



CITY OF MERCER ISLAND CITY COUNCIL MEETING AGENDA

Monday
March 21, 2016
6:00 PM

Mayor Bruce Bassett
Deputy Mayor Debbie Bertlin
Councilmembers Dan Grausz, Jeff Sanderson,
Wendy Weiker, David Wisenteiner
and Benson Wong

Contact: 206.275.7793, council@mercergov.org
www.mercergov.org/council

All meetings are held in the City Hall Council Chambers at
9611 SE 36th Street, Mercer Island, WA unless otherwise noticed

“Appearances” is the time set aside for members of the public to speak to the City Council
about any issues of concern. If you wish to speak, please consider the following points:

(1) speak audibly into the podium microphone, (2) state your name and address for
the record, and (3) limit your comments to three minutes.

Please note: the Council does not usually respond to comments during the meeting.

REGULAR MEETING

CALL TO ORDER & ROLL CALL, 6:00 PM

EXECUTIVE SESSION

Potential or pending litigation pursuant to RCW 42.30.110(1)(I) for one hour.

AGENDA APPROVAL, 7:00 PM

SPECIAL BUSINESS

- (1) Sexual Assault Awareness Month Proclamation

APPEARANCES

CONSENT CALENDAR

- (2) Payables: \$194,870.07 (03/10/16)

Minutes: Regular Meeting Minutes of March 7, 2016

AB 5162 Receive Grant to Expand the Parks & Recreation Senior Social Program

REGULAR BUSINESS

- (3) AB 5163 Development Services Group Budget Authorization - Long-Range Planning Manager
- (4) AB 5164 2017-2022 Capital Improvement Program (CIP) Kick-Off

OTHER BUSINESS

Councilmember Absences
Planning Schedule
Board Appointments
Councilmember Reports

ADJOURNMENT



The City of Mercer Island, Washington

Proclamation

WHEREAS, Sexual Assault Awareness Month calls attention to the fact that sexual violence is widespread and impacts every person in this community; and

WHEREAS, rape, sexual assault, and sexual harassment harm our community, and statistics show that one out of three girls, one out of five boys, and 23% of women are the victims of sexual assault; and

WHEREAS, child sexual abuse prevention must be a priority to confront the reality that one in six boys and one in four girls will experience a sexual assault before the age 18; and

WHEREAS, young people experience heightened rates of sexual violence, and youth ages 12 to 17 are 2.5 times as likely to be victims of rape or sexual assault; and

WHEREAS, on campus, one in five women and one in 16 men are sexually assaulted during their time in college; and

WHEREAS, we must work together to educate our community about sexual violence prevention, support survivors, and speak out against harmful attitudes and actions; and

WHEREAS, prevention is possible when we increase education, awareness, and community involvement; and

WHEREAS, each day of the year is an opportunity to create change for the future.

NOW, THEREFORE, I, Mayor Bruce Bassett do hereby proclaim April 2016 as

SEXUAL ASSAULT AWARENESS MONTH

in the City of Mercer Island, and I encourage all citizens to join me in this special observance, and join advocates and communities across the country in taking action to prevent sexual violence.

APPROVED, this 21 day of March, 2016

Bruce Bassett, Mayor

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	180230-180383	03/10/16	\$ 194,870.07
			\$ 194,870.07

Accounts Payable Report by Check Number

Check No	Check Date	Vendor Name/Description	PO #	Invoice #	Invoice Date	Check Amount
00180230	03/10/2016	ABBOTT, RICHARD LEOFF1 Medicare		APR2016B	03/09/2016	104.90
00180231	03/10/2016	ADAMS, RONALD E LEOFF1 Medicare		APR2016B	03/09/2016	104.90
00180232	03/10/2016	ADT LLC PERMIT REFUND		1511-044	03/08/2016	93.95
00180233	03/10/2016	AM TEST INC WATER QUALITY SAMPLES	P89991	90884	02/17/2016	240.00
00180234	03/10/2016	AMERICAN EXPRESS (LB) Senior social supplies	P89994	93311FEB282016	02/28/2016	35.60
00180235	03/10/2016	AUGUSTSON, THOR LEOFF1 Medicare		APR2016B	03/09/2016	104.90
00180236	03/10/2016	AWC MARCH 2016		OH006146	03/09/2016	263.00
00180237	03/10/2016	B&B UTILITIES & EXCAVATION LLC LINE 4 RETAINAGE	P87074	822RETAINAGE	08/17/2015	3,625.57
00180238	03/10/2016	BARNES, WILLIAM LEOFF1 Medicare		APR2016A	03/09/2016	1,739.90
00180239	03/10/2016	BECKER, RON LEOFF1 Medicare		APR2016A	03/09/2016	802.13
00180240	03/10/2016	BERTRAM, LESLIE CONCEALED CARRY REFUND		150145	03/03/2016	32.00
00180241	03/10/2016	BODLE, MEARA S FLEX SPEND ACCT REIMB		4MARCH16	03/04/2016	463.07
00180242	03/10/2016	BOOTH, GLENDON D LEOFF1 Medicare		APR2016B	03/09/2016	104.90
00180243	03/10/2016	CADMAN INC 5/8"-MINUS ROCK (65.06 TONS)	P89964	5379628/5381612	02/03/2016	2,106.29
00180244	03/10/2016	CALLAGHAN, MICHAEL LEOFF1 Medicare		APR2016B	03/09/2016	104.90
00180245	03/10/2016	CAMDEN GARDENS 2016 Aljaya & Aubrey Davis Par	P89438	56913	03/01/2016	410.63
00180246	03/10/2016	CAROLLO ENGINEERS INC GENERAL SEWER PLAN UPDATE	P86399	0146993	02/11/2016	8,744.05
00180247	03/10/2016	CASNE ENGINEERING INC TELEMETRY REPAIRS	P89139	27451	02/17/2016	4,689.05
00180248	03/10/2016	CDW GOVERNMENT INC Router Extended Warranty	P87851	CDD9349	02/19/2016	1,176.68
00180249	03/10/2016	CENTURYLINK PHONE USE FEB 2016		OH006147	02/23/2016	1,882.45
00180250	03/10/2016	CHAPTER 13 TRUSTEE PAYROLL EARLY WARRANTS		OH006145	03/04/2016	1,331.00
00180251	03/10/2016	CHELAN COUNTY TREASURER February jail bill	P90009	15000100337	02/29/2016	2,170.00
00180252	03/10/2016	CINTAS CORPORATION #460 2016 Rug Cleaning Services for	P89342	460532022/22884	02/04/2016	123.20
00180253	03/10/2016	CLEANERS PLUS 1 Patrol uniform cleaning	P90014	76311	03/01/2016	128.24
00180254	03/10/2016	CODE PUBLISHING CO MICC E-Update thru Ord 16C-01	P89861	52217	02/18/2016	357.52
00180255	03/10/2016	CONFIDENTIAL DATA DISPOSAL Shredding	P89977	85078	02/29/2016	167.00

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00180256	03/10/2016	COOPER, ROBERT LEOFF1 Excess Benefit		APR2016A	03/09/2016	1,539.24
00180257	03/10/2016	COSTANERA CREATIVE Google analytics for 2015	P89946	1168	02/24/2016	95.00
00180258	03/10/2016	CREATIVE LEARNING CENTER Preschool scholarships for EA	P89363	6209/10/6289/90	03/01/2016	717.50
00180259	03/10/2016	CRYSTAL AND SIERRA SPRINGS 2016 MAINT WATER DELIVERY	P89391	8259218022716	02/27/2016	253.79
00180260	03/10/2016	CRYSTAL SPRINGS Coffee supplies for MICEC	P89947	13123243	02/19/2016	153.05
00180261	03/10/2016	CULLIGAN Water Service/Fire	P90020	201603672721	02/29/2016	159.05
00180262	03/10/2016	DALY, RYAN FLEX SPEND REIMB		4MARCH16	03/04/2016	500.00
00180263	03/10/2016	DATAQUEST LLC Background check for JL	P89969	CMIPARKS20160229	02/29/2016	64.50
00180264	03/10/2016	DEEDS, EDWARD G LEOFF1 Medicare		APR2016B	03/09/2016	104.90
00180265	03/10/2016	DEFTY, YVONNE FLEX SPEND REIMB		OH006148	03/02/2016	1,898.48
00180266	03/10/2016	DEPARTMENT OF HEALTH R. WALKER WATER WORKS WDM1 EXA	P89987	OH006185	03/03/2016	174.00
00180267	03/10/2016	DEVENY, JAN P LEOFF1 Medicare		APR2016B	03/09/2016	104.90
00180268	03/10/2016	DOWD, PAUL LEOFF1 Medicare		APR2016B	03/09/2016	104.90
00180269	03/10/2016	DRAIN-PRO INC SE 32ND AND WMW TV BLOCKAGE	P90040	51184	02/28/2016	881.48
00180270	03/10/2016	DROLL LANDSCAPE ARCH, ROBERT W Groveland Park Over Water Stru	P88814	1406504	02/25/2016	10,190.30
00180271	03/10/2016	DRUSCHBA, JOHN F CDL ENDORSEMENT		OH006149	03/07/2016	102.00
00180272	03/10/2016	ELSOE, RONALD LEOFF1 Medicare		APR2016B	03/09/2016	104.90
00180273	03/10/2016	EMERALD RECYCLING OIL DISPOSAL	P89988	I395936	02/01/2016	343.00
00180274	03/10/2016	EMMANUEL DAY SCHOOL Preschool scholarships for EA	P89415	OH006186	03/02/2016	239.20
00180275	03/10/2016	EVERGREEN PRINT SOLUTIONS Notice of Hearing Forms	P90053	43242	02/11/2016	467.15
00180276	03/10/2016	EVERSON'S ECONO-VAC INC 2015-16 CATCH BASIN CLEANING	P86282	076671	01/31/2016	945.25
00180277	03/10/2016	FETTINGER, AIMEE M FLEX SPEND REIMB		4MARCH16	03/04/2016	1,571.51
00180278	03/10/2016	FORSMAN, LOWELL LEOFF1 Medicare		APR2016B	03/09/2016	104.90
00180279	03/10/2016	GOODMAN, J C LEOFF1 Medicare		APR2016B	03/09/2016	159.20
00180280	03/10/2016	GRAINGER INVENTORY PURCHASES	P89920	9032593809	02/22/2016	1,369.98
00180281	03/10/2016	GREER, J SCOTT Pro tem judge	P90056	OH006187	02/08/2016	225.00

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00180282	03/10/2016	GU, FRED Y IECA CONVENTION EXPENSES		OH006184	03/09/2016	1,357.09
00180283	03/10/2016	HAGSTROM, JAMES LEOFF1 Medicare		APR2016B	03/09/2016	146.90
00180284	03/10/2016	HDR ENGINEERING INC 2015 WATER SYSTEM PLAN UPDATES	P80918	00475680HA	02/08/2016	179.54
00180285	03/10/2016	HEDEEN & CADITZ PLLC Professional Services - FS 92	P90050	8094	03/04/2016	10,359.50
00180286	03/10/2016	HOLMES, EDWARD J PER DIEM REIMB		OH006150	03/07/2016	194.50
00180287	03/10/2016	HOME DEPOT CREDIT SERVICE ANCHORS, STAKES & DRILL BITS	P89941	001316/8025488	03/01/2016	91.47
00180288	03/10/2016	HONEYWELL, MATTHEW V Professional Services - Court	P90047	905	03/08/2016	600.00
00180289	03/10/2016	HORSCHMAN, BRENT FLEX SPEND REIMB		4MARCH16	03/04/2016	229.00
00180290	03/10/2016	IBSEN TOWING CO BELLEVUE Vehicle impound	P89976	B106894	03/02/2016	196.01
00180291	03/10/2016	INTERCOM LANGUAGE SERVICES INC Interpreting Services	P90055	16352	01/29/2016	320.00
00180292	03/10/2016	JOHNSON, CURTIS LEOFF1 Medicare		APR2016A	03/09/2016	972.71
00180293	03/10/2016	KENWORTHY, LES PER DIEM REIMB		OH006152	03/08/2016	194.50
00180294	03/10/2016	KING COUNTY FINANCE SIGNAL SERVICES	P89990	7276172761	01/31/2016	238.86
00180295	03/10/2016	KINTNER, JASON PER DIEM REIMB		OH006153	03/02/2016	209.25
00180296	03/10/2016	KISSEL, TREVER TECH RESCUE SUPPLIES		OH006151	03/02/2016	70.57
00180297	03/10/2016	KROESENS INC Uniforms/McCoy	P90018	307832	03/02/2016	433.62
00180298	03/10/2016	KUHN, DAVID LEOFF1 Medicare		APR2016B	03/09/2016	104.90
00180299	03/10/2016	LACY, ALAN P LEOFF1 Medicare		APR2016B	03/09/2016	104.90
00180300	03/10/2016	LEE, WALLACE LEOFF1 Medicare		APR2016B	03/09/2016	104.90
00180301	03/10/2016	LEOPOLD, FREDERIC LEOFF1 Medicare		APR2016B	03/09/2016	146.90
00180302	03/10/2016	LEUKEMIA & LYMPHOMA SOCIETY Contract 21691 completed, depo	P89945	21691	03/01/2016	100.00
00180303	03/10/2016	LEXISNEXIS Library Subscriptions - Invoic	P89998	3090450680	02/29/2016	235.75
00180304	03/10/2016	LEYDE, CASEY MILEAGE EXPENSE		OH006154	03/04/2016	38.88
00180305	03/10/2016	LN CURTIS & SONS 1" Tubular Webbing	P89936	213436001	02/19/2016	38.71
00180306	03/10/2016	LOISEAU, LERI M LEOFF1 Medicare		APR2016B	03/09/2016	104.90
00180307	03/10/2016	LOO CHAN, PEGGY FLEX SPEND REIMB		4MARCH16	03/04/2016	89.77

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00180308	03/10/2016	LUND, MARK FLEX SPEND REIMB		4MARCH16	03/04/2016	600.00
00180309	03/10/2016	LYONS, STEVEN LEOFF1 Medicare		APR2016B	03/09/2016	135.60
00180310	03/10/2016	MANTEK INVENTORY PURCHASES	P89911	2224164	02/24/2016	530.62
00180311	03/10/2016	MATHESON, SHAWN FLEX SPEND ACCT REIMB		OH006180	03/18/2016	353.74
00180312	03/10/2016	MCCOY, STEPHEN W BOOKS FOR PROMOTIONAL		OH006155	03/04/2016	225.21
00180313	03/10/2016	MERCER ISLAND PRESCHOOL ASSOC Contract 20708 completed, depo	P89944	20708	03/01/2016	130.00
00180314	03/10/2016	MERCER ISLAND REPORTER Reporter subscription BF	P89975	OH006175	03/02/2016	59.00
00180315	03/10/2016	MERCER ISLAND REPORTER MI Reporter subscription for M	P89948	OH006189	03/01/2016	59.00
00180316	03/10/2016	MI CHAMBER OF COMMERCE MONTHLY BILLING FOR SERVICES	P89277	OH006188	02/24/2016	1,200.00
00180317	03/10/2016	MI EMPLOYEES ASSOC PAYROLL EARLY WARRANTS		OH006143	03/04/2016	138.75
00180318	03/10/2016	MI HARDWARE - P&R Custodial supplies for MICEC	P90006	OH006167	02/29/2016	38.64
00180319	03/10/2016	MI HARDWARE - POLICE Tools	P90032	OH006170	02/29/2016	63.85
00180320	03/10/2016	MI SCHOOL DISTRICT #400 Preschool scholarships for EA	P89260	OH006166	03/07/2016	11,277.93
00180321	03/10/2016	MI UTILITY BILLS PAYMENT OF UTILITY BILLS FOR W	P89986	OH006190	03/03/2016	3,537.26
00180322	03/10/2016	MI YOUTH SOCCER contract 21127 completed, depo	P89957	21127	03/01/2016	50.00
00180323	03/10/2016	MIRACLE ISLAND PLLC Instruction services for Wushu	P89984	15810/15811	03/03/2016	1,363.25
00180324	03/10/2016	MOBERLY AND ROBERTS Professional Services - Invoic	P89997	589	03/01/2016	6,000.00
00180325	03/10/2016	MYERS, JAMES S LEOFF1 Medicare		APR2016B	03/09/2016	104.90
00180326	03/10/2016	OLYMPIC ENVIRONMENTAL RES 2015-2016 SPECIAL RECYCLING EV	P84810	#2	03/03/2016	1,540.00
00180327	03/10/2016	PACIFIC NW PUBLIC FLEET 2016 MEMBERSHIP	P89992	00130	03/03/2016	120.00
00180328	03/10/2016	PEBBLE @ MIPC, THE Preschool scholarships for EA	P89365	OH006176	03/10/2016	900.00
00180329	03/10/2016	PERRONE CONSULTING INC PS INV.16106-01 44TH AVE SE WATER	P89995	1610701/1610601	02/14/2016	873.16
00180330	03/10/2016	PERTEET INC SAFE ROUTES TO NORTHWOOD ELEME	P89336	201502790002	03/03/2016	4,259.85
00180331	03/10/2016	PF PETTIBONE & CO Minute Books	P89862	35061	02/17/2016	308.95
00180332	03/10/2016	PINEAU, LINDA FLEX SPEND REIMB		4MARCH16	03/04/2016	1,515.12
00180333	03/10/2016	PRAXAIR DISTRIBUTION INC ACETYLENE AND OXYGEN TANK RENT	P90039	54900057	02/26/2016	50.49

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00180334	03/10/2016	PROVOST, ALAN LEOFF1 Excess Benefit		APR2016A	03/09/2016	1,426.07
00180335	03/10/2016	PUBLIC SAFETY SUPPORT SERVICES Zone One Coordinator Services	P87834	MIFY14.08	03/07/2016	8,333.33
00180336	03/10/2016	PUGET SOUND ENERGY Utility Assistance for Emergen	P89289	OH006177	03/02/2016	80.09
00180337	03/10/2016	PUGET SOUND ENERGY ENERGY USE MARCH 2016		OH006156	02/26/2016	7,311.74
00180338	03/10/2016	QUENCH USA INC Quarterly billing for Quench w	P89979	200405896	03/01/2016	236.52
00180339	03/10/2016	QUINN, THOMAS FLEX SPEND REIMB		4MARCH16	03/04/2016	1,000.00
00180340	03/10/2016	RAMSAY, JON LEOFF1 Medicare		APR2016A	03/09/2016	551.87
00180341	03/10/2016	ROSENSTEIN, SUSIE Personal training services Jan	P89983	108	02/24/2016	150.00
00180342	03/10/2016	ROSTOV, HERSCHEL P PARKING FEE		OH006159	03/04/2016	46.28
00180343	03/10/2016	SANDINE, ASEA OFFICE SUPPLIES & PHOTO PRINT		4MARCH16	03/04/2016	1,162.92
00180344	03/10/2016	SCHOENTRUP, WILLIAM LEOFF1 Medicare		APR2016A	03/09/2016	916.66
00180345	03/10/2016	SEATTLE PUBLIC UTILITIES WATER QUALITY	P89989	W0082235	02/04/2016	188.00
00180346	03/10/2016	SECURITY CONTRACTOR SERVICES Fencing for Calkins Landing 2/	P90005	0232209IN	02/11/2016	383.25
00180347	03/10/2016	SHERWIN-WILLIAMS CO, THE CITY HALL PAINT	P90003	63959	02/23/2016	82.13
00180348	03/10/2016	SHOREWOOD HEIGHTS Rental assistance for Emergen	P89375	OH006178	03/02/2016	1,000.00
00180349	03/10/2016	SMITH, RICHARD LEOFF1 Medicare		APR2016B	03/09/2016	104.90
00180350	03/10/2016	SPENCER, FREDERICK E CBT Instructor	P90017	OH006169	03/02/2016	262.50
00180351	03/10/2016	SPIETZ, ALLISON FLEX SPEND REIMB		4MARCH16	03/04/2016	65.93
00180352	03/10/2016	STEWART, LISA C PER DIEM REIMB		OH006160	03/03/2016	325.10
00180353	03/10/2016	STILLWELL HANSON ARCHITECTS PERMIT REFUND		DEV16005	03/08/2016	750.40
00180354	03/10/2016	STUDIO ECTYPOS THRIFT SHOP SCREEN DESIGN	P90034	OH006168	02/24/2016	4,832.50
00180355	03/10/2016	SUNGARD PUBLIC SECTOR INC UPDATE SIGNATURE LINE ON ELF C	P89929	115453	02/23/2016	200.00
00180356	03/10/2016	SUPERIOR TOWING INC Evidence veh-ACY3544	P90010	B67849	01/29/2016	245.01
00180357	03/10/2016	TACOMA SCREW PRODUCTS INC 5/16" X 2" GALV. LAG SCREWS (2	P89847	30756073	02/19/2016	55.11
00180358	03/10/2016	TAWNEY, LAURA FLEX SPEND REIMB		OH006162	03/08/2016	1,190.65
00180359	03/10/2016	THOMPSON, JAMES LEOFF1 Medicare		APR2016B	03/09/2016	104.90

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00180360	03/10/2016	TONELLA-HOWE, ANNE PER DIEM REIMB		OH006164	03/02/2016	209.25
00180361	03/10/2016	TOOLEY, NORMAN LEOFF1 Medicare		APR2016B	03/09/2016	104.90
00180362	03/10/2016	TRAFFIC SAFETY SUPPLY INVENTORY PURCHASES	P89881	108998	02/19/2016	350.62
00180363	03/10/2016	TRAN, LYNN contract 22052 completed, depo	P89942	22052	03/01/2016	350.00
00180364	03/10/2016	TRIFTS, EILEEN ART COUNCIL RETREAT SUPPLIES		OH006163	03/07/2016	59.02
00180365	03/10/2016	UNITED WAY OF KING CO PAYROLL EARLY WARRANTS		OH006144	03/04/2016	210.10
00180366	03/10/2016	USABlueBook INVENTORY PURCHASES	P89919	875838/875426	02/17/2016	434.37
00180367	03/10/2016	UTILITIES UNDERGROUND LOCATION FEB EXCAVATION NOTIFICATIONS	P90038	6020161	02/29/2016	351.12
00180368	03/10/2016	VERIZON WIRELESS PS 18 & 24 WIRELESS DATA SERVI	P89993	9760898507	02/21/2016	156.14
00180369	03/10/2016	VERIZON WIRELESS Cell phone bill	P90023	9760976413	02/23/2016	2,493.51
00180370	03/10/2016	WA SKI TOURING CLUB Contract 21963 completed, depo	P89943	21963	03/01/2016	50.00
00180371	03/10/2016	WA ST TREASURER'S OFFICE Remit FEB16 NC Court Transmitt	P90029	OH006174	02/29/2016	1,566.14
00180372	03/10/2016	WA ST TREASURER'S OFFICE Remit JAN16 NC Court Transmitt	P90028	OH006173	01/31/2016	1,382.82
00180373	03/10/2016	WA ST TREASURER'S OFFICE Remit FEB16 MI Court Transmitt	P90027	OH006172	02/29/2016	26,549.81
00180374	03/10/2016	WA ST TREASURER'S OFFICE Remit JAN16 MI Court Transmitt	P90026	OH006171	01/31/2016	21,527.00
00180375	03/10/2016	WABO BOOKSTORE, THE CONTINUING EDUCATION, PAUL SKI	P89905	31577	02/17/2016	525.00
00180376	03/10/2016	WALLACE, THOMAS LEOFF1 Medicare		APR2016B	03/09/2016	104.90
00180377	03/10/2016	WALTIER, DEAN A Umpiring services for 3/6/16	P90048	001	03/06/2016	144.00
00180378	03/10/2016	WASHINGTON STATE PATROL CPL backgrounds	P90031	I16006131	03/02/2016	132.75
00180379	03/10/2016	WEGNER, KEN LEOFF1 Medicare		APR2016B	03/09/2016	104.90
00180380	03/10/2016	WHEELER, DENNIS LEOFF1 Medicare		APR2016B	03/09/2016	104.90
00180381	03/10/2016	X5 OPCO LLC MONTHLY LONG DISTANCE JAN-DEC	P89271	OH006179	02/29/2016	258.25
00180382	03/10/2016	XEROX CORPORATION PRINTER SUPPLIES		230029560	03/08/2016	699.02
00180383	03/10/2016	ZEE MEDICAL First aid kit replenishment	P89980	68306902TAX	03/02/2016	18.23
					Total	194,870.07

Accounts Payable Report by GL Key

PO #	Check #	Vendor:	Transaction Description	Check Amount
<i>Org Key: 001000 - General Fund-Admin Key</i>				
P90027	00180373	WA ST TREASURER'S OFFICE	Remit FEB16 MI Court Transmitt	10,312.58
P90026	00180374	WA ST TREASURER'S OFFICE	Remit JAN16 MI Court Transmitt	8,714.41
P90027	00180373	WA ST TREASURER'S OFFICE	Remit FEB16 MI Court Transmitt	6,195.64
P90026	00180374	WA ST TREASURER'S OFFICE	Remit JAN16 MI Court Transmitt	4,913.91
P90027	00180373	WA ST TREASURER'S OFFICE	Remit FEB16 MI Court Transmitt	4,846.33
P90026	00180374	WA ST TREASURER'S OFFICE	Remit JAN16 MI Court Transmitt	3,910.79
P90027	00180373	WA ST TREASURER'S OFFICE	Remit FEB16 MI Court Transmitt	2,079.16
P90026	00180374	WA ST TREASURER'S OFFICE	Remit JAN16 MI Court Transmitt	1,618.55
P90027	00180373	WA ST TREASURER'S OFFICE	Remit FEB16 MI Court Transmitt	1,586.88
P90027	00180373	WA ST TREASURER'S OFFICE	Remit FEB16 MI Court Transmitt	1,038.42
P90026	00180374	WA ST TREASURER'S OFFICE	Remit JAN16 MI Court Transmitt	808.29
P90026	00180374	WA ST TREASURER'S OFFICE	Remit JAN16 MI Court Transmitt	733.45
P90028	00180372	WA ST TREASURER'S OFFICE	Remit JAN16 NC Court Transmitt	624.70
P90029	00180371	WA ST TREASURER'S OFFICE	Remit FEB16 NC Court Transmitt	523.83
P90027	00180373	WA ST TREASURER'S OFFICE	Remit FEB16 MI Court Transmitt	407.21
P89942	00180363	TRAN, LYNN	contract 22052 completed, depo	350.00
P90028	00180372	WA ST TREASURER'S OFFICE	Remit JAN16 NC Court Transmitt	338.52
P90026	00180374	WA ST TREASURER'S OFFICE	Remit JAN16 MI Court Transmitt	308.17
P90029	00180371	WA ST TREASURER'S OFFICE	Remit FEB16 NC Court Transmitt	303.13
P90029	00180371	WA ST TREASURER'S OFFICE	Remit FEB16 NC Court Transmitt	243.92
P90028	00180372	WA ST TREASURER'S OFFICE	Remit JAN16 NC Court Transmitt	234.53
P90029	00180371	WA ST TREASURER'S OFFICE	Remit FEB16 NC Court Transmitt	149.99
P90029	00180371	WA ST TREASURER'S OFFICE	Remit FEB16 NC Court Transmitt	149.98
P90026	00180374	WA ST TREASURER'S OFFICE	Remit JAN16 MI Court Transmitt	137.83
P90026	00180374	WA ST TREASURER'S OFFICE	Remit JAN16 MI Court Transmitt	137.81
P89944	00180313	MERCER ISLAND PRESCHOOL ASSOC	Contract 20708 completed, depo	130.00
P90026	00180374	WA ST TREASURER'S OFFICE	Remit JAN16 MI Court Transmitt	126.85
P90029	00180371	WA ST TREASURER'S OFFICE	Remit FEB16 NC Court Transmitt	113.02
P90028	00180372	WA ST TREASURER'S OFFICE	Remit JAN16 NC Court Transmitt	105.61
P89945	00180302	LEUKEMIA & LYMPHOMA SOCIETY	Contract 21691 completed, depo	100.00
P90026	00180374	WA ST TREASURER'S OFFICE	Remit JAN16 MI Court Transmitt	59.08
P90029	00180371	WA ST TREASURER'S OFFICE	Remit FEB16 NC Court Transmitt	56.26
P90028	00180372	WA ST TREASURER'S OFFICE	Remit JAN16 NC Court Transmitt	52.54
P89957	00180322	MI YOUTH SOCCER	contract 21127 completed, depo	50.00
P89943	00180370	WA SKI TOURING CLUB	Contract 21963 completed, depo	50.00
P90026	00180374	WA ST TREASURER'S OFFICE	Remit JAN16 MI Court Transmitt	35.49
P90027	00180373	WA ST TREASURER'S OFFICE	Remit FEB16 MI Court Transmitt	26.74
P90026	00180374	WA ST TREASURER'S OFFICE	Remit JAN16 MI Court Transmitt	22.37
P90029	00180371	WA ST TREASURER'S OFFICE	Remit FEB16 NC Court Transmitt	21.78
P90028	00180372	WA ST TREASURER'S OFFICE	Remit JAN16 NC Court Transmitt	21.06
P90027	00180373	WA ST TREASURER'S OFFICE	Remit FEB16 MI Court Transmitt	15.62
P90027	00180373	WA ST TREASURER'S OFFICE	Remit FEB16 MI Court Transmitt	15.60
P90027	00180373	WA ST TREASURER'S OFFICE	Remit FEB16 MI Court Transmitt	13.47
P90027	00180373	WA ST TREASURER'S OFFICE	Remit FEB16 MI Court Transmitt	7.46
P90028	00180372	WA ST TREASURER'S OFFICE	Remit JAN16 NC Court Transmitt	5.86
P90027	00180373	WA ST TREASURER'S OFFICE	Remit FEB16 MI Court Transmitt	4.70
P90029	00180371	WA ST TREASURER'S OFFICE	Remit FEB16 NC Court Transmitt	4.23

Org Key: 402000 - Water Fund-Admin Key

Accounts Payable Report by GL Key

PO #	Check #	Vendor:	Transaction Description	Check Amount
P89900	00180280	GRAINGER	INVENTORY PURCHASES	566.43
P89911	00180310	MANTEK	INVENTORY PURCHASES	530.62
P89881	00180362	TRAFFIC SAFETY SUPPLY	INVENTORY PURCHASES	350.62
P89858	00180280	GRAINGER	INVENTORY PURCHASES	218.56
P89921	00180280	GRAINGER	INVENTORY PURCHASES	180.24
P89919	00180366	USABlueBook	INVENTORY PURCHASES	179.91
P89923	00180280	GRAINGER	INVENTORY PURCHASES	114.69
<i>Org Key: 814072 - United Way</i>				
	00180365	UNITED WAY OF KING CO	PAYROLL EARLY WARRANTS	210.10
<i>Org Key: 814074 - Garnishments</i>				
	00180250	CHAPTER 13 TRUSTEE	PAYROLL EARLY WARRANTS	1,331.00
<i>Org Key: 814075 - Mercer Island Emp Association</i>				
	00180317	MI EMPLOYEES ASSOC	PAYROLL EARLY WARRANTS	138.75
<i>Org Key: 814083 - Vol Life Ins - States West Lif</i>				
	00180236	AWC	MARCH 2016	263.00
<i>Org Key: CA1100 - Administration (CA)</i>				
P89998	00180303	LEXISNEXIS	Library Subscriptions - Invoice	235.75
	00180382	XEROX CORPORATION	PRINTER SUPPLIES	38.94
<i>Org Key: CA1200 - Prosecution & Criminal Mngmnt</i>				
P89997	00180324	MOBERLY AND ROBERTS	Professional Services - Invoic	6,000.00
P90047	00180288	HONEYWELL, MATTHEW V	Professional Services - Court	600.00
<i>Org Key: CM1100 - Administration (CM)</i>				
P89862	00180331	PF PETTIBONE & CO	Minute Books	308.95
<i>Org Key: CM1200 - City Clerk</i>				
P89861	00180254	CODE PUBLISHING CO	MICC E-Update thru Ord 16C-01	357.52
<i>Org Key: CR1100 - CORe Admin and Human Resources</i>				
	00180358	TAWNEY, LAURA	COMMUTE TRIP REDUCTION SUPPLIE	775.00
	00180382	XEROX CORPORATION	PRINTER SUPPLIES	12.38
<i>Org Key: CT1100 - Municipal Court</i>				
P90053	00180275	EVERGREEN PRINT SOLUTIONS	Notice of Hearing Forms	467.15
P90055	00180291	INTERCOM LANGUAGE SERVICES INC	Interpreting Services	320.00
P90056	00180281	GREER, J SCOTT	Pro tem judge	225.00
<i>Org Key: DS0000 - Development Services-Revenue</i>				
	00180353	STILLWELL HANSON ARCHITECTS	PERMIT REFUND	750.40
	00180232	ADT LLC	PERMIT REFUND	93.95
<i>Org Key: DS1100 - Administration (DS)</i>				
	00180382	XEROX CORPORATION	PRINTER SUPPLIES	38.94
<i>Org Key: DS1200 - Bldg Plan Review & Inspection</i>				
P89905	00180375	WABO BOOKSTORE, THE	CONTINUING EDUCATION, PAUL SKI	525.00
<i>Org Key: DSBE01 - Economic Development</i>				
	00180265	DEFTY, YVONNE	TOWN CENTER MTG SUPPLIES	47.13

Accounts Payable Report by GL Key

PO #	Check #	Vendor:	Transaction Description	Check Amount
<i>Org Key: FN1100 - Administration (FN)</i>				
	00180382	XEROX CORPORATION	PRINTER SUPPLIES	24.74
<i>Org Key: FN2100 - Data Processing</i>				
P89929	00180355	SUNGARD PUBLIC SECTOR INC	UPDATE SIGNATURE LINE ON ELF C	200.00
<i>Org Key: FNBE01 - Financial Services</i>				
P89277	00180316	MI CHAMBER OF COMMERCE	MONTHLY BILLING FOR SERVICES	1,200.00
<i>Org Key: FR1100 - Administration (FR)</i>				
	00180249	CENTURYLINK	PHONE USE FEB 2016	289.36
	00180293	KENWORTHY, LES	PER DIEM REIMB	194.50
P90020	00180261	CULLIGAN	Water Service/Fire	159.05
	00180382	XEROX CORPORATION	PRINTER SUPPLIES	51.31
<i>Org Key: FR2100 - Fire Operations</i>				
P90023	00180369	VERIZON WIRELESS	MDC Charges/Fire	940.95
P90018	00180297	KROESENS INC	Uniforms/McCoy	433.62
<i>Org Key: FR2400 - Fire Suppression</i>				
	00180296	KISSEL, TREVER	TECH RESCUE SUPPLIES	70.57
P89936	00180305	LN CURTIS & SONS	1" Tubular Webbing	38.71
<i>Org Key: FR4100 - Training</i>				
P90017	00180350	SPENCER, FREDERICK E	CBT Instructor	262.50
	00180312	MCCOY, STEPHEN W	BOOKS FOR PROMOTIONAL	225.21
<i>Org Key: FR5100 - Community Risk Reduction</i>				
	00180342	ROSTOV, HERSCHEL P	PARKING FEE	29.30
	00180342	ROSTOV, HERSCHEL P	FIRE MARSHAL MEETING SUPPLIES	16.98
<i>Org Key: GGM001 - General Government-Misc</i>				
P89980	00180383	ZEE MEDICAL	First aid kit replenishment	18.23
<i>Org Key: GGM004 - Gen Govt-Office Support</i>				
	00180382	XEROX CORPORATION	PRINTER SUPPLIES	38.94
<i>Org Key: GGM005 - Genera Govt-L1 Retiree Costs</i>				
	00180238	BARNES, WILLIAM	LEOFF1 Medicare	163.70
	00180279	GOODMAN, J C	LEOFF1 Medicare	159.20
	00180283	HAGSTROM, JAMES	LEOFF1 Medicare	146.90
	00180301	LEOPOLD, FREDERIC	LEOFF1 Medicare	146.90
	00180292	JOHNSON, CURTIS	LEOFF1 Medicare	143.30
	00180309	LYONS, STEVEN	LEOFF1 Medicare	135.60
	00180230	ABBOTT, RICHARD	LEOFF1 Medicare	104.90
	00180231	ADAMS, RONALD E	LEOFF1 Medicare	104.90
	00180235	AUGUSTSON, THOR	LEOFF1 Medicare	104.90
	00180239	BECKER, RON	LEOFF1 Medicare	104.90
	00180242	BOOTH, GLENDON D	LEOFF1 Medicare	104.90
	00180244	CALLAGHAN, MICHAEL	LEOFF1 Medicare	104.90
	00180264	DEEDS, EDWARD G	LEOFF1 Medicare	104.90
	00180267	DEVENY, JAN P	LEOFF1 Medicare	104.90
	00180268	DOWD, PAUL	LEOFF1 Medicare	104.90
	00180272	ELSOE, RONALD	LEOFF1 Medicare	104.90

Accounts Payable Report by GL Key

PO #	Check #	Vendor:	Transaction Description	Check Amount
	00180278	FORSMAN, LOWELL	LEOFF1 Medicare	104.90
	00180298	KUHN, DAVID	LEOFF1 Medicare	104.90
	00180299	LACY, ALAN P	LEOFF1 Medicare	104.90
	00180300	LEE, WALLACE	LEOFF1 Medicare	104.90
	00180306	LOISEAU, LERI M	LEOFF1 Medicare	104.90
	00180325	MYERS, JAMES S	LEOFF1 Medicare	104.90
	00180340	RAMSAY, JON	LEOFF1 Medicare	104.90
	00180344	SCHOENTRUP, WILLIAM	LEOFF1 Medicare	104.90
	00180349	SMITH, RICHARD	LEOFF1 Medicare	104.90
	00180359	THOMPSON, JAMES	LEOFF1 Medicare	104.90
	00180361	TOOLEY, NORMAN	LEOFF1 Medicare	104.90
	00180376	WALLACE, THOMAS	LEOFF1 Medicare	104.90
	00180379	WEGNER, KEN	LEOFF1 Medicare	104.90
	00180380	WHEELER, DENNIS	LEOFF1 Medicare	104.90
Org Key: GGM606 - Excess Retirement-Fire				
	00180238	BARNES, WILLIAM	LEOFF1 Excess Benefit	1,576.20
	00180256	COOPER, ROBERT	LEOFF1 Excess Benefit	1,539.24
	00180334	PROVOST, ALAN	LEOFF1 Excess Benefit	1,426.07
	00180292	JOHNSON, CURTIS	LEOFF1 Excess Benefit	829.41
	00180344	SCHOENTRUP, WILLIAM	LEOFF1 Excess Benefit	811.76
	00180239	BECKER, RON	LEOFF1 Excess Benefit	697.23
	00180340	RAMSAY, JON	LEOFF1 Excess Benefit	446.97
Org Key: IGBE01 - MI Pool Operation Subsidy				
P89260	00180320	MI SCHOOL DISTRICT #400	2016 Operational support for M	10,668.17
Org Key: IS2100 - IGS Network Administration				
	00180249	CENTURYLINK	PHONE USE FEB 2016	1,090.38
P89271	00180381	X5 OPCO LLC	MONTHLY LONG DISTANCE JAN-DEC	258.25
	00180382	XEROX CORPORATION	PRINTER SUPPLIES	12.38
Org Key: MT2100 - Roadway Maintenance				
P89990	00180294	KING COUNTY FINANCE	SIGNAL SERVICES	238.86
P89923	00180280	GRAINGER	LARGE HOSE CLAMPS (10 PK)	141.15
P89941	00180287	HOME DEPOT CREDIT SERVICE	ANCHORS, STAKES & DRILL BITS	91.47
P89847	00180357	TACOMA SCREW PRODUCTS INC	5/16" X 2" GALV. LAG SCREWS (2	55.11
Org Key: MT3000 - Water Service Upsizes and New				
P89964	00180243	CADMAN INC	5/8"-MINUS ROCK (65.06 TONS)	223.98
Org Key: MT3100 - Water Distribution				
P89995	00180329	PERRONE CONSULTING INC PS	INV.16106-01 44TH AVE SE WATER	460.66
P89964	00180243	CADMAN INC	5/8"-MINUS ROCK (65.06 TONS)	223.98
P89989	00180345	SEATTLE PUBLIC UTILITIES	WATER QUALITY	188.00
P89919	00180366	USABlueBook	BILGE PUMPS	133.84
P89919	00180366	USABlueBook	HOG BILGE PUMP	54.70
Org Key: MT3150 - Water Quality Event				
P89991	00180233	AM TEST INC	WATER QUALITY SAMPLES	240.00
Org Key: MT3300 - Water Associated Costs				
	00180271	DRUSCHBA, JOHN F	CDL ENDORSEMENT	102.00

Accounts Payable Report by GL Key

PO #	Check #	Vendor:	Transaction Description	Check Amount
P89987	00180266	DEPARTMENT OF HEALTH	R. WALKER WATER WORKS WDM1	87.00
P89987	00180266	DEPARTMENT OF HEALTH	C. CLIFTON WATER WORKS WDM1 EX	87.00
<i>Org Key: MT3400 - Sewer Collection</i>				
P90040	00180269	DRAIN-PRO INC	SE 32ND AND WMW TV BLOCKAGE	881.48
<i>Org Key: MT3500 - Sewer Pumps</i>				
P89139	00180247	CASNE ENGINEERING INC	TELEMETRY REPAIRS	4,689.05
	00180249	CENTURYLINK	PHONE USE FEB 2016	502.71
P89993	00180368	VERIZON WIRELESS	PS 18 & 24 WIRELESS DATA SERVI	156.14
P89919	00180366	USABlueBook	BILGE PUMPS	65.92
<i>Org Key: MT3600 - Sewer Associated Costs</i>				
	00180304	LEYDE, CASEY	MILEAGE EXPENSE	38.88
<i>Org Key: MT3800 - Storm Drainage</i>				
P87074	00180237	B&B UTILITIES & EXCAVATION LLC	LINE 4 RETAINAGE	1,574.10
P86282	00180276	EVERSON'S ECONO-VAC INC	2015-16 CATCH BASIN CLEANING	945.25
P89964	00180243	CADMAN INC	5/8"-MINUS ROCK (32.83 TONS)	706.41
P89995	00180329	PERRONE CONSULTING INC PS	INV. 16107.01 47TH ST SLOPE	412.50
<i>Org Key: MT4150 - Support Services - Clearing</i>				
P90038	00180367	UTILITIES UNDERGROUND LOCATION	FEB EXCAVATION NOTIFICATIONS	351.12
	00180382	XEROX CORPORATION	PRINTER SUPPLIES	142.33
P89733	00180259	CRYSTAL AND SIERRA SPRINGS	2016 MAINT WATER DELIVERY	46.76
	00180343	SANDINE, ASEA	OFFICE SUPPLIES & PHOTO PRINT	9.06
<i>Org Key: MT4200 - Building Services</i>				
	00180337	PUGET SOUND ENERGY	ENERGY USE MARCH 2016	5,740.53
P90003	00180347	SHERWIN-WILLIAMS CO, THE	CITY HALL PAINT	54.75
P90004	00180347	SHERWIN-WILLIAMS CO, THE	CITY HALL PAINT	27.38
<i>Org Key: MT4300 - Fleet Services</i>				
P89988	00180273	EMERALD RECYCLING	OIL DISPOSAL	343.00
P89992	00180327	PACIFIC NW PUBLIC FLEET	2016 MEMBERSHIP	120.00
P89899	00180280	GRAINGER	WALL MOUNT WET/DRY VACUUM	127.05
P90039	00180333	PRAXAIR DISTRIBUTION INC	ACETYLENE AND OXYGEN TANK	50.49
<i>Org Key: MT4501 - Water Administration</i>				
	00180295	KINTNER, JASON	PER DIEM REIMB	69.75
<i>Org Key: MT4502 - Sewer Administration</i>				
	00180295	KINTNER, JASON	PER DIEM REIMB	69.75
<i>Org Key: MT4503 - Storm Water Administration</i>				
	00180295	KINTNER, JASON	PER DIEM REIMB	69.75
<i>Org Key: MT4900 - Solid Waste</i>				
P84810	00180326	OLYMPIC ENVIRONMENTAL RES	2015-2016 SPECIAL RECYCLING EV	1,540.00
<i>Org Key: PO0000 - Police-Revenue</i>				
	00180240	BERTRAM, LESLIE	CONCEALED CARRY REFUND	32.00
<i>Org Key: PO1100 - Administration (PO)</i>				
P90016	00180369	VERIZON WIRELESS	Cell phone bill	1,122.06

Accounts Payable Report by GL Key

PO #	Check #	Vendor:	Transaction Description	Check Amount
	00180286	HOLMES, EDWARD J	PER DIEM REIMB	194.50
	00180382	XEROX CORPORATION	PRINTER SUPPLIES	147.23
<i>Org Key: PO1350 - Police Emergency Management</i>				
P87834	00180335	PUBLIC SAFETY SUPPORT SERVICES	Zone One Coordinator Services	8,333.33
<i>Org Key: PO1700 - Records and Property</i>				
P89977	00180255	CONFIDENTIAL DATA DISPOSAL	Shredding	167.00
	00180382	XEROX CORPORATION	PRINTER SUPPLIES	12.38
<i>Org Key: PO1800 - Contract Dispatch Police</i>				
P90031	00180378	WASHINGTON STATE PATROL	CPL backgrounds	132.75
<i>Org Key: PO1900 - Jail/Home Monitoring</i>				
P90009	00180251	CHELAN COUNTY TREASURER	February jail bill	2,170.00
<i>Org Key: PO2100 - Patrol Division</i>				
P90010	00180356	SUPERIOR TOWING INC	Evidence veh-ACY3544	245.01
P89976	00180290	IBSEN TOWING CO BELLEVUE	Vehicle impound	196.01
P90014	00180253	CLEANERS PLUS 1	Patrol uniform cleaning	128.24
P90032	00180319	MI HARDWARE - POLICE	Tools	63.85
<i>Org Key: PR1100 - Administration (PR)</i>				
P89979	00180338	QUENCH USA INC	Quarterly billing for Quench w	63.76
P89975	00180314	MERCER ISLAND REPORTER	Reporter subscription BF	59.00
<i>Org Key: PR2100 - Recreation Programs</i>				
	00180382	XEROX CORPORATION	PRINTER SUPPLIES	12.38
<i>Org Key: PR2101 - Youth and Teen Camps</i>				
P90008	00180369	VERIZON WIRELESS	Parks cell phone use for 1/24	30.25
<i>Org Key: PR2108 - Health and Fitness</i>				
P89984	00180323	MIRACLE ISLAND PLLC	Instruction services for Wushu	857.50
P89984	00180323	MIRACLE ISLAND PLLC	Instruction services for Wushu	505.75
P89983	00180341	ROSENSTEIN, SUSIE	Personal training services Jan	150.00
P90048	00180377	WALTIER, DEAN A	Umpiring services for 3/6/16	144.00
<i>Org Key: PR3500 - Senior Services</i>				
P90008	00180369	VERIZON WIRELESS	Parks cell phone use for 1/24	50.81
P89994	00180234	AMERICAN EXPRESS (LB)	Senior social supplies	35.60
P89969	00180263	DATAQUEST LLC	Background check for JL	21.50
<i>Org Key: PR4100 - Community Center</i>				
P89947	00180260	CRYSTAL SPRINGS	Coffee supplies for MICEC	153.05
P89391	00180259	CRYSTAL AND SIERRA SPRINGS	2016 Water Service at MICEC	125.07
P89946	00180257	COSTANERA CREATIVE	Google analytics for 2015	95.00
	00180382	XEROX CORPORATION	PRINTER SUPPLIES	71.14
P89948	00180315	MERCER ISLAND REPORTER	MI Reporter subscription for M	59.00
P90006	00180318	MI HARDWARE - P&R	Custodial supplies for MICEC	38.64
P90008	00180369	VERIZON WIRELESS	Parks cell phone use for 1/24	32.67
P89920	00180280	GRAINGER	DISPOSABLE LATEX GLOVES (MED)	21.86
<i>Org Key: PR5700 - Special Programs</i>				
	00180364	TRIFTS, EILEEN	ART COUNCIL RETREAT SUPPLIES	59.02

Accounts Payable Report by GL Key

PO #	Check #	Vendor:	Transaction Description	Check Amount
<i>Org Key: PR5900 - Summer Celebration</i>				
P90008	00180369	VERIZON WIRELESS	Parks cell phone use for 1/24	52.74
<i>Org Key: PR6100 - Park Maintenance</i>				
P89986	00180321	MI UTILITY BILLS	PAYMENT OF UTILITY BILLS FOR W	822.16
P89391	00180259	CRYSTAL AND SIERRA SPRINGS	2016 Water Service at Parks	81.96
P90008	00180369	VERIZON WIRELESS	Parks cell phone use for 1/24	36.29
P89969	00180263	DATAQUEST LLC	Background check for NB	21.50
	00180382	XEROX CORPORATION	PRINTER SUPPLIES	12.38
<i>Org Key: PR6200 - Athletic Field Maintenance</i>				
P89986	00180321	MI UTILITY BILLS	PAYMENT OF UTILITY BILLS FOR W	155.68
P90008	00180369	VERIZON WIRELESS	Parks cell phone use for 1/24	56.35
<i>Org Key: PR6500 - Luther Burbank Park Maint.</i>				
P89986	00180321	MI UTILITY BILLS	PAYMENT OF UTILITY BILLS FOR W	1,837.76
	00180337	PUGET SOUND ENERGY	ENERGY USE FEB 2016	1,571.21
P89342	00180252	CINTAS CORPORATION #460	2016 Rug Cleaning Services for	73.92
P90008	00180369	VERIZON WIRELESS	Parks cell phone use for 1/24	72.69
P89342	00180252	CINTAS CORPORATION #460	2016 Rug Cleaning Services for	49.28
<i>Org Key: PR6600 - Park Maint-School Related</i>				
P90008	00180369	VERIZON WIRELESS	Parks cell phone use for 1/24	28.44
<i>Org Key: PR6700 - I90 Park Maintenance</i>				
P89986	00180321	MI UTILITY BILLS	PAYMENT OF UTILITY BILLS FOR W	721.66
P89438	00180245	CAMDEN GARDENS	2016 Aljoya & Aubrey Davis Par	410.63
P90008	00180369	VERIZON WIRELESS	Parks cell phone use for 1/24	70.26
<i>Org Key: PY4615 - Flex Admin 2015</i>				
	00180332	PINEAU, LINDA	FLEX SPEND REIMB	1,515.12
	00180265	DEFTY, YVONNE	FLEX SPEND REIMB	851.35
	00180277	FETTINGER, AIMEE M	FLEX SPEND REIMB	371.51
	00180311	MATHESON, SHAWN	FLEX SPEND ACCT REIMB	353.74
	00180289	HORSCHMAN, BRENT	FLEX SPEND REIMB	229.00
	00180307	LOO CHAN, PEGGY	FLEX SPEND REIMB	89.77
	00180351	SPIETZ, ALLISON	FLEX SPEND REIMB	65.93
<i>Org Key: PY4616 - Flex Admin 2016</i>				
	00180277	FETTINGER, AIMEE M	FLEX SPEND REIMB	1,200.00
	00180265	DEFTY, YVONNE	FLEX SPEND REIMB	1,000.00
	00180339	QUINN, THOMAS	FLEX SPEND REIMB	1,000.00
	00180343	SANDINE, ASEA	FLEX SPEND REIMB	961.55
	00180308	LUND, MARK	FLEX SPEND REIMB	600.00
	00180262	DALY, RYAN	FLEX SPEND REIMB	500.00
	00180358	TAWNEY, LAURA	FLEX SPEND REIMB	415.65
	00180241	BODLE, MEARA S	FLEX SPEND REIMB	384.62
	00180343	SANDINE, ASEA	FLEX SPEND ACCT REIMB	192.31
	00180241	BODLE, MEARA S	FLEX SPEND ACCT REIMB	78.45
<i>Org Key: VCP426 - CIP Sewer Salaries</i>				
	00180360	TONELLA-HOWE, ANNE	PER DIEM REIMB	209.25

Accounts Payable Report by GL Key

PO #	Check #	Vendor:	Transaction Description	Check Amount
<i>Org Key: VCP432 - CIP Storm Drainage Salaries</i>				
	00180282	GU, FRED Y	IECA CONVENTION EXPENSES	1,125.14
	00180282	GU, FRED Y	PER DIEM REIMB IECA	231.95
<i>Org Key: WG104R - Thrift Shop Repairs</i>				
P90034	00180354	STUDIO ECTYPOS	THRIFT SHOP SCREEN DESIGN	1,820.00
<i>Org Key: WG107R - Luther Burbank Admin Bldg Rep</i>				
P90034	00180354	STUDIO ECTYPOS	LUTHER BURBANK OFFICE DESIGN	3,012.50
<i>Org Key: WG515T - Telemetry Communications Repl</i>				
P87851	00180248	CDW GOVERNMENT INC	Router Extended Warranty	1,079.12
P87851	00180248	CDW GOVERNMENT INC	Router Extended Warranty	97.56
<i>Org Key: WP122R - Vegetation Management</i>				
P89969	00180263	DATAQUEST LLC	Background check for KF	21.50
<i>Org Key: WP310D - Street End - Calkins Landing</i>				
P90005	00180346	SECURITY CONTRACTOR SERVICES	Fencing for Calkins Landing 2/	383.25
<i>Org Key: WP506R - Swim Beach Repairs</i>				
P88814	00180270	DROLL LANDSCAPE ARCH, ROBERT W	Groveland Park Over Water Stru	10,190.30
<i>Org Key: WS103P - Sewer 20 yr CIP Plan</i>				
P86399	00180246	CAROLLO ENGINEERS INC	GENERAL SEWER PLAN UPDATE	8,744.05
<i>Org Key: WW101P - Water System Plan</i>				
P80918	00180284	HDR ENGINEERING INC	2015 WATER SYSTEM PLAN UPDATES	179.54
<i>Org Key: XD312C - Street Related Drainage</i>				
P87074	00180237	B&B UTILITIES & EXCAVATION LLC	LINE 1 RETAINAGE	2,051.47
<i>Org Key: XG300R - Fire Station 92 Replacement</i>				
P90050	00180285	HEDEEN & CADITZ PLLC	Professional Services - FS 92	10,359.50
<i>Org Key: XP520R - Recreational Trail Connections</i>				
P89964	00180243	CADMAN INC	5/8"-MINUS ROCK (65.06 TONS)	951.92
<i>Org Key: XR320R - Safe Routes to School</i>				
P89336	00180330	PERTEET INC	SAFE ROUTES TO NORTHWOOD	4,259.85
<i>Org Key: YF1100 - YFS General Services</i>				
P89979	00180338	QUENCH USA INC	Quarterly billing for LB build	63.76
	00180382	XEROX CORPORATION	PRINTER SUPPLIES	12.38
<i>Org Key: YF1200 - Thrift Shop</i>				
P89979	00180338	QUENCH USA INC	Quarterly billing for water	109.00
	00180382	XEROX CORPORATION	PRINTER SUPPLIES	71.17
<i>Org Key: YF2600 - Family Assistance</i>				
P89375	00180348	SHOREWOOD HEIGHTS	Rental assistance for Emergenc	1,000.00
P89365	00180328	PEBBLE @ MIPC, THE	Preschool scholarships for EA	900.00
P89363	00180258	CREATIVE LEARNING CENTER	Preschool scholarships for EA	717.50
P89376	00180320	MI SCHOOL DISTRICT #400	Preschool scholarships for EA	609.76
P89415	00180274	EMMANUEL DAY SCHOOL	Preschool scholarships for EA	239.20

Accounts Payable Report by GL Key

PO #	Check #	Vendor:	Transaction Description	Check Amount
P89289	00180336	PUGET SOUND ENERGY	Utility Assistance for Emergen	80.09
<i>Org Key: YF2800 - Fed Drug Free Communities Gran</i>				
	00180352	STEWART, LISA C	PER DIEM REIMB	325.10
Total				194,870.07



CITY COUNCIL MINUTES REGULAR MEETING MARCH 7, 2016

CALL TO ORDER & ROLL CALL

Mayor Bruce Bassett called the meeting to order at 6:00 pm in the Council Chambers of City Hall, 9611 SE 36th Street, Mercer Island, Washington.

Mayor Bruce Bassett, Deputy Mayor Debbie Bertlin, and Councilmembers Dan Grausz, Jeff Sanderson, Wendy Weiker, David Wisenteiner, and Benson Wong were present.

EXECUTIVE SESSION

At 6:02 pm, Mayor Bassett convened an Executive Session pursuant to RCW 42.30.110(1)(i) to discuss potential or pending litigation for approximately 60 minutes.

At 6:58 pm, the Mayor adjourned the Executive Session and the Regular Meeting reconvened at 7:02 pm.

AGENDA APPROVAL

It was moved by Bertlin; seconded by Weiker to:

Approve the agenda as published.

Passed 7-0

FOR: 7 (Bassett, Bertlin, Grausz, Sanderson, Weiker, Wisenteiner, Wong)

SPECIAL BUSINESS

Police & Fire Departments Annual Reports

Police Chief Ed Holmes presented the 2015 Mercer Island Police Department's Annual Report. Services Commander Leslie Burns spoke about records, property, and dispatch, investigations and special programs, training, emergency management, and jail contracts. Operations Commander David Jokinen spoke about crime statistics, patrol/traffic key performance measures, the marine patrol unit, and special teams. Chief Holmes also spoke briefly about police recognition and the Lock It or Lose It campaign.

Fire Chief Steve Heitman presented the Mercer Island Fire Department's Annual Report. He spoke about administration, operations, community risk reduction, and training.

APPEARANCES

Kevin Peck, 6825 84th Ave SE, spoke in support of the off-leash area of Pioneer Park.

Alan Boeker, 7204 76th Ave SE, Operations Manager for Conner Homes, spoke about the Trellis Long Plat.

Carv Zwingle, 6250 E Mercer Way, spoke about the SEPA checklist for MICA.

Elma Borbe, 2438 71st Ave SE, spoke on behalf of the Concerned Citizens for Mercer Island Parks about the protect our parks initiative.

Michelle Goldberg, 2212 78th Ave SE, spoke about the Town Center visioning process and the bi-annual citizens'

survey. She noted that increased density will not change restaurants or retail.

Tom Acker, 2427 84th Ave SE, spoke about the value of the Island Market property and questioned whether Mercer Island is really getting the retail that it wants out of its high rise developments.

Ira Appelman, 4436 Ferncroft Road, spoke about the converting of parks and open space to non-park purposes and about the no net loss principle.

Tom Hildebrandt, 6880 W Mercer Way, spoke in support of the off-leash area of Pioneer Park.

Brett Studholme, 7300 Island Crest Way, spoke in support of the off-leash area of Pioneer Park.

Councilmember Dan Grausz, as the Parks & Recreation Subcommittee Chair, provided a quick update on the Pioneer Park off-leash area issue.

CONSENT CALENDAR

Payables: \$286,581.07 (02/17/16), \$841,008.48 (02/25/16), & \$327,067.30 (03/02/16)

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

Payroll: \$712,871.74 (02/19/16) & \$748,999.22 (03/04/16)

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

Minutes: Regular Meeting Minutes of February 22, 2016

Recommendation: Adopt the February 22, 2016 Regular Meeting Minutes as written.

It was moved by Bertlin; seconded by Wong to:

Adopt the Consent Calendar and the recommendations contained therein.

Passed 7-0

FOR: 7 (Bassett, Bertlin, Grausz, Sanderson, Weiker, Wisenteiner, Wong)

REGULAR BUSINESS

AB 5160 Review of the Proposed Trellis Final Long Plat (SUB15-021)

Principal Planner Shana Restall presented the proposed Trellis Final Long Plat. She spoke about the long plat review process and provided a summary of the Trellis long plat. She also spoke about the bonding for plat improvements, provided clarification on engineering condition #7, and noted the four areas of bonded improvements which the applicant has requested. She also reviewed the items that must be completed by the applicant prior to recording the final plat.

It was moved by Weiker; seconded by Wong to:

Pass Resolution No. 1512 granting final approval to the Trellis long plat.

Passed 7-0

FOR: 7 (Bassett, Bertlin, Grausz, Sanderson, Weiker, Wisenteiner, Wong)

AB 5161 Review of the Proposed Coval Final Long Plat (SUB13-009)

Principal Planner Shana Restall presented the proposed Coval Final Long Plat. She provided a summary of the plat, spoke about the plat improvements, and reviewed the items that must be completed by the applicant prior to recording the final plat.

It was moved by Wong; seconded by Wisenteiner to:

Pass Resolution No. 1513 granting final approval to the Coval long plat.

Passed 7-0

FOR: 7 (Bassett, Bertlin, Grausz, Sanderson, Weiker, Wisenteiner, Wong)

OTHER BUSINESS

Councilmember Absences

There were no absences.

Planning Schedule

Interim City Manager Steve Lancaster noted that on April 4, the Island Crest Park Field Improvement and Groveland Beach Park Renovation Projects will be converted from a Study Session item to a Regular Business item because an Executive Session has been added to the beginning of the meeting.

Board Appointments

There were no appointments.

Councilmember Reports

Councilmember Wong spoke about the Public Safety Committee meeting, the Pathfinder Award Committee, the King County Regional Water Quality Committee meeting, and the Healthy Youth Initiative Stakeholders meeting. He also noted that he will be participating in the Map Your Neighborhood program as part of the City's emergency management plan.

Councilmember Weiker attended the Girl Scouts annual banquet and noted that the Town Center Visioning Public Hearing is this coming Wednesday, March 9.

Councilmember Grausz spoke about the Parks & Recreation Subcommittee meeting in which the Island Crest Park lights and ballfield improvements project and the Groveland Park beach improvements were discussed. He noted that there was also discussion of the Ballfield User Group policies. He also spoke about his upcoming appointment as Vice-Chair of the Puget Sound Clean Air Agency Advisory Committee and encouraged other Councilmembers to become involved in regional committees.

Councilmember Wisenteiner spoke about the Cascade Bicycle Club introducing a bicycle safety program in schools.

Deputy Mayor Bertlin spoke about a vision and strategy for bike traffic and about commuter parking at the MICEC. Mayor Bassett spoke about Lakeridge Elementary's bike rodeo. He attended a YTN fundraising dinner, encouraged attendance at the Town Center Visioning Public Hearing on Wednesday, and noted that he will be participating in a meeting with the EPA director this coming Wednesday.

ADJOURNMENT

The Regular Meeting adjourned at 9:02 pm.

Bruce Bassett, Mayor

Attest:

Karin Roberts, Deputy City Clerk



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

**AB 5162
March 21, 2016
Consent Calendar**

**RECEIVE GRANT TO EXPAND THE PARKS &
RECREATION SENIOR SOCIAL PROGRAM**

Proposed Council Action:

Receive a \$5,000 grant from the Senior Foundation of Mercer Island to expand the Parks & Recreation Senior Social Program in 2016.

DEPARTMENT OF

Parks and Recreation (Diane Mortenson)

COUNCIL LIAISON

n/a

EXHIBITS

1. Mercer Island Senior Foundation grant award letter.

APPROVED BY CITY MANAGER

AMOUNT OF EXPENDITURE	\$	5,000
AMOUNT BUDGETED	\$	0
APPROPRIATION REQUIRED	\$	5,000

SUMMARY

Senior Social is a Parks and Recreation program that has been serving the Mercer Island community for over twenty years. This program addresses the need for senior adults who have physical, memory, hearing, or visual limitations to socialize with one another and engage in an atmosphere that is safe, fun and interactive. The program creates socialization through physical and mentally stimulating activities, such as music, art/crafts, games, exercise, guest speakers, and education. It also fills a need for respite time for full time caregivers of the participants. The curriculum provides a well-rounded program with a variety of different activities in a structured setting, which is important to the well-being of the participants. The mission of the program is to provide a safe and stimulating environment for older adults and to give caregivers respite time.

Currently, the program runs two days a week on Tuesdays and Thursdays, from 10am to 2pm at the Mercer Island Community & Event Center. It is staffed by a part-time Program Director, an Assistant Lead staff member, and volunteers. The program has been at capacity for over a year with a waitlist of participants waiting to enroll. In order to accommodate new participants, an additional day needs to be added to the program.

The City has received a generous grant from the Senior Foundation of Mercer Island to add an additional day for the remainder of 2016. To sustain the additional day of the program for future years, Parks & Recreation staff will be seeking additional grant funding and including the program as part of the operating budget.

RECOMMENDATION

Recreation Superintendent

MOVE TO: Receive a \$5,000 grant award from the Senior Foundation of Mercer Island and appropriate this amount to expand the Parks & Recreation Senior Social program in 2016 from two days to three days per week.

March 10, 2016

Diene Mortenson
Recreation Superintendent
Mercer Island Parks and Recreation

Dear Diene,

We are so glad to be able to help support the establishment of a third day of Senior Social, to be held at the Mercer Island Community Center.

We have approved the grant request applied for in January of 2016, in the amount of 5000⁰⁰.

This grant will be paid upon the approval by the Mercer Island City Council in the year of 2016.

Senior Foundation of Mercer Island
Constance G. Supper
President March 9, 2016



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

**AB 5163
March 21, 2016
Regular Business**

**DEVELOPMENT SERVICES GROUP BUDGET
AUTHORIZATION - LONG-RANGE PLANNING
MANAGER**

Proposed Council Action:
Authorize proposed budget request.

DEPARTMENT OF	Development Services Group (Scott Greenberg)
COUNCIL LIAISON	n/a
EXHIBITS	1. Approved 2016 Work Plan
APPROVED BY CITY MANAGER	

AMOUNT OF EXPENDITURE	\$	85,000
AMOUNT BUDGETED	\$	0
APPROPRIATION REQUIRED	\$	85,000

SUMMARY

The Development Services Group (“DSG”) is responsible for regulating all development activities on the Island. DSG’s primary responsibility is the processing and review of development permits. The 4-member staff of DSG’s Planning Division is devoted almost exclusively to reviewing development permits and providing public information about planning and zoning to residents and builders.

At the 2016 City Council Planning Session, the Council discussed the need to provide resources to support the growing number of required and discretionary long-range and policy planning projects in the City. On February 22, 2016, the Council approved the 2016 work plan (AB 5157; Exhibit 1) along with a request for staff to return with a funding and resource proposal to support the proposed long-range and policy planning work.

There are significant workload items for DSG on the work plan, many required by state law and/or the City’s insurance provider, Washington Cities Insurance Authority (“WCIA”), to comply with state law and/or minimize legal risk to the City.

There are no staff positions currently available to devote the level of effort that will be needed to efficiently and effectively undertake proposed long-range and policy planning projects. Because the body of work would be at a higher level, working with the Council, Planning Commission and the community, the position demands a person with significant experience in long-range planning, working with elected officials and working with communities. Accordingly, in order to effectively manage the required and discretionary long-range and policy planning projects on the approved work plan, staff is proposing to add a new full-time Long-Range Planning Manager in DSG.

The fully loaded cost for this position is estimated to be \$160,000, which includes salary, benefits, supplies, training/travel, and office equipment/furniture. Assuming the new hire would start on July 1, \$85,000 would need to be appropriated for the balance of 2016.

There are two ongoing funding options:

1. Increase the development fee cost recovery targets for planning and engineering services from 60% to 85%; or
2. Increase the utility tax rate on the City's water, sewer and storm water utilities from 5.3% to 6.5%.

The first funding option would result in higher development fees for planning and engineering services, which are directly tied to the cost of providing those services. Currently, 60% of planning and engineering services are funded by development fees, with the remaining 40% funded by taxes. By increasing the cost recovery through development fees from 60% to 85%, the tax funding of planning and engineering services would be reduced from 40% to 15%. This would free up tax dollars for the new long-range planning position. Development fees cannot be used to fund long-range planning activities, which are deemed to have a public benefit only. The primary concern with this funding option is that most cities seek to recover less than 85% of the cost related to planning and engineering services, which mostly have a private benefit but also have a public benefit, which is why they are partly funded by taxes in most cities.

DSG has contracted with FCS Group to update the 2013 development cost of service study based on 2014-2015 actual staff hours. Tentatively, the study will be reviewed by the City Council in May, but it could be pushed out to June due to the Council's review of the Town Center visioning and development code update and the Comprehensive Plan update beginning in May. If this is the Council's preferred funding option, staff recommends completing the study before adjusting the planning and engineering related development fees, because much has changed since the 2013 development cost of service study was completed. The development activity level on the Island hit an all-time high in 2015, DSG staffing was increased significantly in 2014, and considerable resources were dedicated to the Town Center visioning and development code update in 2015. All of these factors will have a significant impact on the 2015 development cost of service study, which will form the basis for updating the City's development fees. By completing the study first, a new development fee resolution would likely be brought to the Council in June with an effective date of July 1, 2016. This would enable the City to give developers some advance notice of the coming development fee changes and would correspond to when the Town Center development moratorium is scheduled to be lifted. Accordingly, the new Long-Range Planning Manager position would likely start approximately July 1, 2016.

The second funding option would increase the utility tax rate on the City's utilities (water, sewer and storm water) from 5.3% to 6.5%, which would increase the bi-monthly City utility bill by \$3.55 on a typical single family residential customer. On the upside, this is a stable, predictable funding source, and there are no restrictions on how utility taxes are spent. On the downside, this is the only tax revenue source, aside from a property tax levy lid lift, available to the Council to address the projected General Fund deficit in 2017.

All things considered, staff recommends the first funding option (increasing the development fee cost recovery targets for planning and engineering services from 60% to 85%), with the Long-Range Planning Manager position starting July 1, 2016. If the Council wants to have the Long-Range Planning Manager position in place by June 1, 2016, then DSG's work plan would need to be adjusted and new planning and engineering related development fees would need to take effect on June 1, 2016.

RECOMMENDATION

Development Services Group Director

- MOVE TO:
1. Prepare a new development fee resolution that would take effect on July 1, 2016 based on increasing the cost recovery targets for planning and engineering services from 60% to 85%.

2. Appropriate \$85,000 in the General Fund to hire a Long-Range Planning Manager in the Development Services Group in 2016, which would be funded by tax revenues freed up from increasing development fees related to planning and engineering services.

	Staff	2016				2017			
		Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
PLANNED COUNCIL MEETING AGENDA ITEMS									
CITY ATTORNEY'S OFFICE									
	--								
Comcast Cable Franchise	Sand					2			
PSE Electric Franchise	Sand				2				
CenturyLink Cable Franchise	Sand			2					
Zayo Franchise	Sand				2				
Mobilitie Franchise	Sand					2			
School Bus Cameras ILA & Ordinance	Sand			2					
City Manager's Office									
	--								
Legislative Agenda	Taylor	1			1	1			1
Transportation Issues	--								
<i>I-90 Loss of Mobility</i>	Lancaster	1	1						
<i>Light Rail Station Design Oversight</i>	Taylor		1						
Sustainability	--								
<i>Community Solar Project Update and Lease Agreement</i>	Freeman	1							
<i>Six-Year Sustainability Plan</i>	Freeman			1					
Mercer Island Center for the Arts (MICA)	Lancaster	2	1						
Development Services Group									
	--								
Trellis Townhomes Final Long Plat Approval	Sand/Greenberg	1							
Coval Final Long Plat Approval	Sand/Greenberg	1							
P Zone Code Amendments	Greenberg				2				
Town Center Visioning and Development Code Update	Greenberg		3						
Comprehensive Plan Amendments	Greenberg		3						
Development Cost of Service Study & Fee Resolution	Greenberg		2						
DSG Long-Range Planner Position Approval	Greenberg	1							
Code Enforcement Ordinance Rewrite	Greenberg					2			
Title 19 Total Rewrite (with critical sections called out below)	Greenberg								
<i>Residential Development Standards</i>	Greenberg			1	2				
<i>Updates for NPDES (due 12/31/16)</i>	Greenberg			1	1				
<i>Critical Areas Update (overdue)</i>	Greenberg							3	
<i>Transportation Concurrency</i>	Greenberg								2
<i>WCF Code Update</i>	Greenberg								2
<i>Add Comp Plan Amendment Process (due 9/30/16)</i>	Greenberg			2					
Planning Commission Rules of Procedure	Greenberg			1					
Growth Targets	Greenberg								1
2015 Construction Codes (due 7/1/16)	Greenberg		2						
Finance Department									
	--								
2017-2018 Budget Process	Corder	1	1		5				
Biennial Citizen Survey Results	Corder		1						
Human Resources									
	--								
City Manager Recruitment	Segle	2	1						
Maintenance Department									
	--								
Water Event Update & Cross Connection Program	Kintner	1							
Maintenance Department Fleet & Organization Audit	Kintner	1	1						
Water System Plan & General Sewer Plan Updates	Kintner		1	1					
King County Sewer Project	Kintner				1				
Parks & Recreation									
	--								
Island Crest Park Ballfield Lights and South Field Improvement Projects	Fletcher		2						
MICEC Master Plan	Fletcher				1				
		13	20	11	17	7	0	3	6
TOTAL PLANNED AGENDA ITEMS		61				16			
ROUTINE COUNCIL MEETING AGENDA ITEMS									
		Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
ARCH Funding & Recommendations	Greenberg	2				2			
Bid Awards & Project Close-Outs	Multiple		2	2			2	2	
Board/Commissions Work Plans Review	Multiple		2		1	2			1
Collective Bargaining Agreements	Segle	1	1		1				
Communities That Care/Healthy Youth Initiative Update	Goodwin				1			1	
Emergency Management Update	Holmes				1			1	
Fireworks Permits	Heitman		2				2		
Interlocal Agreements	Multiple		2	2	1	1	1	2	1
Mercer Island Report Card	Corder		1				1		
Quarterly Financial Reports and Budget Adjustments	Corder		2	1	1	1	1	1	1
Transportation Improvement Plan	Greenberg		2				2		
Year-End Surplus Disposition	Corder		1				1		
TOTAL ROUTINE AGENDA ITEMS		29				26			
PLANNING SESSIONS AGENDA ITEMS									
		Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
2016 Planning Session	Multiple	10				8			
2016 Mini-Planning Session	Multiple		5				5		
TOTAL PLANNING SESSIONS AGENDA ITEMS		15				13			
<i>Total Planned Agenda Items by Quarter</i>		26	40	16	23	21	15	10	9
UNPLANNED COUNCIL MEETING AGENDA ITEMS									
		Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Unplanned and emergent agenda items estimate				10				10	
TOTAL UNPLANNED/EMERGENT AGENDA ITEMS		10				10			
TOTAL ANNUAL AGENDA ITEMS		115				65			



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

**AB 5164
March 21, 2016
Regular Business**

**2017-2022 CAPITAL IMPROVEMENT PROGRAM
(CIP) KICK-OFF**

Proposed Council Action:

Receive staff presentation and provide general direction regarding development of 2017-2022 CIP.

DEPARTMENT OF	Finance (Chip Corder & Francie Lake)
COUNCIL LIAISON	n/a
EXHIBITS	1. Summary of 2015-2016 CIP-related Budget Policies
APPROVED BY CITY MANAGER	

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

SUMMARY

The purpose of this agenda bill is to kick-off the 2017-2022 Capital Improvement Program (CIP) process, focusing on the preliminary 2017-2022 revenue forecast and significant issues. Following the kick-off meeting, staff will develop CIP project proposals for 2017-2022, returning to the Council on June 20, 2016 to provide a preview of the 2017-2022 CIP. At the preview meeting, Council will have an opportunity to ask questions about specific projects and to provide further direction to staff. Any changes coming out of the preview meeting will be incorporated into the 2017-2022 Preliminary Budget document, which will be distributed to the Council on October 3, 2016 and reviewed by the Council on November 7, 2016. The last opportunity to make changes to the 2017-2022 CIP will be on November 21, 2016, which is when the final budget review meeting is scheduled with the Council.

The following items are addressed in this agenda bill:

- CIP project organization
- CIP revenue forecast (REET, motor vehicle fuel tax, vehicle license fee, and utility rates)
- Significant issues

CIP Project Organization

The projects will be organized and presented first by six-year plan, then by project category, and then by project status within each project category as described below:

- **Six-year plan:**
 - Capital Reinvestment Plan (for major maintenance or replacement of existing public assets)
 - Capital Facilities Plan (for new capital assets or additions to existing public assets)

- **Project categories:**
 - Parks, Recreation, and Open Space
 - Streets and Pedestrian/Bicycle Facilities
 - General Government (Buildings, Technology, Equipment, and Vehicles)
 - Water Utility
 - Sewer Utility
 - Storm Water Utility

- **Project status:**
 - *Funded*
 - Existing project—no change (except for inflationary adjustments and revised cost estimates)
 - Existing project—modified (in terms of scope and/or timing)
 - New project (not in adopted 2015-2020 CIP)

 - *Unfunded/Partially Funded*
 - Existing project—no change (except for inflationary adjustments and revised cost estimates)
 - Existing project—modified (in terms of scope and/or timing)
 - New project (not in adopted 2015-2020 CIP)

CIP Revenue Forecast

Historical (2006-2015) and forecasted (2016-2022) real estate excise tax (REET), motor vehicle fuel tax (MVFT), vehicle license fees (Transportation Benefit District), and utility rate revenues are summarized below.

Real Estate Excise Tax (REET)

REET is the 0.5% tax paid by the seller in property transactions, and its use is restricted by state law for specific capital purposes. REET 1 (the 1st quarter of 1% of the sales price) may be used for streets, parks, facilities, or utilities. REET 2 (the 2nd quarter of 1% of the sales price) may be used for the same capital purposes as REET 1, except for facilities, which are specifically prohibited. Neither REET 1 nor REET 2 may be used for equipment or technology. In May 2011, the Governor signed HB 1953, which temporarily allows cities to use up to 35% of REET revenue (not to exceed \$1.0 million for either REET 1 or 2) for operations and maintenance purposes within the same categorical restrictions noted above. This temporary expansion of how REET can be used will sunset on December 31, 2016. Because of the City's many capital needs, the passage of HB 1953 has had no impact on how REET funds are currently used. It simply gives the City more flexibility.

The number of property sales, the average sales price, and actual REET receipts for the past 10 years (2006-2015) are summarized in the following table.

HISTORICAL REAL ESTATE EXCISE TAX (2006-2015)
Dollars in Thousands

Year:	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Property Sales ≤\$5.0M:										
Average sales price	\$963	\$1,072	\$1,237	\$854	\$994	\$916	\$899	\$1,046	\$1,119	\$1,182
Change in average sales price	6.4%	11.4%	15.4%	-30.9%	16.3%	-7.8%	-1.9%	16.4%	7.0%	5.6%
Number of property sales	545	429	260	267	318	367	418	492	493	499
REET Revenue	\$2,597	\$2,277	\$1,592	\$1,129	\$1,565	\$1,665	\$1,860	\$2,548	\$2,742	\$2,919
Property Sales >\$5.0M:										
Number of Property Sales	3	14	5	3	3	5	6	2	9	10
REET Revenue	\$179	\$653	\$755	\$129	\$642	\$162	\$300	\$57	\$527	\$350
Total REET Revenue	\$2,776	\$2,930	\$2,347	\$1,258	\$2,207	\$1,827	\$2,160	\$2,605	\$3,269	\$3,269

Change in Average Sales Price Statistics (sales ≤ \$5.0M)

High (2013)	16.4% Increase
Low (2009)	30.9% Decrease
5 Year Average (2011-2015)	3.9%
10 Year Average (2006-2015)	3.8%

Number of Sales Statistics

High (2006)	548
Low (2008)	265
5 Year Average (2011-2015)	460
10 Year Average (2006-2015)	415

Of particular note are the following:

- There were 4 large commercial property sales during 2006-2015. The sale of Island Corporate Center generated \$207,900 in REET (2007); the sale of Island Square generated \$554,820 in REET (2008); the sale of Shorewood Heights generated \$544,140 in REET (2010); and a property transaction for Farmers Insurance generated \$250,500 in REET (2014).
- The City's average home price reached a peak of \$1.24 million in 2008 then dropped almost 31% in 2009 to \$854,000, reflecting a major downturn in the real estate market. In 2015, the average home price was just \$55,000 below the 2008 peak price of \$1.24 million.
- The number of annual sales dropped from a high of 548 in 2006 to a low of 265 in 2008. The 10 year (2006-2015) annual average for the number of home sales is 415. Prior to 2008, the 10 year annual average was 500 home sales, with a high of 608 sales in 2004.

The 2016-2022 REET forecast is summarized in the table below.

FORECASTED REAL ESTATE EXCISE TAX (2016-2022)
Dollars in Thousands

Year:	2016	2017	2018	2019	2020	2021	2022
Property Sales ≤\$5.0M:							
Forecasted average sales price	\$1,229	\$1,278	\$1,330	\$1,383	\$1,438	\$1,496	\$1,555
Change in average sales price	4%	4%	4%	4%	4%	4%	4%
Forecasted number of sales	475	475	475	475	475	475	475
Forecasted REET Revenue	\$2,890	\$3,006	\$3,126	\$3,251	\$3,381	\$3,517	\$3,657
Property Sales >\$5.0M:							
	\$200	\$200	\$200	\$200	\$200	\$200	\$200
Total REET Revenue	\$3,090	\$3,206	\$3,326	\$3,451	\$3,581	\$3,717	\$3,857

The assumptions employed in the forecast are as follows:

- The average home sale price is projected to grow at an annual rate of 4% in 2016-2022.
- The number of property sales, which has been very close to 500 for the last 3 years, is expected to decrease to 475 in 2016-2022, based on a projected decline in the number of property listings.
- Staff's forecast was influenced by The Puget Sound ECONOMIC FORECASTER (December 2015), which predicts an increase in the average home sale price of 3.8% in 2016 and 2.9% in 2017 and a slight decline in the number of sales in 2016 and 2017 (see table below).

PUGET SOUND REAL ESTATE ACTUAL AND FORECAST (2014-2017)
Dollars and Number of Sales in Thousands

Year:	2014	2015	2016	2017
Average sale price	\$ 395.0	\$ 422.3	\$ 438.2	\$ 451.0
Change in average sales price	11.0%	6.9%	3.8%	2.9%
Number of property sales	58.4	66.5	65.8	65.3

Motor Vehicle Fuel Tax (MVFT)

MVFT is a fixed tax, currently making up 44.5 cents of the per gallon price of gasoline, diesel, and other fuels. Unlike sales tax, MVFT is not based on the dollar amount of the fuel, but rather on the amount of fuel sold. Hence, there is no revenue benefit from higher gas prices. In addition, MVFT is a state shared revenue that is distributed to incorporated cities and towns based on population and other set allocation methods. Actual MVFT receipts for the past 10 years (2006-2015) are summarized in the following table.

HISTORICAL MOTOR VEHICLE FUEL TAX (2006-2015)
Dollars in Thousands

Year:	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Fuel Tax Revenue	\$ 506	\$ 530	\$ 509	\$ 493	\$ 492	\$ 472	\$ 467	\$ 470	\$ 469	\$ 492

Overall, the average annual growth in MVFT has been relatively flat over the last 10 years. Increases in fuel tax revenue in 2005-2007 were the result of increases in the fuel tax rate. When there is no increase in the fuel tax rate, Mercer Island's fuel tax revenue tends to decline, as seen in 2008-2014.

The 2015 legislative session produced a transportation package adopted in 2ESSB 5987, resulting in an increase in the motor vehicle tax on August 1, 2015 from 37.5 cents to 44.5 cents per gallon. A second increase of 4.9 cents (to 49.4 cents per gallon) will take effect on July 1, 2016.

The 2016-2022 MVFT forecast is summarized in the table below.

FORECASTED MOTOR VEHICLE FUEL TAX (2016-2022)
Dollars in Thousands

Year:	2016	2017	2018	2019	2020	2021	2022
Fuel Tax Revenue	\$ 498	\$ 503	\$ 490	\$ 478	\$ 466	\$ 454	\$ 443

The assumptions employed in the forecast are as follows:

- Per Municipal Research and Services Center (MRSC), fuel tax revenue statewide is expected to increase by 1.2% in 2016 and 1.1% in 2017.
- Mercer Island’s portion of the MVFT is expected to decline after 2017 due to annexations of unincorporated areas and to Mercer Island’s slower population growth rate relative to other cities.
- Based on recent trends for Mercer Island, fuel tax is forecast to decline 2.5% per year in 2018-2022.

Vehicle License Fees (Transportation Benefit District)

Vehicle license fees for the City’s Transportation Benefit District (TBD) were estimated at \$350,000 per year at the time the TBD was formed (October 2014). The estimate was based on the 17,687 vehicles registered with the Department of Licensing (DOL) at the adopted fee of \$20 per vehicle, less the DOL’s 1% administrative fee. Fee collection began in June 2015. After 8 months, the City has collected \$251,000. While the \$20 fee is in place, staff will continue to forecast revenue at \$350,000 per year.

The 2015 Legislature included within its large transportation funding bill, 2ESSB 5987, a number of changes to the laws governing transportation benefit districts (TBDs). One change allowed cities which share the same physical boundaries as the TBD to assume the TBD. The City Council approved the assumption of Mercer Island’s TBD in December 2015. In addition, the legislation allowed for an increase in the TBD fee up to \$40 without a public vote provided that the \$20 fee has been in place for 24 months.

Impact Fees

The Council passed Ordinance 15C-22 on December 7, 2015 authorizing the collection of park impact fees starting January 2016 and passed Ordinance 16C-01 on January 4, 2016 authorizing the collection of transportation impact fees starting in February 2016. Forecasting impact fee revenues is challenging given they are so new and there is a moratorium on Town Center development. Staff will monitor this revenue source in 2017 and 2018 and make budget adjustments as deemed appropriate.

Water Utility Rates

Actual water rate increases for the past 10 years (2006-2015) are summarized in the following table.

HISTORICAL WATER RATE INCREASES (2006-2015)

Year:	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Rate Increase	6.50%	6.65%	8.80%	10.50%	8.15%	9.50%	12.35%	4.30%	8.00%	12.80%

Rate Increase Statistics

High (2015)	12.80%
Low (2013)	4.3%
5 Year Average (2011-2015)	9.4%
10 Year Average (2006-2015)	8.8%

Double digit increases in 2009, 2012, and 2015 were driven by the following:

- 10% rate increase by Seattle Public Utilities for the cost of water and capital funding requirements for the water utility (2009);
- 34.7% Seattle Public Utilities rate increase for the cost of water (2012); and
- Response to the October 2014 boil water advisory and capital funding requirements for the water utility (2015).

The 2016-2022 forecasted water rate increases and capital revenues are summarized in the table below. **The Council approved the 2016 rate increase of 10.9% on November 16, 2015. The 2017-2020 forecasted rate increases are the same ones that were presented to the Utility Board in 2015. For 2021-2022, a 6.0% annual rate increase was assumed given the significant capital reinvestment needs in the water utility.** About 40.3% of the 2016 projected rate revenue is dedicated to capital projects (including debt service on capital projects).

**FORECASTED WATER RATE INCREASES (2016-2022)
& CAPITAL REVENUES (2016-2022)
Dollars in Thousands**

Year:	2016	2017	2018	2019	2020	2021	2022
Rate Increase	10.9%	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%
Rate Funding for Capital	\$ 2,236	\$ 2,468	\$ 2,672	\$ 2,884	\$ 3,111	\$ 3,348	\$ 3,607
Water Connection Charges	\$ 153	\$ 146	\$ 138	\$ 129	\$ 133	\$ 136	\$ 140
Interest	\$ 13	\$ 14	\$ 20	\$ 27	\$ 40	\$ 30	\$ 20
Total Revenue for Capital	\$ 2,402	\$ 2,628	\$ 2,830	\$ 3,040	\$ 3,284	\$ 3,514	\$ 3,767

The assumptions employed in the forecast are as follows:

- Rate funding for capital projects in 2016-2020 is based on the 2016 Water Rate Update by staff.
- Capital reinvestment levels are driven by the 2008 Water System Plan and the Assistant City Engineer's and City Engineer's professional judgment.

Sewer Utility Rates

Excluding the King County sewage treatment "pass through" charge, actual sewer rate increases for the past 10 years (2006-2015) are summarized in the following table. These rate increases relate to the City's cost of operating, maintaining, and replacing the sewer infrastructure. Most of the rate increases from 2006 to 2011 was dedicated to funding the Sewer Lake Line project.

HISTORICAL SEWER RATE INCREASES (2006-2015)

Year:	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Rate Increase	9.0%	12.0%	18.1%	8.0%	9.8%	9.3%	9.3%	4.0%	8.5%	8.3%

Rate Increase Statistics

High (2008)	18.1%
Low (2013)	4.0%
5 Year Average (2011-2015)	7.9%
10 Year Average (2006-2015)	9.6%

Double digit increases in 2007 and 2008 were driven by the Sewer Lake Line Reach 3 (Proctor Landing to Roanoke Way) and Pump Station 4 Replacement project, which was completed in 2011 at a cost of \$22.2 million. A second segment of Sewer Lake Line (Reach 4) was eliminated from the project to reduce the cost of the project.

The 2016-2022 forecasted sewer rate increases and capital revenues are summarized in the table below. **The Council approved the 2016 rate increase of 7.0% on November 16, 2015. The 2017-2020**

forecasted rate increases are the same ones that were presented to the Utility Board in 2015. For 2021-2022, a 7.0% annual rate increase was assumed given the significant capital reinvestment needs in the sewer utility. About 48.0% of the 2016 projected rate revenue is dedicated to capital projects (including debt service on capital projects).

**FORECASTED SEWER RATE INCREASES (2016-2022)
& CAPITAL REVENUES (2016-2022)
Dollars in Thousands**

Year:	2016	2017	2018	2019	2020	2021	2022
Rate Increase	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%
Rate Funding for Capital	\$ 784	\$ 1,028	\$ 1,190	\$ 1,371	\$ 1,563	\$ 1,670	\$ 1,787
Connection Charges	\$ 6	\$ 6	\$ 7	\$ 7	\$ 7	\$ 8	\$ 8
Interest	\$ 6	\$ 9	\$ 12	\$ 18	\$ 33	\$ 35	\$ 40
Total Revenue for Capital	\$ 796	\$ 1,043	\$ 1,209	\$ 1,396	\$ 1,603	\$ 1,713	\$ 1,835

The assumptions employed in the forecast are as follows:

- Rate funding for capital projects in 2016-2020 is based on the 2016 Sewer Rate Update by staff.
- Capital reinvestment levels are driven by the 2003 General Sewer Plan and the Assistant City Engineer's and City Engineer's professional judgment.

Storm Water Utility Rates

Actual storm water rate increases for the past 10 years (2006-2015) are summarized in the following table.

HISTORICAL STORM WATER RATE INCREASES (2006-2015)

Year:	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Rate Increase	5.1%	5.7%	0.0%	5.5%	5.5%	3.3%	0.0%	1.2%	1.2%	2.7%

Rate Increase Statistics

High (2007)	5.7%
Low (2008, 2012)	0.0%
5 Year Average (2011-2015)	1.7%
10 Year Average (2006-2015)	3.0%

Note: There was no increase in storm water rates in 2008 in light of the 18.1% increase in Sewer rates that year. A combination of project savings (\$533K on Sub-basin 6.3) and fee-in-lieu from the Aviara mixed-use development (\$213K) were the basis for no increase in storm water rates in 2012.

The 2016-2022 forecasted storm water rate increases and capital funding are summarized in the table below. **The Council approved the 2016 rate increase of 1.3% on November 16, 2015. The 2017-2020 forecasted rate increases are higher (4.0% vs. 1.3%) than what was presented to the Utility Board in 2015 due to the projected capital reinvestment needs after 2020. Accordingly, a 4.0% annual rate increase was assumed for 2021-2022.** About 31.8% of the 2016 projected rate revenue is dedicated to capital projects.

**FORECASTED STORM WATER RATE INCREASES (2016-2022)
& CAPITAL REVENUES (2016-2022)
Dollars in Thousands**

Year:	2016	2017	2018	2019	2020	2021	2022
Rate Increase	1.3%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%
Rate Funding for Capital	\$ 571	\$ 582	\$ 592	\$ 602	\$ 612	\$ 622	\$ 631
Fee in Lieu *	\$ 145	\$ 100	\$ 100	\$ 90	\$ 90	\$ 100	\$ 100
Interest	\$ 6	\$ 8	\$ 9	\$ 8	\$ 5	\$ 5	\$ 5
Total Revenue for Capital	\$ 722	\$ 690	\$ 701	\$ 700	\$ 707	\$ 727	\$ 736

* Fee in lieu payments are made to the City as an alternative to installing storm water detention facilities on properties under development. Once received, the funds are reserved for capital expenditures within storm basins on the Island.

The assumptions employed in the forecast are as follows:

- Capital reinvestment levels are driven by the 2006 Comprehensive Basin Review and a contracted engineering assessment of basins on the Island every 2 years.
- Fee in lieu payments are reserved for capital reinvestment in storm basins on the Island (not for drainage improvements to neighborhood streets or city arterials).

Significant Issues

To help staff with the development of the 2017-2022 CIP, Council direction is sought on the following issues:

- **CIP-related budget policies**
 - A summary of the City's current 2015-2016 CIP-related budget policies is attached as Exhibit 1. A complete copy of the budget policies can be found in the 2015-2016 Final Budget document in Section I. These policies, along with various planning documents, staff's professional judgment, and funding availability, guide the development of the proposed CIP.

Staff intends to follow these policies in the development of the 2017-2022 CIP unless amended below. Does the Council agree?

- **Capital Improvement Fund**
 - The Capital Improvement Fund accounts for all public building, park, and open space projects. When the 2015-2016 Budget was adopted, along with the 2015-2020 CIP, deficits of \$0.28 million and \$0.48 million were projected in 2017 and 2018 respectively. It should be noted that staff cut or pushed out \$830,000 in projects beyond 2020 in order to balance the 2015-2016 Budget and to get the deficits under \$0.50 million each year for the period 2017-2020. Specifically, staff:
 - Pushed out City Hall Carpet & Council Chambers Remodel projects (\$260,000);
 - Pushed out MICEC Emergency Lockdown project (\$95,000);

- Cut Open Space Vegetation Management project (\$300,000), with the Council restoring \$50,000 in 2015-2016 (\$250,000 net reduction); and
 - Pushed out Luther Burbank Park Shoreline Phase IV project (\$225,000).
- The projected deficits in 2017 and 2018 (and beyond) can be attributed mostly to the following two projects in 2015-2016:
1. **Groveland Beach Repair & Renovation project:** This project was budgeted in 2015-2016 for \$990,000; however, the 30% design cost estimate is \$1.48 million. As a result, this project is on hold. Staff will “tee up” this funding issue for discussion at the Council’s April 4, 2016 meeting and during the 2017-2018 budget process. Moving forward with a “like for like” replacement is not an option given the revised cost of this project, unless a new funding source is approved.
 2. **Island Crest Park Ballfield Lights Replacement project:** This project was budgeted in 2015 for \$500,000; however, the 95% design cost estimate is \$719,000. Further complicating things, staff learned in July 2015 that the Island Crest Park South Turf Field project, which had been initially proposed and then cut from the 2015-2016 Budget, had received a \$500,000 state Recreation & Conservation (RCO) grant. The unexpected grant award creates an opportunity to reconsider the South Field Turf project, which is estimated to cost \$1.29 million. As a result, staff will come back to the Council on April 4, 2016 to discuss how these projects could be funded.
- The 2015 REET surplus (i.e. actual revenue > budget) amounted to \$265,000, which is split 50/50 between the Street Fund and the Capital Improvement Fund. The \$132,500 surplus in the Street Fund could be transferred to the Capital Improvement Fund to help address the projected deficit in 2017.
- The annual, ongoing funding need in the Capital Improvement Fund is estimated to be \$350,000 per year. There are three funding options:
1. The current budget policy of splitting REET 50/50 between the Street Fund and the Capital Improvement Fund could be adjusted to 45/55, which would provide \$150,000 in additional funding to the Capital Improvement Fund. Staff expects the impact to the Street Fund would be mostly offset by an increase in the fuel tax (from the transportation package approved by the legislature in 2015) and not hiring a half-time Transportation Engineer (staff has not been able to attract a qualified candidate). This option would leave a \$200,000 remaining funding need that could be addressed by one of the next two options.
 2. The \$350,000 funding need could be added to a levy lid lift, which the Finance Director believes is needed to address the projected deficits in the General Fund and Youth & Family Services Fund.
 3. The annual vehicle license fee could be increased from \$20 to \$40, which would generate an additional \$350,000 per year, thereby freeing up an equivalent amount of REET annually to be redirected from the Street Fund to the Capital Improvement Fund.

Staff intends to develop the 2017-2022 CIP and 2017-2018 budget for the Capital Improvement Fund assuming no new revenue sources. Does the Council agree?

To address the projected deficits in 2017 and beyond in the Capital Improvement Fund, staff recommends: 1) transferring \$132,500 in surplus REET from the Street Fund to the Capital

Improvement Fund in 2016; and 2) adjusting the REET split between the Street Fund and the Capital Improvement Fund from 50/50 to 45/55. Does the Council agree?

- **Maintenance Center renovation/expansion**
 - The need to renovate/expand the Maintenance Center was identified at the January 2016 Council Planning Session. During the Great Recession, the City had to push out a number of public building renovation projects due to the downturn in REET revenue. The replacement of the South Fire Station was the number one priority, which was addressed in 2014-2015. The Maintenance Center, which is 15,347 square feet, including a 1,025 square foot warehouse and a 1,000 square foot shop, is next in line in staff's professional opinion. It houses all Maintenance Department and Parks Maintenance employees, which include 44.5 FTEs and 17 seasonal employees. Over the years, two workshop areas and the lunch room have been converted to office space for staff. At this point, the only thing left to do is expand. The most cost effective option would be to remove most of the lawn roof above the warehouse and construct a second story. To free up needed space at City Hall, the IGS Department staff (7 FTEs) would be moved to the renovated Maintenance Center. The total estimated cost, which represents a very preliminary estimate, is \$3.6-\$3.9 million.
 - The funding source is the biggest hurdle for this project. Assuming that 20 year LTGO bonds were issued, which is typical for a public building, the annual debt service would amount to \$248,000-\$268,000, for which there are two funding options:
 1. Submit a 20 year excess levy to the voters, which would require supermajority approval; or
 2. Increase the Transportation Benefit District (TBD) annual vehicle license fee from \$20 to \$35, which the Council could do at the beginning of 2017, to generate \$262,500 in new revenue each year, thereby freeing up an equivalent amount of REET annually to be redirected from the Street Fund to this project. Please note that this would preclude the TBD funding option noted above for addressing the annual, ongoing funding needs in the Capital Improvement Fund.

In staff's judgment, this funding need is a higher priority than the Thrift Shop renovation/expansion project noted below, but it is a lower priority than addressing the projected deficits in the General Fund and Youth & Family Services Fund in 2017-2018. Given this priority assessment as well as the ongoing funding issues noted above in the Capital Improvement Fund, staff recommends increasing the annual vehicle license fee in the 2018-2019 biennium to free up REET funding for this project. Does the Council agree?

- **Thrift Shop remodel/expansion**
 - This project was originally conceived back in 2012 as a way to address the funding issues in the Youth & Family Services Fund, with approximately 90% of the burden for funding mental health counselors in the Mercer Island School District falling to the City beginning in 2010.
 - The Council was briefed on the pre-design phase of this project at its September 16, 2013 meeting. The total estimated cost was \$2.14 million, which included expanding the Thrift Shop to 10,450 square feet, changing the location of the donation drop-off, expanding the parking lot, and adding park restrooms. Assuming that 20 year LTGO bonds were issued, the annual debt service would amount to \$147,000. Two related financial occurrences caused this project to be "shelved". One, Thrift Shop revenue growth, which had been significant from 2005 through 2012, leveled off in 2013. Two, the 2013-2014 General Fund budget was balanced, in part, by reducing annual support of the Youth & Family Services Fund from \$320,000 to \$200,000,

assuming that historical Thrift Shop revenue growth would continue beyond 2013. As a result, the fund balance in the Youth & Family Services Fund was drawn down to maintain current service levels, ultimately leading to a projected fund deficit in 2016.

Given all the funding needs noted above, staff does not believe this represents a high priority. With staff recommending that the projected deficits in the Youth & Family Services Fund be addressed via a levy lid lift, the need to expand the Thrift Shop is no longer critical. Does the Council agree?

RECOMMENDATION

Finance Director

No formal action is required. Provide preliminary direction to staff on the significant issues noted above.

Summary of 2015-2016 CIP-Related Budget Policies

The current 2015-2016 budget policies related to the 2015-2020 Capital Improvement Program (CIP) are summarized below. A complete copy of the budget policies can be found in the 2015-2016 Final Budget document in Section I.

- **Beautification Fund** (see p. I-3 to I-4 in the 2015-2016 Final Budget document)
 - According to Council ordinance, the stated purposes of this fund are as follows:
 - Installation and maintenance of landscaping, including plants and other landscaping materials on public property or easements;
 - Acquisition and operation and maintenance of any building, facility, property, or easement for park, recreation, or open space purposes;
 - Undergrounding of power lines and lighting facilities for the operation and maintenance thereof on public property or easements;
 - Promotion and support of a central business district revitalization program;
 - The promotion, support, acquisition, and installation of public art on public property or easements;
 - Acquisition or leasing of parking spaces, enforcement of parking restrictions, providing signage related to parking, issuing permits, and any other expenses related to parking restrictions; and
 - All expenses including, but not limited to, professional fees, printing and publishing, incurred in connection with the above-listed purposes.
 - Funding was approved for the following 2015-2016 CIP projects:
 - MICEC master plan (\$25,000 in 2015); and
 - MICEC landscaping repairs (\$45,000 in 2016).
- **Debt Financing** (see p. I-7 to I-9 in the 2015-2016 Final Budget document)
 - The City will use debt financing only when the following conditions exist: 1) the object of the expenditure is a major, new capital asset; 2) the object of the expenditure can be used by residents/taxpayers in the future; 3) there are insufficient existing capital revenues available; and 4) all the revenue is needed at the same time (i.e. the project cannot be phased over time). When the City finances capital projects by issuing bonds, it will pay back the bonds within a period not to exceed the expected useful life of the project.
 - Currently, the City has the following outstanding debt:
 - 2003 LTGO bonds for Mercerview property for Community Center
 - 2004 LTGO bonds for Community Center Construction
 - 2009 LTGO bonds for South Mercer Playfields
 - 2009 LTGO bonds for Sewer Lake Line
 - 2011 LTGO bonds for First Hill Water System Improvements
 - 2013 LTGO bonds for South Fire Station & Fire Rescue Truck
 - 2007 lease purchase agreement for two fire maxi pumpers

- 2007 lease purchase agreement for one fire midi pumper
 - 2012 lease purchase agreement for one fire maxi pumper
 - 2015 lease purchase agreement for one fire midi pumper
- **Capital Reserve Fund** (see p. I-25 to I-26 in the 2015-2016 Final Budget document)
 - Accumulate resources primarily via the annual year-end transfer of surplus monies in the General Fund, the Street Fund, and the Capital Improvement Fund: 1) to establish a REET contingency reserve; and 2) to finance future capital facilities projects. Such projects include the construction of new public buildings, major reconstruction of a public building or park, and acquisition of a new park or open space.
 - The current fund balance as of 12/31/15 is \$351,552, which consists of the following:
 - Project contingency for the South Fire Station construction project (\$181,553); and
 - Real estate excise tax contingency (\$169,999).
- **Utility Maintenance & Construction** (see p. I-45 to I-46 in the 2015-2016 Final Budget document)
 - Water, sewer, and storm water rates fund CRP and CFP projects in each utility.
 - The development of the six-year CIP for each utility is guided by the Water System Plan adopted in 2008, the General Sewer System Plan adopted in 2003, the Comprehensive Basin Plan adopted in 2006, and the professional judgment of City engineering staff.
- **Capital Improvement Program** (see p. I-53 to I-55 in the 2015-2016 Final Budget document)
 - The Capital Reinvestment Plan (CRP) is a six-year plan that focuses on the preservation or replacement of existing public assets. CRP projects are generally funded on a “pay as you go” basis. The Capital Facilities Plan (CFP) is a six-year plan as well, consisting of new capital projects or additions to existing public assets. Generally, CFP projects are funded with new revenues. In terms of funding, CRP projects take priority over CFP projects in recognition of the importance of maintaining and improving existing assets before acquiring new ones.
- **Street Maintenance & Construction** (see p. I-57 to I-59 in the 2015-2016 Final Budget document)
 - REET is split 50/50 between the Capital Improvement Fund (100% of REET 1) and the Street Fund (100% of REET 2) in order to maintain reasonable levels of reinvestment in all REET funded assets (streets, parks, and buildings).
 - All of the motor vehicle fuel tax (MVFT) goes to the Street Fund and is dedicated to funding pavement marking, patching, residential street overlays, and sub-standard street upgrades.
 - A \$20 per vehicle license fee took effect in 2015 when the City created a Transportation Benefit District. This new revenue source is estimated to generate \$350,000 per year

and is wholly dedicated to funding arterial street improvements and a shuttle service between Mercer Island and Seattle.

- **Information Technology** (see p. I-61 to I-62 in the 2015-2016 Final Budget document)
 - Desktop, laptop, and Police/Fire MDT computers are on a 4 year replacement cycle.
 - Servers and switches (with the exception of phone system hardware) are on a 5 year replacement cycle.
 - Phone system hardware is on a 6 year replacement cycle.
 - Printers and plotters are on a 7 year replacement cycle.
- **Vehicle & Equipment Replacement** (see p. I-63 to I-64 in the 2015-2016 Final Budget document)
 - Separate replacement reserves have been established for the accumulation of funds to replace vehicles/equipment, fire apparatus, and emergency radios. Replacement rates are developed biennially for each vehicle and piece of equipment.
 - For each vehicle and piece of equipment, the current replacement cost, the estimated salvage or trade-in value, the inflationary factor, and the useful life are updated on a biennial basis. In particular, the useful life of each vehicle and piece of equipment is carefully evaluated, especially for scheduled replacements in the coming biennium. When deemed prudent (i.e. due to low mileage or equipment hours, good condition, and/or low maintenance costs), the useful life is extended.
- **CIP Administrative Overhead Charges** (see p. I-65 to I-66 in the 2015-2016 Final Budget document)
 - Various departments, which are accounted for in the General Fund, provide administrative support to the City's CIP, encompassing bid process oversight, contract review, communications, invoice processing, project accounting, and project reporting. While not built directly into the cost of a project, administrative support for capital projects is a real cost and is charged directly to the following funds: Street Fund, Capital Improvement Fund, Water Fund, Sewer Fund, and Storm Water Fund. These charges are updated every two years based on an historical analysis of indirect staffing support for the CIP.
- **Luther Burbank Park** (see p. I-83 to I-85 in the 2015-2016 Final Budget document)
 - \$110,000 from the parks maintenance and operations levy, which was approved by voters in November 2008 for a 15 year period, is dedicated to small capital improvements at Luther Burbank Park.

- **Trees, Trails & Urban Forest Lands** (see p. I-91 to I-94 in the 2015-2016 Final Budget document)
 - \$77,000 of the parks levy lid lift approved in November 2008 for a 15 year period is dedicated to Pioneer Park Forest Management.
 - \$65,000 of the parks levy lid lift approved in November 2008 for a 15 year period is dedicated to Open Space Vegetation Management.
- **Fire Apparatus Replacement** (see p. I-99 to I-100 in the 2015-2016 Final Budget document)
 - In 2007, a fire apparatus replacement sinking fund was established in the Equipment Rental Fund, with an \$185,000 required annual sinking fund contribution, which would need to grow 4% annually, taking effect in 2008. Of the \$185,000, the Council dedicated almost \$147,000 in property tax funding (comprised of the 1.0% optional increase in 2008 plus 0.65% banked capacity) for this purpose, directing staff to use interest earnings (from the investment of all of the City's cash) to make up the difference.
 - The above noted funding mechanism has been inadequate due to abysmal interest earnings during the period 2009-2014. Beginning in 2014, all excess proceeds (from the levy being greater than the actual debt service paid each year) from the 9 year Fire Station and Fire Rescue Truck levy lid lift approved by Mercer Island voters on 11/6/12 will be dedicated to the fire apparatus sinking fund. This financial move is expected to keep the sinking fund balance positive through 2026.



CITY COUNCIL PLANNING SCHEDULE

All meetings are held in the City Hall Council Chambers unless otherwise noted.
 Special Meetings and Study Sessions begin at 6:00 pm. Regular Meetings begin at 7:00 pm.
 Items listed for each meeting are not in any particular order.

MARCH 21 – 6:00 PM

Item Type	Topic/Presenter	Time
<i>Executive Session (6:00-7:00 pm)</i>	Potential or pending litigation pursuant to RCW 42.30.110(1)(i) for one hour.	60
<i>Special Business</i>	Sexual Assault Awareness Month Proclamation	5
<i>Consent Calendar</i>	Approve use of \$5,000 Grant Award from the Senior Foundation – D. Mortenson	--
<i>Regular Business</i>	2017-2022 Capital Improvement Program (CIP) Budget Kick-Off – F. Lake	60
<i>Regular Business</i>	DSG Long-Range Planner Position Approval	30

APRIL 4 – 5:00 PM

Item Type	Topic/Presenter	Time
<i>Executive Session (5:00-7:00 pm)</i>	To evaluate the qualifications of applicants for public employment pursuant to RCW 42.30.110(1) (g).	120
<i>Regular Business</i>	Community Solar Project Update and Lease Agreement – R. Freeman	30
<i>Regular Business</i>	Island Crest Park Field Improvement and Groveland Beach Park Renovation Projects – P. West	60
<i>Regular Business</i>	4 th Quarter 2015 Financial Status Report & Budget Adjustments – C. Corder	45
<i>Regular Business</i>	Code Amendments Regarding Fireworks Sales Permit Approval (MICC 8.35.020) – S. Heitman	30

APRIL 7 (THURSDAY) – 5:00-6:45 PM

	Joint Meeting with the Mercer Island School District Board (Council Chambers)	
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APRIL 18 – 6:00 PM

Item Type	Topic/Presenter	Time
<i>Study Session</i>	Maintenance Department Fleet & Organization Audit – J. Kintner	30
<i>Consent Calendar</i>	Open Space Conservancy Trust Board Annual Report and Work Plan – A. Sommargren	--
<i>Consent Calendar</i>	Madrona Crest West Water and Sidewalk Improvements Construction Bid Award – Rona Lin	--
<i>Regular Business</i>	2015 Construction Codes Update (1 st Reading) - D. Cole	30
<i>Regular Business</i>	Island Crest Park Field Improvement and Groveland Beach Park Renovation Projects – P. West	30
<i>Regular Business</i>	2016 Biennial Citizen Survey Results – C. Corder	45

MAY 2		
Item Type	Topic/Presenter	Time
<i>Regular Business</i>	Town Center Visioning and Development Code Update (1 st Reading) – S. Greenberg	60
<i>Regular Business</i>	Comprehensive Plan Amendments (1 st Reading) – S. Greenberg	60
<i>Regular Business</i>	2015 Construction Codes Update (2 nd Reading) - D. Cole	10
<i>Regular Business</i>	Development Cost of Service Study & Fee Resolution – S. Greenberg	45

MAY 16		
Item Type	Topic/Presenter	Time
<i>Special Business</i>	Kids to Parks Day Proclamation – D. Mortenson	5
<i>Regular Business</i>	Town Center Visioning and Development Code Update (2 nd Reading) – S. Greenberg	60
<i>Regular Business</i>	Comprehensive Plan Amendments (2 nd Reading) – S. Greenberg	60
<i>Regular Business</i>	Development Cost of Service Study & Fee Resolution – S. Greenberg	30

JUNE 6		
Item Type	Topic/Presenter	Time
<i>Consent Calendar</i>	2016 Summer Celebration Fireworks Permit Approval – S. Heitman	--
<i>Regular Business</i>	2016 Fireworks Sales Permit Approval – S. Heitman	20
<i>Regular Business</i>	2015 General Fund & REET Surplus Disposition – C. Corder	30
<i>Public Hearing</i>	Public Hearing: Council Preview of 2017-2022 Transportation Improvement Program – P. Yamashita	90
<i>Regular Business</i>	Town Center Visioning and Development Code Update (if needed) – S. Greenberg	30
<i>Regular Business</i>	Comprehensive Plan Amendments (if needed) – S. Greenberg	30

JUNE 11 (SATURDAY)		
	Mini-Planning Session (MICEC)	5

JUNE 20		
Item Type	Topic/Presenter	Time
<i>Regular Business</i>	Preview of Preliminary 2017-2022 Capital Improvement Program	90
<i>Regular Business</i>	Water System Plan Update – J. Kintner	30
<i>Regular Business</i>	Six Year Sustainability Plan – R. Freeman	30

JULY 5 (TUESDAY) – 6:00 PM

Item Type	Topic/Presenter	Time
<i>Study Session</i>	2015 Mercer Island Report Card – C. Corder	60
<i>Regular Business</i>	Adoption of the 2017-2022 Transportation Improvement Program – P. Yamashita	30
<i>Regular Business</i>	Title 19 Code Amendments to Add Comprehensive Plan Amendment Process (1 st Reading) – S. Greenberg	45
<i>Regular Business</i>	Planning Commission Rules of Procedure – S. Greenberg	30
<i>Regular Business</i>	CenturyLink Cable Franchise (1st Reading) – K. Sand	45

JULY 18

Item Type	Topic/Presenter	Time
<i>Regular Business</i>	School Bus Cameras ILA & Ordinance (1st Reading) – C. Schuck	45
<i>Regular Business</i>	CenturyLink Cable Franchise (2nd Reading) – K. Sand	15
<i>Regular Business</i>	Title 19 Code Amendments to Add Comprehensive Plan Amendment Process (2nd Reading) – S. Greenberg	30

AUGUST 1

Item Type	Topic/Presenter	Time
<i>Regular Business</i>	School Bus Cameras ILA & Ordinance (2 nd Reading) – C. Schuck	15
<i>Regular Business</i>	General Sewer Plan Update – J. Kintner	30

AUGUST 15

Item Type	Topic/Presenter	Time
	<i>Potentially canceled</i>	

SEPTEMBER 6 (TUESDAY)

Item Type	Topic/Presenter	Time
<i>Regular Business</i>	2 nd Quarter 2016 Financial Status Report & Budget Adjustments – C. Corder	45

SEPTEMBER 19 – 6:00 PM

Item Type	Topic/Presenter	Time
<i>Study Session</i>	Residential Development Standards – S. Greenberg	60
<i>Regular Business</i>	Title 10 Code Amendments and Comprehensive Plan Amendment for National Pollutant Discharge Elimination System (NPDES) Update (1 st Reading) – P. Yamashita	60

OCTOBER 3 – 6:00 PM

Item Type	Topic/Presenter	Time
<i>Study Session</i>	Emergency Management & Communities That Care/Healthy Youth Initiative Updates – J. Franklin & C. Goodwin	60
<i>Regular Business</i>	2017-2018 Preliminary Budget Presentation & Distribution – C. Corder	60
<i>Regular Business</i>	Title 10 Code Amendments and Comprehensive Plan Amendment for National Pollutant Discharge Elimination System (NPDES) Update (2 nd Reading) – P. Yamashita	30

OCTOBER 17 – 6:00 PM

Item Type	Topic/Presenter	Time
<i>Regular Business</i>	2017-2018 Preliminary Budget: Operating Budget Review – C Corder	180

NOVEMBER 7 – 6:00 PM

Item Type	Topic/Presenter	Time
<i>Regular Business</i>	2017-2018 Preliminary Budget: Capital Improvement Program Review – C. Corder	180

NOVEMBER 21

Item Type	Topic/Presenter	Time
<i>Regular Business</i>	2017-2018 Preliminary Budget: Finalize Changes to Budget, Pass 2017 NORCOM Budget Resolution, Pass 2017 Utility Rate Resolutions, and Adopt 2017 Property Tax Levy Ordinances – C. Corder	90
<i>Regular Business</i>	Residential Development Standards (1 st Reading) – S. Greenberg	60

DECEMBER 5

Item Type	Topic/Presenter	Time
<i>Regular Business</i>	3 rd Quarter 2016 Financial Status Report & Budget Adjustments – C. Corder	30
<i>Regular Business</i>	2017-2018 Final Budget Adoption – C. Corder	15
<i>Regular Business</i>	Residential Development Standards (2 nd Reading) – S. Greenberg	60
<i>Regular Business</i>	2017 Legislative Agenda – K. Taylor	20

DECEMBER 19

Item Type	Topic/Presenter	Time
	<i>Potentially Canceled</i>	

OTHER ITEMS TO BE SCHEDULED:

- Pioneer Park NW Quadrant Leash Law Amendment (Q1) – P. West
- Arts Council Annual Report & Work Plan (Q2) – A. Britton
- City Manager Recruitment (Q2) – K. Segle
- I-90 Loss of Mobility Negotiations (Q2) – S. Lancaster
- Light Rail Station Design Oversight (Q2) – K. Taylor
- Mercer Island Center for the Arts (MICA) (Q2) – K. Sand
- Interlocal Agreement for Counseling Services (Q3) – C. Goodwin
- King County Sewer Project (Q4) – J. Kintner
- MICEC Master Plan (Q4) – B. Fletcher
- Planning Commission 2017 Work Plan (Q4) – S. Greenberg
- PSE Electric Franchise (Q4) – K. Sand
- Zayo Telecom Franchise (Q4) – K. Sand

COUNCILMEMBER ABSENCES:

- Sanderson: April 4 & April 7
- Bassett: April 18