production Assistant	Non-Rep
YFS - Summer	VOICE/SVP Assistant	Non-Rep
YFS - Summer	VOICE/SVP Assistant	Non-Rep
Parks & Rec - Summer	Recreation Summer Staff	Non-Rep

Positions Eliminated

Department	Position	Bargaining Group
Youth & Family Services	Donor Development Officer	Non-Rep

Positions Held Vacant

Department	Position	Bargaining Group
City Attorney	Assistant City Attorney	Non-Represented
Community Planning & Development	CPD Admin Assistant (Contract)	AFSCME
Human Resources	Human Resources Director	Non-Represented
Information Tecnology	IS Manager	Non-Represented
Parks & Recreation	Marketing Coordinator	Non-Represented
Parks & recreation	Parks Maintenance Foreman	AFSCME
Parks & Recreation	Recreation Coordinator (Contract)	Non-Represented
Public Works	Transportation Engineer (Contract)	Non-Represented
Community Planning & Development	Utility & ROW Technician (.6 FTE)	Non-Represented

Phase 2 Reductions

Layoffs

Department	Position	Bargaining Group
Parks & Recreation	Parks Maintenance Team Member	AFSCME
Parks & Recreation	Capital Projects and Planning Manager	Non-Rep
Parks & Recreation	MICEC Custodian	AFSCME
Parks & Recreation	MICEC Customer Service Specialist	Non-Rep
Parks & Recreation	MICEC Customer Service Specialist	Non-Rep
Parks & Recreation	MICEC Customer Service Specialist	Non-Rep
Parks & Recreation	Recreation Coordinator	Non-Rep
Parks & Recreation	Recreation Supervisor	Non-Rep
Parks & Recreation	MICEC Operations Coordinator	Non-Rep
Parks & Recreation	Senior P&R Administrative Assistant	Non-Rep
Parks & Recreation	Parks Project Coordinator	Non-Rep
Parks & Recreation	Reservations & Customer Service Sup	Non-Rep
Parks & Recreation	Natural Resource Specialist	Non-Rep
Parks & Recreation	Interim Recreation Manager	Non-Rep
Parks & Recreation	Parks Operations Manager	Non-Rep
Parks & Recreation	Community Programs Manager	Non-Rep
Parks & Recreation	Interim Parks & Recreation Director	Non-Rep
City Manager	Facilities Project Manager	Non-Rep
City Manager	Facilities Maintenance Technician	AFSCME

90-Day Layoffs

Department	Position	Bargaining Group
Youth & Family Services	Administrative Assistant	Non-Rep
Youth & Family Services	Administrative Assistant	Non-Rep
Youth & Family Services	Elem School Counselor	Non-Rep
Youth & Family Services	Elem School Counselor	Non-Rep
Youth & Family Services	Individual & Family Counselor	Non-Rep
Youth & Family Services	YFS Director	Non-Rep

Furloughs

Department	Position	Bargaining Group
YFS - Thrift Shop	Thrift Shop Operations Coordinator	Non-Rep
YFS - Thrift Shop	Thrift Shop Business Coordinator	Non-Rep
Youth & Family Services	Family Assist & Youth Emp Coordinator	Non-Rep
Youth & Family Services	Community Dev & Admin Manager	Non-Rep
Youth & Family Services	Elem School Counselor	Non-Rep
Youth & Family Services	High School Counselor	Non-Rep
Youth & Family Services	Geriatric Couns/Elem Counselor Lead	Non-Rep
Youth & Family Services	HS Drug/Alc Intervention Specialist	Non-Rep
Youth & Family Services	Elem School Counselor	Non-Rep
Youth & Family Services	Middle School Counselor	Non-Rep
Youth & Family Services	Sr. Programs Manager - Clinical Supervisor	Non-Rep

Financial Forecast



COVID-19 Impacts and Cost Saving Measures

CITY COUNCIL | May 5, 2020



Purpose

- ❑ Updated YFS Fund Projections
- ❑ Updated General Fund Projections
- ❑ Unemployment Cost Overview
- ❑ Y-T-D & Projected Cost Estimates for the Emergency Response
- ❑ Staff Recommendations/Future Work
- ❑ At year-end, ensure the Annual Financial Report accurately reflects use of City resources.



Updated Information



- ❑ There have been several updates to the financial projections and the analysis since AB 5687 was released on Friday, May 1, 2020.
- ❑ Changes have also occurred since the City Manager's memo on workforce reductions was released on April 29, 2020.
- ❑ The Contingency Fund allocation request has also changed.
- ❑ This is the nature of the situation – change is happening relatively fast and the staff team continues to update and modify the analysis.
- ❑ These changes will be highlighted during the presentation.



Roles and Responsibilities



City Manager

- ❑ Chief Executive Officer
- ❑ Executes biennial budget
- ❑ Authority to make budget and personnel decisions

City Council

- ❑ Sets policy
- ❑ Approves biennial budget
- ❑ Legislative action, personnel policies, including salary ranges and benefit packages



YFS Fund – Updated Forecast



YFS Fund – 2020 Forecast

Forecasted YFS Fund Revenue Shortfall

\$ (1,300,000)

Approximately 43% of YFS budgeted revenues



YFS Fund – 2020 Forecast

YFS Fund Revenues (in thousands)

160 - YFS FUND	2020 Adopted Budget	2020 Forecast (APR)	Difference from Adopted
REVENUE			
YOUTH SERVICE THRIFT SHOP	1,969	869	(1,101)
CHARGES FOR SERVICES	319	100	(219)
DONATIONS & MISC.	354	354	0
INTERGOVT-KC	41	41	0
FEDERAL GRANT	349	349	0
TRANSFER FROM GF/OTHER	4	4	0
TOTAL REVENUES & SOURCES	\$3,035	\$1,716	(1,320)



YFS Fund - Cost Saving Measures



YFS – Overview of Cost Saving Measures[★]

- ❑ Projecting \$1.3 million revenue shortfall.
- ❑ Personnel costs make up **76%** of YFS Fund.
- ❑ Workforce reductions were necessary to address the shortfall.
- ❑ Decision was made to significantly reduce administrative costs in order to preserve more of the direct services and programs (e.g. School Counselors, Community Counselors etc.)
- ❑ YFS Foundation has pledged to assist with the 2020 shortfall.



YFS – Phase 1 Reductions



- ❑ Initial workforce reductions were made in mid-March/early April:
 - ❑ Thrift Shop Contract Staff (9.75 FTE)
 - ❑ Donor Development Officer (0.65 FTE)
 - ❑ Thrift Shop Casual Labor (5 staff – variable hours)
 - ❑ Thrift Shop Work Study (6 staff – variable hours)
- ❑ Estimated savings is \$450,000 through 2020 year-end.



YFS – Phase 2 Reductions



- ❑ 90-day Standby Layoffs were implemented end of April:
 - ❑ YFS Director (1.0 FTE)
 - ❑ Administrative Assistant (1.0 FTE)
 - ❑ Elementary School Mental-Health Counselors (2.0 FTE)
 - ❑ Healthy Youth Initiative & Voice Coordinator (1.0 FTE)
 - ❑ Community Based Counselor (1.0 FTE)

- ❑ Standby layoffs immediately draw down expenses and allow time for service level and budget discussions with the City Council.



YFS – Phase 2 Reductions



- ❑ Furloughs (weekly reduction in hours) implemented end of April:
 - ❑ Senior Program Manager/Clinical Supervisor (1.0 FTE to 0.8 FTE)
 - ❑ Community Development & Administrative Manager (1.0 FTE to 0.8 FTE)
 - ❑ Employment & Emergency Assistance Staff (1.0 FTE to 0.8 FTE)
 - ❑ School Mental Health Counselors (5.0 FTE to 3.5 FTE)
 - ❑ Thrift Shop Business Coordinator (1.0 FTE to 0.5 FTE)
 - ❑ Thrift Shop Operations Coordinator (1.0 FTE to 0.5 FTE)
 - ❑ Clinical Supervisor/Senior Services Counselor (1.0 FTE to 0.5 FTE)



YFS – Phase 2 Reductions

- ❑ 90-day Standby Layoffs result in a savings of \$115,000 for the 90-Day period.
 - ❑ If the layoffs are extended thru year-end, the savings is \$305,000.
- ❑ Furloughs result in savings of \$150,000 through year-end.
- ❑ The estimates have been updated since the April 29, 2020 City Manager memo was released.



Cost Saving Measures – YFS Fund

(in thousands)

160 - YFS FUND	REVENUE	EXPENDITURE	SURPLUS/ DEFICIT
2020 Budget	3,035	3,239	
Revenue Impacts	(1,320)		
	1,716	3,239	(1,320)
CS MEASURES			
Phase 1		(450)	
Phase 2 ⁱ		(411)	
Re-activate TS ⁱⁱ		174	
	\$1,716	2,552	(633)
OTHER			
27 th Payroll		60	
	\$1,716	\$2,612	(693)

ⁱ Assumes \$114,000 in savings from 90-day layoffs as opposed to \$305,000 thru year-end.

ⁱⁱ Forecast assumes Thrift Shop will re-open July 1 at 50% staffing levels.



Cost Saving Measures – YFS Fund

After Phase 1 and Phase 2 Reductions

\$ (693,000)

2020 Projected Budget Deficit Remains



Thrift Store Re-Opening Analysis



YFS – Thrift Store Re-Opening Analysis



- ❑ Current forecast assumes the Thrift Store will re-open (July) and achieve 50% of budgeted monthly revenue goals from July – December 2020.
- ❑ Thrift Store is Phase 2 of the Governor's *Safe Start Plan*.
- ❑ Phase 2 is three weeks from now, at the earliest.



YFS – Thrift Store Re-Opening Analysis



WASHINGTON'S PHASED APPROACH

Modifying Physical Distancing Measures as we Reopen the State



Phase 1

Essential Business
Open & Some
Manufacturing
Allowed



Phase 2

Retail
(In-store
purchases allowed
with restrictions)



Phase 3



Phase 4

Resume
unrestricted
staffing of
worksites.
Social distancing
continues.



YFS – Thrift Store Re-Opening Analysis



- ❑ May: Re-opening Analysis:
 - ❑ Operating hours
 - ❑ Managing shoppers to ensure safe-distancing
 - ❑ Cleaning & disinfecting protocols
 - ❑ Procedures for safe handling of donations
 - ❑ Safety planning/training for staff & volunteers
- ❑ End of May/Early June: Revised Operating Budget
 - ❑ City Council Review and Policy Decision
- ❑ Date TBD: Staffing and Volunteers



YFS Fund - Steps Forward





Steps Forward – YFS Fund

YFS Working Group

- ❑ Establish a working group of City Council, YFS Foundation Board members, and staff to discuss and provide recommendations on:
 - ❑ Short-term funding strategies, including use of one-time donations (early June)
 - ❑ Long-term funding strategy to stabilize YFS funding and ensure continuity of services (September/October and ongoing)



Steps Forward – YFS Fund



- ❑ Working Group and Staff to prepare a recommendation to address the \$693,000 projected 2020 revenue shortfall. (Early June)
- ❑ Staff to prepare a Thrift Store operations analysis for presentation and consideration by the City Council. (Early June)
- ❑ Appropriate Contingency Funds to address the projected negative YFS Fund balance (End of May)



General Fund – Updated Forecast



Key Assumptions

- ❑ Impacts of the recession will impact all revenue streams in 2020.
- ❑ Impacts vary by revenue type.
- ❑ Recession will extend into 2021.
- ❑ Full financial recovery unlikely until 2022 or later.
- ❑ Important to continually update and monitor projections as conditions and information changes.



General Fund – 2020 Forecast

Forecasted General Fund Revenue Shortfall

\$(4,700,000)*

Approximately 15% of budgeted revenues

*Number revised since publication of the City Council packet.



General Fund – 2020 Forecast

General Fund Revenues (in thousands)

001 - GENERAL FUND	2020 Adopted Budget	2020 Forecast (APR)	Difference from Adopted
REVENUE			
PROPERTY TAX	12,717	12,363	(354)
GENERAL SALES TAX	5,099	4,229	(870)
UTILITY TAXES	4,661	4,272	(389)
LICENSE, PERMIT, AND ZONING FEES	3,346	2,110	(1,236)
PARK AND RECREATION	1,593	209	(1,384)
EMS REVENUES	1,392	1,392	-
B&O TAXES	662	607	(55)
COST ALLOCATION	751	751	0
INTERFUND TRANSFERS	0	0	0
SHARED REVENUES	1,206	981	(225)
MUNICIPAL COURT	347	218	(129)
MISCELLANEOUS REVENUES	223	223	0
INTEREST EARNINGS	26	14	(11)
TOTAL REVENUES & SOURCES	32,022	27,741	(4,653)



General Fund – 2020 Forecast

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TOTAL REVENUES & SOURCES	32,022	27,741	(4,653)

**\$372,000 increase
from 5/1 AB 5687**



General Fund - Cost Saving Measures



GF – Overview of Cost Saving Measures

- ❑ Projecting \$4.7 million revenue shortfall.
- ❑ Personnel costs make up 73% of General Fund.
- ❑ Workforce reductions were necessary to address the shortfall.
- ❑ Reductions have occurred in phases beginning in Mid-May focusing on Parks & Recreation and Facilities.
- ❑ Analysis is currently underway regarding the Community Planning & Development Department, Municipal Court, & other.



GF – Phase 1 Reductions



- ❑ Initial workforce reductions were made in mid-March/early April in the Parks & Recreation Department:
 - ❑ Parks Maintenance Seasonal Staff (Two – 9-month, One – 6-month)
 - ❑ Community Center Casual Labor Staff (5 – variable hours)
 - ❑ Recreation Instructors (10 – variable hours)
- ❑ Estimated 2020 savings is \$200,000, assuming all positions remain vacant thru year-end.



GF – Phase 1 Hiring Freeze



- ❑ Recruitment for the following Parks and Recreation Department positions was suspended.
 - ❑ Marketing Coordinator (1.0 FTE)
 - ❑ Parks Foreman (1.0 FTE)
 - ❑ Recreation Coordinator - Contract (1.0 FTE)
 - ❑ Remaining Parks Maintenance Seasonal Positions (8 to 9 positions)
- ❑ Estimated 2020 savings is \$550,000, assuming all positions remain vacant thru year-end.





GF – Phase 2 Reductions

- ❑ Estimated savings from Parks and Recreation workforce reductions (see previous slide) is \$1.04 million assuming positions are vacant through the end of the year.
- ❑ \$420,000 savings initially projected for advertising, summer programming staff, travel and training, supplies, utilities, and more through the end of August.
- ❑ Estimate revised to include \$400,000 in additional projected savings from September to December assuming Community Center remains closed.



GF – Phase 2 Reductions



- ❑ Workforce reductions were made end of April in the Facilities

Division:

- ❑ Facilities Project Manager (1.0 FTE)
- ❑ Facilities Maintenance Technician (1.0 FTE)
- ❑ Estimated 2020 savings is \$146,000, assuming all positions remain vacant thru year-end.
- ❑ Limited facility services currently managed through the EOC.



GF – Phase 2 Reductions



- ❑ Additional savings anticipated across the General Fund:
 - ❑ Travel & Training ≈ \$50,000+
 - ❑ Facilities Operations ≈ \$100,000+
 - ❑ Other



Cost Saving Measures – General Fund

(in thousands)

001 - GENERAL FUND	REVENUE	EXPENDITURE	SURPLUS/ DEFICIT
2020 Budget	32,022	31,900	
Revenue Impacts	(4,653)		
	27,369	31,900	(4,531)
CS MEASURES			
Phase 1		(1,150)	
Phase 2		(1,757)	
	27,369	28,993	(1,624)
OTHER			
27 th Payroll		550	
	27,369	29,543	(2,174)

One-time cashouts not fully accounted for in Phase 2 CS Measures.



Cost Saving Measures – GF

After Phase 1 and Phase 2 Reductions

\$ (2.1 M)

2020 Projected Budget Deficit Remains



Look Ahead: Recreation Services



Look Ahead: Recreation Services



- ❑ Current forecast adjusted to assume Community Center remains closed through end of 2020.
- ❑ Community Center and outdoor leagues are part of Phase 3 of the Governor's *Safe Start Plan*, which is 6 weeks from now at the earliest.
- ❑ Facility rentals (groups larger than 50) are part of Phase 4, which is 9 weeks from now at the earliest.
- ❑ Considerable uncertainty remains.



Look Ahead: Recreation Services



WASHINGTON'S PHASED APPROACH

Modifying Physical Distancing Measures as we Reopen the State



Phase 1



Phase 2



Phase 3

Outdoor sports (50 or fewer people).
Recreational facilities at <50% capacity (gym, public pools etc.)



Phase 4

Resume all recreation activity.



Look Ahead: Recreation Services



- ❑ June: Re-opening Analysis
 - ❑ Operating hours, services, programs etc.
 - ❑ Managing participants to ensure safe-distancing.
 - ❑ Cleaning & disinfecting protocols
 - ❑ Safety planning/training for staff & volunteers
- ❑ End of June/Early July: Revised Operating Budget
 - ❑ City Council Review and Policy Decision
- ❑ Date TBD: Staffing and Volunteers



Look Ahead: Park Maintenance



Look Ahead: Park Maintenance



- ❑ Governor's order allows for landscape maintenance to resume today.
- ❑ Outdoor recreational activities are allowed to slowly resume over the first three phases of the Governor's *Safe Start Plan*.
- ❑ Timing for each of the phases is estimated at a minimum of three weeks.



Look Ahead: Park Maintenance



WASHINGTON'S PHASED APPROACH

Modifying Physical Distancing Measures as we Reopen the State



Phase 1

Landscape maintenance.



Phase 2

Outdoor recreation involving 5 or fewer people outside your household (camping, beaches, etc.)



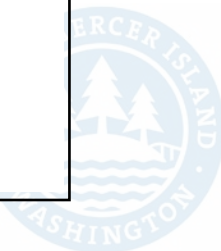
Phase 3

Outdoor sports (50 or fewer people).



Phase 4

Resume all recreation activity.





Look Ahead: Park Maintenance

- ❑ May: Resuming Landscape Maintenance Activities (Phase 1)
 - ❑ Catching up on the backlog of park maintenance activities
 - ❑ Planning for modified/lower maintenance service levels
 - ❑ Continuing cleaning & disinfecting protocols for public restrooms
 - ❑ Ongoing safety planning/training for Staff
- ❑ Seasonal park maintenance staff were laid off and not anticipated to return in 2020.
- ❑ Park maintenance is currently managed by Public Works and EOC.





Look Ahead: Park Maintenance

- ❑ June: Resuming Landscape Maintenance Activities (Phase 2 & 3)
 - ❑ Plan for higher summer volumes even with Phase 2 restrictions (no more than 5 people allowed to gather)
 - ❑ Service levels continue to be impacted
 - ❑ Continuing cleaning & disinfecting protocols for public restrooms
 - ❑ Ongoing safety planning/training for staff
- ❑ June/early July: Revised Operating Budget for Phase 3 operations
 - ❑ City Council Review and Policy Decision



General Fund - Steps Forward



Steps Forward – Parks & Recreation



School Board Working Group

- ❑ Establish a working group of City Council, MISD School Board members, and staff to discuss and provide recommendations on:
 - ❑ Short-term strategies to address service-level reductions at shared facilities
 - ❑ Long-term funding strategy to address maintenance needs of shared facilities
(Timeline TBD)
 - ❑ Other partnerships



Steps Forward – General Fund

- ❑ Address the \$2.1 M projected revenue shortfall:
 - ❑ Additional workforce reductions (currently under review)
 - ❑ Consider citywide furlough strategies.
 - ❑ Potential delay on non-essential 2020 CIP General Fund projects.
 - ❑ Suspend non-essential professional service contracts.
 - ❑ Meet with labor partners to explore other cost saving strategies.
- ❑ Strategically deploy resources from the Contingency Fund and Beginning Fund Balance.



Unemployment Costs



Unemployment – Self-Insurance

- ❑ The City of Mercer Island, like most other cities, is self-insured for unemployment.
- ❑ The cost-savings projections include the City's estimated portion of unemployment costs.
- ❑ **With the passage of the CARES Act, self-insured employers will be reimbursed for half (1/2) of the unemployment costs by the federal program.**
- ❑ The mechanism for reimbursement is still being developed.
- ❑ The City does not have a reserve set aside for unemployment expenses.
- ❑ Staff are tracking the expenses as they are incurred.
- ❑ Under new Federal legislation, most employees will be eligible for 39 weeks of unemployment. (Some limits apply).



Residual Personnel Costs

- ❑ Given the self-insured unemployment costs, a “tail of expenditures” follows when a position is terminated:
 - ❑ Accrued benefit cash-out (vacation and comp time)
 - ❑ Health insurance coverage for remaining month
 - ❑ 50% of unemployment benefits for up to 39 weeks (some limits apply)

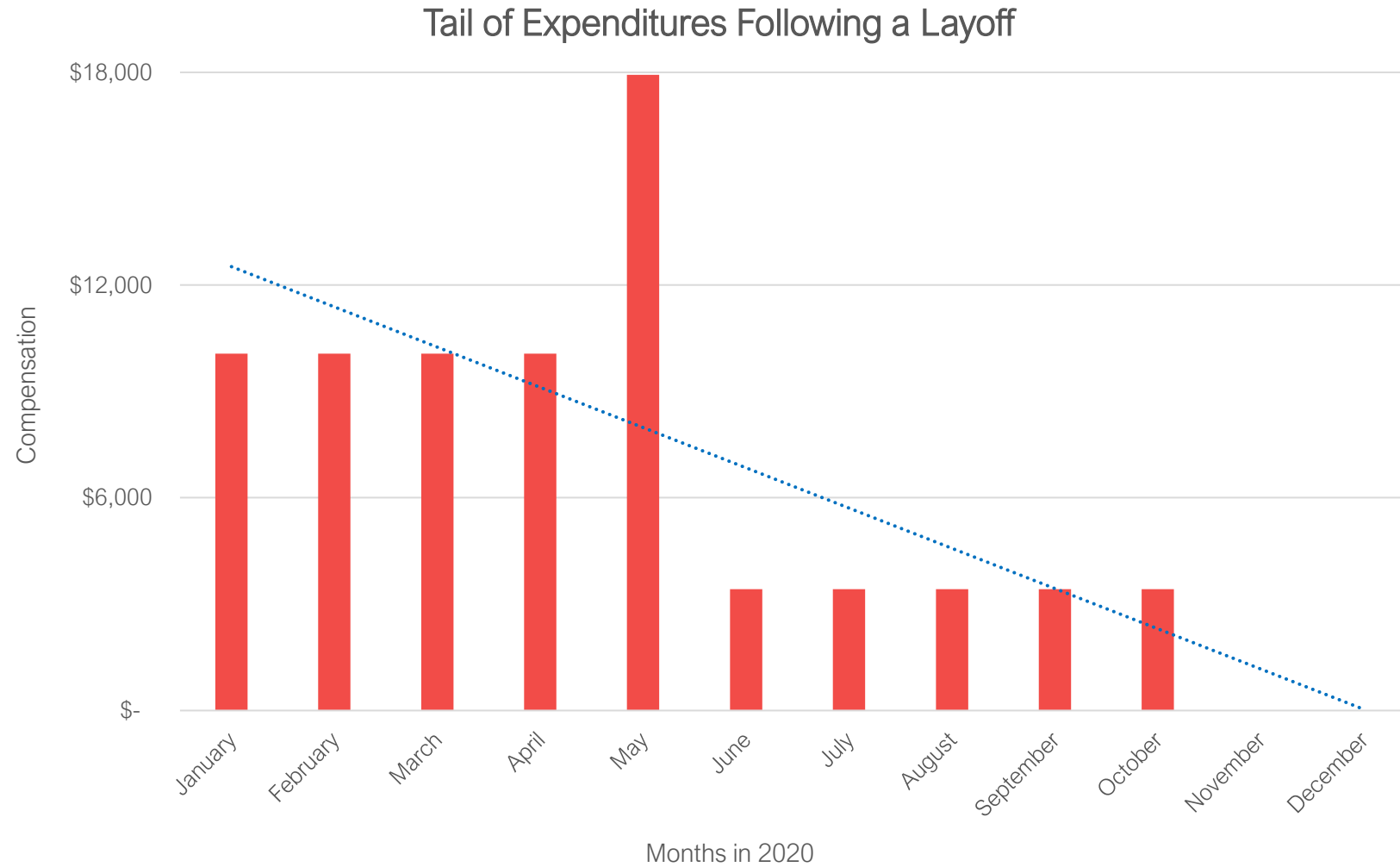


Residual Personnel Costs

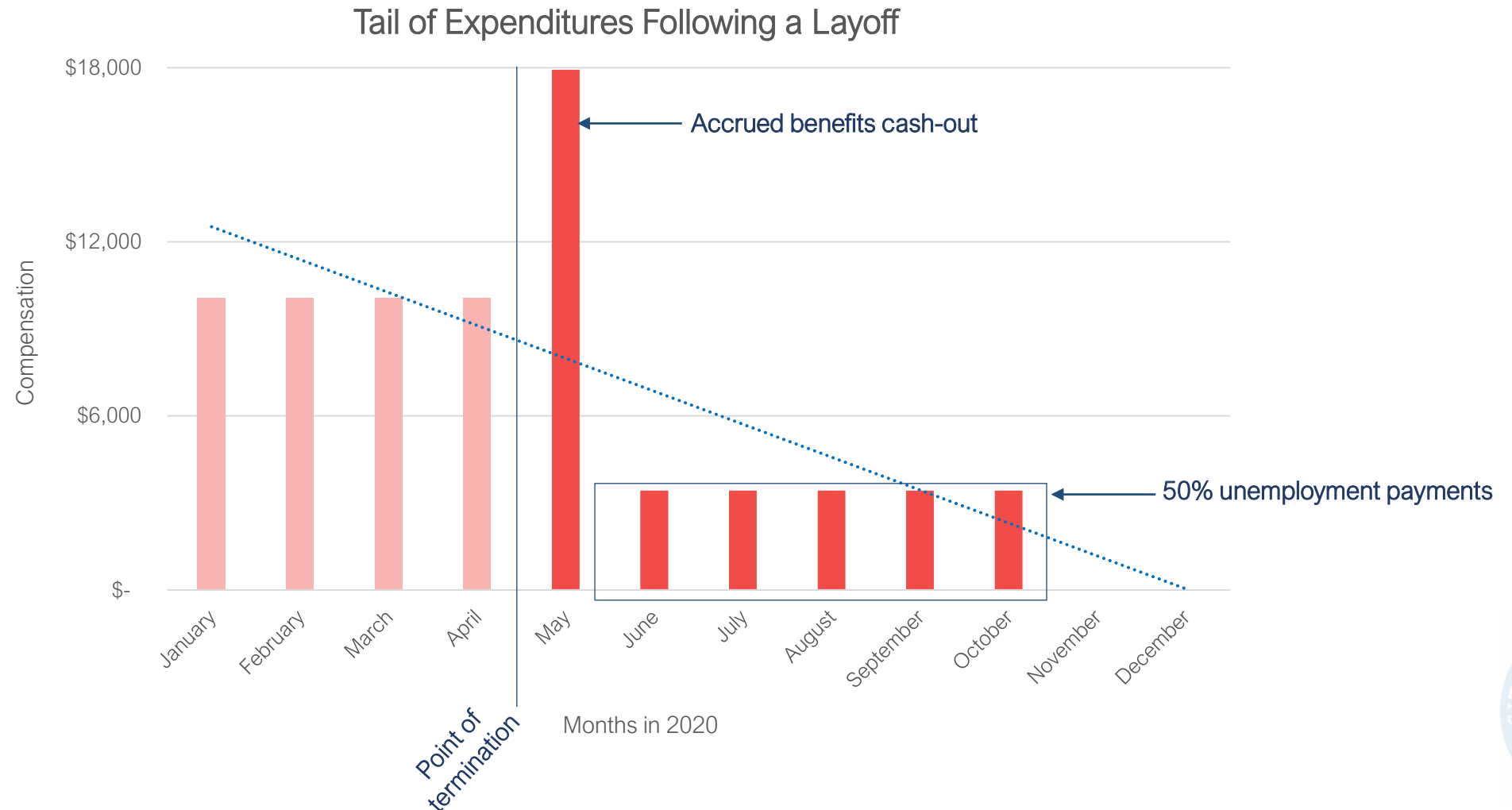
- ❑ Let's consider the following example:
 - ❑ Full-time Supervisor
 - ❑ Annual salary \$87,229
 - ❑ Includes benefits
 - ❑ Position terminated 4/30/2020



Residual Personnel Costs



Residual Personnel Costs



Emergency Response



Emergency Response Overview

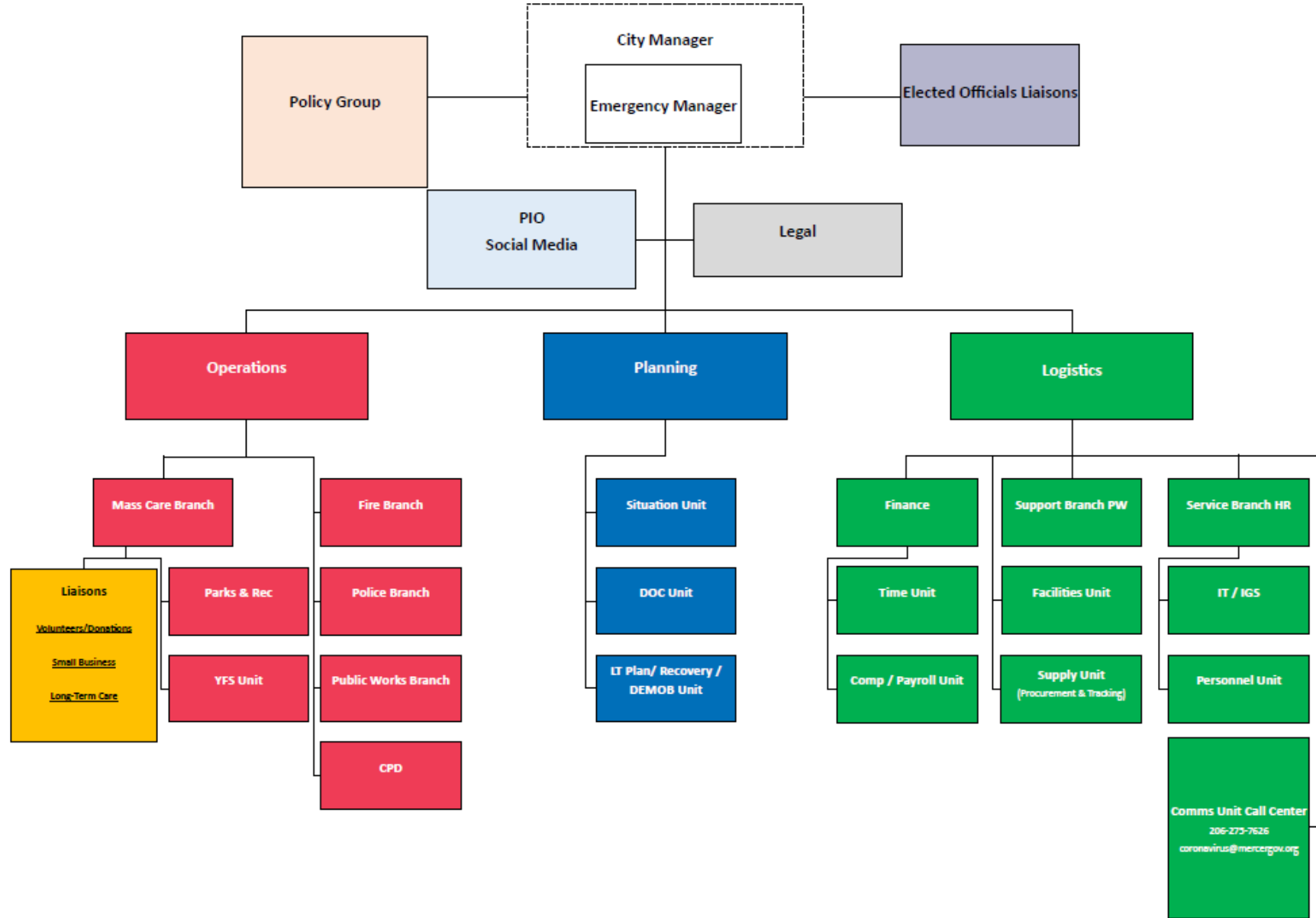


- ❑ Activated the Emergency Operations Center (EOC) the first week in March.
- ❑ At the peak the EOC was activated at Level 1 and we had nearly 40 staff supporting a wide variety of EOC functions.
- ❑ Beginning May 2, the EOC transitioned to Level 2 status:
 - ❑ “Maintenance status” and requires some, but not all EOC positions to be filled.
 - ❑ Anticipate maintaining Level 2 status thru 2020 year-end.
 - ❑ Many City functions are temporarily managed through the EOC (e.g. Community Center customer service, facilities, supply procurement etc.)



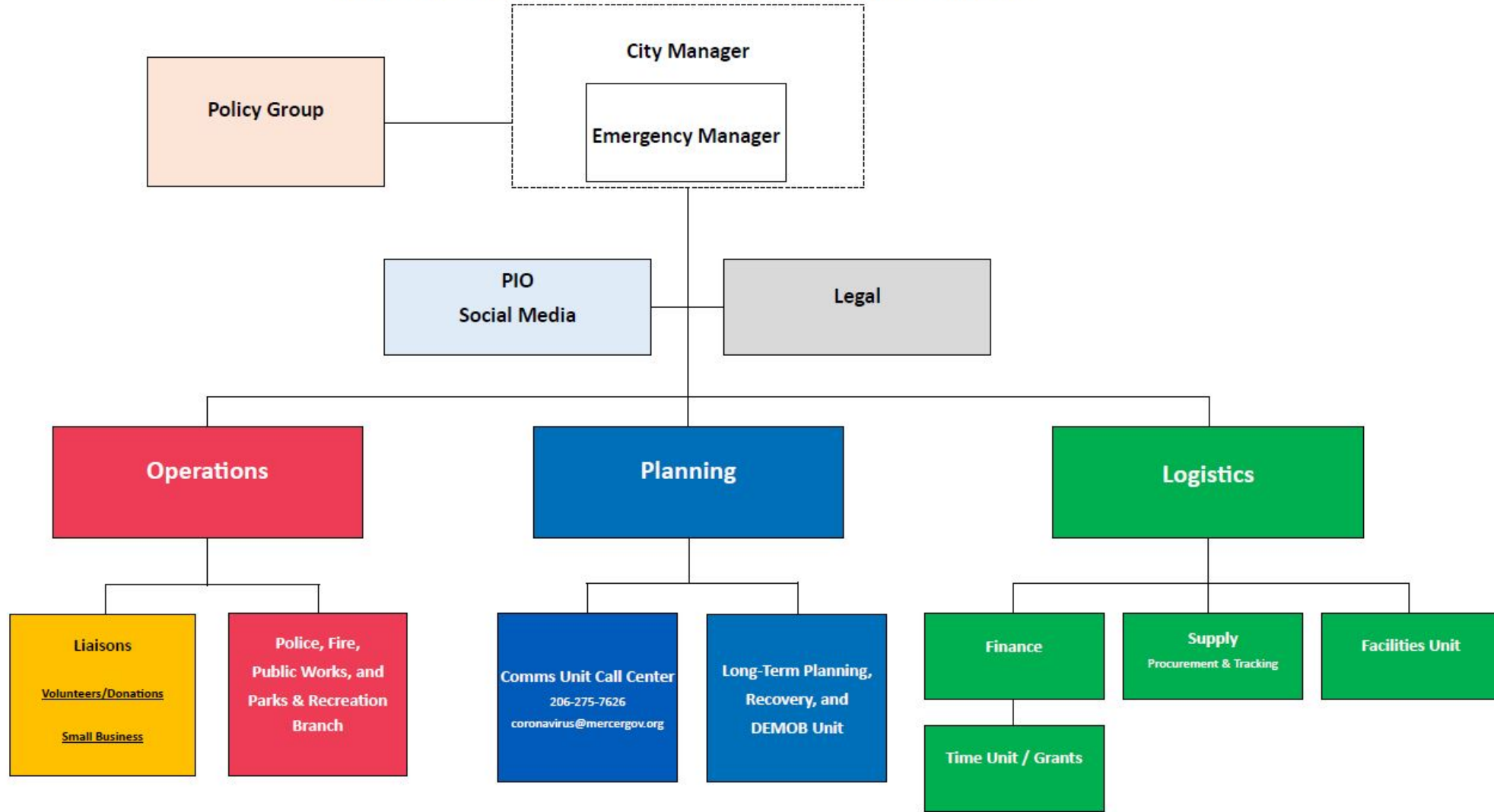
EOC Level 1

Mercer Island EOC Organization Chart



EOC Level 2

Mercer Island EOC Organization Chart





Emergency Expenditures

- ❑ Detailed cost tracking in EOC including all staff time associated with the emergency response.
- ❑ At year-end, ensure the Annual Financial Report accurately reflects use of City resources.
- ❑ Emergency expenditures:
 - ❑ Personal protective equipment (PPE)
 - ❑ Specialized disinfecting machine for City facilities
 - ❑ Technology equipment for remote work



Emergency Expenses – as of May 1

- ❑ COVID-19 related costs to date -> \$662,000
- ❑ Includes both hard costs and soft costs

Expenditures as of May 1	
Staff Costs	
FEB 22 – MAR 6	12,000
MAR 7 – APR 3	260,000
APR 4 – MAY 1	240,000
Staff costs thru May 1	\$512,000
Supplies and Services*	150,000
TOTAL	\$662,000



Emergency Expenses – here forward

- Unbudgeted expenditures to maintain City’s emergency response include:
 - Supply and services costs
 - Staff costs from May 2 thru August 31, projected at \$350,000

Unbudgeted Expenditures	Total
<i>Supplies and Services thru 3/1 – 5/1</i>	150,000
Level 2 EOC staff costs per month	75,000
Level 2 EOC supplies and services per month	12,500
TOTAL	\$500,000

- Staff project spending \$500,000 on unbudgeted emergency costs through 8/31.



Summary



2020 Forecast Summary

- ❑ Current projections indicate:
 - ❑ A \$4.7M projected revenue shortfall in the General Fund
 - ❑ A \$1.3M projected revenue shortfall in Youth and Family Services Fund
- ❑ After Phase 1 and Phase 2 cost saving measures:
 - ❑ A \$2.1M projected revenue shortfall remains in the General Fund
 - ❑ A \$693,000 projected revenue shortfall remains in the YFS Fund



Staff Recommendation



Staff Amended Recommendation

Council direct staff to:

1. Continue Level 2 emergency response
2. Return with a budget amendment on 5/19 to:
 1. Appropriate funding from the Compensated Absences Reserve to cover accrued benefit cash-outs for laid off workers. (Balance \$1 million+ as of 12/31/2019).
 2. Appropriate \$500,000 of Contingency Funds for Emergency Operations thru August 31, 2020.
 3. Appropriate Contingency Funds to address projected YFS Fund deficit.
 4. Rebalance the 2020 budget based on Phase 1 and Phase 2 reductions.
 5. Present policy options to address remaining revenue shortfalls.



Work Ahead

- ❑ Address General Fund and YFS Fund shortfalls
- ❑ Continually refine revenue forecasts
 - ❑ Review other City Funds
- ❑ Complete an analysis of available General Fund “Working Capital”
- ❑ Carefully monitor and track expenditures
- ❑ Prepare a draft Capital Improvement Program for 2021-2026
- ❑ 2021-2022 budget preparation and adoption Nov 2022



Questions

Prepared by

Jessi Bon

Matthew Mornick

Lajuan Tuttle

Ben Schumacher





2020 PLANNING SCHEDULE

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

Special Meetings and Study Sessions begin at 6:00 pm. Regular Meetings begin at 7:00 pm. Items are not listed in any particular order. Agenda items & meeting dates are subject to change.

Attorney General's March 26 Update Guidance - Ask yourself, is the matter (1) "necessary and routine," or (2) "necessary to respond to the COVID-19 outbreak and current public health emergency"? If the matter does not meet those criteria in (1) or (2) for the temporary time the proclamation is in effect, then the matter must wait.

MAY 5		4/17	4/21	4/21	4/23	4/27
Notice Emailed: April 27		DD	FN	CA	Clerk	CM
ABSENCES:						
ITEM TYPE TIME TOPIC					STAFF	
CONSENT CALENDAR						
--	AB 5686: 2020 Water System Improvements Project & Bid Award				Rona Lin	
REGULAR BUSINESS						
30	AB 5684: Backflow Prevention Assembly Testing Enforcement Update (Ord No. 20C-07)				Alison Van Gorp	
30	AB 5688: Small Business Support Update & Port of Seattle Grant Application				Sarah Bluvas	
15	AB 5689: City Manager's Request for Salary Reduction				Bio Park	
60	AB 5687: Finance Presentation (Financial Forecast and Cost Saving Measures)				Matt Mornick	

MAY 19		5/1	5/5	5/5	5/7	5/11
Legal Notice:		DD	FN	CA	Clerk	CM
Legal Notice for Public Hearing: March 11 & 18						
ABSENCES:						
ITEM TYPE TIME TOPIC					STAFF	
SPECIAL BUSINESS (6:30 pm)						
	WeLoveMI COVID-19 Relief Day on Mercer Island				Deb Estrada	
	Special Recognition				TBD	
CONSENT CALENDAR						
	Minutes of April 21 & May 5					
	Accounts Payable, Payroll Vouchers, & Claims Reporting for Electronic Funds Transfers (EFTs)					
REGULAR BUSINESS						
120	AB xxxx: Public Hearing and 2021-2026 CIP/TIP Presentation and Discussion				Matt Mornick Patrick Yamashita	
60	AB 5670: 2021-2026 Capital Improvement Program Planning Session				Matt Mornick	
30	AB xxxx: Q1 2020 Financial Status Report and Budget Adjustments (Ord. No. 20-XX)				LaJuan Tuttle	
30	AB xxxx: ARCH Housing Trust Fund Project Approval				Alison Van Gorp	
15	ALPR Purchase and Budget Allocation Discussion (tentative)				Nice/Anderl	
EXECUTIVE SESSION						