



CITY COUNCIL MINUTES

SPECIAL MEETING

AUGUST 28, 2018

CALL TO ORDER & ROLL CALL

Mayor Debbie Bertlin called the Special Meeting to order at 6:00 pm at City Hall, 9611 SE 36th Street, Mercer Island, Washington.

Mayor Debbie Bertlin, Deputy Mayor Salim Nice, and Councilmembers Bruce Bassett, David Wisenteiner, and Tom Acker were present. Councilmembers Wendy Weiker and Benson Wong were absent.

AGENDA APPROVAL

It was moved by Nice; seconded by Wisenteiner to:

Approve the agenda as presented.

Passed 5-0

FOR: 5 (Acker, Bassett, Bertlin, Nice, and Wisenteiner)

ABSENT: 2 (Weiker and Wong)

SPECIAL BUSINESS

AB 5466: WSDOT I-405 Renton to Bellevue Widening and Express Toll Lanes Project

Program Administrator Kim Henry spoke about the 405 Master Plan, specifically about the 40-mile corridor which includes the I-405/SR 167 Direct Connector Project. He noted that one part of the project is the I-405 Renton to Bellevue Widening and Express Toll Lanes Project. He detailed the environmental work, interagency coordination and the procurement schedule for the construction work.

He noted capacity improvements, by adding a lane to create two HOT lanes and spoke about the changes to the I-405 northbound to I-90 interchange. He also detailed the 2025 projections for morning and afternoon traffic from Renton to Bellevue and the NE 44th Street transit interchange.

CITY MANAGER REPORT

- Let's Talk Mercer Island - A New Way to Engage with Your Local Government
 - Go to letstalk.mercergov.org
 - Contribute your ideas and ask questions about featured projects
 - Interactive tools including: discussion forums, polls, surveys, and crowdsource mapping
 - City will use online feedback in conjunction with face-to-face activities (meetings, hearings, surveys, etc)
- Comprehensive Plan Updates:
 - Public Hearings - Aug. 29, 6 pm at City Hall, Sept. 5, 6 pm at City Hall
 - Online Outreach - Ongoing through Sept. 5
 - Email / Written Public Comment - Submit now through Sept. 5
 - Visit letstalk.mercergov.org/CompPlan to review proposed amendments and share your thoughts
- City Staff Featured in AWC's City Vision Magazine
- MIPA Summer Concert, Thurs., August 30, 6 pm at Mercerdale Park (77th Ave SE & SE 32nd St) - Free concert featuring Caspar Babypants
- Transit Service Changes Starting in September - Rainier Freeway Station at I-90 to close Sept. 22, reopening in 2023.
 - Bus Route 550 will bypass Rainier and will access Downtown via the I-90 mainline & Transit Tunnel

- Bus Route 216 will bypass Rainier and will access Downtown via the I-90 mainline & 4th Avenue
- Bus Route 554 will now stop at Rainier & South Charles Street. The 554 will continue Downtown via South Dearborn Street.
- CERT Classes Start Sept. 5 – Oct. 17, Wednesdays, 6:30-9:30pm at City Hall Emergency Operation Center (9611 SE 36th St).
- City Earthquake Exercise for staff and volunteers on Sept. 7, 10am-2pm at City Hall & MICEC
- Art Uncorked - Friday, Sept. 7, 5:30 – 9:00 pm at the Greta Hackett Outdoor Sculpture Gallery (78th Ave. and Sunset Blvd)
- Back to School - Wednesday, September 5. School zones are back in effect at 7:00am Wednesday morning.
- City Facilities Closed Labor Day - Monday September 3

APPEARANCES

Jim Schwab, President of HOA for 7800 Plaza Building, spoke about being included in a meeting regarding development of the Tully's site. He believes that there will be units impacted with a full buildout of the site. He stated that he and the HOA want to work with the City for the site and are supportive of MICA being at the site.

Brian Hildebrandt, 6880 West Mercer Way, spoke about the RFQ for the Tully's site and expressed concern about parking in the Town Center when school is back in session. He does not believe that time constricted parking is an acceptable use currently. City Manager Underwood clarified that the Council will review and hopefully approve the second draft of the RFQ, so it can be sent out to developers later this week.

Paul Shoemaker stated that he believes that parking is the number one priority for the Town Center. He noted that the MICA public engagement process concluded, and he spoke about the letter MICA sent to the City about being a part of the development at the Tully's site.

Jon Conrardt, 9320 SE 36th Street, spoke about the proposed reductions for the 2019-2020 preliminary budget. He appreciated the hard work that has gone into finding a solution to the problem.

Sarah, 84th Ave SE, observed two CAG meetings and two open house meetings and noted that the City Manager and Finance Director led presentations on the city's financial situation, stating that the City is a lean organization and finding efficiencies. She identified inefficiencies and recommended that the City finish projects, reduce staffing, and focus on essential city services, primarily safety and infrastructure.

Sharon Perez, 3404 79th Ave SE, spoke about what MICA heard from the community over the past few months. She was encouraged by how many people attended the meetings and the positive feedback they received.

CONSENT CALENDAR

Payables: \$876,487.37 (07/12/18), \$596,069.59 (07/20/18), \$363,822.98 (07/26/18), & \$226,803.68 (08/02/18)

Recommendation: Certify that the materials or services hereinbefore specified have been received and that all warrant numbers listed are approved for payment.

Payroll: \$854,768.77 (07/20/18) & \$841,360.54 (08/03/18)

Recommendation: Certify that the materials or services specified have been received and that all fund warrants are approved for payment.

AB 5465: Lincoln Landing Stormwater and Park Improvements Project Appropriation Request

Recommendation: Appropriate \$170,300 from the Sewer Fund for the design of sewer utility line replacements within the Lincoln Landing Stormwater and Park Improvements Project.

It was moved by Bassett; seconded by Nice to:

Approve the consent calendar and the recommendations contained therein.

Passed 5-0

FOR: 5 (Acker, Bassett, Bertlin, Nice, and Wisenteiner)

ABSENT: 2 (Weiker and Wong)

REGULAR BUSINESS

AB 5459: Finalize RFQ for Transit Commuter Parking and Public-Private, Mixed-Use Development Project on the Tully's/Parcel 12 Site

City Manager Underwood presented a second draft of the Request for Qualifications (RFQ) for a Transit Commuter Parking and Public-Private Mixed-Use Development Project for the Tully's/Parcel 12 Site. She provided background information about the proposed project, the RFQ process, and the funding structure. Bob Stowe spoke about the benefits of the public private partnership for this project and reviewed the proposed RFQ criteria, selection process, and timeline.

Seeking direction from Council, Underwood further explained the Mercer Island Center for the Arts (MICA) request that the City more heavily "weigh" arts and cultural event space as a community benefit.

After debate, Council directed staff to modify the RFQ's section on Community Benefit by removing the "Parking" preference and making it a mandatory requirement. Council then defined the stated community benefit preferences in order of importance as follows:

- 1) Public Open Spaces
- 2) Well-Designed Integration
- 3) Arts and Cultural Events & Spaces
- 4) Housing Diversity

Council further agreed to modify the community benefit preference "Arts and Cultural Events & Spaces" to include language from the MICA letter stating, "inclusion of arts performances, education and collaboration venues."

The Council agreed with the proposed RFQ timeline.

It was moved by Wisenteiner; seconded by Nice to:

Approve the Request for Qualifications and selection process for the proposed transit commuter parking and public-private, mixed-use project on the Tully's/Parcel 12 site, including a mandatory element of parking and revising the order of preferences accordingly. .

Passed 4-1

FOR: 5 (Acker, Bassett, Bertlin, Nice, and Wisenteiner)

ABSENT: 2 (Weiker and Wong)

AB 5462: 2019-2020 Biennial Budget: Council Direction

Assistant City Manager/Finance Director Chip Corder and City Manager Julie Underwood provided information to confirm Council direction given to staff at the June 9 Mini-Planning Session regarding the development of the 2019-2020 Biennium Budget in light of the Contingency Fund target recommendation from Management Partners.

Finance Director Corder reviewed the Council's June 9, 2018 direction for the 2019-2020 biennial budget to assume no levy lid lift, draw down one-time monies, and other additional key revenue assumptions.

He noted that on July 17, Management Partners recommended a target of 17% (or 2 months) for the Contingency Fund. He stated that the current balance 10% (or 1.2 months) and that staff recommends starting with 12.5% (or 1.5 months).

Director Corder then explained the proposed strategy to meet the Contingency Fund target and balance the 2019-2020 biennial budget with ongoing expenditure reductions (services and FTEs). He reviewed the Council's budget review and adoption schedule.

City Manager Underwood further explained that on July 24 the Council approved an ordinance to put a levy lid lift on the November ballot, and should the levy fail, starting with the 2021 budget, additional reductions, or new revenues, will be necessary to balance the budget. The gap for the 2021-2022 Biennium Budget starts at \$3 million in 2021, or an additional 29 FTEs.

Councilmembers asked clarifying questions and Councilmember Acker expressed a desire to see process improvements and administrative cuts, before cuts in personnel.

It was moved by Nice; seconded by Wisenteiner to:

Adopt the 1.5 months Contingency Fund target as outlined in staff's budget balancing recommendation.

Passed 4-1

FOR: 4 (Bassett, Bertlin, Nice, and Wisenteiner)

AGAINST: 1 (Acker)

ABSENT: 2 (Weiker and Wong)

OTHER BUSINESS

Councilmember Absences

Councilmember Bassett will be absent October 16 and 23.

Planning Schedule

City Manager Underwood noted the following:

- The September 18 Regular Meeting will be moved to September 17 due to Yom Kippur.
- An Executive Session will be tentatively scheduled for September 4 or October 2, 2018.
- January 2, 2019 Regular Meeting is canceled. January 8, 2019 is tentatively scheduled as a Special Meeting.

Board Appointments

There were no appointments. Mayor Bertlin reported that there would be two appointments to the Design Commission scheduled for the September 4 Regular Meeting.

Councilmember Reports

Councilmember Acker reported that he had received a lot of positive feedback on LimeBikes from Islanders and kids. He also reported that he referred three concerns to City Manager Underwood for review.

Councilmember Bassett reported that King County Councilmember Claudia Balducci would be speaking at a Town Hall meeting scheduled for September 15 at the Mercer Island Community and Events Center.

Councilmember Wisenteiner expressed his gratitude to the Mercer Island Police Department and their handling of Seafair. He also reported that the Let's Talk Mercer Island is very well done.

ADJOURNMENT

The Special Meeting adjourned at 8:30 pm.

Attest:

Debbie Bertlin, Mayor

Deborah Estrada, City Clerk