



CITY OF MERCER ISLAND CITY COUNCIL MEETING AGENDA

Monday
February 22, 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

EXECUTIVE SESSION

Potential or pending litigation pursuant to RCW 42.30.110(1)(i) for 60 minutes.

AGENDA APPROVAL

SPECIAL BUSINESS

Presentation from King County Councilmember Claudia Balducci
MISD Diversity Community Discussion Information

APPEARANCES

CONSENT CALENDAR

- (1) Payables: \$172,179.61 (01/28/16), \$375,664.49 (02/04/16), & \$220,402.92 (02/11/16)
Payroll: \$748,211.28 (02/05/16)
Minutes: February 1, 2016 Regular Meeting Minutes
AB 5155 ARCH 2016 Administrative Budget and Work Program
AB 5156 ARCH 2015 Trust Fund Recommendations

REGULAR BUSINESS

- (2) AB 5158 Memorandum of Understanding with the Mercer Island Center for the Arts (MICA) Regarding a Performing Arts Center and Related Environmental Impacts Review
- (3) AB 5157 2016 City Council Work Plan

OTHER BUSINESS

Councilmember Absences
Planning Schedule
Board Appointments
Councilmember Reports

ADJOURNMENT

CERTIFICATION OF CLAIMS

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

Charles L. Corder

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	179641-179713	01/28/16	\$ 172,179.61
			\$ 172,179.61

Accounts Payable Report by Check Number

Check No	Check Date	Vendor Name/Description	PO #	Invoice #	Invoice Date	Check Amount
00179641	01/28/2016	AIRGAS USA LLC Oxygen/Fire	P89526	9932753098	12/31/2015	143.16
00179642	01/28/2016	AM TEST INC STORM WATER TESTING	P89513	90274	01/08/2016	350.00
00179643	01/28/2016	AUTONATION FL-0407 REPAIRS	P89216	437829	10/19/2015	187.95
00179644	01/28/2016	AWC Feb 2016 COBRA J. Maggard	P89549	OH005958	01/26/2016	789.25
00179645	01/28/2016	AWC Feb 2016 COBRA K. Knight	P89547	OH005959	01/25/2016	1,580.10
00179646	01/28/2016	BABCOCK, THOMAS MILEAGE EXPENSE		OH005947	01/12/2016	16.20
00179647	01/28/2016	BRAKE AND CLUTCH SUPPLY NORTH Misc. Apparatus Parts	P89520	50735	12/08/2015	27.22
00179648	01/28/2016	CDW GOVERNMENT INC HP CB388A maintenance kit For	P89396	BRT6884	01/12/2016	520.74
00179649	01/28/2016	CENTURYLINK PHONE USE JAN 2016		OH005949	01/08/2016	2,709.67
00179650	01/28/2016	CHAPTER 13 TRUSTEE PAYROLL EARLY WARRANTS		OH005941	01/22/2016	1,331.00
00179651	01/28/2016	CHERYL COHEN & ASSOCIATES Jan-June 30, 2016 EAP Services	P89545	OH005963	01/01/2016	3,312.30
00179652	01/28/2016	CINTAS CORPORATION #460 2016 Rug Cleaning Services for	P89342	460514107	01/07/2016	49.28
00179653	01/28/2016	COMCAST CITY HALL HIGH SPEED INTERNET	P89269	OH005961	01/12/2016	111.37
00179654	01/28/2016	COMCAST 2016 MAINT DEPT WI FI	P89508	OH005960	01/07/2016	86.32
00179655	01/28/2016	COMCAST 2016 High Speed Connection Cha	P89540	OH005962	01/11/2016	135.47
00179656	01/28/2016	COMPTON LUMBER & HARDWARE INC INVENTORY PURCHASES	P89504	778364	01/11/2016	1,430.76
00179657	01/28/2016	DALY, RYAN FLEX SPEND ACCT REIMB		OH005929	01/08/2016	500.00
00179658	01/28/2016	EPSCA MONTHLY RADIO ACCESS FEES 44 R	P89334	8414	01/01/2016	2,903.75
00179659	01/28/2016	FIRE PROTECTION INC FIRE ALARM MONITORING FOR COMM	P89498	29411	01/04/2016	169.50
00179660	01/28/2016	FLETCHER, BRUCE FLEX SPEND ACCT REIMB		OH005930	01/08/2016	239.43
00179661	01/28/2016	GRAINGER INVENTORY PURCHASES	P89502	9934668337	01/08/2016	548.69
00179662	01/28/2016	H D FOWLER METER ADAPTERS, 1" TO 1-1/2" L	P89419	I4116441	01/07/2016	304.52
00179663	01/28/2016	HEALTHFORCE PARTNERS LLC 2015 Flu, TB, MMR Booster, Hea	P86457	27153/7036/7060	01/04/2016	2,849.00
00179664	01/28/2016	HONEYWELL, MATTHEW V Professional Services - Invoic	P89514	888	11/17/2015	1,400.00
00179665	01/28/2016	JOHNSON, CURTIS FRLEOFF1 Retiree Medical Expen	P89539	OH005965	01/25/2016	255.02
00179666	01/28/2016	K&L GATES LLC Legal Services I-90 Light Rail	P89499	3195385	01/07/2016	7,995.74

Accounts Payable Report by Check Number

Check No	Check Date	Vendor Name/Description	PO #	Invoice #	Invoice Date	Check Amount
00179667	01/28/2016	KC FINANCE STORMWATER MONITORING AGREEMEN	P89227	71916	01/16/2016	28,935.77
00179668	01/28/2016	KC FINANCE 2015 Voters' Registration Cost	P89261	2065274	12/22/2015	2,736.60
00179669	01/28/2016	KC PET LICENSES KC PET LICENSES FEES COLLECTED	P85306	OH005954	12/31/2015	35.00
00179670	01/28/2016	KCFTOA 2016 Dues	P89403	6125	01/11/2016	100.00
00179671	01/28/2016	KIA MOTORS FINANCE DSG 2016 KIA SOUL LEASE	P88915	OH005964	01/14/2016	263.96
00179672	01/28/2016	KING CO PROSECUTING ATTORNEY COURT REMITTANCE KC CRIME VICT	P85305	OH005953	12/31/2015	328.86
00179673	01/28/2016	KING COUNTY FINANCE I-NET MONTHLY SERVICES FROM	P85541	11004161	01/07/2016	1,623.00
00179674	01/28/2016	LIFTOFF LLC Office 365 G3 Licenses	P89477	1207	01/21/2016	43,200.00
00179675	01/28/2016	LOO CHAN, PEGGY FLEX SPEND ACCT REIMB		OH005931	01/08/2016	38.05
00179676	01/28/2016	MASTERMARK Nameplates S. Lancaster & D. B	P89423	0693336	01/11/2016	142.09
00179677	01/28/2016	MI EMPLOYEES ASSOC PAYROLL EARLY WARRANTS		OH005938	01/22/2016	140.00
00179678	01/28/2016	MICROFLEX December 2015 Tax Audit Progra	P89414	00022201	01/07/2016	84.00
00179679	01/28/2016	MOLTZ, ERIC MILEAGE EXPENSE		OH005948	01/22/2016	23.33
00179680	01/28/2016	MUTUAL MATERIALS CO MANORSTONE BRICKS	P89401	1460268/1462488	12/22/2015	190.36
00179681	01/28/2016	NAPA AUTO PARTS GENERATOR PARTS	P89501	OH005952	12/31/2015	1,331.66
00179682	01/28/2016	NELSON TRUCK EQUIPMENT CO INC PARTS FOR SNOW REMOVAL EQUIPME	P89447	620001	01/13/2016	468.66
00179683	01/28/2016	O'REILLY AUTOMOTIVE INC Misc. Apparatus Parts	P89522	OH005955	12/28/2015	76.30
00179684	01/28/2016	PHILEN, SUZANNE FLEX SPEND ACCT REIMB		OH005944	01/08/2016	90.47
00179685	01/28/2016	POLICE ASSOCIATION PAYROLL EARLY WARRANTS		OH005939	01/22/2016	2,171.71
00179686	01/28/2016	PUGET SOUND ENERGY Utility Assistance for Emergen	P89289	OH005966	01/21/2016	144.71
00179687	01/28/2016	REDMOND, CITY OF 4th Quarter Apparatus Maintena	P89448	00001489	01/12/2016	15,073.94
00179688	01/28/2016	S&B INC PRESSURE SENSOR REPAIR	P88139	SB24107	12/31/2015	3,454.18
00179689	01/28/2016	SAND, KARI L PARKING & MILEAGE EXPENSE		OH005951	01/26/2016	84.96
00179690	01/28/2016	SCHUCK, CHRISTINA FLEX SPEND ACCT REIMB		OH005932	01/08/2016	350.40
00179691	01/28/2016	SEATTLE AUTOMOTIVE DIST INC Misc. Apparatus Parts	P89521	OH005956	01/04/2015	34.39
00179692	01/28/2016	SEATTLE PUBLIC UTILITIES WATER QUALITY SERVICE	P89511	W0081954	12/22/2015	489.00

Accounts Payable Report by Check Number

Check No	Check Date	Vendor Name/Description	PO #	Invoice #	Invoice Date	Check Amount
00179693	01/28/2016	SME CORPORATION PUMP STATION 18 & 24	P89517	44704	12/29/2015	1,061.38
00179694	01/28/2016	SOFTWAREONE INC 2012 Windows Server Standard R	P89286	USPSI447866	01/09/2016	624.06
00179695	01/28/2016	SUNDSTROM, ROBERT Instruction services for Birdi	P89537	OH005967	01/12/2016	322.69
00179696	01/28/2016	T-MOBILE 2016 Services for Boat Launch	P89488	OH005957	01/09/2016	49.99
00179697	01/28/2016	T2 SYSTEMS CANADA INC 2016 Service Charges for Boat	P89538	233854	01/01/2016	82.13
00179698	01/28/2016	TAYLOR, KIRSTEN FLEX SPEND ACCT REIMB		OH005933	01/08/2016	742.52
00179699	01/28/2016	TONELLA-HOWE, ANNE FLEX SPEND ACCT REIMB		OH005934	01/08/2016	491.94
00179700	01/28/2016	TRAFFIC SAFETY SUPPLY STREET SIGNS	P89443	107705	01/12/2016	243.42
00179701	01/28/2016	TRI-TEC COMMUNICATIONS INC basic support shoretel 1-27-20	P89497	614252	12/04/2015	16,644.00
00179702	01/28/2016	TRUE NORTH LAND SURVEYING INC Surveying services for Luther	P82800	4998	01/12/2016	1,392.53
00179703	01/28/2016	UNITED WAY OF KING CO PAYROLL EARLY WARRANTS		OH005940	01/22/2016	210.10
00179704	01/28/2016	US POSTMASTER Postage for 2016 Camp Brochure	P89489	OH005968	01/20/2016	279.04
00179705	01/28/2016	UTILITIES UNDERGROUND LOCATION EXCAVATION NOTIFICATION - DECE	P89506	5120158	12/31/2015	241.78
00179706	01/28/2016	VERIZON WIRELESS Cell Charges/Fire	P89527	9758411220	01/06/2016	19.64
00179707	01/28/2016	WA ST DEPT NATURAL RESOURCES 2016 Charge for Aquatic Lands	P89541	20A09917	01/25/2016	4,163.12
00179708	01/28/2016	WASHINGTON2 ADVOCATES LLC I-90 Loss of Mobility Negotiat	P89500	5337	12/31/2015	10,000.00
00179709	01/28/2016	WHISTLE WORKWEAR SAFETY BOOTS & MISC. WORK CLOT	P89080	112206/112209	11/30/2015	504.64
00179710	01/28/2016	WILLING, ROBERT MILEAGE EXPENSE		OH005946	01/21/2016	30.24
00179711	01/28/2016	WIMACTEL INC PAYPHONE IN POLICE LOBBY	P89509	000146097	01/01/2016	60.23
00179712	01/28/2016	WRPA WRPA Annual Conference	P89346	705	01/06/2016	1,345.00
00179713	01/28/2016	WSCCCE AFSCME AFL-CIO PAYROLL EARLY WARRANTS		OH005937	01/22/2016	2,113.32
					Total	172,179.61

Accounts Payable Report by GL Key

PO #	Check #	Vendor:	Transaction Description	Check Amount
<i>Org Key: 001000 - General Fund-Admin Key</i>				
P85305	00179672	KING CO PROSECUTING ATTORNEY	COURT REMITTANCE KC CRIME VICT	328.86
P85306	00179669	KC PET LICENSES	KC PET LICENSES FEES COLLECTED	35.00
<i>Org Key: 402000 - Water Fund-Admin Key</i>				
P89504	00179656	COMPTON LUMBER & HARDWARE INC	INVENTORY PURCHASES	1,430.76
P89503	00179661	GRAINGER	INVENTORY PURCHASES	160.49
P89502	00179661	GRAINGER	INVENTORY PURCHASES	140.98
P89420	00179661	GRAINGER	INVENTORY PURCHASES	126.15
<i>Org Key: 814072 - United Way</i>				
	00179703	UNITED WAY OF KING CO	PAYROLL EARLY WARRANTS	210.10
<i>Org Key: 814074 - Garnishments</i>				
	00179650	CHAPTER 13 TRUSTEE	PAYROLL EARLY WARRANTS	1,331.00
<i>Org Key: 814075 - Mercer Island Emp Association</i>				
	00179677	MI EMPLOYEES ASSOC	PAYROLL EARLY WARRANTS	140.00
<i>Org Key: 814076 - City & Counties Local 21M</i>				
	00179713	WSCCCE AFSCME AFL-CIO	PAYROLL EARLY WARRANTS	2,113.32
<i>Org Key: 814077 - Police Association</i>				
	00179685	POLICE ASSOCIATION	PAYROLL EARLY WARRANTS	2,171.71
<i>Org Key: CA1100 - Administration (CA)</i>				
	00179689	SAND, KARI L	PARKING & MILEAGE EXPENSE	72.96
	00179689	SAND, KARI L	PARKING FEE	12.00
<i>Org Key: CA1200 - Prosecution & Criminal Mngmnt</i>				
P89514	00179664	HONEYWELL, MATTHEW V	Professional Services - Invoic	1,400.00
<i>Org Key: CM11SP - Special Projects-City Mgr</i>				
P89500	00179708	WASHINGTON2 ADVOCATES LLC	I-90 Loss of Mobility Negotiat	10,000.00
P89499	00179666	K&L GATES LLC	Legal Services I-90 Light Rail	7,995.74
<i>Org Key: CM1200 - City Clerk</i>				
P89261	00179668	KC FINANCE	2015 Voters' Registration Cost	2,736.60
<i>Org Key: CO6100 - City Council</i>				
P89423	00179676	MASTERMARK	Nameplates W. Weiker & D.	75.97
P89424	00179676	MASTERMARK	Nameplates S. Lancaster & D. B	66.12
<i>Org Key: FN1100 - Administration (FN)</i>				
P89386	00179648	CDW GOVERNMENT INC	HP CB388A maintenance kit For	246.07
P89386	00179648	CDW GOVERNMENT INC	shipping	12.29
<i>Org Key: FNBE01 - Financial Services</i>				
P89414	00179678	MICROFLEX	December 2015 Tax Audit Progra	84.00
<i>Org Key: FR2100 - Fire Operations</i>				
P89448	00179687	REDMOND, CITY OF	4th Quarter Apparatus Maintena	15,073.94
P89334	00179658	EPSCA	MONTHLY RADIO ACCESS FEES 44 R	1,111.00
P89522	00179683	O'REILLY AUTOMOTIVE INC	Misc. Apparatus Parts	76.30
P89521	00179691	SEATTLE AUTOMOTIVE DIST INC	Misc. Apparatus Parts	34.39

Accounts Payable Report by GL Key

PO #	Check #	Vendor:	Transaction Description	Check Amount
P89520	00179647	BRAKE AND CLUTCH SUPPLY NORTH	Misc. Apparatus Parts	27.22
P89527	00179706	VERIZON WIRELESS	Cell Charges/Fire	19.64
<i>Org Key: FR2500 - Fire Emergency Medical Svcs</i>				
P89526	00179641	AIRGAS USA LLC	Oxygen/Fire	88.40
P89533	00179641	AIRGAS USA LLC	Oxygen/Fire	54.76
<i>Org Key: FR4100 - Training</i>				
P86457	00179663	HEALTHFORCE PARTNERS LLC	2015 Flu, TB, MMR Booster, Hea	2,849.00
P89403	00179670	KCFTOA	2016 Dues	100.00
<i>Org Key: GGM001 - General Government-Misc</i>				
P89269	00179653	COMCAST	CITY HALL HIGH SPEED INTERNET	111.37
<i>Org Key: GGM005 - Genera Govt-L1 Retiree Costs</i>				
P89539	00179665	JOHNSON, CURTIS	FRLEOFF1 Retiree Medical Expen	255.02
<i>Org Key: GX9995 - Employee Benefits-General</i>				
P89545	00179651	CHERYL COHEN & ASSOCIATES	Jan-June 30, 2016 EAP Services	3,312.30
P89547	00179645	AWC	Feb 2016 COBRA K. Knight	1,580.10
<i>Org Key: GX9996 - Employee Benefits-Police</i>				
P89549	00179644	AWC	Feb 2016 COBRA J. Maggard	789.25
<i>Org Key: IS2100 - IGS Network Administration</i>				
P89477	00179674	LIFTOFF LLC	Office 365 G3 Licenses	32,640.00
P89497	00179701	TRI-TEC COMMUNICATIONS INC	basic support shoretel 1-27-20	16,644.00
P89477	00179674	LIFTOFF LLC	Office 365 G1 Licenses	7,920.00
P89477	00179674	LIFTOFF LLC	Office 365 G1 Archiving (EOA)	2,640.00
P85541	00179673	KING COUNTY FINANCE	I-NET MONTHLY SERVICES FROM	1,623.00
P89286	00179694	SOFTWAREONE INC	2012 Windows Server Standard R	624.06
P89509	00179711	WIMACTEL INC	PAYPHONE IN POLICE LOBBY	60.23
<i>Org Key: MT2100 - Roadway Maintenance</i>				
P89443	00179700	TRAFFIC SAFETY SUPPLY	STREET SIGNS	243.42
<i>Org Key: MT3100 - Water Distribution</i>				
P88139	00179688	S&B INC	PRESSURE SENSOR REPAIR	3,454.18
P89419	00179662	H D FOWLER	METER ADAPTERS, 1" TO 1-1/2" L	304.52
P89418	00179661	GRAINGER	SAMPLE BOTTLES	45.69
<i>Org Key: MT3200 - Water Pumps</i>				
	00179649	CENTURYLINK	PHONE USE JAN 2016	59.41
<i>Org Key: MT3300 - Water Associated Costs</i>				
	00179710	WILLING, ROBERT	MILEAGE EXPENSE	30.24
	00179679	MOLTZ, ERIC	MILEAGE EXPENSE	23.33
<i>Org Key: MT3500 - Sewer Pumps</i>				
	00179649	CENTURYLINK	PHONE USE JAN 2016	2,650.26
P89517	00179693	SME CORPORATION	PUMP STATION 18 & 24	1,061.38
P89418	00179661	GRAINGER	ZIP LOCK BAGS	37.69
P89502	00179661	GRAINGER	ZIP LOCK BAGS	37.69
<i>Org Key: MT3600 - Sewer Associated Costs</i>				

Accounts Payable Report by GL Key

PO #	Check #	Vendor:	Transaction Description	Check Amount
	00179646	BABCOCK, THOMAS	MILEAGE EXPENSE	16.20
<i>Org Key: MT3800 - Storm Drainage</i>				
P89513	00179642	AM TEST INC	STORM WATER TESTING	350.00
<i>Org Key: MT4150 - Support Services - Clearing</i>				
P89506	00179705	UTILITIES UNDERGROUND LOCATION	EXCAVATION NOTIFICATION - DECE	241.78
P89508	00179654	COMCAST	2016 MAINT DEPT WI FI	86.32
P89334	00179658	EPSCA	MONTHLY RADIO ACCESS FEES 1 RA	25.25
<i>Org Key: MT4200 - Building Services</i>				
P89501	00179681	NAPA AUTO PARTS	GENERATOR PARTS	261.74
P89498	00179659	FIRE PROTECTION INC	FIRE ALARM MONITORING FOR COMM	84.75
<i>Org Key: MT4300 - Fleet Services</i>				
P89501	00179681	NAPA AUTO PARTS	DECEMBER PARTS/INVENTORY	1,069.92
P89447	00179682	NELSON TRUCK EQUIPMENT CO INC	PARTS FOR SNOW REMOVAL EQUIPME	468.66
P89216	00179643	AUTONATION	FL-0407 REPAIRS	187.95
P89537	00179695	SUNDSTROM, ROBERT	Instruction services for Birdi	29.12
<i>Org Key: MT4450 - Cust Resp - Clearing Acct</i>				
P89087	00179709	WHISTLE WORKWEAR	SAFETY BOOTS & MISC. WORK CLOT	228.48
<i>Org Key: MT4501 - Water Administration</i>				
P89511	00179692	SEATTLE PUBLIC UTILITIES	WATER QUALITY SERVICE	489.00
<i>Org Key: PO1350 - Police Emergency Management</i>				
P89334	00179658	EPSCA	MONTHLY RADIO ACCESS FEES 13 R	328.25
<i>Org Key: PO1600 - Regional Radio Operations (CJ)</i>				
P89334	00179658	EPSCA	MONTHLY RADIO ACCESS FEES 57 R	1,439.25
<i>Org Key: PO2100 - Patrol Division</i>				
P89396	00179648	CDW GOVERNMENT INC	Lexmark MS315dn - printer (\$29	242.83
P89396	00179648	CDW GOVERNMENT INC	shipping	19.55
<i>Org Key: PR1100 - Administration (PR)</i>				
P89489	00179704	US POSTMASTER	Postage for 2016 Camp Brochure	279.04
<i>Org Key: PR2100 - Recreation Programs</i>				
P89537	00179695	SUNDSTROM, ROBERT	Instruction services for Birdi	293.57
<i>Org Key: PR4100 - Community Center</i>				
P89346	00179712	WRPA	WRPA Annual Conference	1,345.00
P89540	00179655	COMCAST	2016 High Speed Connection Cha	135.47
P89498	00179659	FIRE PROTECTION INC	FIRE ALARM MONITORING FOR COMM	84.75
<i>Org Key: PR6100 - Park Maintenance</i>				
P89080	00179709	WHISTLE WORKWEAR	SAFETY BOOTS & MISC. WORK CLOT	226.16
P89080	00179709	WHISTLE WORKWEAR	SAFETY BOOTS & MISC. WORK CLOT	50.00
<i>Org Key: PR6500 - Luther Burbank Park Maint.</i>				
P89541	00179707	WA ST DEPT NATURAL RESOURCES	2016 Charge for Aquatic Lands	4,163.12
P89342	00179652	CINTAS CORPORATION #460	2016 Rug Cleaning Services for	24.64
P89342	00179652	CINTAS CORPORATION #460	2016 Rug Cleaning Services for	24.64

Accounts Payable Report by GL Key

PO #	Check #	Vendor:	Transaction Description	Check Amount
<i>Org Key: PR6700 - I90 Park Maintenance</i>				
P89538	00179697	T2 SYSTEMS CANADA INC	2016 Service Charges for Boat	82.13
P89488	00179696	T-MOBILE	2016 Services for Boat Launch	49.99
<i>Org Key: PY4615 - Flex Admin 2015</i>				
	00179698	TAYLOR, KIRSTEN	FLEX SPEND ACCT REIMB	742.52
	00179657	DALY, RYAN	FLEX SPEND ACCT REIMB	500.00
	00179699	TONELLA-HOWE, ANNE	FLEX SPEND ACCT REIMB	491.94
	00179690	SCHUCK, CHRISTINA	FLEX SPEND ACCT REIMB	350.40
	00179660	FLETCHER, BRUCE	FLEX SPEND ACCT REIMB	239.43
	00179675	LOO CHAN, PEGGY	FLEX SPEND ACCT REIMB	38.05
<i>Org Key: PY4616 - Flex Admin 2016</i>				
	00179684	PHILEN, SUZANNE	FLEX SPEND ACCT REIMB	90.47
<i>Org Key: WG130E - Equipment Rental Vehicle Repl</i>				
P88915	00179671	KIA MOTORS FINANCE	DSG 2016 KIA SOUL LEASE	263.96
<i>Org Key: XD310C - Basins 10 & 32b Dissol Metal</i>				
P89227	00179667	KC FINANCE	STORMWATER MONITORING	28,935.77
<i>Org Key: XP710R - Luther Burbank Minor Improvment</i>				
P82800	00179702	TRUE NORTH LAND SURVEYING INC	Surveying services for Luther	1,392.53
P89401	00179680	MUTUAL MATERIALS CO	MANORSTONE BRICKS	722.81
P89401	00179680	MUTUAL MATERIALS CO	CREDIT- MANORSTONE BRICKS	-532.45
<i>Org Key: YF2600 - Family Assistance</i>				
P89289	00179686	PUGET SOUND ENERGY	Utility Assistance for Emergen	144.71
Total				172,179.61

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	179714-179811	02/04/16	\$ 375,664.49
			\$ 375,664.49

Accounts Payable Report by Check Number

Check No	Check Date	Vendor Name/Description	PO #	Invoice #	Invoice Date	Check Amount
00179714	02/01/2016	MICHAEL'S TOYOTA OF BELLEVUE FIRE VEHICLE REPLACEMENT FOR	P89493	61198	02/01/2016	27,300.95
00179715	02/04/2016	AM TEST INC R2A SAMPLING	P89535	90338	01/12/2016	240.00
00179716	02/04/2016	ANDERSON, LAURA MARIE Instruction services for RDI P	P89615	OH005987	02/01/2016	172.90
00179717	02/04/2016	APS INC MADRONA CREST W WATER AND SIDE	P88916	89609	12/31/2015	8,606.50
00179718	02/04/2016	AUDIO PLUS PERMIT REFUND		1601-146	01/29/2016	95.20
00179719	02/04/2016	AUTOMATED GATES & EQUIPMENT CO PERMIT REFUND		1510-296	01/29/2016	93.95
00179720	02/04/2016	BACKFLOW MANAGEMENT INC CROSS CONNECTION CONTROL PLAN	P88647	7949	01/14/2016	3,450.00
00179721	02/04/2016	BAKER, DENNIS L MILEAGE EXPENSE		OH005971	01/29/2016	40.50
00179722	02/04/2016	BERTLIN, BRIAN PERMIT REFUND		1502-051	01/28/2016	3,244.00
00179723	02/04/2016	BLUELINE GROUP 015 WATER SYSTEM IMPROVEMENT	P85675	11098	01/05/2016	4,032.80
00179724	02/04/2016	BODMER, TAMMY M ADVISORY BOARD MTG EXPENSE		OH005979	01/27/2016	76.27
00179725	02/04/2016	BRAUN NORTHWEST INC. Apparatus Parts/7607	P89524	18837	01/14/2016	92.31
00179726	02/04/2016	BUILDERS EXCHANGE OF WA 9700 BLK SE 41ST WATER SYSTEM	P89542	1048992	01/07/2016	45.00
00179727	02/04/2016	CAROLLO ENGINEERS INC GENERAL SEWER PLAN UPDATE	P86399	0146380	01/13/2016	3,916.93
00179728	02/04/2016	CDW GOVERNMENT INC Microsoft Surface Pro 4 Dockin	P89416	BSG5434	01/13/2016	1,721.00
00179729	02/04/2016	CENTURYLINK PHONE USE JAN 2016		OH005981	01/20/2016	3,175.81
00179730	02/04/2016	CHAPTER 13 TRUSTEE PAYROLL EARLY WARRANTS		OH006003	02/05/2016	1,331.00
00179731	02/04/2016	CINTAS CORPORATION #460 2016 Rug Cleaning Services for	P89342	460527359	01/28/2016	24.64
00179732	02/04/2016	CODE PUBLISHING CO MICC E-Update thru Ord 15C-22	P89550	51971	01/19/2016	242.54
00179733	02/04/2016	COMCAST Internet Charges/Fire	P89554	OH005989	01/17/2016	166.40
00179734	02/04/2016	COMCAST Cable TV - South Fire	P89552	OH005985	01/11/2016	61.91
00179735	02/04/2016	COVELLO, JENNIFER PERMIT REFUND		1601-117	01/29/2016	190.40
00179736	02/04/2016	CRYSTAL AND SIERRA SPRINGS Monthly water service deliver	P89371	5279422011716	01/17/2016	20.18
00179737	02/04/2016	CUMMINS NORTHWEST INC PUMP STATION 1	P89558	184858/64/177782	11/04/2015	1,065.93
00179738	02/04/2016	EASTSIDE EXTERMINATORS EXTERMINATOR SERVICE CITY HALL	P89576	270620	01/22/2016	223.38
00179739	02/04/2016	ECONOMY FENCE CENTER FS91 SECURITY FENCE INSTALLATI	P89577	0026163IN	12/30/2015	3,094.47

Accounts Payable Report by Check Number

Check No	Check Date	Vendor Name/Description	PO #	Invoice #	Invoice Date	Check Amount
00179740	02/04/2016	ERRG INC Luther Burbank Phase 2: Calkin	P87668	4388	01/14/2016	123,806.20
00179741	02/04/2016	FERGUSON ENTERPRISES INC INVENTORY PURCHASES	P89594	0493441/0493438	01/12/2016	5,131.11
00179742	02/04/2016	FLETCHER, BRUCE MILEAGE EXPENSE		OH005975	02/01/2016	138.24
00179743	02/04/2016	GARDNER, BRENT WORK CLOTHES		OH005976	01/23/2016	194.32
00179744	02/04/2016	GORDON, DARRELL MATTING FOR ADMIN PICTURES		OH005977	01/25/2016	58.91
00179745	02/04/2016	GRAINGER BLOCK HEATER	P89529	9939880846	01/14/2016	235.35
00179746	02/04/2016	GSC VIDEO PRODUCTIONS Council Planning Session Overf	P89597	OH005990	01/23/2016	200.00
00179747	02/04/2016	H D FOWLER 8" ROMAC ALPHA WIDE RANGE END	P89565	I4123975/C377004	01/21/2016	319.53
00179748	02/04/2016	HACH COMPANY POCKET COLORIMETER II (FLUORID	P89566	9755374/9751287	01/14/2016	1,380.08
00179749	02/04/2016	HARB, SAM MILEAGE EXPENSE		OH005974	01/30/2016	70.18
00179750	02/04/2016	HARRIS COMPUTER SYSTEMS ICIS Utility Billing Software	P89571	MN00088252	10/31/2015	26,026.61
00179751	02/04/2016	HEITMAN, STEVE APEX CONF EXPENSES		OH006005	02/03/2016	417.00
00179752	02/04/2016	HOME DEPOT CREDIT SERVICE INVENTORY PURCHASES	P89593	0276542020070	01/27/2016	197.85
00179753	02/04/2016	HONEYWELL, MATTHEW V Professional Services on 1/26/	P89595	899	01/26/2016	700.00
00179754	02/04/2016	IACP - MEMBERSHIP Annual dues-Chief	P89587	1620924 2016	01/08/2016	150.00
00179755	02/04/2016	INTERIOR FOLIAGE CO, THE CITY HALL INTERIOR PLANTS	P89606	35117	01/04/2016	319.74
00179756	02/04/2016	ISSAQUAH CITY JAIL December jail bill	P89582	0450008107	12/31/2015	4,753.00
00179757	02/04/2016	KC FINANCE WRIA 8 -3RD TRIMESTER OF 2015	P89599	61396	01/25/2016	3,846.33
00179758	02/04/2016	KC FLEET ADMINISTRATION DIV FILM PAINTMASK WHITE 30" X 50	P89546	211273	01/08/2016	299.63
00179759	02/04/2016	KELLEY, CHRIS M MILEAGE EXPENSE		OH005972	01/28/2016	17.60
00179760	02/04/2016	KELLIN HOMES LLC PERMIT REFUND		CA015-004	01/29/2016	2,757.87
00179761	02/04/2016	KENT D BRUCE CO LLC Apparatus Parts/7608	P89528	1083	01/15/2016	33.57
00179762	02/04/2016	KING COUNTY FINANCE GIS CLINET SERVICES INV GOV -	P89510	2066440	01/13/2016	472.00
00179763	02/04/2016	KING COUNTY FINANCE SIGNAL SERVICES	P89512	71576-71580	01/31/2015	1,344.74
00179764	02/04/2016	KROESENS INC Austin Uniforms	P89586	30644	01/14/2016	226.40
00179765	02/04/2016	L & I ELEVATOR SECTION FS92 ELEVATOR OPERATING PERMIT	P89629	174206	05/01/2015	138.01

Accounts Payable Report by Check Number

Check No	Check Date	Vendor Name/Description	PO #	Invoice #	Invoice Date	Check Amount
00179766	02/04/2016	LAKESIDE INDUSTRIES INVENTORY PURCHASES	P89564	3259869MB	01/20/2016	1,560.38
00179767	02/04/2016	LANDER ELECTRIC SERVICE LLC PERMIT REFUND		1512-243	01/29/2016	93.95
00179768	02/04/2016	LEGEND DATA SYSTEMS INC Passports	P89523	109786	01/18/2016	34.86
00179769	02/04/2016	LIFE ASSIST INC Alcohol Prep Pads	P89573	737465/737535	01/12/2016	1,342.69
00179770	02/04/2016	METROPRESORT Printing and Mailing December	P85663	418/893/041/211	12/29/2015	2,000.43
00179771	02/04/2016	MI CHAMBER OF COMMERCE MONTHLY BILLING FOR SERVICES	P89590	2892	01/11/2016	1,215.00
00179772	02/04/2016	MI EMPLOYEES ASSOC PAYROLL EARLY WARRANTS		OH006001	02/05/2016	140.00
00179773	02/04/2016	MI SCHOOL DISTRICT #400 2016 Operational support for M	P89260	OH005996	02/01/2016	10,541.67
00179774	02/04/2016	MI UTILITY BILLS PAYMENT OF UTILITY BILLS FOR W	P89611	OH005995	01/29/2016	3,406.36
00179775	02/04/2016	MICROFLEX Annual Maintenance for 2016 Ta	P89516	00022215	01/18/2016	1,200.00
00179776	02/04/2016	MOLTZ, ERIC MILEAGE EXPENSE		OH005970	01/29/2016	106.92
00179777	02/04/2016	MOUNTAINS TO SOUND 2015-2016 Volunteer recruitmen	P85920	4	12/31/2015	3,403.25
00179778	02/04/2016	ON SITE FITNESS LLC Quarterly Equipment Maintenanc	P89525	3881	01/13/2016	498.23
00179779	02/04/2016	ORMSBY, ANNA DOG TREATS		OH006004	02/03/2016	25.70
00179780	02/04/2016	OVERLAKE OIL 800 GAL. UNLEADED FUEL DELIVER	P89561	0175707IN	01/12/2016	4,038.40
00179781	02/04/2016	PERRONE CONSULTING INC PS ENGINEERING CONSULTATION 9221	P89610	1511406	01/22/2016	936.00
00179782	02/04/2016	PETTY CASH FUND THRIFT SHOP PETTY CASH REIMBURSEMENT		OH005978	01/26/2016	64.56
00179783	02/04/2016	PUGET SOUND ENERGY ENERGY USE JAN 2016		OH005982	02/12/2016	29,367.44
00179784	02/04/2016	REGIONAL TOXICOLOGY SERVICES Lab fees for Harnish clients	P89330	TC20290123115	12/31/2015	15.70
00179785	02/04/2016	REMOTE SATELLITE SYSTEMS INT'L EMAC Sat Phone	P89589	00078352	01/08/2016	48.95
00179786	02/04/2016	REPUBLIC SERVICES #172 25 yrd DISPOSAL/RECYCLE SERVIC	P89596	7257/8805/7463	12/31/2015	11,256.73
00179787	02/04/2016	RODDA PAINT CO PAINT FOR CITY HALL	P89607	19868867/1986886	01/20/2016	66.89
00179788	02/04/2016	ROSENSTEIN, SUSIE Personal Training services	P89616	107	01/27/2016	300.00
00179789	02/04/2016	SEA STAR DIVING LLC Dive Class-Amici, Schroeder	P89620	OH005994	01/24/2016	100.00
00179790	02/04/2016	SEA WESTERN INC Fire Marshal Helmet	P89574	188752	01/15/2016	1,031.81
00179791	02/04/2016	SEAHURST ELECTRIC INC SEWER PUMP STATION ELECTRICAL	P89057	151294	12/28/2015	24,418.50

Accounts Payable Report by Check Number

Check No	Check Date	Vendor Name/Description	PO #	Invoice #	Invoice Date	Check Amount
00179792	02/04/2016	SEATTLE BOAT COMPANY DECEMBER MARINE FUEL	P89562	OH005986	01/12/2016	1,064.99
00179793	02/04/2016	SEATTLE PUBLIC UTILITIES NEW SPU RETAIL SERVICE CONNECT	P89632	OH005997	01/31/2016	936.00
00179794	02/04/2016	SHOREWOOD HEIGHTS Rental assistance for Emergenc	P89375	OH005999	01/29/2016	255.37
00179795	02/04/2016	SHOREWOOD HEIGHTS Rental assistance for Emergenc	P89375	OH006000	01/29/2016	200.00
00179796	02/04/2016	SME CORPORATION RESERVOIR CHLORINE ANALYZER CO	P89534	44763	12/31/2015	1,632.87
00179797	02/04/2016	SOUND ROOF SERVICES INC FS91 ROOF REPAIR INVESTIGATION	P89579	15642	01/21/2016	1,211.52
00179798	02/04/2016	STATE AUDITOR'S OFFICE FYE 2014 Audit Costs	P89490	L112040	01/13/2016	12,734.30
00179799	02/04/2016	STEWART, LISA C SUPPLIES		OH005969	01/29/2016	34.98
00179800	02/04/2016	SUPPLY SOURCE INC/SAMS, THE INVENTORY PURCHASES	P89567	1610192	01/19/2016	1,057.00
00179801	02/04/2016	SURREY DOWNS APARTMENTS Rental ass't for EA client NR	P89608	OH005998	01/29/2016	100.00
00179802	02/04/2016	SYSTEMS DESIGN WEST LLC Transport Billing Fees	P89410	MIFD0116	01/12/2016	1,068.74
00179803	02/04/2016	SYSTEMS FOR PUBLIC SAFETY INC MDC Mounting Hardware and Labo	P88792	27875	01/18/2016	3,557.90
00179804	02/04/2016	UNDERWATER SPORTS INC. Dive team equipment	P89584	20010863	01/21/2016	76.54
00179805	02/04/2016	UNITED SITE SERVICES 2016 Portable Toilet Rentals a	P89258	1143662943/44/45	01/15/2016	565.45
00179806	02/04/2016	UNITED WAY OF KING CO PAYROLL EARLY WARRANTS		OH006002	02/05/2016	210.10
00179807	02/04/2016	VERIZON WIRELESS PS 18 & 24	P89439	9757716881	12/23/2015	969.19
00179808	02/04/2016	VERIZON WIRELESS Parks cell phone use fees 12/2	P89619	9759348452	01/23/2016	377.76
00179809	02/04/2016	WACD PLANT MATERIAL CENTER Plant order	P88050	16082INV#1	01/19/2016	740.34
00179810	02/04/2016	WASHINGTON2 ADVOCATES LLC I-90 Loss of Mobility Negotiat	P89628	5365	01/31/2016	10,000.00
00179811	02/04/2016	WEST COAST SIGNAL INC STREETLIGHT AND ELECTRICAL REP	P85970	1698	12/29/2015	5,697.78
					Total	<u>375,664.49</u>

Accounts Payable Report by GL Key

PO #	Check #	Vendor:	Transaction Description	Check Amount
<i>Org Key: 345000 - Technology-Admin Key</i>				
	00179760	KELLIN HOMES LLC	PERMIT REFUND	78.87
<i>Org Key: 402000 - Water Fund-Admin Key</i>				
P89594	00179741	FERGUSON ENTERPRISES INC	INVENTORY PURCHASES	5,131.11
	00179722	BERTLIN, BRIAN	PERMIT REFUND	3,244.00
P89564	00179766	LAKESIDE INDUSTRIES	INVENTORY PURCHASES	1,560.38
P89567	00179800	SUPPLY SOURCE INC/SAMS, THE	INVENTORY PURCHASES	1,057.00
P89632	00179793	SEATTLE PUBLIC UTILITIES	NEW SPU RETAIL SERVICE CONNECT	936.00
P89519	00179752	HOME DEPOT CREDIT SERVICE	INVENTORY PURCHASES	52.37
<i>Org Key: 814072 - United Way</i>				
	00179806	UNITED WAY OF KING CO	PAYROLL EARLY WARRANTS	210.10
<i>Org Key: 814074 - Garnishments</i>				
	00179730	CHAPTER 13 TRUSTEE	PAYROLL EARLY WARRANTS	1,331.00
<i>Org Key: 814075 - Mercer Island Emp Association</i>				
	00179772	MI EMPLOYEES ASSOC	PAYROLL EARLY WARRANTS	140.00
<i>Org Key: CA1200 - Prosecution & Criminal Mngmnt</i>				
P89595	00179753	HONEYWELL, MATTHEW V	Professional Services on 1/26/	700.00
<i>Org Key: CM11SP - Special Projects-City Mgr</i>				
P89628	00179810	WASHINGTON2 ADVOCATES LLC	I-90 Loss of Mobility Negotiat	10,000.00
<i>Org Key: CM1200 - City Clerk</i>				
P89550	00179732	CODE PUBLISHING CO	MICC E-Update thru Ord 15C-22	242.54
<i>Org Key: CM1400 - Communications</i>				
P89416	00179728	CDW GOVERNMENT INC	Microsoft Surface Pro 4 12.3 C	1,393.96
P89416	00179728	CDW GOVERNMENT INC	Microsoft Surface Pro 4 Dockin	210.23
P89416	00179728	CDW GOVERNMENT INC	Microsoft Surface Pro 4 Type C	116.81
<i>Org Key: CO6100 - City Council</i>				
P89597	00179746	GSC VIDEO PRODUCTIONS	Council Planning Session Overf	200.00
<i>Org Key: DS0000 - Development Services-Revenue</i>				
	00179760	KELLIN HOMES LLC	PERMIT REFUND	2,629.00
	00179718	AUDIO PLUS	PERMIT REFUND	95.20
	00179735	COVELLO, JENNIFER	PERMIT REFUND	95.20
	00179735	COVELLO, JENNIFER	PERMIT REFUND	95.20
	00179719	AUTOMATED GATES & EQUIPMENT CO	PERMIT REFUND	93.95
	00179767	LANDER ELECTRIC SERVICE LLC	PERMIT REFUND	93.95
	00179760	KELLIN HOMES LLC	PERMIT REFUND	50.00
<i>Org Key: DS1100 - Administration (DS)</i>				
P89510	00179762	KING COUNTY FINANCE	GIS CLINET SERVICES INV GOV -	472.00
<i>Org Key: DS1200 - Bldg Plan Review & Inspection</i>				
P89610	00179781	PERRONE CONSULTING INC PS	ENGINEERING CONSULTATION 9221	936.00
	00179743	GARDNER, BRENT	WORK CLOTHES	194.32
<i>Org Key: FN1100 - Administration (FN)</i>				
P89490	00179798	STATE AUDITOR'S OFFICE	FYE 2014 Audit Costs	6,367.15

Accounts Payable Report by GL Key

PO #	Check #	Vendor:	Transaction Description	Check Amount
<i>Org Key: FN4501 - Utility Billing (Water)</i>				
P89571	00179750	HARRIS COMPUTER SYSTEMS	ICIS Utility Billing Software	8,675.53
P85663	00179770	METROPRESORT	Printing and Mailing December	385.61
P85663	00179770	METROPRESORT	Printing and Mailing December	281.20
<i>Org Key: FN4502 - Utility Billing (Sewer)</i>				
P89571	00179750	HARRIS COMPUTER SYSTEMS	ICIS Utility Billing Software	8,675.54
P85663	00179770	METROPRESORT	Printing and Mailing December	385.61
P85663	00179770	METROPRESORT	Printing and Mailing December	281.20
<i>Org Key: FN4503 - Utility Billing (Storm)</i>				
P89571	00179750	HARRIS COMPUTER SYSTEMS	ICIS Utility Billing Software	8,675.54
P85663	00179770	METROPRESORT	Printing and Mailing December	385.61
P85663	00179770	METROPRESORT	Printing and Mailing December	281.20
<i>Org Key: FN4520 - Cross Connection Control Progr</i>				
P88647	00179720	BACKFLOW MANAGEMENT INC	CROSS CONNECTION CONTROL PLAN	3,450.00
<i>Org Key: FNBE01 - Financial Services</i>				
P89277	00179771	MI CHAMBER OF COMMERCE	MONTHLY BILLING FOR SERVICES	1,200.00
P89516	00179775	MICROFLEX	Annual Maintenance for 2016 Ta	1,200.00
<i>Org Key: FR1100 - Administration (FR)</i>				
P89410	00179802	SYSTEMS DESIGN WEST LLC	Transport Billing Fees	1,068.74
P89525	00179778	ON SITE FITNESS LLC	Quarterly Equipment Maintenanc	498.23
	00179751	HEITMAN, STEVE	APEX CONF EXPENSES	417.00
P89580	00179790	SEA WESTERN INC	Fire Marshal Helmet	359.11
	00179729	CENTURYLINK	PHONE USE JAN 2016	289.36
P89553	00179733	COMCAST	Internet Charges/Fire	104.08
P89554	00179733	COMCAST	Internet Charges/Fire	62.32
P89552	00179734	COMCAST	Cable TV - South Fire	61.91
	00179744	GORDON, DARRELL	MATTING FOR ADMIN PICTURES	58.91
<i>Org Key: FR2100 - Fire Operations</i>				
P89574	00179790	SEA WESTERN INC	Bunker Gear Supplies	672.70
P89555	00179764	KROESENS INC	Austin Uniforms	199.02
P89524	00179725	BRAUN NORTHWEST INC.	Apparatus Parts/7607	92.31
P89523	00179768	LEGEND DATA SYSTEMS INC	Passports	34.86
P89528	00179761	KENT D BRUCE CO LLC	Apparatus Parts/7608	33.57
<i>Org Key: FR2500 - Fire Emergency Medical Svcs</i>				
P89573	00179769	LIFE ASSIST INC	Defib Batteries	1,314.00
P89573	00179769	LIFE ASSIST INC	Alcohol Prep Pads	28.69
<i>Org Key: IGBE01 - MI Pool Operation Subsidy</i>				
P89260	00179773	MI SCHOOL DISTRICT #400	2016 Operational support for M	10,541.67
<i>Org Key: IS2100 - IGS Network Administration</i>				
	00179729	CENTURYLINK	PHONE USE JAN 2016	1,954.10
<i>Org Key: MT2100 - Roadway Maintenance</i>				
P89512	00179763	KING COUNTY FINANCE	SIGNAL SERVICES	1,344.74
	00179783	PUGET SOUND ENERGY	ENERGY USE JAN 2016	356.73

Accounts Payable Report by GL Key

PO #	Check #	Vendor:	Transaction Description	Check Amount
P89546	00179758	KC FLEET ADMINISTRATION DIV	FILM PAINTMASK WHITE 30" X 50	299.63
P89593	00179752	HOME DEPOT CREDIT SERVICE	GFCI ELEC. OUTLETS & 12V	145.48
<i>Org Key: MT2300 - Planter Bed Maintenance</i>				
	00179783	PUGET SOUND ENERGY	ENERGY USE JAN 2016	13.03
<i>Org Key: MT2500 - ROW Administration</i>				
P89596	00179786	REPUBLIC SERVICES #172	25 yrd DISPOSAL/RECYCLE SERVIC	4,557.93
P89596	00179786	REPUBLIC SERVICES #172	12 YRD DISPOSAL/RECYCLE SERVI	874.46
<i>Org Key: MT3100 - Water Distribution</i>				
P89534	00179796	SME CORPORATION	RESERVOIR CHLORINE ANALYZER CO	1,632.87
P89566	00179748	HACH COMPANY	POCKET COLORIMETER II (FLUORID	1,191.79
P89361	00179747	H D FOWLER	8" ROMAC ALPHA WIDE RANGE END	261.48
P89565	00179747	H D FOWLER	METER ADAPTER, 1" METER TO 2"	155.85
P89566	00179748	HACH COMPANY	DPD FREE CHLORINE, 10-ML POWDE	113.06
P89566	00179748	HACH COMPANY	SPADNS2 (ARSENIC FREE) FLUORID	75.23
P89361	00179747	H D FOWLER	VALVE WRENCH	54.46
P89565	00179747	H D FOWLER	CREDIT- OVER BILLED ON METER A	-152.26
<i>Org Key: MT3150 - Water Quality Event</i>				
P89535	00179715	AM TEST INC	R2A SAMPLING	240.00
<i>Org Key: MT3200 - Water Pumps</i>				
	00179783	PUGET SOUND ENERGY	ENERGY USE JAN 2016	1,915.59
<i>Org Key: MT3300 - Water Associated Costs</i>				
P89596	00179786	REPUBLIC SERVICES #172	25 yrd DISPOSAL/RECYCLE SERVIC	506.43
	00179776	MOLTZ, ERIC	MILEAGE EXPENSE	47.52
<i>Org Key: MT3500 - Sewer Pumps</i>				
	00179783	PUGET SOUND ENERGY	ENERGY USE JAN 2016	3,913.93
	00179729	CENTURYLINK	PHONE USE JAN 2016	502.71
P89558	00179737	CUMMINS NORTHWEST INC	PS REPAIR	493.79
P89558	00179737	CUMMINS NORTHWEST INC	PUMP STATION 1	286.07
P89558	00179737	CUMMINS NORTHWEST INC	PUMP STATION 11	286.07
P89536	00179807	VERIZON WIRELESS	PS 18 & 24	106.39
<i>Org Key: MT3600 - Sewer Associated Costs</i>				
P89596	00179786	REPUBLIC SERVICES #172	25 yrd DISPOSAL/RECYCLE SERVIC	506.43
	00179776	MOLTZ, ERIC	MILEAGE EXPENSE	23.76
	00179721	BAKER, DENNIS L	MILEAGE EXPENSE	20.25
<i>Org Key: MT4150 - Support Services - Clearing</i>				
P89439	00179807	VERIZON WIRELESS	MAINT DEPT CELLULAR SERVICE	862.80
	00179749	HARB, SAM	MILEAGE EXPENSE	24.38
	00179749	HARB, SAM	MILEAGE EXPENSE	22.90
	00179749	HARB, SAM	MILEAGE EXPENSE	22.90
	00179759	KELLEY, CHRIS M	MILEAGE EXPENSE	17.60
<i>Org Key: MT4200 - Building Services</i>				
	00179783	PUGET SOUND ENERGY	ENERGY USE JAN 2016	6,394.34
	00179783	PUGET SOUND ENERGY	ENERGY USE JAN 2016	991.15
P89606	00179755	INTERIOR FOLIAGE CO, THE	CITY HALL INTERIOR PLANTS	319.74

Accounts Payable Report by GL Key

PO #	Check #	Vendor:	Transaction Description	Check Amount
P89576	00179738	EASTSIDE EXTERMINATORS	EXTERMINATOR SERVICE CITY HALL	223.38
P89605	00179765	L & I ELEVATOR SECTION	FS92 ELEVATOR OPERATING PERMIT	69.10
P89629	00179765	L & I ELEVATOR SECTION	FS92 ELEVATOR OPERATING PERMIT	68.91
P89607	00179787	RODDA PAINT CO	PAINT FOR CITY HALL	68.76
P89607	00179787	RODDA PAINT CO	CREDIT PAINT FOR CITY HALL	-1.87
<i>Org Key: MT4210 - Building Landscaping</i>				
P89596	00179786	REPUBLIC SERVICES #172	25 yrd DISPOSAL/RECYCLE SERVIC	506.46
<i>Org Key: MT4300 - Fleet Services</i>				
P89561	00179780	OVERLAKE OIL	800 GAL UNLEADED FUEL	1,697.30
P89562	00179792	SEATTLE BOAT COMPANY	DECEMBER MARINE FUEL	1,064.99
P89601	00179780	OVERLAKE OIL	800 GAL. UNLEADED FUEL DELIVER	1,275.28
P89601	00179780	OVERLAKE OIL	387 GAL DIESEL DELIVERY	582.96
P89561	00179780	OVERLAKE OIL	300 GAL DIESEL DELIVERY	482.86
P89529	00179745	GRAINGER	BLOCK HEATER	235.35
<i>Org Key: MT4402 - Customer Response-Right-of-Way</i>				
P88792	00179803	SYSTEMS FOR PUBLIC SAFETY INC	MDC Mounting Hardware and Labo	889.47
<i>Org Key: MT4403 - Customer Response - Water</i>				
P88792	00179803	SYSTEMS FOR PUBLIC SAFETY INC	MDC Mounting Hardware and Labo	889.47
<i>Org Key: MT4404 - Customer Response - Sewer</i>				
P88792	00179803	SYSTEMS FOR PUBLIC SAFETY INC	MDC Mounting Hardware and Labo	889.48
<i>Org Key: MT4405 - Customer Response - Storm</i>				
P88792	00179803	SYSTEMS FOR PUBLIC SAFETY INC	MDC Mounting Hardware and Labo	889.48
<i>Org Key: MT4450 - Cust Resp - Clearing Acct</i>				
	00179776	MOLTZ, ERIC	MILEAGE EXPENSE	35.64
	00179721	BAKER, DENNIS L	MILEAGE EXPENSE	20.25
<i>Org Key: MT4501 - Water Administration</i>				
P89490	00179798	STATE AUDITOR'S OFFICE	FYE 2014 Audit Costs	2,122.38
	00179729	CENTURYLINK	PHONE USE JAN 2016	49.63
<i>Org Key: MT4502 - Sewer Administration</i>				
P89490	00179798	STATE AUDITOR'S OFFICE	FYE 2014 Audit Costs	2,122.38
<i>Org Key: MT4503 - Storm Water Administration</i>				
P89599	00179757	KC FINANCE	WRIA 8 -3RD TRIMESTER OF 2015	3,846.33
P89490	00179798	STATE AUDITOR'S OFFICE	FYE 2014 Audit Costs	2,122.39
<i>Org Key: MTBE01 - Maint of Medians & Planters</i>				
	00179783	PUGET SOUND ENERGY	ENERGY USE JAN 2016	1,187.40
<i>Org Key: PO1100 - Administration (PO)</i>				
P89587	00179754	IACP - MEMBERSHIP	Annual dues-Chief	150.00
<i>Org Key: PO1350 - Police Emergency Management</i>				
P89589	00179785	REMOTE SATELLITE SYSTEMS INT'L	EMAC Sat Phone	48.95
<i>Org Key: PO1900 - Jail/Home Monitoring</i>				
P89582	00179756	ISSAQUAH CITY JAIL	December jail bill	4,753.00

Accounts Payable Report by GL Key

PO #	Check #	Vendor:	Transaction Description	Check Amount
<i>Org Key: PO2100 - Patrol Division</i>				
P89586	00179764	KROESENS INC	Uniform hat-Haraway	27.38
<i>Org Key: PO2150 - Police Support Officer (CJ)</i>				
	00179779	ORMSBY, ANNA	DOG TREATS	25.70
<i>Org Key: PO2201 - Dive Team</i>				
P89620	00179789	SEA STAR DIVING LLC	Dive Class-Amici, Schroeder	100.00
P89584	00179804	UNDERWATER SPORTS INC.	Dive team equipment	76.54
<i>Org Key: PR1100 - Administration (PR)</i>				
	00179742	FLETCHER, BRUCE	MILEAGE EXPENSE	138.24
<i>Org Key: PR2101 - Youth and Teen Camps</i>				
P89619	00179808	VERIZON WIRELESS	Parks cell phone use fees 12/2	30.25
<i>Org Key: PR2108 - Health and Fitness</i>				
P89616	00179788	ROSENSTEIN, SUSIE	Personal Training services	300.00
P89615	00179716	ANDERSON, LAURA MARIE	Instruction services for RDI P	172.90
<i>Org Key: PR3500 - Senior Services</i>				
P89619	00179808	VERIZON WIRELESS	Parks cell phone use fees 12/2	50.81
<i>Org Key: PR4100 - Community Center</i>				
	00179783	PUGET SOUND ENERGY	ENERGY USE JAN 2016	7,384.96
	00179729	CENTURYLINK	PHONE USE JAN 2016	47.42
P89619	00179808	VERIZON WIRELESS	Parks cell phone use fees 12/2	32.67
<i>Org Key: PR6100 - Park Maintenance</i>				
	00179783	PUGET SOUND ENERGY	ENERGY USE JAN 2016	2,658.65
P89596	00179786	REPUBLIC SERVICES #172	25 yrd DISPOSAL/RECYCLE SERVIC	2,025.74
P89611	00179774	MI UTILITY BILLS	PAYMENT OF UTILITY BILLS FOR W	680.37
P89619	00179808	VERIZON WIRELESS	Parks cell phone use fees 12/2	36.29
<i>Org Key: PR6200 - Athletic Field Maintenance</i>				
P89596	00179786	REPUBLIC SERVICES #172	ICW PARK	253.54
	00179729	CENTURYLINK	PHONE USE JAN 2016	89.75
P89611	00179774	MI UTILITY BILLS	PAYMENT OF UTILITY BILLS FOR W	77.07
P89619	00179808	VERIZON WIRELESS	Parks cell phone use fees 12/2	56.35
<i>Org Key: PR6500 - Luther Burbank Park Maint.</i>				
P89611	00179774	MI UTILITY BILLS	PAYMENT OF UTILITY BILLS FOR W	1,920.05
	00179783	PUGET SOUND ENERGY	ENERGY USE JAN 2016	1,872.68
	00179729	CENTURYLINK	PHONE USE JAN 2016	242.84
P89619	00179808	VERIZON WIRELESS	Parks cell phone use fees 12/2	72.69
P89342	00179731	CINTAS CORPORATION #460	2016 Rug Cleaning Services for	24.64
<i>Org Key: PR6600 - Park Maint-School Related</i>				
	00179783	PUGET SOUND ENERGY	ENERGY USE JAN 2016	1,138.73
P89619	00179808	VERIZON WIRELESS	Parks cell phone use fees 12/2	28.44
<i>Org Key: PR6700 - I90 Park Maintenance</i>				
P89596	00179786	REPUBLIC SERVICES #172	25 yrd DISPOSAL/RECYCLE SERVIC	2,025.74
P89611	00179774	MI UTILITY BILLS	PAYMENT OF UTILITY BILLS FOR W	728.87

Accounts Payable Report by GL Key

PO #	Check #	Vendor:	Transaction Description	Check Amount
	00179783	PUGET SOUND ENERGY	ENERGY USE JAN 2016	714.24
P89258	00179805	UNITED SITE SERVICES	2016 Portable Toilet Rentals a	338.65
P89258	00179805	UNITED SITE SERVICES	2016 Portable Toilet Rentals a	151.20
P89619	00179808	VERIZON WIRELESS	Parks cell phone use fees 12/2	70.26
<i>Org Key: WD535E - Sub Basin 6 Drainage Extension</i>				
P88916	00179717	APS INC	MADRONA CREST W WATER AND	860.65
<i>Org Key: WG106R - North Fire Station Repairs</i>				
P89577	00179739	ECONOMY FENCE CENTER	FS91 SECURITY FENCE INSTALLATI	3,094.47
P89578	00179797	SOUND ROOF SERVICES INC	FS91 ROOF REPAIR INVESTIGATION	678.03
<i>Org Key: WG130E - Equipment Rental Vehicle Repl</i>				
P89493	00179714	MICHAEL'S TOYOTA OF BELLEVUE	FIRE VEHICLE REPLACEMENT FOR	27,300.95
<i>Org Key: WP122P - Open Space - Pioneer/Engstrom</i>				
P89258	00179805	UNITED SITE SERVICES	2016 Portable Toilet Rentals a	75.60
<i>Org Key: WP122R - Vegetation Management</i>				
P85920	00179777	MOUNTAINS TO SOUND	2015-2016 Volunteer recruitmen	3,403.25
P88050	00179809	WACD PLANT MATERIAL CENTER	Plant order	740.34
<i>Org Key: WP303R - Luther BB Shoreline Phase 2</i>				
P87668	00179740	ERRG INC	Luther Burbank Phase 2: Calkin	123,806.20
<i>Org Key: WR101R - Residential Street Improvement</i>				
P88916	00179717	APS INC	MADRONA CREST W WATER AND	860.65
<i>Org Key: WS103P - Sewer 20 yr CIP Plan</i>				
P86399	00179727	CAROLLO ENGINEERS INC	GENERAL SEWER PLAN UPDATE	3,916.93
<i>Org Key: WS710R - General Sewer Sys Improvements</i>				
P89057	00179791	SEAHURST ELECTRIC INC	SEWER PUMP STATION ELECTRICAL	24,418.50
<i>Org Key: WW312R - ICW and 85th Ave Water Impv</i>				
P85675	00179723	BLUELINE GROUP	2015 WATER SYSTEM IMPROVEMENT	350.00
<i>Org Key: WW524R - 93rd Water System Improvements</i>				
P85675	00179723	BLUELINE GROUP	015 WATER SYSTEM IMPROVEMENT	3,480.30
P85675	00179723	BLUELINE GROUP	015 WATER SYSTEM IMPROVEMENT	202.50
<i>Org Key: WW526R - Madrona Crest West Water Sys</i>				
P88916	00179717	APS INC	MADRONA CREST W WATER AND	6,024.55
<i>Org Key: WW528R - 9700 Block SE 41st Watermain</i>				
P89542	00179726	BUILDERS EXCHANGE OF WA	9700 BLK SE 41ST WATER SYSTEM	45.00
<i>Org Key: XG152C - Sustainability Projects</i>				
P85970	00179811	WEST COAST SIGNAL INC	STREETLIGHT AND ELECTRICAL REP	5,697.78
<i>Org Key: XR541C - Safe Routes - Madrona Crest</i>				
P88916	00179717	APS INC	MADRONA CREST W WATER AND	860.65
<i>Org Key: YF1100 - YFS General Services</i>				
	00179724	BODMER, TAMMY M	ADVISORY BOARD MTG EXPENSE	76.27
	00179799	STEWART, LISA C	SUPPLIES	22.98

Accounts Payable Report by GL Key

PO #	Check #	Vendor:	Transaction Description	Check Amount
P89371	00179736	CRYSTAL AND SIERRA SPRINGS	Monthly water service deliver	20.18
P89590	00179771	MI CHAMBER OF COMMERCE	Monthly membership luncheons	15.00
	00179799	STEWART, LISA C	PARKING FEE	12.00
<i>Org Key: YF1200 - Thrift Shop</i>				
	00179783	PUGET SOUND ENERGY	ENERGY USE JAN 2016	826.01
P89579	00179797	SOUND ROOF SERVICES INC	THRIFT SHOP ROOF REPAIR OF LEA	533.49
	00179782	PETTY CASH FUND THRIFT SHOP	PETTY CASH REIMBURSEMENT	54.56
	00179782	PETTY CASH FUND THRIFT SHOP	PETTY CASH REIMBURSEMENT	10.00
<i>Org Key: YF2100 - School/City Partnership</i>				
P89330	00179784	REGIONAL TOXICOLOGY SERVICES	Lab fees for Harnish clients	15.70
<i>Org Key: YF2600 - Family Assistance</i>				
P89375	00179794	SHOREWOOD HEIGHTS	Rental assistance for Emergenc	255.37
P89375	00179795	SHOREWOOD HEIGHTS	Rental assistance for Emergenc	200.00
P89608	00179801	SURREY DOWNS APARTMENTS	Rental ass't for EA client NR	100.00
Total				375,664.49

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	179812-179893	02/11/16	\$ 220,402.92
			\$ 220,402.92

Accounts Payable Report by Check Number

Check No	Check Date	Vendor Name/Description	PO #	Invoice #	Invoice Date	Check Amount
00179812	02/10/2016	CESSCO EU2000I1A1 HONDA GENERATOR	P89444	4729	01/07/2016	1,001.93
00179813	02/10/2016	MERCER ISLAND REPORTER 2016 Subscription/Fire	P89557	OH005992	01/26/2016	39.00
00179814	02/10/2016	MICHAEL'S TOYOTA OF BELLEVUE FIRE VEHICLE REPLACEMENT FOR	P89494	OH006009	02/09/2016	27,098.90
00179815	02/11/2016	ACCESS STORAGE, BLACK BOX DELIVERY AN	P89680	1262844	12/31/2015	281.00
00179816	02/11/2016	AMERICAN EXPRESS (LB) Senior Social supplies	P89614	93311JAN2016A	01/28/2016	157.14
00179817	02/11/2016	AMERICAN EXPRESS (YFS) Online image purchased for pri	P89667	93311JAN2016B	01/28/2016	2,094.65
00179818	02/11/2016	AWC AWC Retro Program for Workers	P89451	39702/39555	01/11/2016	23,963.73
00179819	02/11/2016	AWC FEBRUARY 2016		OH006019	02/09/2016	295.10
00179820	02/11/2016	AWC JANUARY 2016		OH006020	02/09/2016	308.50
00179821	02/11/2016	BAKER, DENNIS L MILEAGE EXPENSE		OH006021	02/04/2016	27.00
00179822	02/11/2016	BECKER, RON FRLEOFF1 Retiree Medical Expen	P89647	OH006026	02/03/2016	12,688.00
00179823	02/11/2016	BELLEVUE, CITY OF 06/14 - 06/15 Regional Hiring	P89654	30608	12/31/2015	1,403.00
00179824	02/11/2016	BERK CONSULTING MI PARKING STUDY PROJECT DEC	P89686	100870116	02/02/2016	3,343.75
00179825	02/11/2016	BODLE, MEARA S FLEX SPEND ACCT REIMB		OH006011	02/05/2016	576.93
00179826	02/11/2016	CAMDEN GARDENS 2016 Aljoya & Aubrey Davis Par	P89438	56502	02/01/2016	410.63
00179827	02/11/2016	CDW GOVERNMENT INC Microsoft Complete Extended Se	P89416	BSW1270	01/16/2016	274.01
00179828	02/11/2016	CENTURYLINK PHONE USE FEB 2016		OH006025	02/01/2016	1,032.28
00179829	02/11/2016	CESSCO REPAIR & SERVICE CHECK OUT EQU	P89642	4778	01/25/2016	325.76
00179830	02/11/2016	COMMERCIAL LANDSC SUPPLY INC INVENTORY PURCHASES	P89581	193707	01/21/2016	365.10
00179831	02/11/2016	COMPTON LUMBER & HARDWARE INC TREATED 4 X 6 X 8' LUMBER	P89598	779240	01/25/2016	416.10
00179832	02/11/2016	CONFIDENTIAL DATA DISPOSAL Shredding	P89662	84622	02/01/2016	125.00
00179833	02/11/2016	CONFLUENCE ENGINEERING GRP LLC WSDOT FIRE SPRINKLER EXERCISE	P89474	010116MIFSE	02/08/2016	2,935.12
00179834	02/11/2016	CONSOLIDATED PRESS Rental Brochures for MICEC	P89635	15694	01/14/2016	694.22
00179835	02/11/2016	DEPT OF ENTERPRISES SERVICES window envelops		73144022	01/20/2016	503.58
00179836	02/11/2016	DUNN LUMBER COMPANY 4 X 4 TREATED POSTS	P89453	3696907	01/14/2016	50.59
00179837	02/11/2016	ECONORTHWEST MERCER ISLAND TOWN CENTER JANU	P89685	16639	01/31/2016	2,015.00

Accounts Payable Report by Check Number

Check No	Check Date	Vendor Name/Description	PO #	Invoice #	Invoice Date	Check Amount
00179838	02/11/2016	EVERSON'S ECONO-VAC INC DRAINAGE SYSTEM VIDEO INSPECTI	P86282	076481/82/83	12/30/2015	21,307.31
00179839	02/11/2016	FASTSIGNS OF BELLEVUE CHRISTMAS TREE REMOVAL SIGNS	P89618	B80312	01/22/2016	340.15
00179840	02/11/2016	FEHR & PEERS Phase 2-IMPACT FEE STUDY	P88713	103333	10/07/2015	9,793.25
00179841	02/11/2016	FORSYTH, JAY Insufficient Registration	P89636	OH006027	02/02/2016	16.00
00179842	02/11/2016	GEMPLER'S INC INVENTORY PURCHASES	P89609	SI02209338	01/22/2016	220.92
00179843	02/11/2016	GRAINGER INVENTORY PURCHASES	P89631	9007627400	01/25/2016	154.90
00179844	02/11/2016	GRAYBAR FOAM DUCT SEALANT KITS	P89592	983175043	01/21/2016	474.75
00179845	02/11/2016	GREER, J SCOTT Pro tem Judge	P89655	OH006028	01/21/2016	100.00
00179846	02/11/2016	H D FOWLER DIAPHRAM ASSY.	P89630	I4127846	01/28/2016	36.07
00179847	02/11/2016	HANNA INSTRUMENTS US INC TURBIDITY METER	P88593	442400	10/29/2015	4,574.91
00179848	02/11/2016	HDR ENGINEERING INC WSDOT FIRE FLOW ANALYSIS	P80918	00472725HA	01/12/2016	1,188.40
00179849	02/11/2016	HEALTHFORCE PARTNERS LLC Dive Team Physical-Herzog	P89661	27262	01/26/2016	205.00
00179850	02/11/2016	HONEYWELL, MATTHEW V Professional Services - Invoic	P89660	900	02/02/2016	1,300.00
00179851	02/11/2016	HORSCHMAN, BRENT FLEX SPEND ACCT REIMB		OH006012	02/05/2016	458.00
00179852	02/11/2016	HUTCHINSON, LISA K CART SERVICE DEC 16, 2015 BEST	P89639	3355	01/29/2016	1,078.00
00179853	02/11/2016	JOKINEN, DAVID R FLEX SPEND ACCT REIMB		OH006006	02/05/2016	879.14
00179854	02/11/2016	LEXISNEXIS Library Subscriptions - Invoic	P89658	3090421096	01/31/2016	235.75
00179855	02/11/2016	METROPRESORT 1200 GREEN NON PAYMENT DOOR TA	P89454	480105	02/01/2016	485.92
00179856	02/11/2016	MI HARDWARE - UTILITY MISC. HARDWARE FOR THE MONTH O	P89651	OH006031	01/31/2016	34.82
00179857	02/11/2016	MI HARDWARE - YFS Operating supplies for YFS/LB	P89329	OH006029	01/31/2016	31.78
00179858	02/11/2016	MI SCHOOL DISTRICT #400 NOV /DEC FUEL SCHOOL DISTRICT	P89732	2016107	02/04/2016	2,321.01
00179859	02/11/2016	MI UTILITY BILLS PAYMENT OF UTILITY BILLS FOR W	P89640	OH006030	01/29/2016	12,303.85
00179860	02/11/2016	MOBERLY AND ROBERTS Professional Services - Invoic	P89659	578	02/01/2016	6,000.00
00179861	02/11/2016	MUSCO SPORTS LIGHTING LLC 2016 Annual services for remot	P89622	280464	01/21/2016	425.00
00179862	02/11/2016	MUSIC ARTS Contract 21119 completed, depo	P89637	21119	02/02/2016	142.50
00179863	02/11/2016	NESS, ROBERT L Facilitation Services (January	P89669	OH006033	02/03/2016	9,200.00

Accounts Payable Report by Check Number

Check No	Check Date	Vendor Name/Description	PO #	Invoice #	Invoice Date	Check Amount
00179864	02/11/2016	NORTHWEST SAFETY CLEAN Bunker Gear Cleaning	P89575	1612994	01/20/2016	752.18
00179865	02/11/2016	PACIFIC INDUSTRIAL SUPPLY CO SQUARE & RECTANGULAR STEEL TUB	P89569	1268708	01/22/2016	204.98
00179866	02/11/2016	PACIFIC RIM EQUIPMENT RENTAL EXCAVATOR RENTAL	P89644	13433	01/27/2016	2,181.04
00179867	02/11/2016	PACIFIC TOPSOIL INC. Soils and mulch for open space	P89645	OH006034	01/25/2016	158.21
00179868	02/11/2016	PERISHO PLLC, RUSS Professional Services - Inv. D	P89670	OH006035	01/04/2016	3,175.00
00179869	02/11/2016	PLANLED INC LED LIGHT FIXTURES	P89613	I1600068	01/22/2016	6,585.33
00179870	02/11/2016	PLATT ELECTRIC INVENTORY PURCHASES	P89603	I516798	01/13/2016	1,171.65
00179871	02/11/2016	POLYLANG TRANSLATION SERV INC Translation services for Famil	P89650	FAEM160101	01/28/2016	40.00
00179872	02/11/2016	POT O' GOLD INC EQUIP RENTAL DEC 2015	P89678	0030215	01/12/2016	293.71
00179873	02/11/2016	PUGET SOUND ENERGY ENERGY USE FEB 2016		OH006023	02/01/2016	13,037.98
00179874	02/11/2016	QUINN, THOMAS FLEX SPEND ACCT REIMB		OH006007	02/05/2016	1,000.00
00179875	02/11/2016	RICOH USA INC Cost Per Copy/Fire	P89652	5040170875	01/24/2016	63.34
00179876	02/11/2016	SEGLE, KRYSS FLEX SPEND ACCT REIMB		OH006014	02/05/2016	1,500.00
00179877	02/11/2016	SEIFERT, MIKE SECURITY EQUPT SAMPLES FOR DEM		OH006024	02/04/2016	142.53
00179878	02/11/2016	SHOREWOOD HEIGHTS Rental assistance for Emergenc	P89375	OH006036	02/03/2016	400.00
00179879	02/11/2016	SKYLINE COMMUNICATIONS INC EOC INTERNET	P89681	IN41538	02/01/2016	192.55
00179880	02/11/2016	STANTEC CONSULTING SRVS INC MADRONA CREST WEST WATER SYSTE	P86755	1001981	01/20/2016	28,289.36
00179881	02/11/2016	STEWART TITLE COMPANY OVERPAYMENT REFUND		OH006010	02/03/2016	1,094.46
00179882	02/11/2016	TACOMA SCREW PRODUCTS INC MISC. HARDWARE	P89570	16156512	01/26/2016	68.14
00179883	02/11/2016	TAWNEY, LAURA FLEX SPEND ACCT REIMB		OH006008	02/05/2016	260.20
00179884	02/11/2016	TONELLA-HOWE, ANNE CATO MEMBERSHIP RENEWAL		OH006017	02/09/2016	275.08
00179885	02/11/2016	TRAFFIC SAFETY SUPPLY DELINEATORS & DECALS (WETLAND)	P89591	107952	01/25/2016	391.07
00179886	02/11/2016	UNDERWATER SPORTS INC. Dive team equip	P89663	20010727	12/22/2015	83.34
00179887	02/11/2016	UNITED RENTALS NORTHWEST INC SCISSOR LIFT RENTAL	P89643	134667333001	02/03/2016	429.27
00179888	02/11/2016	UPS SHIPPING FEE		0000T6781T056	01/30/2016	9.77
00179889	02/11/2016	VERIZON WIRELESS IGS GIS, WIFI & LOANER	P89331	9759348459	01/23/2016	160.04

Accounts Payable Report by Check Number

Check No	Check Date	Vendor Name/Description	PO #	Invoice #	Invoice Date	Check Amount
00179890	02/11/2016	WESTERN TIRE CHAIN Tire Chains for Aid Cars	P89450	22257	01/13/2016	1,530.91
00179891	02/11/2016	X5 OPCO LLC MONTHLY LONG DISTANCE JAN-DEC	P89271	OH006038	01/31/2016	237.04
00179892	02/11/2016	ZEE MEDICAL Quarterly Maintenance City Hal	P89649	68306902	02/01/2016	795.97
00179893	02/11/2016	ZEP MANUFACTURING CO. INVENTORY PURCHASES	P89568	9002070486	01/20/2016	146.32
					Total	<u>220,402.92</u>

Accounts Payable Report by GL Key

PO #	Check #	Vendor:	Transaction Description	Check Amount
<i>Org Key: 001000 - General Fund-Admin Key</i>				
P89637	00179862	MUSIC ARTS	Contract 21119 completed, depo	142.50
P89636	00179841	FORSYTH, JAY	Insufficient Registration	16.00
<i>Org Key: 402000 - Water Fund-Admin Key</i>				
	00179881	STEWART TITLE COMPANY	OVERPAYMENT REFUND	1,094.46
P89603	00179870	PLATT ELECTRIC	INVENTORY PURCHASES	1,171.65
P89581	00179830	COMMERCIAL LANDSC SUPPLY INC	INVENTORY PURCHASES	365.10
P89609	00179842	GEMPLER'S INC	INVENTORY PURCHASES	220.92
P89631	00179843	GRAINGER	INVENTORY PURCHASES	154.90
P89568	00179893	ZEP MANUFACTURING CO.	INVENTORY PURCHASES	146.32
<i>Org Key: 814083 - Vol Life Ins - States West Lif</i>				
	00179820	AWC	JANUARY 2016	308.50
	00179819	AWC	FEBRUARY 2016	295.10
<i>Org Key: CA1100 - Administration (CA)</i>				
P89670	00179868	PERISHO PLLC, RUSS	Professional Services - Inv. D	3,175.00
P89658	00179854	LEXISNEXIS	Library Subscriptions - Invoice	235.75
<i>Org Key: CA1200 - Prosecution & Criminal Mngmnt</i>				
P89659	00179860	MOBERLY AND ROBERTS	Professional Services - Invoic	6,000.00
P89660	00179850	HONEYWELL, MATTHEW V	Professional Services - Invoice	1,300.00
<i>Org Key: CM1400 - Communications</i>				
P89416	00179827	CDW GOVERNMENT INC	Microsoft Complete Extended Se	274.01
<i>Org Key: CR1100 - CORe Admin and Human Resources</i>				
P89654	00179823	BELLEVUE, CITY OF	06/14 - 06/15 Regional Hiring	1,403.00
P89641	00179892	ZEE MEDICAL	Quarterly Maintenance City Hal	170.05
<i>Org Key: CT1100 - Municipal Court</i>				
P89657	00179835	DEPT OF ENTERPRISES SERVICES	window envelops	141.37
P89657	00179835	DEPT OF ENTERPRISES SERVICES	regular envelops	135.15
P89655	00179845	GREER, J SCOTT	Pro tem Judge	100.00
<i>Org Key: DSBE01 - Economic Development</i>				
P89686	00179824	BERK CONSULTING	MI PARKING STUDY PROJECT DEC	3,343.75
P89685	00179837	ECONORTHWEST	MERCER ISLAND TOWN CENTER JANU	2,015.00
P89639	00179852	HUTCHINSON, LISA K	CART SERVICES	710.50
P89736	00179852	HUTCHINSON, LISA K	CART SERVICE DEC 16, 2015 BEST	367.50
<i>Org Key: FN1100 - Administration (FN)</i>				
P89300	00179855	METROPRESORT	1200 GREEN NON PAYMENT DOOR TA	192.00
<i>Org Key: FN4501 - Utility Billing (Water)</i>				
P89454	00179855	METROPRESORT	5000 RED REMINDER NOTICES	97.97
<i>Org Key: FN4502 - Utility Billing (Sewer)</i>				
P89454	00179855	METROPRESORT	5000 RED REMINDER NOTICES	97.97
<i>Org Key: FN4503 - Utility Billing (Storm)</i>				
P89454	00179855	METROPRESORT	5000 RED REMINDER NOTICES	97.98
<i>Org Key: FR1100 - Administration (FR)</i>				

Accounts Payable Report by GL Key

PO #	Check #	Vendor:	Transaction Description	Check Amount
	00179828	CENTURYLINK	PHONE USE FEB 2016	157.02
P89652	00179875	RICOH USA INC	Cost Per Copy/Fire	63.34
P89557	00179813	MERCER ISLAND REPORTER	2016 Subscription/Fire	39.00
<i>Org Key: FR2100 - Fire Operations</i>				
P89450	00179890	WESTERN TIRE CHAIN	Tire Chains for Aid Cars	1,530.91
P89575	00179864	NORTHWEST SAFETY CLEAN	Bunker Gear Cleaning	752.18
<i>Org Key: GGM001 - General Government-Misc</i>				
P88713	00179840	FEHR & PEERS	Phase 2-IMPACT FEE STUDY	9,793.25
P89669	00179863	NESS, ROBERT L	City Council Planning Session	7,500.00
P89668	00179863	NESS, ROBERT L	Facilitation Services (January	1,700.00
P89678	00179872	POT O' GOLD INC	JAN COFFEE SUPPLIES	266.33
P89623	00179892	ZEE MEDICAL	First aid kit restocking at MI	178.16
P89638	00179872	POT O' GOLD INC	EQUIP RENTAL DEC 2015	27.38
<i>Org Key: GGM004 - Gen Govt-Office Support</i>				
	00179835	DEPT OF ENTERPRISES SERVICES	PRINTING REGULAR ENVELOPES	170.51
	00179835	DEPT OF ENTERPRISES SERVICES	PRINTING WINDOW ENVELOPES	56.55
<i>Org Key: GGM005 - Genera Govt-L1 Retiree Costs</i>				
P89647	00179822	BECKER, RON	FRLEOFF1 Retiree Medical Expen	7,320.00
P89647	00179822	BECKER, RON	FRLEOFF1 Retiree Medical Expen	5,368.00
<i>Org Key: GX9995 - Employee Benefits-General</i>				
P89451	00179818	AWC	AWC Retro Program for Workers	3,270.68
<i>Org Key: GX9996 - Employee Benefits-Police</i>				
P89451	00179818	AWC	AWC Retro Program for Workers	5,422.65
<i>Org Key: GX9997 - Employee Benefits-Fire</i>				
P89451	00179818	AWC	AWC Retro Program for Workers	8,270.05
<i>Org Key: GX9998 - Employee Benefits-Maintenance</i>				
P89451	00179818	AWC	AWC Retro Program for Workers	5,577.35
P89451	00179818	AWC	AWC 2016 Annual Fee for Random	1,423.00
<i>Org Key: IS2100 - IGS Network Administration</i>				
	00179828	CENTURYLINK	PHONE USE FEB 2016	489.18
P89680	00179815	ACCESS	STORAGE, BLACK BOX DELIVERY AN	281.00
P89271	00179891	X5 OPCO LLC	MONTHLY LONG DISTANCE JAN-DEC	237.04
P89679	00179889	VERIZON WIRELESS	IGS GIS, WIFI & LOANER	120.03
	00179828	CENTURYLINK	PHONE USE JAN 2016	101.53
<i>Org Key: MT2100 - Roadway Maintenance</i>				
	00179873	PUGET SOUND ENERGY	ENERGY USE FEB 2016	6,584.92
P89618	00179839	FASTSIGNS OF BELLEVUE	CHRISTMAS TREE REMOVAL SIGNS	340.15
P89642	00179829	CESSCO	REPAIR & SERVICE CHECK OUT EQU	81.45
P89453	00179836	DUNN LUMBER COMPANY	4 X 4 TREATED POSTS	50.59
	00179873	PUGET SOUND ENERGY	ENERGY USE FEB 2016	14.53
P89625	00179892	ZEE MEDICAL	FIRST AID SUPPLIES	6.75
<i>Org Key: MT2200 - Vegetation Maintenance</i>				
P89625	00179892	ZEE MEDICAL	FIRST AID SUPPLIES	5.78

Accounts Payable Report by GL Key

PO #	Check #	Vendor:	Transaction Description	Check Amount
<i>Org Key: MT2300 - Planter Bed Maintenance</i>				
P89640	00179859	MI UTILITY BILLS	PAYMENT OF UTILITY BILLS FOR W	416.23
P89625	00179892	ZEE MEDICAL	FIRST AID SUPPLIES	6.75
<i>Org Key: MT3100 - Water Distribution</i>				
P89474	00179833	CONFLUENCE ENGINEERING GRP LLC	WSDOT FIRE SPRINKLER EXERCISE	2,935.12
P89640	00179859	MI UTILITY BILLS	PAYMENT OF UTILITY BILLS FOR W	1,294.91
P89444	00179812	CESSCO	EU2000I1A1 HONDA GENERATOR	1,001.93
P89473	00179848	HDR ENGINEERING INC	WSDOT FIRE FLOW ANALYSIS	906.50
P89642	00179829	CESSCO	REPAIR & SERVICE CHECK OUT EQU	81.45
	00179888	UPS	SHIPPING FEE	9.77
P89625	00179892	ZEE MEDICAL	FIRST AID SUPPLIES	6.75
<i>Org Key: MT3200 - Water Pumps</i>				
P89625	00179892	ZEE MEDICAL	FIRST AID SUPPLIES	5.78
<i>Org Key: MT3300 - Water Associated Costs</i>				
	00179821	BAKER, DENNIS L	MILEAGE EXPENSE	27.00
<i>Org Key: MT3400 - Sewer Collection</i>				
P89640	00179859	MI UTILITY BILLS	PAYMENT OF UTILITY BILLS FOR W	616.63
P89642	00179829	CESSCO	REPAIR & SERVICE CHECK OUT EQU	81.41
P89651	00179856	MI HARDWARE - UTILITY	MISC. HARDWARE FOR THE MONTH O	9.84
P89625	00179892	ZEE MEDICAL	FIRST AID SUPPLIES	6.75
<i>Org Key: MT3500 - Sewer Pumps</i>				
P89592	00179844	GRAYBAR	FOAM DUCT SEALANT KITS	474.75
P89640	00179859	MI UTILITY BILLS	PAYMENT OF UTILITY BILLS FOR W	246.65
P89642	00179829	CESSCO	REPAIR & SERVICE CHECK OUT EQU	81.45
P89625	00179892	ZEE MEDICAL	FIRST AID SUPPLIES	6.75
P89651	00179856	MI HARDWARE - UTILITY	MISC. HARDWARE FOR THE MONTH O	5.89
<i>Org Key: MT3800 - Storm Drainage</i>				
P89640	00179859	MI UTILITY BILLS	PAYMENT OF UTILITY BILLS FOR W	61.66
P89625	00179892	ZEE MEDICAL	FIRST AID SUPPLIES	6.75
<i>Org Key: MT4200 - Building Services</i>				
	00179873	PUGET SOUND ENERGY	ENERGY USE FEB 2016	6,438.53
P89640	00179859	MI UTILITY BILLS	PAYMENT OF UTILITY BILLS FOR W	5,819.49
P89625	00179892	ZEE MEDICAL	FIRST AID SUPPLIES	5.78
<i>Org Key: MT4300 - Fleet Services</i>				
P89732	00179858	MI SCHOOL DISTRICT #400	NOV /DEC FUEL SCHOOL DISTRICT	2,321.01
P89625	00179892	ZEE MEDICAL	FIRST AID SUPPLIES	5.78
<i>Org Key: MTBE01 - Maint of Medians & Planters</i>				
P89640	00179859	MI UTILITY BILLS	PAYMENT OF UTILITY BILLS FOR W	154.16
<i>Org Key: PO1350 - Police Emergency Management</i>				
P89681	00179879	SKYLINE COMMUNICATIONS INC	EOC INTERNET	192.55
	00179877	SEIFERT, MIKE	SECURITY EQUPT SAMPLES FOR DEM	142.53
<i>Org Key: PO1700 - Records and Property</i>				
P89664	00179892	ZEE MEDICAL	First aid supplies	159.60

Accounts Payable Report by GL Key

PO #	Check #	Vendor:	Transaction Description	Check Amount
P89662	00179832	CONFIDENTIAL DATA DISPOSAL	Shredding	125.00
<i>Org Key: PO2201 - Dive Team</i>				
P89661	00179849	HEALTHFORCE PARTNERS LLC	Dive Team Physical-Herzog	205.00
P89663	00179886	UNDERWATER SPORTS INC.	Dive team equip	83.34
<i>Org Key: PO2400 - Special Operations Team (CJ)</i>				
	00179884	TONELLA-HOWE, ANNE	CATO MEMBERSHIP RENEWAL	40.00
<i>Org Key: PR1100 - Administration (PR)</i>				
	00179828	CENTURYLINK	PHONE USE FEB 2016	47.42
<i>Org Key: PR3500 - Senior Services</i>				
P89614	00179816	AMERICAN EXPRESS (LB)	Senior Social supplies	157.14
<i>Org Key: PR4100 - Community Center</i>				
P89640	00179859	MI UTILITY BILLS	PAYMENT OF UTILITY BILLS FOR W	3,245.13
P89635	00179834	CONSOLIDATED PRESS	Rental Brochures for MICEC	694.22
<i>Org Key: PR6100 - Park Maintenance</i>				
P89643	00179887	UNITED RENTALS NORTHWEST INC	SCISSOR LIFT RENTAL	429.27
P89651	00179856	MI HARDWARE - UTILITY	MISC. HARDWARE FOR THE MONTH O	19.09
P89625	00179892	ZEE MEDICAL	FIRST AID SUPPLIES	6.75
<i>Org Key: PR6200 - Athletic Field Maintenance</i>				
P89622	00179861	MUSCO SPORTS LIGHTING LLC	2016 Annual services for remot	212.50
P89569	00179865	PACIFIC INDUSTRIAL SUPPLY CO	SQUARE & RECTANGULAR STEEL TUB	204.98
	00179828	CENTURYLINK	PHONE USE FEB 2016	86.32
P89625	00179892	ZEE MEDICAL	FIRST AID SUPPLIES	6.75
<i>Org Key: PR6500 - Luther Burbank Park Maint.</i>				
P89598	00179831	COMPTON LUMBER & HARDWARE INC	TREATED 4 X 6 X 8' LUMBER	416.10
P89570	00179882	TACOMA SCREW PRODUCTS INC	MISC. HARDWARE	68.14
P89625	00179892	ZEE MEDICAL	FIRST AID SUPPLIES	6.75
<i>Org Key: PR6600 - Park Maint-School Related</i>				
P89622	00179861	MUSCO SPORTS LIGHTING LLC	2016 Annual services for remot	212.50
P89625	00179892	ZEE MEDICAL	FIRST AID SUPPLIES	5.78
<i>Org Key: PR6700 - I90 Park Maintenance</i>				
P89438	00179826	CAMDEN GARDENS	2016 Aljoia & Aubrey Davis Par	410.63
P89630	00179846	H D FOWLER	DIAPHRAM ASSY.	36.07
P89625	00179892	ZEE MEDICAL	FIRST AID SUPPLIES	6.66
<i>Org Key: PY4615 - Flex Admin 2015</i>				
	00179853	JOKINEN, DAVID R	FLEX SPEND ACCT REIMB	879.14
	00179874	QUINN, THOMAS	FLEX SPEND ACCT REIMB	499.94
	00179883	TAWNEY, LAURA	FLEX SPEND ACCT REIMB	49.60
<i>Org Key: PY4616 - Flex Admin 2016</i>				
	00179876	SEGLE, KRYSS	FLEX SPEND ACCT REIMB	1,500.00
	00179825	BODLE, MEARA S	FLEX SPEND ACCT REIMB	576.93
	00179874	QUINN, THOMAS	FLEX SPEND ACCT REIMB	500.06
	00179851	HORSCHMAN, BRENT	FLEX SPEND ACCT REIMB	458.00
	00179883	TAWNEY, LAURA	FLEX SPEND ACCT REIMB	210.60

Accounts Payable Report by GL Key

PO #	Check #	Vendor:	Transaction Description	Check Amount
<i>Org Key: VCP426 - CIP Sewer Salaries</i>				
	00179884	TONELLA-HOWE, ANNE	UTILITY MGMT CONF EXPENSE	235.08
<i>Org Key: WD321R - Drainage System Video Insp</i>				
P86282	00179838	EVERSON'S ECONO-VAC INC	DRAINAGE SYSTEM VIDEO INSPECTI	13,450.81
<i>Org Key: WD535E - Sub Basin 6 Drainage Extension</i>				
P86282	00179838	EVERSON'S ECONO-VAC INC	SUB BASIN 6 DRAINAGE	3,106.50
<i>Org Key: WG130E - Equipment Rental Vehicle Repl</i>				
P89494	00179814	MICHAEL'S TOYOTA OF BELLEVUE	FIRE VEHICLE REPLACEMENT FOR	27,098.90
<i>Org Key: WP107S - ICP School Dist Projects</i>				
P89613	00179869	PLANLED INC	LED LIGHT FIXTURES	6,585.33
<i>Org Key: WP122R - Vegetation Management</i>				
P89645	00179867	PACIFIC TOPSOIL INC.	Soils and mulch for open space	158.21
<i>Org Key: WW101P - Water System Plan</i>				
P80918	00179848	HDR ENGINEERING INC	2015 WATER SYSTEM PLAN UPDATES	281.90
<i>Org Key: WW526R - Madrona Crest West Water Sys</i>				
P86755	00179880	STANTEC CONSULTING SRVS INC	MADRONA CREST WEST WATER	16,808.48
<i>Org Key: XD313C - Decant Facility</i>				
P88593	00179847	HANNA INSTRUMENTS US INC	TURBIDITY METER	4,574.91
<i>Org Key: XP710R - Luther Burbank Minor Improvemnt</i>				
P89644	00179866	PACIFIC RIM EQUIPMENT RENTAL	EXCAVATOR RENTAL	2,181.04
P89591	00179885	TRAFFIC SAFETY SUPPLY	DELINEATORS & DECALS (WETLAND)	391.07
<i>Org Key: XR310R - EMW Shoulders - Ph 8-10</i>				
P86282	00179838	EVERSON'S ECONO-VAC INC	EMW SHOULDERS PHASE 9	4,750.00
<i>Org Key: XR541C - Safe Routes - Madrona Crest</i>				
P86755	00179880	STANTEC CONSULTING SRVS INC	MADRONA CREST WEST WATER	11,480.88
<i>Org Key: YF1100 - YFS General Services</i>				
P89667	00179817	AMERICAN EXPRESS (YFS)	Online image purchased for pri	516.00
P89667	00179817	AMERICAN EXPRESS (YFS)	Media purchased for advertisin	335.00
P89331	00179889	VERIZON WIRELESS	Monthly expense for mobile	40.01
P89650	00179871	POLYLANG TRANSLATION SERV INC	Translation services for Famil	40.00
P89329	00179857	MI HARDWARE - YFS	Operating supplies for YFS/LB	23.60
<i>Org Key: YF1200 - Thrift Shop</i>				
P89667	00179817	AMERICAN EXPRESS (YFS)	Costco - tshop operating suppl	494.33
P89667	00179817	AMERICAN EXPRESS (YFS)	Costco - tshop operating suppl	449.32
P89640	00179859	MI UTILITY BILLS	PAYMENT OF UTILITY BILLS FOR W	448.99
P89649	00179892	ZEE MEDICAL	First aid kit restock charges	191.85
	00179828	CENTURYLINK	PHONE USE FEB 2016	150.81
P89329	00179857	MI HARDWARE - YFS	Operating supplies for Thrift	8.18
<i>Org Key: YF2600 - Family Assistance</i>				
P89375	00179878	SHOREWOOD HEIGHTS	Rental assistance for Emergenc	400.00

Accounts Payable Report by GL Key

PO #	Check #	Vendor:	Transaction Description	Check Amount
<i>Org Key: YF2800 - Fed Drug Free Communities Gran</i>				
P89667	00179817	AMERICAN EXPRESS (YFS)	SBIRT training (Franklin & Har	300.00
Total				<u>220,402.92</u>



**CITY OF MERCER ISLAND
CERTIFICATION OF PAYROLL**

PAYROLL PERIOD ENDING **1/29/2016**
PAYROLL DATED **2/5/2016**

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.

Charles L. Corder

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

Description		Amount
Payroll Checks	62904304-62904310	13,400.76
Direct Deposits		453,096.80
Void/Manual Adjustments		21,250.84
Tax & Benefit Obligations		260,462.88
Total Gross Payroll		748,211.28



CITY OF MERCER ISLAND

PAYROLL SUMMARY

PAYROLL PERIOD ENDING	1/29/2016
PAYROLL DATED	2/5/2016
Net Cash	466,497.56
Net Voids/Manuals	21,250.84
Federal Tax Deposit - Key Bank	90,039.35
Social Security and Medicare Taxes	43,409.73
Medicare Taxes Only (Fire Fighter Employees)	2,083.04
Public Employees Retirement System 1 (PERS 1)	153.89
Public Employees Retirement System 2 (PERS 2)	19,897.41
Public Employees Retirement System 3 (PERS 3)	4,821.06
Public Employees Retirement System (PERSJM)	603.36
Public Safety Employees Retirement System (PSERS)	179.60
Law Enforc. & Fire fighters System 2 (LEOFF 2)	24,117.89
Regence & LEOFF Trust - Medical Insurance	14,778.45
Domestic Partner/Overage Dependant - Insurance	1,429.08
Group Health Medical Insurance	1,467.55
Health Care - Flexible Spending Accounts	2,540.28
Dependent Care - Flexible Spending Accounts	1,471.17
United Way	210.10
ICMA Deferred Compensation	35,957.19
Fire 457 Nationwide	8,759.62
ROTH IRA	360.00
401K Deferred Comp	0.00
Garnishments (Chapter 13)	1,331.00
Child Support	1,540.08
Mercer Island Employee Associationa	138.75
Cities & Towns/AFSCME Union Dues	0.00
Police Union Dues	0.00
Fire Union Dues	1,830.03
Fire Union - Supplemental Dues	143.00
Standard - Supplemental Life Insurance	0.00
Unum - Long Term Care Insurance	1,431.70
AFLAC - Supplemental Insurance Plans	1,635.30
Coffee Fund	38.00
Transportation	96.25
Miscellaneous	0.00

TOTAL GROSS PAYROLL	\$ 748,211.28
----------------------------	----------------------



CITY COUNCIL MINUTES

REGULAR MEETING

FEBRUARY 1, 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, David Wisenteiner, Wendy Weiker, and Benson Wong were present.

EXECUTIVE SESSION

At 6:01 pm, Mayor Bassett convened an Executive Session pursuant to RCW 42.30.110(1)(i) for approximately 60 minutes to discuss potential or pending litigation.

At 7:00 pm, the Mayor adjourned the Executive Session and the Regular Meeting reconvened.

APPEARANCES

Eric Swenson, 8541 East Mercer Way, spoke on behalf of the Concerned Citizens for Mercer Island Parks. He noted that they are concerned about the MICA lease, spoke in support of an advisory vote, and would like the City to use a non-park option.

Tom Acker, 2427 84th Ave SE, discouraged Council from getting rid of public appearances. He also spoke about the public comments received during the joint commission process and questioned whether there was any potential conflict of interest.

Michel Martel, 3239 112th Ave SE, Bellevue, Executive Director of Music Works Northwest, spoke in support of MICA.

Kristina Crothers, 4805 84th Ave SE, spoke against conducting an advisory vote on the MICA lease.

Traci Granbois, 8440 SE 82nd Street, spoke about a levy lid lift and questioned whether the City has been consistently prudent. She encouraged Council to plan and spend with current resources.

Duane Matthews, 7817 SE 75th Place, spoke in support of MICA.

Jim Eanes, 2930 76th Ave SE, provided his comments in writing and thanked the Council for reading them.

Ira Appelman, 4436 Ferncroft Road, spoke in support of an advisory vote for the MICA lease.

Ben Pariser, 3861 80th Ave SE, spoke about the search for a home for YTN and against an advisory vote for the MICA lease.

Markus Kunz, 4220 91st Ave SE, spoke against conducting an advisory vote for the MICA lease.

Manny Cawaling, Executive Director for YTN, questioned what role an advisory vote would have in this process and expressed concern about the delays that this would create.

Jenny Mechem, 8451 SE 36th Street, spoke about how other cities have used advisory votes.

CONSENT CALENDAR

Payables: \$344,615.44 (01/14/16) & \$1,471,281.43 (01/21/16)

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

Payroll: \$812,389.48 (01/08/16) & \$798,007.01 (01/22/16)

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

Minutes: (1) January 4, 2016 City Council Regular Meeting and (2) January 19, 2016 City Council Regular Meeting

Recommendation: Adopt the City Council meeting minutes as written.

AB 5152 Police & Police Support 2016-2017 Collective Bargaining Agreements

Recommendation: Authorize the Interim City Manager to sign the Police and Police Support Collective Bargaining Agreements with the Mercer Island Police Association for the period of January 1, 2016 through December 31, 2017, in substantially the form attached hereto as Exhibits 1 and 2, respectively.

AB 5153 I-90 Loss of Mobility Negotiation Funding

Recommendation: Appropriate \$100,000 from the 2015 General Fund Surplus for consultant services related to I-90 loss of mobility negotiations.

It was moved by Wong; seconded by Bertlin to:

Approve the Consent Calendar and the recommendations contained therein.

Passed 7-0

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

REGULAR BUSINESS

AB 5154 Advisory Vote on the Mercer Island Center for the Arts ("MICA") Use of the Recycling Center Site at Mercerdale Park Before Further Council Action

Councilmember Wisenteiner stated his belief that an advisory vote would give the Council a better understanding of what the Island as a whole wants. Interim City Manager Lancaster outlined the parameters of what an advisory vote entails.

It was moved by Wisenteiner; seconded by Sanderson to:

Conduct an advisory vote on the question of whether the City should lease the Recycling Center site and a portion of Mercerdale Park for the construction and operation of a performing and visual arts center by the Mercer Island Center for the Arts ("MICA") prior to any further Council action on the MICA project.

Failed 1-6

FOR: 1 (Wisenteiner)

AGAINST: 6 (Bassett, Bertlin, Grausz, Sanderson, Weiker, Wong)

Finance Director Chip Corder spoke about the special issue questions for the citizen survey, which will go out at the end of February or early March. Council agreed not to include a question regarding a location for MICA.

OTHER BUSINESS

Councilmember Absences

There were no absences.

Planning Schedule

Interim City Manager Steve Lancaster spoke about the February 22 agenda and noted that King County Councilmember Claudia Balducci will be in attendance. He also noted that MICA will be added to the schedule and spoke briefly about the implications of PSE modifying their reliability index.

Councilmember Grausz noted that the Coval preliminary plat may require two meetings.

Board Appointments

It was moved by Wisenteiner; seconded by Bertlin to:

Affirm the appointment of Alice MacCormack to Position #5 (expiring December 2016) on the Mercer Island Library Board. Affirm the appointment of Brian Thomas to Position #6 (expiring May 2018) on the Utility Board.

Passed 7-0

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

Councilmember Reports

Councilmember Sanderson attended the Open Space Conservancy Trust meeting and spoke about trail and off-trail degradation due to off-leash dogs.

Councilmember Wong attended the joint School Board, Mercer Island Rotary Board, and Chamber Board meeting.

He also sat in on the Community Services Board meeting in which the Healthy Youth Forum was discussed.

He noted that the Giving from the Heart breakfast is on February 10, 2015.

Mayor Bassett spoke about sending letters to the legislature regarding the public records act and about the SCA training session on February 3, 2015. He also attended the PSRC Executive Board meeting. He noted that PSRC is in the midst of approving comprehensive plans for cities and that they are about to begin the process of accepting calls for projects to be funded by FHWA and FTA. He stated that Mercer Island will not be able to submit projects because it does not have an updated Comprehensive Plan.

EXECUTIVE SESSION

At 8:46 pm, Mayor Bassett convened an Executive Session pursuant to RCW 42.30.110(1)(i) for approximately 30 minutes to discuss potential or pending litigation.

At 9:25 pm, the Mayor adjourned the Executive Session and the Regular Meeting reconvened.

ADJOURNMENT

The Regular Meeting adjourned at 9:25 pm.

Bruce Bassett, Mayor

Attest:

Karin Roberts, Deputy City Clerk



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

**AB 5155
February 22, 2016
Consent Calendar**

**A REGIONAL COALITION FOR HOUSING
(ARCH) 2016 ADMINISTRATIVE BUDGET AND
WORK PROGRAM**

Proposed Council Action:

Review and approve the 2016 ARCH
Administrative Budget and Work Program.

DEPARTMENT OF

Development Services Group (Alison Van Gorp)

COUNCIL LIAISON

n/a

EXHIBITS

1. 2016 ARCH Administrative Budget and Work Program

APPROVED BY CITY MANAGER

AMOUNT OF EXPENDITURE	\$	\$30,784
AMOUNT BUDGETED	\$	\$30,000
APPROPRIATION REQUIRED	\$	0

SUMMARY

What is A Regional Coalition for Housing (ARCH) and why is the City involved?

Under the terms of the Growth Management Act (GMA), Mercer Island and all other cities subject to the GMA are required to have a Housing Element within their Comprehensive Plan and are required to provide housing opportunities for all economic segments. Through the ARCH Housing Trust Fund process, ARCH assists the City in meeting its goals and objectives for affordable housing, including workforce and other housing needs. Through ARCH, the City has also joined together with other eastside cities in a sub-regional effort to create and preserve affordable housing through the greater East King County community.

ARCH was created by an Interlocal Agreement among the cities of Bellevue, Kirkland, Redmond and King County. Since its inception, the ARCH membership has increased, and includes: Mercer Island, Woodinville, Issaquah, Bothell, Newcastle, Sammamish, Kenmore and the "Points Communities" of Medina, Clyde Hill, Yarrow Point, Hunts Point and Beaux Arts Village. ARCH staff serves as additional housing staff to each member city and provides coordination with member city staff in various housing-related projects, plans, and services.

ARCH 2015 Budget and Work Program

Under the terms of the ARCH Interlocal Agreement, each member city must approve the ARCH Administrative Budget and Work Program annually. Like other local government members, Mercer Island contributes annually to ARCH in order to provide administrative support for the organization's housing activities. Each year, ARCH presents its annual Budget and Work Program to each member city for review and approval.

Administrative Budget

The ARCH Administrative Budget has been approved by the ARCH Executive Board and is being forwarded to each member city for approval and fund allocation. The proposed total ARCH Administrative Budget for 2016 (Exhibit 1) is \$652,930 of which \$30,784 is Mercer Island's share. This is the same amount Mercer Island has contributed annually from 2009 through 2015 (with an inflationary adjustment). City Council approved \$30,000 in the 2015-2016 budget.

In addition to providing administrative support to ARCH, the City budgeted \$20,000 in 2015 for projects recommended through the ARCH Housing Trust Fund process. When projects are proposed that would utilize Mercer Island Trust Fund dollars, these projects come before the City Council for review and approval.

Work Program

The first section of the ARCH Work Program for 2016 (Exhibit 1) explains how ARCH assists projects in an effort to help cities channel Housing Trust Fund dollars into effective affordable housing projects. This year ARCH is pursuing 5 special initiatives:

- 1) Exploring a dedicated funding source for the Trust Fund.
- 2) Evaluating underdeveloped or surplus properties, including faith community properties, for suitability for affordable housing.
- 3) Supporting efforts to create an East King County winter shelter for homeless adults and families.
- 4) Continuing work with the WA State Housing Finance Commission on a homebuyer assistance program.
- 5) Continuing to monitor and actively pursue efforts to preserve existing HUD assisted affordable housing.

The next section of the Work Program focuses on housing policy planning, including efforts with individual member cities and coordinated efforts that benefit multiple members of ARCH, including regional planning activities. There are four goals identified in the 2016 Work Program specific to Mercer Island (Exhibit 1, page 8):

- Assist City with a Housing Strategy Plan.
- Assist staff with Town Center code revisions as they pertain to affordable housing.
- As needed, assist City staff with administering affordable housing provisions associated with the land use incentive and tax exemption programs for Town Center.
- Provide project support for Town Center development projects that include affordable housing.

The final two sections of the 2016 Work Program discuss implementation and monitoring of the housing programs and ARCH's other activities, including education, outreach and administration.

RECOMMENDATION

Administrative Services Manager and ARCH staff

MOVE TO: Approve the ARCH 2016 Administrative Budget and Work Program and authorize expenditure of \$30,784 for Mercer Island's contribution to the 2016 ARCH Administrative Budget.

2016 ARCH Administrative Budget

12/10/2015

I. ANNUAL OPERATING EXPENSES

Item	2015 Budget	2016 Budget	Change Budget	Percent Change
Staffing *				
Sub-total	\$ 580,799	\$ 598,055	\$ 17,256	3%
Rent	\$ 22,248	\$ 23,000	\$ 752	3%
Utilities	Incl^	Incl^	Incl^	Incl^
Telephone	\$ 3,395	\$ 4,375	\$ 980	29%
Operating				
Travel/Training	\$ 2,000	\$ 2,000	\$ -	0%
Auto Mileage	\$ 3,150	\$ 3,000	\$ (150)	-5%
Copier Costs	\$ 2,000	\$ 2,000	\$ -	0%
Office Supplies	\$ 2,348	\$ 2,550	\$ 202	9%
Office Equipment Service	\$ 1,500	\$ 1,850	\$ 350	23%
Fax/Postage	\$ 1,200	\$ 935	\$ (265)	-22%
Periodical/Membership	\$ 3,700	\$ 3,700	\$ -	0%
Misc. (e.g. events,etc.)	\$ 1,680	\$ 1,680	\$ -	0%
Insurance	\$ 9,135	\$ 9,135	\$ -	0%
Reorganization Admin	\$ 650	\$ 650	\$ -	0%
Sub-total	\$ 27,363	\$ 27,500	\$ 137	1%
TOTAL	\$ 633,805	\$ 652,930	\$ 19,125	3.02%

* Actual salary increases based on Bellevue's approved Cost of Living Adjustment

II. ARCH ADMINISTRATIVE BUDGET: RESOURCE DISTRIBUTION

A. Cash Contributions		2015	2016 Change		
Bellevue	\$	-	\$	5,530	\$ 5,530
Bothell	\$	52,732	\$	54,323	\$ 1,591
Issaquah	\$	40,543	\$	41,766	\$ 1,223
King County	\$	43,466	\$	44,778	\$ 1,312
Kirkland	\$	103,129	\$	106,241	\$ 3,112
Mercer Island	\$	29,882	\$	30,784	\$ 902
Newcastle	\$	13,426	\$	13,831	\$ 405
Redmond	\$	70,461	\$	72,587	\$ 2,126
Woodinville	\$	13,868	\$	14,286	\$ 418
Beaux Arts Village	\$	1,569	\$	1,616	\$ 47
Clyde Hill	\$	3,760	\$	3,873	\$ 113
Hunts Point	\$	1,569	\$	1,616	\$ 47
Medina	\$	3,785	\$	3,899	\$ 114
Yarrow Point	\$	1,569	\$	1,616	\$ 47
Sammamish	\$	60,644	\$	62,474	\$ 1,830
Kenmore	\$	26,713	\$	27,519	\$ 806
Other	\$	-	\$		\$ -
TOTAL	\$	467,116	\$	486,741	\$ 19,625.21
B. In-Kind Contributions		2015	2016 Change		
Bellevue	\$	166,688	\$	166,188	\$ (500)
TOTAL	\$	-	\$	166,188	\$ (500)
C. Total Contributions *		2015	2016 Change		Percent Change
Bellevue	\$	166,688	\$	171,718	\$ 5,030 3.0%
Bothell	\$	52,732	\$	54,323	\$ 1,591 3.0%
Issaquah	\$	40,543	\$	41,766	\$ 1,223 3.0%
King County	\$	43,466	\$	44,778	\$ 1,312 3.0%
Kirkland	\$	103,129	\$	106,241	\$ 3,112 3.0%
Mercer Island	\$	29,882	\$	30,784	\$ 902 3.0%
Newcastle	\$	13,426	\$	13,831	\$ 405 3.0%
Redmond	\$	70,461	\$	72,587	\$ 2,126 3.0%
Woodinville	\$	13,868	\$	14,286	\$ 418 3.0%
Beaux Arts Village	\$	1,569	\$	1,616	\$ 47 3.0%
Clyde Hill	\$	3,760	\$	3,873	\$ 113 3.0%
Hunts Point	\$	1,569	\$	1,616	\$ 47 3.0%
Medina	\$	3,785	\$	3,899	\$ 114 3.0%
Yarrow Point	\$	1,569	\$	1,616	\$ 47 3.0%
Sammamish	\$	60,644	\$	62,474	\$ 1,830 3.0%
Kenmore	\$	26,713	\$	27,519	\$ 806 3.0%
Other	\$	-	\$		\$ -
TOTAL	\$	633,804	\$	652,929	\$ 19,124.60 3.0%
TOTAL COSTS	\$	633,804	\$	652,930	\$ 19,125.97 3.0%

ARCH WORK PROGRAM: 2016

I. PROJECT ASSISTANCE

A. Oversight of Local Monetary Assistance

ARCH Trust Fund. Review applications and make recommendations for requests of local monetary funds through the ARCH Housing Trust Fund process. Includes helping to coordinate the application process and use of funds for various programs.

Objective: Allocation of \$1,000,000 or more through the ARCH Housing Trust Fund Process, and create or preserve a minimum of 50 units.

For the 'Parity Program', provide updated annual information to members, and achieve the base line goal for levels of direct assistance. Evaluate the appropriateness of updating goals under the Parity Program

Provide a variety of types of affordable housing and that meet other funding priorities as specified in the ARCH Trust Fund Criteria.

Centralized Trust Fund System. Monitor centralized trust fund process including:

- Produce regular monitoring reports for the ARCH Trust Fund account.
- Work with Administrating Agency (Bellevue) to prepare contracts and distribute funds for awarded projects.
- Monitor funded projects including evaluating performance and tracking loan payments. Includes monitoring for long term sustainability of previously funded projects and working with other funders in the initial overall review, and any follow up evaluation of individual projects.

Objective: Monitor ongoing financial activities of the ARCH Trust Fund account and provide updated information to members.

Develop sustainable strategies for the HTF to meet local housing goals and preserve publicly assisted affordable housing.

King County / State Funding Programs. Review and provide input to other funders for Eastside projects that apply for County (HOF, RAHP, HOME, etc.) and State (Tax Credit, DOC) funds. Includes providing input to the King County Home Consortium on behalf of participating Eastside jurisdictions. Assist N/E consortium members with evaluating and making a recommendation to the County regarding CDBG allocations to affordable housing.

Objective: In consultation with County, local staff and housing providers, seek to have funds allocated on a countywide basis by the County and State allocated proportionately throughout the County including the ARCH Sphere of Influence.

B. Special Initiatives This includes a range of activities where ARCH staff assist local staff with specific projects. Activities can range from feasibility analysis, assisting with requests for

proposals, to preparation of legal documents (e.g. contracts, covenants). Following are either existing initiatives or initiatives likely to emerge:

ARCH Trust Fund: Dedicated Funding Source. Continue work that began in 2014 to explore and evaluate the feasibility of a dedicated funding source to supplement general fund contributions for the ARCH Trust Fund. Work in 2016 is expected to focus on working with council to develop a recommendation, work on state legislature to expand tools available to cities, potentially updating Parity goals and as applicable, assisting individual members with developing approaches to achieving the updated goals.

Surplus Property/Underdeveloped Property. Assist as needed member cities' evaluation of potentially surplus public property or underutilized private property (e.g. faith community properties) for suitability of affordable housing. Currently identified opportunities include:

- Continue to explore opportunities for catalyst projects in transit oriented neighborhoods such as Bel-Red, Overlake and central Mercer Island that include affordable housing and other features that help implement neighborhood plan objectives. This includes efforts to identify one or two properties that would be appropriate for the REDI Fund.
- Continue to assist Sammamish and Redmond with coordinating construction of affordable housing on their surplus city sites. Facilitate a conversation among members and potential development groups regarding range of potential site opportunities (public and private) and as needed potentially strategizing or prioritizing how to proceed.

Winter Shelter. Support efforts by Eastside Human Services Forum, EHAC and cities to develop an East King county sub-regional strategic approach to winter shelter and related services for homeless adults and families. In 2016 expected work will include for the men's shelter identifying a site; finalizing concept and design, potentially including some permanent housing; securing funding; and community outreach. For the women/family shelter clarifying the operational/ownership structure, identifying a site and possibly begin securing funding. .

Objective: Identify one or more specific sites in East King County to be made available for housing and member jurisdictions to develop a long term strategy for addressing winter shelter for homeless persons and families.

Eastside Homebuyer Program.

Continue working with Washington State Housing Finance Commission to implement the third phase of the House Key Plus ARCH Down Payment Assistance Program. Include a program assessment and potential refinements of program to respond to current market conditions. As part of this assessment explore with King County and other jurisdictions overall approaches to providing affordable ownership housing.

Objective: Maintain operation of the Homebuyer Assistance Program and implement updates.

HUD Assisted Housing. Continue to monitor and actively pursue efforts to preserve existing HUD assisted affordable housing. .

Objective: Preserve existing federally assisted affordable housing in East King County and prevent from converting to market rate housing.

II. HOUSING POLICY PLANNING

Work items in this section fall into the following basic areas of activity:

- Work with individual members on local planning efforts.
- Efforts coordinated through ARCH that benefits multiple members of ARCH.
- Track legislation that increases tools available to cities to create affordable housing.
- Participation in regional workgroups that impact local housing efforts.

A. Local Planning Activities

Housing Background Information. On an annual basis, ARCH will continue to provide updated housing data information as available. This updated housing information is available to members and will be incorporated into ARCH education fliers and Housing 101 report. 2016 includes an ARCH Housing Recognition Awards event.

Objective: On a regular basis, conduct education sessions for new local officials and staffs on local housing conditions and programs, and hold annual discussion with member councils on recent housing trends and efforts.

Continue to keep member jurisdictions and the broader community aware of local housing conditions to assist in their efforts to evaluate current and future efforts to meet local housing objectives. Include research on recent housing trends, and responses to these trends.

Housing Elements / Housing Strategy Plans. Over the past year, ARCH staff assisted a number of members with completing updates to the Housing Element of their Comprehensive Plans. Housing Elements of a number of members include a policy to prepare a Housing Strategy Plan to identify and prioritize strategies to implement Housing Element policies. In 2016, ARCH staff anticipates assisting a number of members with developing local Strategy Plans.

Objective: Assist with preparation of Housing Strategy plans for members that include such a policy in their Housing Element.

Accessory Dwelling Units (ADUs). Several ARCH members have expressed interest in evaluating current ADU regulations and explore other ways to increase availability of ADUs. ARCH staff will assist with convening interested ARCH member cities to evaluate existing ADU regulations and other related issues (e.g. permitting costs, community awareness) that could impact creation of ADUs.

Planning Efforts Related to Homelessness. Several ARCH members have expressed interest in evaluating local procedures and potentially exploring more collaborative approaches to addressing issues related to local homeless needs. ARCH staff will assist local staff in researching and as needed convening joint work in this area.

Impact Fee Waivers. In response to revisions of state law allowing impact fee waivers for affordable housing, support as needed ARCH member cities' review and adoption of local legislation to implement state authority to grant impact fee waivers.

Local Housing Efforts. ARCH staff will continue to assist local staffs in local efforts to update land use, zoning and other codes in order to implement Comprehensive Plan policies. Following are specifically identified areas that ARCH will assist local staff.

Objective: Assist local staff with completion of the following updates of local codes and specific plans:

Bellevue

Assist City with a Housing Strategy Plan.

Assist City staff with implementing administrative procedures for the Bel-Red land use incentive program and citywide Multifamily Tax Exemption program.

Assist in identifying opportunities for affordable housing and implementation of affordable housing strategies in identified East Link corridors and station areas where transit oriented housing and mixed income housing development is an important component of the initial planning work.

Assist in innovative housing ordinance for NB properties within the Newport Hills Commercial Center.

Assist in Neighborhood Subarea Planning to consider more affordable housing types on a neighborhood-by-neighborhood basis, such as small lot neighborhood infill and detached accessory dwelling units

Assist in downtown housing incentives if recommended by the downtown livability plan

Assist in the Wilburton Plan related housing work

Explore affordable housing opportunities in the Eastgate Corridor Plan

Bothell

Assist city with updating its adopted Housing Strategy Plan.

Assist city with evaluating and potentially implementing affordable housing provisions related to zoning and code amendments such as in the Nike Hill and South Riverside plan areas.

Assist city staff with work related to affordable housing component of the city's LIFT program in their downtown areas. Includes assisting with any reporting requirements and potentially exploring additional opportunities for affordable housing on city owned properties in the downtown revitalization area.

Assist city staff with evaluating the updated state legislation regarding impact fee waivers for affordable housing, and explore potential revisions to local regulations related to impact fee waivers for affordable housing.

Clyde Hill

Assist City with rental of City's affordable rental unit.

Issaquah

Assist City with a Housing Strategy Plan.

Continue work with City staff to implement development standards and regulations related to the housing policies adopted in the Central Issaquah Plan and Central Issaquah Standards.

As needed, assist City staff with administration of the affordable housing provisions of the Lakeside and Rowley development agreements; initiate conversations regarding potential development parcels for affordable housing in the Rowley development area.

Monitor the implementation of any remaining portions of the Issaquah Highlands affordable housing development agreement such as:

- preserving the land use intention of Issaquah Highlands Parcel D.
- assisting City staff in implementation of the sale of and covenant for the zHome affordable unit.

Assist City staff in preparing the annual Affordable Housing Report Card/Analysis.

Hold workshop for Council regarding status of affordable housing in Issaquah and available tools.

Assist City staff in the development of Talus, Parcel 9, sustainability project, including project scope, RFQ and developer selection.

Assist with evaluating and strategizing sequencing potential projects/ opportunities such as those near transit facilities.

Kenmore

Assist City with a Housing Strategy Plan

Assist staff with assessing and potentially updating impact fee waiver regulation.

Continue to assist with completing administrative procedures, monitoring and reporting compliance for the multi-family tax-exemption program in the downtown (currently the Spencer 68 project).

Continue to assist with technical questions and negotiating agreements where affordable housing is proposed including the TOD overlay.

Kirkland

Assist City with an update to their Housing Strategy Plan.

Assist with the implementation of at least one high priority item identified in the updated Housing Strategy Plan.

Continue to assist with negotiating and administering the provision of affordable housing in developments required to provide affordable housing units pursuant to city regulations and/or using the optional multifamily tax exemption program.

Assist City staff with housing issues that come before Council Planning and Economic Development Committee and resulting initiatives.

Assist City staff with affordable housing preservation efforts and initiatives.

Mercer Island

Assist City with a Housing Strategy Plan.

Assist staff with Town Center code revisions as they pertain to affordable housing.

As needed, assist City staff with administering affordable housing provisions associated with the land use incentive and tax exemption programs for Town Center.

Provide project support for Town Center development projects that include affordable housing.

Newcastle

Assist City with a Housing Strategy Plan.

Assist with agreements for any project that would include an affordable housing requirement, including those related to the Community Business Center.

Assist staff with outreach effort related to ADUs.

Redmond

Continue to assist with negotiating and administering the provision of affordable housing in developments required to provide affordable housing units pursuant to city regulations.

Continue to assist staff with coordinating the development of the Providence John Gabriel House project for senior affordable housing in Downtown. (See Special Initiatives).

Assist with developing an affordable housing strategy for the Marymoor Subarea as a follow-up action to the adoption of the Southeast Redmond Neighborhood Plan.

Assist with the implementation of other high priority items identified in the Strategic Housing Plan, such as encouraging public/private partnerships to promote the development of affordable housing in urban centers.

Assist with pursuit of creative ways to implement the provisions for affordable housing in projects such as the Group Health and Limited Edition Development

Agreements in Overlake; including exploring ways to leverage other resources.

Assist with the promotion of affordable housing and other programs available to Redmond residents and developers, e.g., Accessory Dwelling Units (ADUs) (see above).

Assist with carrying out implementation strategies that result from the investigation of emerging housing markets and East Link Corridor housing strategies as described below under regional issues.

Assist City staff and Council with evaluating and, if appropriate, implementing a tax incentive program for affordable housing, as allowed under RCW 84.14.

As follow up to City's adoption of Section 8 anti-discrimination ordinance, assist with education outreach effort to landlords regarding Section 8 program. Potentially do in cooperation with other jurisdictions.

Sammamish

Assist City with an update to their Housing Strategy Plan.

Assist City staff with development and implementation for site donated to Habitat (see special initiatives).

Evaluate Strategy Plan to assess if work should commence on any priority strategies (e.g. Senior Housing opportunities).

Assist City staff with implementation of Town Center affordable housing provisions

Woodinville

Assist City staff with a Housing Strategy Plan.

Assist with review and any update of affordable housing and accessory dwelling unit programs and regulations.

Assist City staff and Planning Commission with evaluating and developing incentives for affordable housing as provided for in the Downtown/Little Bear Creek Master Plan area.

Yarrow Point

Assist Planning Commission and Council with a review and potential update of current ADU regulations, and assist with effort to increase public awareness of local provisions.

King County See Regional/Planning Activities below.

Ongoing monitoring of affordable housing in the Northridge/Blakely Ridge and Redmond Ridge Phase II affordable housing development agreements.

General Assistance. In the past, there have been numerous situations where members have

had requests for support on issues not explicitly listed in the Work Program. Requests range from technical clarifications, to assisting with negotiating agreements for specific development proposals, to more substantial assistance on unforeseen planning initiatives. ARCH sees this as a valuable service to its members and will continue to accommodate such requests to the extent they do not jeopardize active work program items.

B. Regional/Countywide Planning Activities

PSRC – Growing Transit Communities (GTC). PSRC in a partnership with public and private agencies from the Central Puget Sound region with a HUD Sustainable Communities Planning Grant completed a regional GTC strategy plan. Several ARCH members and ARCH are participating in follow up efforts coordinated by the GTC Advisory Committee. ARCH staff will assist member jurisdictions to evaluate and implement GTC strategies relevant to their respective communities. Some specific activities for individual members are described above in the Local Housing Efforts section. One general activity is the REDI Fund land loan program which ARCH will continue to assist with the ongoing oversight and administration. Another general area of activity could be to assist member cities with familiarizing the development community about local housing incentives available in their communities.

Countywide Planning Policies (CPP) for Affordable Housing. The Growth Management Planning Council adopted updated CPPs for housing. This also included several follow up work program items to begin implementation of some of the policies. ARCH staff will assist the regional work group on these follow up work program items (e.g. identifying and collecting key regional data for monitoring progress).

Legislative Items. ARCH staff will track state and federal legislative items that relate to affordable housing that could impact members' ability to address affordable housing. As needed, staff will report back to the Executive Board and members, and when directed coordinate with other organizations (e.g. AWC, Prosperity Partnership, WLIHA) to contact legislators regarding proposed legislation.

All Home (formally the Committee to End Homelessness)/ Eastside Homeless Advisory Committee (EHAC). Anticipated work of the CEH in the coming year includes continued coordinated allocation of resources, and initiating several specific initiatives (e.g. shelters, addressing homelessness for veterans, coordinated entry and assessment for all populations, families realignment process (e.g. conversion of transitional housing to permanent housing units at Hopelink properties), diversify service interventions available to youth and young adults, legislative advocacy on issues impacting housing and homelessness, and system-wide analytics and projections). Role for ARCH staff is expected to include participating in the All Home Funders group and its efforts to coordinate funding, and inform ARCH members and the general public of All Home/EHAC activities. Also continue to participate in efforts to implement homeless efforts within East King County through EHAC, including longer term solutions for winter shelters in East King County (see Special Initiatives).

Objective: Keep member jurisdictions informed of significant regional issues and pending legislation that could affect providing housing in East King County.

Ensure that perspectives of communities in East King County are addressed in regional housing activities, including All Home and Growing Transit Communities.

Have one or more specific local programs initiated as part of the All Home Community Strategic Plan.

III. HOUSING PROGRAM IMPLEMENTATION

Monitoring Affordable Rental Housing. Administer ongoing compliance of affordability requirements. This includes affordable rental housing created through direct assistance (e.g. Trust Fund allocation, land donations) from member jurisdictions, and through land use incentives. Some Trust Fund projects also require monitoring of project cash flow related to loans made by jurisdictions to projects (see I. Project Assistance). An objective in 2016 is for the ARCH Executive Board to review long term staffing needs for ARCH in general and in particular for ongoing program administration. .

Objective: Ensure projects are in compliance with affordability requirements which involve collecting annual reports from projects, screening information for compliance, and preparing summary reports for local staffs. To the extent possible this work shall:

- Minimize efforts by both owners and public jurisdictions.
- Coordinate ARCH's monitoring efforts with efforts by other funding sources such as using shared monitoring reports.
- Utilize similar documents and methods for monitoring developments throughout East King County.
- Establish working relationship with other public organizations that can help assess how well properties are maintained and operated (e.g. code compliance, police, and schools).

Monitoring Affordable Ownership Housing. As more price restricted homes are created, monitoring of affordable ownership housing created through local land use regulations is becoming of increased importance. In addition, will continue to monitor general trends with ownership units, enforcement of covenant provisions (e.g. leasing homes, foreclosure), and as necessary evaluate and if warranted, complete revisions to the ownership covenants. This effort will include convening member planning and legal staff to review potential revisions, consulting with King County and other local ownership programs, and seeking approval from Secondary Market lenders (e.g. FHA, Fannie Mae) of any potential revisions. Also continue to maintain a list of households potentially interested in affordable ownership housing.

Objective: Oversee resale of affordable ownership homes. Address issues related to ongoing compliance with program requirements (e.g. leasing homes, foreclosures).

Complete revisions to the affordability covenant and administrative procedures to better protect against potential loss of long term affordability.

Information for Public on Affordable Housing. Maintain lists of affordable housing in East King County (rental and ownership), and making that available as needed to people looking for affordable housing.

Objective: Maximize awareness of affordable housing opportunities in East King County through the ARCH web site, public flyers and other means to assist persons

looking for affordable housing.

Relocation Plans. Assist as necessary with preparing relocation plans and coordinate monitoring procedures for developments required to prepare relocation plans pursuant to local or state funding or regulatory requirements.

Objective: Maximize efforts to ensure that existing households are not unreasonably displaced as a result of the financing or development of new or existing housing.

IV. SUPPORT/EDUCATION/ADMINISTRATIVE ACTIVITIES

Education/Outreach. Education efforts should tie into efforts related to public outreach/input on regional housing issues (see Local Planning Activities). However, much of ARCH's outreach/education work will occur through work with individual members on local housing efforts. As part of Housing 101, in addition to the Housing 101 workbook and related brochures, conduct some type of specific education event. In 2016, Housing 101 will entail a more public event such as the Community Recognition Awards and potentially working with local schools to create photo essays on affordable housing to be exhibited in local public locations. Will also look at some type of tour or other event in late spring to correspond with council discussions related to the ARCH Housing Trust Fund

Objective: Develop education tools to inform councils, staffs and the broader community of current housing conditions, and of successful efforts achieved in recent years.

Be a resource for members to assist with outreach and education activities on affordable housing associated with local planning efforts.

Conduct specific education events for ARCH member staff, commissioners and council members.

Create outreach tools/efforts that inform the broader community of affordable housing resources available to residents.

ARCH Web Site. Update on a regular basis information on the ARCH website, including information related to senior housing opportunities. Add new section to the website that provides more details and administrative materials for affordable incentive programs available through ARCH members and fair housing information. Add a new page to the website that provides a quarterly update on a timely topic, and disperse information to member councils and staffs.

Objective: Maintain the ARCH web site and update the community outreach portion by incorporating information from Housing 101 East King County, as well as updated annual information, and links to other sites with relevant housing information (e.g. All Home, HDC).

Make presentations, including housing tours, to at least 10 community organizations.

Media coverage on at least six topics related to affordable housing in East King

County related to work done by Cities/ARCH and articles in local city newsletters.

Advice to Interested Groups. Provide short-term technical assistance to community groups, faith communities and developers interested in community housing efforts. Meet with groups and provide suggestions on ways they could become more involved. In 2016, undertake an effort to educate realtors about local Affordable Ownership program.

Objective: Increase awareness of existing funding programs by potential users.

Increase opportunities for private developers and Realtors working in partnership with local communities on innovative/affordable housing.

Assist community based groups who want to provide housing information to the broader community by assisting with preparing background information.

Administrative Procedures. Maintain administrative procedures that efficiently provide services to both members of ARCH and community organizations utilizing programs administered through ARCH. Prepare quarterly budget performance and work program progress reports, including Trust Fund monitoring reports. Prepare the Annual Budget and Work Program. Work with Executive Board to develop multi-year strategy for the ARCH Administrative Budget. Staff the Executive and Citizen Advisory Boards. Continue to inquire among cities within the ARCH Sphere of Influence that are not members of ARCH (e.g. Snoqualmie Valley cities) potential interest in becoming a member of ARCH.

Objective: Maintain a cost effective administrative budget for ARCH, and keep expenses within budget. Administrative costs should be equitably allocated among ARCH's members.

Maintain membership on the ARCH Citizen Advisory Board that includes broad geographic representation and a wide range of housing and community perspectives.



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

**AB 5156
January 4, 2016
Regular Business**

**A REGIONAL COALITION FOR HOUSING
(ARCH) 2015 TRUST FUND
RECOMMENDATIONS**

Proposed Council Action:

Review and approve ARCH 2015 Trust Fund recommendations and allocate project funds.

DEPARTMENT OF	Development Services Group (Alison Van Gorp)
COUNCIL LIAISON	n/a
EXHIBITS	1. Fall 2015 Housing Trust Fund (HTF) Recommendation
APPROVED BY CITY MANAGER	

AMOUNT OF EXPENDITURE	\$	20,000
AMOUNT BUDGETED	\$	20,000
APPROPRIATION REQUIRED	\$	0

SUMMARY

Mercer Island allocates \$20,000 annually for projects recommended through the ARCH Housing Trust Fund process. When projects are proposed that would utilize Mercer Island Trust Fund dollars, those projects come before the City Council for review and approval. The 2015 funding recommendation is presented to the Council below. The ARCH Executive Board has recommended that half of Mercer Island's contribution (\$10,000) be dedicated to the Imagine Housing Totem Lake (Phase 2) Senior Apartments. The remainder of our 2015 contribution (\$10,000) will remain in reserve for future use.

What is A Regional Coalition for Housing (ARCH) and why is the City involved?

Under terms of the Growth Management Act (GMA), Mercer Island and all other cities subject to the GMA are required to have a Housing Element within their Comprehensive Plan and take action to provide housing opportunities for all economic segments. Through the ARCH Housing Trust Fund process, ARCH assists the City in meeting their goals and objectives for affordable housing. The City has also, through ARCH, joined together with other eastside cities in a sub-regional effort to create and preserve affordable housing throughout the greater East King County community. ARCH was created by Interlocal Agreement among the cities of Bellevue, Kirkland, Redmond and King County. Since its inception, the ARCH membership has increased, and includes: Mercer Island, Woodinville, Issaquah, Bothell, Newcastle, Sammamish, Kenmore, and the "Points Communities" of Medina, Clyde Hill, Yarrow Point, Hunts Point and Beaux Arts Village. ARCH staff serves as additional housing staff to each member city, and coordinates with member city staff in various housing-related projects, plans and services.

Housing Trust Fund Recommendation from ARCH

The ARCH Housing Trust Fund (HTF) was created by ARCH member cities in 1993 as a way to directly assist the development and preservation of affordable housing in East King County. The trust fund process allows ARCH members to capitalize a joint housing development fund, and directly control the use of their

housing funds through ARCH's funding recommendation process. Mercer Island's contributions to the ARCH HTF come from the City's general fund, designated to ARCH for the purpose of creating affordable housing. Since 2010, the Council has authorized \$20,000 in each year to be expended for HTF activities. These funds are held in a centralized account at the City of Bellevue and earn interest.

The HTF is ARCH's primary source for funding housing projects and programs for specific low and moderate-income target populations. The long range goals set by the member cities for use of their housing resources are as follows: 56 percent for families, 19 percent for elderly, 13 percent for homeless/transitional, and 12 percent for special needs populations. Since 1993, member cities have made over \$45 million available to help fund over 3,000 units of affordable housing located in East King County. ARCH generally accepts applications for projects and awards funding twice a year.

The ARCH HTF Recommendations memo provides a summary of the Fall 2015 applications, the ARCH Executive Board recommendations and rationale, and proposed contract conditions for the two proposals recommended for funding at this time. See Exhibit 1. It also includes 5 attachments providing detailed information about the ARCH Trust Fund recommendations and contract conditions, funding, leveraging, and project summaries:

1. The ARCH Housing Trust Fund (HTF) Applications is a summary table of the projects (page 9).
2. The ARCH Housing Trust Fund, 2015 provides details of project leveraging detailing the other funding sources and amounts leveraged by ARCH cities.
3. The Economic Summary provides economic summaries of the recommended projects showing sources of funding and project expenses.
4. The ARCH East King County Trust Fund Summary provides a summary of ARCH projects funded to date.
5. The 2015 Housing Trust Fund: Proposed Funding Sources provides a funding chart showing how proposed ARCH funding is distributed among ARCH cities.

RECOMMENDATION

Administrative Services Manager and ARCH staff

MOVE TO: Approve the use of up to \$10,000 from the City's ARCH Housing Trust Fund to fund the Imagine Housing Totem Lake (Phase 2) Senior Apartments, with conditions as recommended by the ARCH Executive Board, and authorize the City Manager or the Administering Agency of ARCH on behalf of the City of Mercer Island to execute any related agreements and documents.

MEMORANDUM

TO: City of Bellevue Council Members
City of Clyde Hill Council Members
Town of Hunts Point Council Members
City of Issaquah Council Members
City of Kenmore Council Members
City of Kirkland Council Members
City of Medina Council Members
City of Mercer Island Council Members
City of Newcastle Council Members
City of Redmond Council Members
City of Sammamish Council Members
City of Woodinville Council Members
Town of Yarrow Point Council Members

FROM: Lyman Howard, Chair, and ARCH Executive Board

DATE: December 22, 2015

RE: Fall 2015 Housing Trust Fund (HTF) Recommendation

The ARCH Executive Board has completed its review of the three applications for the Fall 2015 Housing Trust Fund round. The Executive Board recommends funding for two projects. Recommendations total \$667,571 as summarized in the attached table, Proposed Funding Sources. The actual amount will depend on final action by the City Councils.

Following is a summary of the applications, the recommendation and rationale, and proposed contract conditions for the three proposals recommended for funding at this time. Also enclosed is an evaluation matrix for each proposal, an economic summary for the two projects recommended for funding, leveraging charts, project summary table, and a summary of funded projects to date.

1. Imagine Housing Totem Lake (Phase 2) Senior Apartments Amendment

Funding Request: \$225,000 in addition to the previously awarded \$875,000 (Deferred, Contingent Loan) plus the previously awarded 8 Section 8 Vouchers (from the 2012 round)
91 Units

Exec Bd Recommendation: \$225,000 Additional (Deferred, Contingent Loan)
See attached Funding Chart for distribution of City Funds

Project Summary:

Imagine Housing (IH) – an East King County based non-profit corporation is coming back for additional funding for a project originally funded through ARCH in 2012, but was stalled for available funding from other sources including Tax Credits. The agency is proposing a 91 unit new construction project adjacent to Francis Village in the Totem Lake region of Kirkland. The building is five levels of wood construction over one level of structured parking, lobby entrance, lounge, services office, and management spaces. It is designed to serve seniors living independently, aged 62 or over, at 30%, 40% and 50% of Area Median Income (AMI). Twenty percent of the units will be restricted for seniors who have faced homelessness. The unit mix consists of 26 studios, 60 one bedroom and five two bedroom units.

The community space and residential units are designed according to the principles of universal design. It is intended that the residents will be able to continue living in the units even with physical deterioration and the units may be adapted (such as changing kitchen cabinets to accommodate) to meet their changing physical needs. The amenity space will have a flexible design to meet the social and physical interests of the population. The property will contain a rooftop garden that will provide passive recreational opportunities as well as gardening and educational opportunities.

The additional funding request is due to holding costs on the land and increased construction costs resulting from not getting full funding earlier.

Funding Rationale:

The Executive Board supported the intent of this application for the following reasons:

- Development targets range of lower income senior households
- Homeless unit set-asides
- The project expands residential development within the Totem Lake area
- Site has access to transit, shopping and is near a major hospital/medical complex
- Total development cost comparable to other similar projects
- Project leverages a substantial amount of Tax Credit equity
- Applicant has continued to make meaningful progress on advancing the project
- Relatively low per unit ask to ARCH
- Carrying costs and cost increases are justifiable
- Applicant has site control and entitlement process well underway
- Experienced applicant

Funding Conditions:

Special Conditions: The following conditions supersede, while incorporating and updating, the conditions associated with the funding recommendation from the 2012 round.

1. The funding commitment shall continue for twelve (12) months from the date of Council approval and shall expire thereafter if all conditions are not satisfied. An extension may be requested to ARCH staff no later than sixty (60) days prior to the expiration date. At that time, the applicant will provide a status report on progress to date, and expected schedule for start of construction and project completion. ARCH staff will consider a twelve month extension only on the basis of documented, meaningful progress in bringing the project to readiness or completion. At a minimum, the applicant

will demonstrate that all capital funding has been secured or is likely to be secured within a reasonable period of time.

2. Funds shall be used by Imagine Housing toward construction and construction contingency, design, and bridge loan interest. Funds may not be used for any other purpose unless City or Administering Agency has given written authorization for the alternate use. Spending of construction contingency must be approved in advance by City or Administering Agency. If after the completion of the project there are budget line items with unexpended balances, the public funders shall approve adjustments to the project capital sources, including potentially reductions in public fund loan balances.
3. Funds will be in the form of a deferred, contingent loan. Loan terms will account for various factors, including loan terms from other fund sources, available cash flow, and receipt of an asset management fee to the Applicant and project reserves. Final loan terms shall be determined prior to release of funds and must be approved by city staff. Based on the preliminary development budget, it is anticipated that loan payments will be based on a set repayment schedule, and begin after repayment of deferred developer fee (approximately year 15), with 1% interest. The terms will also include a provision for the Applicant to a deferment of a payment if certain conditions are met (e.g. low cash flow due to unexpected costs). Any requested deferment of loan payment is subject to approval by City or Administering Agency, and any deferred payment would be repaid from future cash flow or at the end of the amortization period.
4. The net developer fee shall be established at the time of finalizing the Contract Budget. It is anticipated that the Net Developer Fee inclusive of any project management fees and incidental costs incurred by the developer, shall not exceed \$1,065,000 based on the current size and description of the project. Net developer fee is defined as that portion of the developer fee paid out of capital funding sources and does not include the deferred portion which is paid out of cash flow from operations after being placed in service.
5. Until such time as any deferred developer fee is fully repaid, all cash flow after payment of operating expenses and debt service, shall be used to repay the deferred developer fee unless otherwise approved by City or Administering Agency. After full repayment of deferred developer fee Imagine Housing shall be entitled to an asset management fee. The amount of the asset management fee will account for various factors including project operating budget and debt repayment. Final asset management fee will be determined at time of funding agreement and must be approved by City staff.
6. A covenant is recorded ensuring affordability for at least 50 years, with affordability as shown in the following table. Affordability levels will be defined using the requirements for tax credits, and utility costs will be based on King County Housing Authority allowances, or as otherwise approved by City or Administering Agency.

Median Income Level	Studio	1 Bedrm	2 Bedrm	Total
Very Low Income 30% AMI *	26	18	2	46
Low Income 31-40% AMI		22	1	23

Moderate Income 41-60% AMI		20	2	22
Total	26	60	5	91

* Up to 8 of the very low income units can utilize Section 8 vouchers. They can be used in a combination of one and two bedroom units. The final mix of one and two bedroom units benefiting from vouchers will be approved by City or Administering Agency. Considerations in the determination of unit mix will include overall need in the community, unit mix of existing federally assisted and Section 8 assisted housing for seniors in East King County, and Section 8 program requirements.

7. Based on the availability of adequate support services, up to 20% of the units will be set-aside for homeless, unless otherwise approved by City or Administering Agency.
8. Submit for review and approval a management and services provision plan that includes how management and services for this property will relate to the management of the adjacent Francis Village Family Housing and types of services and programs that will be available for the residents. Recognizing that there is a very limited amount of parking on the site, the plan shall also address how parking will be managed on an ongoing basis, and alternative transportation options for residents. The plan shall also include management procedures to address tenant needs; services provided for or required of tenants; management and operation of the premises; community and neighbor relations procedures; a summary of ARCH's affordability requirements as well as annual monitoring procedure requirements.

Standard Conditions:

9. The Applicant shall provide revised development and operating budgets based upon actual funding commitments, which must be approved by city staff. If the Applicant is unable to adhere to the budgets, City or Administering Agency must be immediately notified and (a) new budget(s) shall be submitted by the Applicant for the City's approval. The City shall not unreasonably withhold its approval to (a) revised budget(s), so long as such new budget(s) does not materially adversely change the Project. This shall be a continuing obligation of the Applicant. Failure to adhere to the budgets, either original or as amended may result in withdrawal of the City's commitment of funds.
10. The Applicant shall submit evidence of funding commitments from all proposed public sources. In the event commitment of funds identified in the application cannot be secured in the time frame identified in the application, the Applicant shall immediately notify City or Administering Agency, and describe the actions it will undertake to secure alternative funding and the timing of those actions subject to City or Administering Agency's review and approval.
11. In the event federal funds are used, and to the extent applicable, federal guidelines must be met, including but not limited to: contractor solicitation, bidding and selection; wage rates; and Endangered Species Act (ESA) requirements. CDBG funds may not be used to repay (bridge) acquisition finance costs.
12. The Applicant shall maintain documentation of any necessary land use approvals and permits required by the city where the projects are located.

13. Submit monitoring reports quarterly through completion of the project, and annually thereafter. Submit a final budget upon project completion. If applicable, submit initial tenant information as required by City or Administering Agency.

2. Imagine Housing 30Bellevue

Funding Request: \$899,950 (Contingent Loan)
Plus 8 Section 8 Certificates
65 affordable rental units

Exec Bd Recommendation:

- \$442,571, CDBG funds, subject to final adjustment for HUD CDBG awards (Contingent Loan) as follows:
 - Up to \$137,000 for predevelopment activities in 2016
 - Balance as a conditional award subject to reapplication in 2016 for balance of local funds
- See attached Funding Chart for distribution of City Funds

Project Summary:

Imagine Housing (IH) – an East King County based non-profit corporation is proposing a 60+ unit building collocated with St. Luke’s Lutheran Church which also houses the Sophia’s Place homeless shelter for women. The proposed building is two and four levels of wood construction over one level of structured parking. The project features lobby, leasing office, computer room/library, community gathering room, children’s play area and counseling offices.

The project targets households earning below 30%, 40% and 60% of median area income, 20% of the units are proposed to be set aside for homeless and another 20% of the units are proposed to be set aside for households with disabilities. Imagine Housing is also exploring the feasibility of three bedroom units.

Funding Rationale:

The CAB recognizes the application for funding is early, and that a number of details are still being considered and fleshed out, therefore an award for predevelopment work is recommended with a requirement to apply for full funding award in a future round.

The Executive Board supported this application and recommends partially funding for predevelopment and acquisition costs with conditions listed below for the following reasons:

- Development targets range of lower income family households including set asides for homeless and disabled
- Church and applicant have worked with city and neighborhood in process of applying for and receiving comprehensive plan and zoning updates for the site.
- Site has access to transit, shopping and is near a highway interchange
- Contributes to distributing affordable housing throughout the community.
- Site could accommodate children’s play areas
- Project leverages a substantial amount of Tax Credit equity
- Applicant has site control with a patient seller

- Proposed uses of funding are eligible uses of CDBG funding for affordable housing
- Experienced applicant

With the release of predevelopment funds, this would provide an opportunity for Imagine Housing to address issues listed below as well as complete work needed to apply for other capital funds. Imagine Housing will be expected to provide an updated funding application to ARCH in the upcoming round that addresses the items listed under Condition 6.

Funding Conditions:

1. The award would release \$50,000 to fund CDBG-qualified predevelopment activities to be completed by July 31, 2016. Predevelopment funds shall be used by Imagine Housing toward acquisition, design, appraisal, market study, environmental assessment, geotechnical study, surveys, legal and other consultants and that are eligible uses of CDBG funds. Funds may not be used for any other purpose unless city staff has given written authorization for the alternate use. Funds released for predevelopment activities may be forgivable only if the project cannot move forward for reasons outside of Imagine Housing’s control. During this period, Imagine Housing shall at a minimum address the items listed under Condition 6 related to incorporating three bedroom units, parking, site feasibility and disabled unit set-asides.
2. Submit monitoring reports quarterly providing updates on progress on predevelopment activities.
3. With the approval of the ARCH Executive Board up to an additional \$87,000 may be released for CDBG-qualified predevelopment activities (as defined in Condition 1) carried out in 2016. To be considered for this release, Imagine Housing shall provide:
 - An update on the status of the project which will include: update on design, unit configuration and mix, conformance to Land Use Code, and status of predevelopment progress.
 - Site design including parking, setbacks, critical areas etc. demonstrating that the proposal meet city regulatory requirements.
 - Document land area to be transferred and detail how land will be legally transferred/secured.
 - Demonstrate meaningful progress.
 - Provide updated capital and operating budgets (including reflecting federal funding requirements)
 - Demonstrate progress toward being able to meet the remaining funding conditions within the 18 month period.
4. In the event the first funding condition is met and an updated application for full funding is received during the 2016 funding round, the funding commitment for the balance of funds not allocated through the first and second conditions shall be extended to 18 months from the date of Council approval. An extension may be requested to City or Administering Agency no later than sixty (60) days prior to the expiration date. City or Administering Agency will consider an extension only on the basis of documented, meaningful progress in bringing the project to readiness or completion. In the event an updated application is not received in 2016 or if an evaluation by the Executive Board prior to the fall funding round indicates that funding conditions cannot be met within the 18 month funding condition period, then the ARCH Executive Board will be authorized to have the funding award expire.

5. With Executive Board approval, the remaining funding award may be expended on costs for securing a site upon meaningful progress on entitlement and the making of applications to other funders.
6. Imagine Housing shall reapply to ARCH in the 2016 round for the balance of local funds needed to combine with other sources to fully fund the project. In that application, Imagine Housing shall address the following:
 - Confirm the unit count and unit mix and distribution over set-asides
 - Explore the feasibility of including more three bedroom units
 - Amount of parking required by the city for the overall site including the proposed housing, and as needed a proposal for managing parking.
 - Meet with Sophia Way and document proposed arrangements to complement operations with the 20 bed women's shelter co-located on the St Luke's property.
 - Explore utilizing disabled set-aside units by more formally partnering with one or two specific agencies to house and provide services to residents on-site. This evaluation should include agencies serving persons with developmental disabilities, but also potentially other agencies serving residents with other special needs.
 - Explore opportunities for affordable childcare for residents.
 - An appraisal that reflects the ongoing existing uses on the property and city land use requirements.
 - Management procedures to address tenant needs; services provided for or required of tenants; management and operation of the premises, including parking.
 - How the Agency will do local targeted marketing outreach to local businesses and community organizations.
 - Documentation of site control with a transfer cost consistent with the appraisal.
7. Funds will be in the form of a deferred, contingent loan. Loan terms will account for various factors, including loan terms from other fund sources and available cash flow. Final loan terms shall be determined prior to release of funds and must be approved by City Staff. Based on the preliminary development budget, it is anticipated that loan payments will be based on a set repayment schedule, and begin after repayment of the deferred developer fee (approximately year 15), with 1% interest. The terms will also include a provision for the Agency to a deferment of a payment subject to approval by City staff, if certain conditions are met (e.g. low cash flow due to unexpected costs). Any deferred payment would be repaid from future cash flow or at the end of the amortization period.
8. A covenant is recorded ensuring affordability for at least 50 years, with affordability for all units at 60% or less and a mix of unit sizes. Affordability levels will be defined using the requirements for tax credits, and utility costs will be based on King County Housing Authority allowances, unless otherwise approved by City Staff.
9. Based on the availability of adequate support services, up to 20% of the units may be set aside for occupancy by households with a disabled person and up to 20% additional units may be set aside for households transitioning out of homelessness so long as there is funding available to support those households.

3. Parkview Homes XII

Funding Request: \$190,000 (Secured Grant)
3 Beds

Exec Bd Recommendation: Do not fund at this time

Project Summary:

Parkview Services, a Shoreline-based non-profit organization is proposing to develop two homes in King County. The ARCH application is to help fund one of those homes, a Supportive Living Services Home in the Bellevue or Redmond area. The other home will be in South King County. For the ARCH sphere home they plan to acquire and remodel a three-bedroom house that will serve three (3) low-income individuals with developmental disabilities referred by the Developmental Disabilities Administration. A specific home will be identified once all funding is committed. Improvements will include remodeling to meet both Evergreen sustainability and ADA (Americans with Disabilities Act) accessibility standards, and a monitored fire suppression system.

There currently is no site control. The house to be bought will be remodeled to include accessibility features necessary for the initial tenants and for future tenants. Parkview will be looking to acquire suitably laid out minimum 1,600 square foot rambler-style houses that can easily be modified for accessibility.

Funding Rationale:

The Executive Board potentially supports the concept of the Parkview proposal which serves the neediest of developmentally disabled persons, it does not recommend making a funding recommendation at this time. Parkview was awarded funding in 2014 for a similar project, the acquisition and rehabilitation of which has not yet started but which could help inform the current proposal. The current proposal's acquisition and development budget appears too low to be feasible given the targeted area being Bellevue and immediate areas, and experience with the 2014 could better inform if this were the case. This model appears dependent on Operating and Rental Subsidy made available through the Department of Commerce. Such funding, although anticipated when this project was invited to apply, is not being made available in the current round. This jeopardizes the sustainability of a project supported through capital funding in this funding round. The current proposal relies heavily on public capital funding at a higher per bed cost than other housing and doesn't take advantage of sources such as low income housing tax credits and or private fundraising. Given the high public capital funding amounts per bed associated with this model, when the ARCH Citizen Advisory Board (CAB) made the recommendation for funding the 2014 Parkview supportive living home, they requested that prior to funding another project providing housing for persons with developmental disabilities, a stakeholder group be convened to explore strategies and models for efficiently serving this population. Stakeholders met earlier in 2015 and a report with recommendations was issued. Several ideas that were discussed including better utilizing multifamily housing approaches, which can leverage other resources such as tax credits, and increasing occupancy of existing group homes. The Executive Board acknowledges the need for a variety of approaches to serving this population but prior to considering another single family home, the CAB wanted time for the currently funded home to be completed and a more concerted effort to incorporate housing serving this need into a multifamily setting, and in particular upcoming proposals which already plan on a set-aside of units for disabled households.

**ARCH HOUSING TRUST FUND (HTF) APPLICATIONS
2015**

Applicant	Funds Requested (Grant/Loan) / Recommendation	Housing Type/ # of units/ bdrms	Income Served	Project Location	Duration of benefit	Total cost per unit	HTF cost per affordable unit	Project completion
Imagine Housing Totem Lake 2 Senior	\$225,000 additional to already committed \$875,000 Loan	Senior rental housing 91 20% Homeless	46 @ 30% 23 @ 40% 22 @ 60%	Adjacent to 12601 NE 124 th St Kirkland	50 Years	284,300/unit	\$12,090/unit	Fall 2017
Imagine Housing 30Bellevue	\$899,950 Loan 8 Section 8 vouchers	Family rental housing 65 20% Disabled 20% Homeless	33 @ 30% 16 @ 40% 16 @ 60%	3030 Bellevue Way NE Bellevue	50 Years	\$323,500/unit	\$13,845/unit	Summer 2018
Parkview Services XII DD Home	\$190,000 Secured Grant	Acq/Rehab of Home for Developmentally Disabled 3	3 @ 30%	Bellevue Site to be determined, plus other 3 bed home in Federal Way	40 Years	\$199,667	\$63,333	Fall 2016

ARCH HOUSING TRUST FUND, 2015

Leveraging Funds - -

	Imagine Housing Totem Lake 2 Senior	Imagine Housing 30Bellevue	Parkview Sevices XII ARCH Sphere Home	TOTAL
Prior ARCH Commitment	\$875,000			\$875,000
New ARCH Request	\$225,000	\$899,950	\$190,000	\$1,314,950
ARCH TOTAL	\$ 1,100,000	\$ 899,950	\$ 190,000	\$ 2,189,950
King County				
Prior KC Commitment				\$0
HOF/HOME/CDBG	\$2,400,000	\$2,200,000	\$190,000	\$4,790,000
2060/2163				\$0
Veterans/Human Services				\$0
Other				\$0
KC TOTAL	\$ 2,400,000	\$ 2,200,000	\$ 190,000	\$4,790,000
Prior WA Commitment				\$0
WA HAP				\$0
WA HTF	\$3,000,000	\$2,225,000	\$176,000	\$5,401,000
WA HFC (Equity Fund)				\$0
WSHFC Washington Works				\$0
WA TOTAL	\$ 3,000,000	\$ 2,225,000	\$ 176,000	\$5,401,000
Federal/HUD				\$0
Section 811				\$0
McKinney				\$0
Other (VA Per Diem)				\$0
FEDERAL TOTAL	\$ -	\$ -	\$ -	\$0
Tax Credits	\$16,471,731	\$13,463,469		\$29,935,200
Prior Tax Credit Commitment				\$0
Other Prior				\$0
TCAP				\$0
Bonds				\$0
Bank Loans	\$2,700,000	\$2,163,356		\$4,863,356
Deferred Developer Fee	\$196,986	\$73,523		\$270,509
Private			\$3,000	\$3,000
Other	\$1,647	\$1,346		\$2,993
TOTAL COST	\$ 25,870,364	\$ 21,026,644	\$ 559,000	\$ 47,456,008
Total New	97%			

**ECONOMIC SUMMARY:
AMENDMENT**

IMAGINE HOUSING / TOTEM LAKE PHASE II SENIOR

1. Applicant/Description: New construction of 91 affordable rental units for seniors including units are for homeless/very low income households

2. Project Location: Adjacent to 12601 NE 124th St., Kirkland

3. Financing Information:

Funding Source	Funding Amount	Commitment
ARCH	\$1,100,000	\$225,000 applied for in 2015, \$875,000 committed in Fall 2012 Round
King County	\$2,400,000	Committed in 2015
Commerce Trust Fund	\$3,000,000	Committed in 2015
Tax Credits	\$16,471,731	To be applied for in 2016
Private Debt	\$2,700,000	To be applied for in 2016
Deferred Developer Fee/GP Equity	\$198,633	Committed
TOTAL	\$25,870,364	

4. Development Budget:

ITEM	TOTAL	PER UNIT	HTF
Acquisition	\$2,803,932	\$30,812	
Construction	\$17,473,026	\$192,011	\$701,000
Design	\$961,000	\$10,560	\$224,000
Consultants	\$285,600	\$3,138	
Developer fee	\$1,261,986	\$13,868	
Finance costs	\$1,690,793	\$18,580	\$175,000
Reserves	\$237,243	\$2,607	
Permits/Fees/Other	\$1,156,784	\$12,712	
TOTAL	\$25,870,364	\$284,290	\$1,100,000

5. Debt Service Coverage: Debt service payments will be finalized upon commitment. Basic terms will include a 50 year amortization, deferral of payments for a period of between 10 and 15 years, 1% interest, and ability to request a deferral of annual payment to preserve economic integrity of property.

6. Security for City Funds:

- A recorded covenant to ensure affordability and use for targeted population for 50 years.
- A promissory note secured by a deed of trust. The promissory note will require repayment of the loan amount upon non-compliance with any of the loan conditions.

7. Rental Subsidy: 8 Section 8 Vouchers

ECONOMIC SUMMARY: IMAGINE HOUSING / 30BELLEVUE

1. Applicant/Description: New construction of 60+ affordable rental units for households including units are for homeless/very low income households and the disabled

2. Project Location: 3030 Bellevue Way NE, Bellevue

3. Financing Information:

Funding Source	Funding Amount	Commitment
ARCH	\$899,950	Applied for in 2015
King County	\$2, 200,000	To be applied for in 2016
Commerce Trust Fund	\$2,250,000	To be applied for in 2016
Tax Credits	\$13,463,469	To be applied for in 2017
Private Debt	\$2,163,356	To be applied for in 2017
Deferred Developer Fee/GP Equity	\$74,869	Committed
TOTAL	\$21,026,644	

4. Development Budget:

ITEM	TOTAL	PER UNIT (@65)	HTF
Acquisition	\$2,435,000	\$37,462	\$280,464
Construction	\$14,668,755	\$225,981	\$482,304
Design	\$700,208	\$8,806	\$50,000
Consultants	\$228,600	\$3,517	\$87,000
Developer fee	\$1,098,532	\$16,900	
Finance costs	\$603,991	\$9,292	
Reserves	\$189,963	\$2,923	
Permits/Fees/Other	\$1,081,604	\$16,640	
TOTAL	\$21,026,644	\$323,487	\$889,950

5. Debt Service Coverage: Debt service payments will be finalized upon commitment. Basic terms will include a 50 year amortization, deferral of payments for a period of between 10 and 15 years, 1% interest, and ability to request a deferral of annual payment to preserve economic integrity of property.

6. Security for City Funds:

- A recorded covenant to ensure affordability and use for targeted population for 50 years.
- A promissory note secured by a deed of trust. The promissory note will require repayment of the loan amount upon non-compliance with any of the loan conditions.

7. Rental Subsidy: 8 Section 8 Vouchers

FIGURE 1
ARCH: EAST KING COUNTY TRUST FUND SUMMARY
LIST OF CONTRACTED PROJECTS FUNDED (1993 - 2014)

Project	Location	Owner	Units/Beds	Funding	Pct of Total Allocation	Distribution Target
1. Family Housing						
Andrews Heights Apartments	Bellevue	Imagine Housing	24	\$400,000		
Garden Grove Apartments	Bellevue	DASH	18	\$180,000		
Overlake Townhomes	Bellevue	Habitat of EKC	10	\$120,000		
Glendale Apartments	Bellevue	DASH	82	\$300,000		
Wildwood Apartments	Bellevue	DASH	36	\$270,000		
Somerset Gardents (Kona)	Bellevue	KC Housing Authority	198	\$700,000		
Pacific Inn	Bellevue *	Pacific Inn Assoc. *	118	\$600,000		
Eastwood Square	Bellevue	Park Villa LLC	48	\$600,000		
Chalet Apts	Bellevue	Imagine Housing	14	\$163,333		
Andrew's Glen	Bellevue	Imagine Housing	10 /11	\$387,500		
August Wilson Place	Bellevue ***	LIHI ***	45	\$800,000		
YWCA Family Apartments	Bellevue	YWCA	12	\$100,000		
Parkway Apartments	Redmond	KC Housing Authority	41	\$100,000		
Habitat - Patterson	Redmond **	Habitat of EKC **	24	\$446,829		
Avon Villa Mobile Home Park	Redmond **	MHCP **	93	\$525,000		
Terrace Hills	Redmond	Imagine Housing	18	\$442,000		
Village at Overlake Station	Redmond **	KC Housing Authority **	308	\$1,645,375		
Summerwood	Redmond	DASH	166	\$1,187,265		
Coal Creek Terrace	Newcastle **	Habitat of EKC **	12	\$240,837		
RoseCrest (Talus)	Issaquah **	Imagine Housing **	40	\$918,846		
Mine Hill	Issaquah	Imagine Housing	28	\$450,000		
Clark Street	Issaquah	Imagine Housing	30	\$355,000		
Lauren Heights (Iss Highlands)	Issaquah **	Imagine Housing/SRI **	45	\$657,343		
Habitat Issaquah Highlands	Issaquah **	Habitat of EKC **	10	\$318,914		
Issaquah Family Village I	Issaquah **	YWCA **	87	\$4,382,584		
Issaquah Family Village II	Issaquah **	YWCA **	47	\$2,760,000		
Greenbrier Family Apts	Woodinville **	DASH **	50	\$286,892		
Crestline Apartments	Kirkland	Shelter Resources	22	\$195,000		
Plum Court	Kirkland	DASH	61 /66	\$1,000,000		
Francis Village	Kirkland	Imagine Housing	15	\$375,000		
Velocity	Kirkland **	Imagine Housing **	46	\$901,395		
Copper Lantern	Kenmore **	LIHI **	33	\$452,321		
Highland Gardens (Klahanie)	Sammamish	Imagine Housing	54	\$291,281		
Habitat Sammamish	Sammamish ** ***	Habitat of KC ***	10	\$853,000		
Homeowner Downpayment Loan	Various	KC/WSHFC/ARCH	87 est	\$615,000		
REDI TOD Land Loan	Various	Various	100 est	\$500,000		
SUB-TOTAL			2,042	\$24,520,516	54.0%	(56%)
2. Senior Housing						
Cambridge Court	Bellevue	Resurrection Housing	20	\$160,000		
Ashwood Court	Bellevue *	DASH/Shelter Resources *	50	\$1,070,000		
Evergreen Court (Assisted Living)	Bellevue	DASH/Shelter Resources	64 /84	\$2,480,000		
Bellevue Manor / Harris Manor	Bellevue / Redmond	KC Housing Authority	105	\$1,334,749		
Vasa Creek	Bellevue	Shelter Resources	50	\$190,000		
Riverside Landing	Bothell **	Shelter Resources	50	\$225,000		
Kirkland Plaza	Kirkland	Imagine Housing	24	\$610,000		
Totem Lake Phase 2	Kirkland ***	Imagine Housing ***	80	\$736,842		
Heron Landing	Kenmore	DASH/Shelter Resources	50	\$65,000		
Ellsworth House Apts	Mercer Island	Imagine Housing	59	\$900,000		
Providence Senior Housing	Redmond **	Providence **	74	\$2,239,000		
Greenbrier Sr Apts	Woodinville **	DASH/Shelter Resources **	50	\$196,192		
SUB-TOTAL			676	\$10,206,783	22.5%	(19%)

FIGURE 1
ARCH: EAST KING COUNTY TRUST FUND SUMMARY
LIST OF CONTRACTED PROJECTS FUNDED (1993 - 2014)

Project	Location	Owner	Units/Beds	Funding	Pct of Total Allocation	Distribution Target
3. Homeless/Transitional Housing						
Hopelink Place	Bellevue **	Hopelink **	20	\$500,000		
Chalet	Bellevue	Imagine Housing	4	\$46,667		
Kensington Square	Bellevue	Housing at Crossroads	6	\$250,000		
Andrew's Glen	Bellevue	Imagine Housing	30	\$1,162,500		
August Wilson Place	Bellevue ***	LIHI ***	12	\$200,000		
Sophia Place	Bellevue	Sophia Way	20	\$250,000		
Men's Shelter	TBD	Congregation for Homeless (C	50	\$700,000		
Dixie Price Transitional Housing	Redmond	Hopelink	4	\$71,750		
Avondale Park	Redmond	Hopelink (EHA)	18	\$280,000		
Avondale Park Redevelopment	Redmond **	Hopelink (EHA) **	60	\$1,502,469		
Petter Court	Kirkland	KITH	4	\$100,000		
Francis Village	Kirkland	Imagine Housing	45	\$1,125,000		
Velocity	Kirkland ***	Imagine Housing ***	12	\$225,349		
Totem Lake Phase 2	Kirkland	Imagine Housing	15	\$138,158		
Rose Crest (Talus)	Issaquah **	Imagine Housing **	10	\$229,712		
Lauren Heights (Iss Highlands)	Issaquah **	SRI **	5	\$73,038		
Issaquah Family Village I	Issaquah **	YWCA **	10	\$503,745		
SUB-TOTAL			307	\$7,358,387		16.2% (13%)
4. Special Needs Housing						
My Friends Place	K.C.	EDVP	6 Beds	\$65,000		
Stillwater	Redmond	Eastside Mental Health	19 Beds	\$187,787		
Foster Care Home	Kirkland	Friends of Youth	4 Beds	\$35,000		
FOY New Ground	Kirkland	Friends of Youth	6 Units	\$250,000		
DD Group Home 7	Kirkland	Community Living	5 Beds	\$100,000		
Youth Haven	Kirkland	Friends of Youth	10 Beds	\$332,133		
FOY Transitional Housing	Kirkland **	Friends of Youth **	10 Beds	\$252,624		
FOY Extended Foster Care	Kirkland **	Friends of Youth **	10 Beds	\$112,624		
DD Group Home 4	Redmond	Community Living	5 Beds	\$111,261		
DD Group Homes 5 & 6	Redmond/KC (Bothell)	Community Living	10 Beds	\$250,000		
United Cerebral Palsy	Bellevue/Redmond	UCP	9 Beds	\$25,000		
DD Group Home	Bellevue	Residence East	5 Beds	\$40,000		
AIDS Housing	Bellevue/Kirkland	AIDS Housing of WA	10 Units	\$130,000		
Harrington House	Bellevue	AHA/CCS	8 Beds	\$290,209		
DD Group Home 3	Bellevue	Community Living	5 Beds	\$21,000		
Parkview DD Condos III	Bellevue	Parkview	4	\$200,000		
IERR DD Home	Issaquah	IERR	6 Beds	\$50,209		
FFC DD Homes	NE KC	FFC	8 Beds	\$300,000		
Oxford House	Bothell	Oxford/Compass Ctr.	8 Beds	\$80,000		
Parkview DD Homes VI	Bothell/Bellevue	Parkview	6 Beds	\$150,000		
Parkview DD Homes XI	TBD	Parkview	3 Beds	\$200,800		
FFC DD Home II	Kirkland	FFC	4 Beds	\$168,737		
SUB-TOTAL			161 Beds/Units	\$3,352,384		7.4% (12%)
TOTAL			3,186	\$45,438,070		100.0%

* Funded through Bellevue Downtown Program

** Also, includes in-kind contributions (e.g. land, fee waivers, infrastructure improvements)

*** Amount of Fee Waiver still to be finalized

2015 HOUSING TRUST FUND: PROPOSED FUNDING SOURCES
Councils 12/10/15

SOURCE	PROJECT		
	Imagine Totem Lake II Supp	Imagine 30 Bellevue	TOTAL
Request	\$ 225,000	\$ 899,950	\$ 1,314,950
CAB Recommendation	\$ 225,000	\$ 442,571	\$ 667,571
Current Funding			
Sub-Regional CDBG		\$ 177,571	\$ 177,571
Bellevue			
CDBG		\$ 50,000	\$ 50,000
General Fund	\$ 70,000		\$ 70,000
Clyde Hill			
General Fund	\$ 7,500		\$ 7,500
Hunts Point			
General Fund	\$ 1,500		\$ 1,500
Issaquah			
General Fund	\$ 25,000		\$ 25,000
Kenmore			
General Fund	\$ 15,000		\$ 15,000
Kirkland			
General Fund	\$ 65,000		\$ 65,000
CDBG		\$ 110,717	\$ 110,717
Medina			
General Fund	\$ 6,000		\$ 6,000
Mercer Is.			
General Fund	\$ 10,000		\$ 10,000
Newcastle			
General Fund	\$ 12,000		\$ 12,000
Redmond			
General Fund	\$ -		\$ -
CDBG		\$ 104,283	\$ 104,283
Sammamish			
General Fund	\$ 5,000		\$ 5,000
Woodinville			
General Fund	\$ 6,000		\$ 6,000
Yarrow Point			
General Fund	\$ 2,000		\$ 2,000
TOTAL	\$ 225,000	\$ 442,571	\$ 667,571



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

**AB 5158
February 22, 2016
Regular Business**

**MEMORANDUM OF UNDERSTANDING ("MOU")
WITH THE MERCER ISLAND CENTER FOR THE
ARTS ("MICA") REGARDING A LEASE FOR A
PERFORMING ARTS CENTER AND RELATED
ENVIRONMENTAL IMPACTS REVIEW**

Proposed Council Action:

Authorize the Interim City Manager to execute a MOU with MICA to conduct a review of the potential environmental impacts of constructing a performing arts center in the southwest corner of Mercerdale Park.

DEPARTMENT OF	City Attorney (Kari Sand)
COUNCIL LIAISON	n/a
EXHIBITS	1. Proposed MOU 2. Proposed Agreement to Lease Subject to Certain Conditions Precedent
APPROVED BY CITY MANAGER	

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

SUMMARY

BACKGROUND

The City Council discussed a proposed Ground Lease with the Mercer Island Center for the Arts ("MICA") during the Council's November 16, 2015 and January 19, 2016 regular meetings. See AB 5133 and AB 5149, respectively. Modifications to the proposed Ground Lease, now re-titled "Proposed Agreement to Lease Subject to Certain Conditions Precedent" and attached hereto as Exhibit 2, discussed at those meetings have been incorporated into the version attached. Additionally, the City's insurance risk pool, the Washington Cities' Insurance Authority (the "WCIA"), has reviewed the proposed Lease and substantially revised the indemnification and insurance requirements set forth in Sections 13 and 14, respectively. Further, the WCIA added language in Section 2.1.6 that requires MICA's prime contractor to procure and maintain insurance of the types and coverage listed, including Builder's Risk insurance.

Following Council review of the proposed lease on January 19, staff met with representatives of the applicant (MICA) to discuss compliance with the environmental review requirements of the State Environmental Policy Act (SEPA). SEPA requires that environmental review be conducted prior to a governmental decision regarding a lease of public land (WAC 197-11-704(2)(a)(ii)). Staff has determined that approval of a Memorandum of Understanding (MOU), substantially in the form attached to this Agenda Bill as Exhibit 1, would both memorialize the City's and MICA's desire to enter into the proposed Lease (Exhibit 2) and would ensure that the environmental review and decision processes required by SEPA will be followed. Upon satisfactory completion of the SEPA environmental review process, the proposed Lease would be brought back to the City Council for final action.

THE MEMORANDUM OF UNDERSTANDING (“MOU”) ESTABLISHES THE SEPA REVIEW PROCESS

The proposed MOU at Exhibit 1 establishes the process the City and MICA will follow in order to conduct a thorough and meaningful review of the potential environmental impacts of constructing and operating a center for the performing and visual arts and for arts education programs, including theatres, a recital hall, classrooms, a food and beverage venue and other arts and arts education spaces (the “Center”). The Center’s proposed location is on the Recycling Center site and a portion of Mercerdale Park, located generally at the southwest corner of 77th Avenue SE and SE 32nd Street.

Significantly, the MOU is not an “action” as that term is defined in the State Environmental Policy Act, Chapter 43.21C RCW, and the state and local implementing rules promulgated thereunder (collectively, “SEPA”). By contrast, a future decision by the Mercer Island City Council regarding a specific project – that is, whether to approve a long-term lease with MICA to construct the Center on a portion of Mercerdale Park – is an “action” as that term is defined by SEPA, and accordingly, triggers SEPA review. See WAC 197-11-704(2)(a)(ii); see also, Int’l Longshore & Warehouse Union, Local 19 v. City of Seattle, 176 Wn. App. 512, 309 P.3d 654 (2013) (the so-called “arena case,” wherein Division One held that a MOU between King County, the City of Seattle and private investor Chris Hansen’s company, ArenaCo., did not trigger SEPA review and judicial review was not available because the MOU was not an “action” but merely “a decision about the process that will be used to make a decision.”). Similarly, here, the MOU simply sets forth the SEPA review process to be followed, and it is merely a preliminary step and not a project approval. The MOU indicates the parties’ desire to move forward, but it does not limit or control the Council’s future decision on the proposed MICA lease. Once the SEPA review process is complete and the environmental impacts of the Center proposal are fully understood, then the Council may consider whether or not to go forward with the proposed MICA lease. Thus, it is the Council’s future consideration of the proposed Lease with MICA that triggers SEPA review now.

The City’s Development Services Group (“DSG”) staff is conducting the environmental review for the proposed Center pursuant to SEPA. The full SEPA review of the Center includes, but is not limited to, the following: a comprehensive traffic impact analysis, identification of adequate parking to meet the City code, identification of on-site environmental conditions, potential impacts and possible mitigating actions, such as mitigation for impacts to the nearby Category III wetland and its associated buffer and impacts related to any geotechnical hazards. The City may not take any action within the meaning of SEPA except as authorized by law, and the MOU is not intended to limit the City’s exercise of substantive SEPA authority in any way. MICA will reimburse the City for all costs incurred by the City as part of the SEPA review, including but not limited to peer reviews by qualified consultants to ensure the environmental assessment conducted is fair, competent and objective. MICA will be solely responsible for funding any required mitigation, whether or not imposed through the City’s exercise of its substantive SEPA authority.

SEPA REVIEW MUST BE COMPLETED PRIOR TO THE CITY COUNCIL’S CONSIDERATION OF THE PROPOSED “AGREEMENT TO LEASE SUBJECT TO VARIOUS CONDITIONS PRECEDENT”

Once the SEPA review for the Center is concluded and the environmental impacts of the Center are known, then the Council may consider approval of the “Agreement to Lease Subject to Certain Conditions Precedent” in substantially the form attached as Exhibit 2 (the proposed Lease is Exhibit 1 to the MOU). As spelled-out in the proposed Lease, MICA’s construction of the Center at the former Recycling Center site and on a portion of the southwest corner of Mercerdale Park is expressly subject to several conditions precedent, as follows:

- completion of a thorough SEPA review by the City as set forth in the MOU;
- completion of a code text amendment for the special purpose Public Institution Zone to allow a performing and visual arts center as a permitted use within the P zone (see Section 2.2 of the proposed Lease at Exhibit 2);

- attainment of fundraising milestones by MICA (see Ex. 2, Section 3.7);
- receipt of a building permit and all other permits necessary for construction of the Center, and all related costs and fees shall be paid by MICA (see Ex. 2, Section 2.2.1);
- compliance with all applicable laws, regulations and ordinances in constructing, operating and maintaining the Center and in using the Premises (see Ex. 2, Section 2.2); and
- posting of a payment and performance bond for construction of the Center by MICA (see Section Ex. 2, Section 2.1.5).

RECOMMENDATION

City Attorney

MOVE TO: Authorize the Interim City Manager to execute a MOU with MICA in substantially the form attached hereto at Exhibit 1.

Memorandum of Understanding Regarding a Center for the Arts

This Memorandum of Understanding Regarding a Center for the Arts ("MOU"), dated this ____ day of _____, 2016 ("Effective Date"), is entered by and between the CITY OF MERCER ISLAND, a Washington municipal corporation ("City"), and the MERCER ISLAND CENTER FOR THE ARTS, a Washington nonprofit corporation ("MICA"). The City and MICA are referred to collectively as the "Parties."

RECITALS

A. The City owns property commonly known as the "Recycling Center," "Bicentennial Park" and the "Northwest Native Garden," located generally at the southwest corner of 77th Ave. SE and SE 32nd St. (northwest corner of Mercerdale Park), all in the City of Mercer Island, Washington.

B. The City and MICA share a long-term mission to nurture, promote, and support high-quality cultural arts activities for the community. MICA's mission is to construct and operate a center for the performing and visual arts and for arts education programs, including theatres, a recital hall, classrooms, a food and beverage venue and other arts and arts education spaces (the "Center"). MICA will be solely responsible for the cost of design, permitting, site development, construction and operation of the Center. The Parties intend that the Center will allow Mercer Island residents and people from throughout the Puget Sound area the opportunity to gather, to converse and create, to celebrate excellence in the lively arts, and to inspire generations of artists, audiences, and students through exceptional live performances, special events, exhibitions, and educational experiences.

C. Subject to the satisfaction of various conditions precedent, including but not limited to environmental review as set forth in Section 3 below, the Parties desire to enter into an Agreement to Lease Subject to Certain Conditions Precedent in substantially the form attached hereto and incorporated herein by reference as Exhibit 1 (the "Lease Agreement") to allow MICA to construct and operate the Center on the Premises legally described in Exhibit A to the Lease Agreement (the "Premises").

D. This MOU is intended to be a binding and enforceable agreement of the Parties establishing the process to be followed by the Parties in order to complete environmental review of the Center. As appropriate following the completion of such environmental review and related appeals and/or appeal periods, the Parties may approve the Lease Agreement at Exhibit 1. Taken together, both this MOU and the Lease Agreement reflect the mutual understandings of the Parties as to the agreements, actions, permits, and/or approvals lawful and necessary to accomplish the financing, permitting, construction, lease, operation, maintenance use and occupancy of the Center (collectively, the "Project"). The Parties intend to actively participate and to work together collaboratively, in good faith and with due diligence, to carry out the

process described herein consistent with this MOU. These undertakings are personal to the Parties, and this MOU shall not be assigned to any other person or entity unless both Parties agree.

UNDERSTANDINGS

1. **Purpose and Term of this MOU Agreement.** This MOU sets forth the environmental review to be completed with respect to the Center. This MOU will terminate upon the earlier of (a) the completion of the environmental review and related appeals and/or appeal periods described in Section 3 herein resulting in an outcome that is not reasonably acceptable to the Parties; or (b) the Effective Date of the Lease Agreement substantially in the form at Exhibit 1; or (c) in the event of a material adverse condition as specified in Section 5 below.

2. **Location.** MICA is proposing to construct and operate the Center on the Premises, which comprises approximately 41,346 square feet of land within the southwest corner of Mercedale Park. Considering that the Premises is located on a portion of public park land owned by the City, the City hereby authorizes MICA to apply for SEPA review at its sole cost, and the City will evaluate this location as part of the SEPA review for the Center as more particularly described in Section 3 below.

3. **Environmental Review.** The Parties acknowledge that the Center and any proposed lease of the Center is subject to environmental review and potential mitigation under the State Environmental Policy Act, Chapter 43.21C RCW, and the state and local implementing rules promulgated thereunder (collectively, "SEPA"). Before the City Council considers approval of the Lease Agreement at Exhibit 1, the City will complete a full SEPA review, including but not limited to a comprehensive traffic impact analysis, identification of adequate parking to meet the City code, and identification of possible mitigating actions, including but not limited to mitigation for impacts to the nearby Category III wetland and its associated buffer and impacts related to any geotechnical hazards. Further, prior to the City Council's consideration of approval of the Lease Agreement, any environmental-related appeals related to the Center must result in an outcome that is reasonably acceptable to the Parties. The City may not take any action within the meaning of SEPA except as authorized by law, and nothing in this MOU is intended to limit the City's exercise of substantive SEPA authority. MICA will reimburse the City for all costs incurred by the City as part of the SEPA review, including but not limited to peer reviews, and MICA will be solely responsible for funding any required mitigation imposed through the City's exercise of substantive SEPA authority.

4. **Approval and Execution of the Lease Agreement.** Provided the environmental review set forth in Section 3 above is satisfied, MICA's President, after approval of the MICA Board of Directors, and the City Manager, after approval of the City Council, may approve and execute the Lease Agreement in substantially the form at Exhibit 1.

5. **Material Adverse Conditions.** In the case of a natural disaster, the discovery and remediation of any hazardous materials on the Premises and unanticipated costs associated

therewith, or a significant, material change in the legal or financial position of MICA such as disincorporation, bankruptcy or insolvency and in the event the Parties are unable to agree in good faith on viable alternatives for addressing any of the foregoing material adverse conditions, this MOU will terminate upon at least thirty (30) days' prior written notice at the option of either Party in the sole discretion of the terminating Party.

6. **Amendments.** The Parties anticipate that the terms of this MOU may need to be modified in the future. MICA's President, after approval of the MICA Board of Directors, and the City Manager, after approval of the City Council, are hereby authorized to approve mutually agreed amendments to this MOU and to supplement this MOU where necessary to improve the administration of this MOU and the collaboration between the Parties. All amendments must be in writing signed by the President of MICA and the City Manager.

7. **Counterparts.** The Parties may execute this MOU in two or more counterparts, which shall, in the aggregate, be signed by both Parties. Each counterpart shall be deemed an original instrument as against any Party who has signed it.

8. **Notices.** All notices and communications between the Parties will be between the persons identified immediately below or such successor persons as may be identified in writing by either Party. Each of the persons designated below and any successors will have authority to bind their respective organizations or will obtain any necessary authority on an ad hoc basis and in a timely manner. Each such notice or other communication which may be or is required to be given under this Agreement shall be in writing and shall be deemed to have been properly given when delivered personally or by email during normal business hours to the party to whom such communication is directed, or three (3) days after being sent by regular mail, to the appropriate Party at the following address:

If to MICA:

Mercer Island Center for the Arts
P.O. Box 1702
Mercer Island, WA 98040
Attn: _____
Email: _____

If to the City:

City of Mercer Island
9611 SE 36th St.
Mercer Island, WA 98040
Attn: City Manager
Email: _____

Either party may change its address for notices from time to time by notice to the other party given as above provided.

IN WITNESS WHEREOF, both the City and MICA have caused this MOU to be executed by authorized officers as of the date first written above.

CITY OF MERCER ISLAND
a Washington municipal corporation

By: _____
Title: _____

Approved as to form:

By: _____
Title: City Attorney

MERCER ISLAND CENTER FOR THE ARTS
a Washington nonprofit corporation

By: _____
Title: _____

AGREEMENT TO LEASE SUBJECT TO CERTAIN CONDITIONS PRECEDENT

THIS AGREEMENT TO LEASE SUBJECT TO CERTAIN CONDITIONS PRECEDENT ("Agreement") is made as of the ___ day of _____, 2016 ("Effective Date"), by and between the CITY OF MERCER ISLAND, a Washington municipal corporation ("City"), and the MERCER ISLAND CENTER FOR THE ARTS, a Washington nonprofit corporation ("MICA") (collectively referred to herein as the "Parties").

PREAMBLE

The City and MICA share the long-term mission of building a vibrant, socially-engaged community on Mercer Island. One of the City's missions, as stated by its Arts Council, is "to nurture, promote, and support high-quality cultural arts activities for the Community." MICA's mission is to provide "a cultural focal point on Mercer Island where Islanders and people from throughout the Puget Sound area gather to converse and create, to celebrate excellence in the lively arts, and to inspire generations of artists, audiences, and students through exceptional live performances, special events, exhibitions, and educational experiences." To fulfill those missions, the Parties will need to collaborate as described in this Agreement. Therefore, both Parties commit to a working relationship throughout the term of this Agreement based on the principles of mutual cooperation and goodwill, always with the ultimate interests of the people of Mercer Island in mind. For example, and not by way of limitation, the Parties may work together to improve the environmental conditions in and appearance of Mercerdale Park, improve community facilities located within Mercerdale Park and Bicentennial Park, and plan and present existing and new community activities and events.

RECITALS

- A. The City owns property commonly known as the "Recycling Center," "Bicentennial Park" and the "Northwest Native Garden," located generally at the southwest corner of 77th Ave. SE and SE 32nd St., Mercer Island, Washington;
- B. A portion of said property has been designated and legally described in Exhibit A, which is incorporated herein by this reference (the "Premises");
- C. The Premises are between and adjacent to the grassy area of Mercerdale Park and the Mercerdale Hillside (collectively "Mercerdale Park");
- D. Subject to the City's land use regulations and building permit processes in effect at the time a complete application for a building permit is submitted, MICA desires to lease the Premises from the City for purposes of constructing and operating a center for the performing and visual arts and for arts education programs, including theatres, a recital hall, classrooms, a food and beverage venue and other arts and arts education spaces (the "Center"), the construction of which will be managed and financed by MICA and which will then be operated and controlled by MICA;

- E. The City will benefit by having access to the Center and will be able to use the Center for its own arts, educational and recreational purposes as well as to benefit the Mercer Island Farmers Market and Mercerdale Park users;
- F. The Mercer Island community will also benefit by the provision of arts facilities that will replace the youth theatre venue formerly located at SE 40th St. on what is commonly referred to as the Mercer Island School District's North Mercer Campus that was lost due to the construction of a new elementary school; and
- G. The leasing of the Premises to MICA will not materially interfere with the continued use of Mercerdale Park for recreational and park purposes, nor will it interfere with the adjacent operation of the Farmer's Market or the City's annual Summer Celebration events.

NOW, THEREFORE, in consideration of the terms and conditions contained herein, the City and MICA mutually agree as follows:

1. PURPOSE OF AGREEMENT.

This Agreement provides for the leasing of the Premises to MICA and for the development, operation and maintenance of the Center by MICA on the Premises. This Agreement is also intended to provide a framework for the City and MICA as to the use of parts of the Center by the City at certain times as well as to provide access, as required by the City, to certain parts of the Center by the public and by certain other entities for the purposes herein provided.

2. PROJECT DESCRIPTION.

2.1. Construction and Operation of the Center. Subject to the provisions of this Agreement, MICA shall design, construct, maintain and operate the Center. The design, construction, maintenance and operation of the Center shall be at the sole responsibility of MICA. The design and construction of the Center shall be subject to the following considerations and provisions:

2.1.1 During the development of the Center design, the schematics and draft plans and specifications shall be provided to the City's Representative (identified in Section 27) for review when reasonably requested by the City so the City can confirm that there are no conflicts with the City's desired use of Mercerdale Park and that the Center project will be aesthetically consistent with Mercerdale Park.

2.1.2 MICA shall regularly communicate with the City's Representative during Center design, preconstruction activities, construction activities, and post-construction activities when reasonably requested by the City's Representative. Notwithstanding this

regular communication, MICA shall provide the City's Representative with written notice of its intent to begin construction at the Premises not less than thirty (30) days prior to the commencement of such construction and shall use its best efforts to coordinate construction activities on the Premises with City activities at Mercerdale Park.

2.1.3 The final design of the Center project – including but not limited to signage, landscaping, traffic flow and parking – and any subsequent plans and specifications for additions or improvements thereto, shall be subject to the City's land use regulations and building permit processes, including Design Commission review if applicable, in effect at the time a complete application for a building permit is submitted.

2.1.4 Prior to commencing construction, MICA shall obtain the approval of the City's Representative for any temporary use of City property other than the Premises in order to facilitate the construction of the Center (e.g., staging areas) and for any interference that construction will cause in the use of Mercerdale Park or other City property or public right-of-way.

2.1.5 Prior to commencing construction, MICA shall require the prime contractor with which it contracts to build the Center to post a payment and performance bond in the amount of 100% of the amount of the prime contract as security to ensure the Center is completed and all laborers and materialmen are paid. Surety shall be licensed to conduct business in the State of Washington and shall be named in the current list of "Surety Companies Acceptable in Federal Bonds" as published in the Federal Register by the Audit Staff Bureau of Accounts, U.S. Treasury Department. In addition, MICA shall require the prime contractor to procure and maintain insurance, as required in this Section, without interruption from commencement of the contractor's work through the term of the construction contract and for thirty (30) days after the Substantial Completion date, as defined in Section 3.7.4, unless otherwise indicated herein. The prime contractor's required insurance, except for the Builders Risk policy which may be procured by MICA at its option, shall be of the types and coverage as stated below:

Automobile Liability insurance covering all owned, non-owned, hired and leased vehicles. Coverage shall be at least as broad as Insurance Services Office (ISO) form CA 00 01.

Commercial General Liability insurance shall be as least at broad as ISO occurrence form CG 00 01 and shall cover liability arising from premises, operations, independent contractors, products-completed operations, stop gap liability, personal injury and advertising injury, and liability assumed under an insured contract. The Commercial General Liability insurance shall be endorsed to provide a per project general aggregate limit using ISO form CG 25 03 05 09 or an equivalent endorsement. There shall be no exclusion for liability arising from explosion, collapse or underground property damage. MICA shall be named as an additional insured under the Contractor's Commercial General Liability insurance

policy with respect to the work performed for the MICA using ISO Additional Insured endorsement CG 20 10 10 01 and Additional Insured-Completed Operations endorsement CG 20 37 10 01 or substitute endorsements providing at least as broad coverage. The city shall be named as an additional insured under the Contractor's Commercial General Liability insurance policy using ISO Additional Insured – Designated Person or Organization endorsement CG 20 26 07 04 or substitute endorsement providing at least as broad coverage.

Workers' Compensation coverage as required by the Industrial Insurance laws of the State of Washington.

Builders Risk (a/k/a course of construction) insurance covering interests of MICA, the contractor, subcontractors, and sub-subcontractors in the work. Builders Risk insurance shall be on a special perils policy form and shall insure against the perils of fire and extended coverage and physical loss or damage including flood, earthquake, theft, vandalism, malicious mischief, and collapse. The Builders Risk insurance shall include coverage for temporary buildings, debris removal, and damage to materials in transit or stored off-site. This Builders Risk insurance covering the work will have a deductible of \$5,000 for each occurrence, which will be the responsibility of the contractor. Higher deductibles for flood and earthquake perils may be accepted by MICA upon written request by the contractor and written acceptance by MICA. Any increased deductibles accepted by the MICA will remain the responsibility of the contractor. The Builders Risk insurance shall be maintained until MICA has granted Substantial Completion of the Center.

The prime contractor shall maintain the following insurance limits:

Automobile Liability insurance with a minimum combined single limit for bodily injury and property damage of \$1,000,000 per accident.

Commercial General Liability insurance shall be written with limits no less than \$1,000,000 each occurrence, \$2,000,000 general aggregate and \$2,000,000 products-completed operations aggregate limit.

Builders Risk insurance shall be written in the amount of the completed value of the project with no coinsurance provisions

If the prime contractor maintains higher insurance limits than the minimums shown above, MICA shall be insured for the full available limits of Commercial General and Excess or Umbrella liability maintained by the prime contractor, irrespective of whether such limits maintained by the prime contractor are greater than those required by this Agreement or whether any certificate of insurance furnished to MICA evidences limits of liability lower than those maintained by the prime contractor.

The prime contractor's Automobile Liability and Commercial General Liability insurance policies are to contain, or be endorsed to contain that they shall be primary insurance as respects MICA. Any insurance maintained by MICA shall be excess of the prime contractor's insurance and shall not contribute with it.

Insurance is to be placed with insurers with a current A.M. Best rating of not less than A: VII.

Prime contractor shall furnish MICA with original certificates and a copy of the amendatory endorsements, including but not necessarily limited to the additional insured endorsements, evidencing the insurance requirements of the prime contractor before commencement of the work. Upon request by MICA, the prime contractor shall furnish certified copies of all required insurance policies, including endorsements, required in this Agreement and evidence of all subcontractors' coverage.

The prime contractor shall cause each and every subcontractor to provide insurance coverage that complies with all applicable requirements of the prime contractor-provided insurance as set forth herein, except the prime contractor shall have sole responsibility for determining the limits of coverage required to be obtained by subcontractors. The prime contractor shall ensure that MICA is an additional insured on each and every subcontractor's Commercial General liability insurance policy using an endorsement at least as broad as ISO Additional Insured endorsement CG 20 38 04 13.

The prime contractor shall provide MICA and all Additional Insureds for this work with written notice of any policy cancellation within two business days of their receipt of such notice.

Failure on the part of the prime contractor or any subcontractor to maintain the insurance as required shall constitute a material breach of contract, upon which MICA may, after giving five business days' notice to the contractor to correct the breach, immediately terminate the contract or, at its discretion, procure or renew such insurance and pay any and all premiums in connection therewith, with any sums so expended to be repaid to MICA on demand, or at the sole discretion of MICA, offset against funds due the contractor from MICA.

2.2 Compliance with Laws; Permits; Related Legal Proceedings. MICA acknowledges that a building permit for the Center could not be issued by the City under existing zoning law, that applying for a building permit will first require a code text amendment for the special purpose Public Institution ("P") Zone in Mercer Island City Code Section 19.05.010(A) to include a center for the performing and visual arts as a permitted use within the zone, and that by its execution of this Agreement, the City is not committing to the code text amendment or, if the code text amendment is adopted, that the amended zoning code would permit construction of the Center at the Premises. MICA shall abide by all applicable laws, regulations and ordinances

in constructing, operating and maintaining the Center and in using the Premises, including, without limitation, possessing all required licenses, certifications, or other approvals (whether required to be held by MICA as an entity or by MICA's individual employees, volunteers, subtenants, or other agents) relevant to MICA's use of the Premises for specific programs. In addition, MICA agrees to the following:

2.2.1 MICA shall obtain any necessary approvals and permits as may be required by any applicable law or regulation prior to beginning construction on the Premises. The costs of all fees connected with acquiring required approvals and permits shall be the exclusive responsibility of and shall be paid by MICA.

2.2.2 Without limiting Section 2.2.1 above, MICA shall, at its sole cost and expense, perform all actions necessary to comply with any and all traffic mitigation measures and traffic management requirements that may be required as a condition of MICA's use of the Premises for the Center and/or the construction of the Center on the Premises. The City shall be responsible for implementing traffic management related to any City use of the Center.

2.2.3 MICA shall be required to operate the Center for the Term of the tenancy under this Agreement consistent with Section 3 of this Agreement. During the Term, MICA shall be solely responsible for all costs associated with operation and maintenance of the Center (except for the costs the City has agreed to pay as detailed in Sections 5.2, 9.1 and 10.4). In addition, following Substantial Completion (as defined in Section 3.2 below), MICA shall not vacate or abandon the Premises or reduce operations and maintenance at the Center to such an extent that it is no longer satisfactorily or successfully fulfilling its mission as specified in this Agreement.

2.3 Project Funding. Except as otherwise provided in this Section 2.3, MICA shall meet all funding requirements set forth in this Agreement and Section 3.7 (Timeliness) below, including but not limited to the requirement to have raised, received pledges or obtained financing for one hundred percent (100%) of the Center's projected total construction costs prior to the start of construction. The City shall be responsible only for its legal and consulting costs related to the negotiation and approval of this Agreement and any associated administrative and judicial appeals.

Notwithstanding the foregoing, nothing in this Agreement shall prevent the City from voluntarily contributing additional funds to the Project, making other off-site improvements benefitting the Project and the Center, or providing in-kind services to MICA.

2.4 Public Benefits. In partial consideration for this Agreement, MICA covenants and agrees to include within the Center the following public benefits and features that would have otherwise required the expenditure of public funds:

2.4.1 Improve the condition, and appearance of Mercedale Park:

- removal of the old Recycling Center buildings and pavement unless removed by Mercer Island School District #400;
- lighting, walkway and improvements within the Premises;
- wetlands and drainage enhancement and mitigation as may be required under applicable regulations; and
- public restrooms to replace the existing outdated restrooms.

2.4.2 Preserve, enhance and promote new community facilities at or near the current Recycling Center:

- public plaza to include improved park amenities (benches, tables, waste and recycling receptacles and drinking fountains) or other landscaped outdoor open spaces;
- replacement of portions of the Northwest Native Garden that have fallen into disrepair;
- replacement of portions of Bicentennial Park amenities (such as the flag pole and seating area) that have fallen into disrepair;
- outdoor theatre stage that faces the grassy area of Mercedale Park for public performances; and
- an indoor/outdoor eating venue that will be open to the public to the extent the venue remains economically viable. MICA will have the sole determination as to whether the venue is economically viable and the sole authority to curtail its operations and/or close the venue, but a minimum of thirty days prior to closing the venue or curtailing its operations, MICA will give written notice to the City of its intent and shall consult with the City's Representative to allow the City a reasonable opportunity to make proposals which may enable the eating venue to remain in operation.

2.4.3 Promote the on-going success of existing and new community activities at Mercedale Park:

- hot and cold water sinks, meeting applicable regulatory requirements, and electricity outlets for Mercer Island Farmer's Market vendors as long as the Farmer's Market operates on Mercer Island;
- sinks and electricity outlets will also be made available for the annual Mercer Island Summer Celebration events and other City-sponsored outdoor use of Mercedale Park; and
- on-site storage for Mercer Island Farmer's Market equipment as long as the Farmer's Market operates on Mercer Island.

2.4.4 Provide the City access to the Center:

- use of spaces within the Center for City-related public meetings;

- use of classroom space for City-sponsored art classes;
- use of the Center as a back-up Emergency Operations Center (“EOC”) (any additional costs related to such use will be paid by the City); during an emergency, use of the Center as a back-up EOC shall take precedence over all other Center uses; and
- other purposes dependent on the needs of the City.

2.5 Commencement Date: The term “Commencement Date” shall mean the date of the conveyance of a leasehold interest in the Premises to MICA, which date will be the date of the issuance of the Building Permit for the Center. MICA acknowledges that the Building Permit cannot be issued until all legal requirements and contractual conditions precedent have been satisfied.

3. RIGHT TO USE REAL PROPERTY FOR CENTER.

3.1 Lease of Premises After All Conditions Precedent Are Satisfied. The City represents and warrants that it has full right and power to enter into this Agreement, and to convey the leasehold interest described herein to MICA on the terms and conditions herein contained. If and only if MICA has first satisfied all of the requirements in this Agreement that are specified as being a condition precedent to issuance of the Building Permit and the happening of the Commencement Date, the City hereby leases to MICA and MICA leases from the City, as provided below, the Premises “as is” (subject to Section 3.4 below), together with all improvements thereon in the condition in which it now exists.

3.2 Term. The initial term of the tenancy under this Agreement shall be as follows:

3.2.1 Beginning on the Commencement Date and continuing for the period of time required to construct the Center and achieve Substantial Completion as provided in Section 3.7.4; plus,

3.2.2 Fifty (50) years beginning at Substantial Completion. The fifty (50) year initial occupancy term shall commence upon the City's receipt of written notice from MICA that the Center is substantially complete. The written notice shall be provided by a Commencement Certificate, the form of which is attached as Exhibit B. Notwithstanding MICA's duty to provide the City with written notice that the Center construction is substantially complete, the City may request an official determination regarding whether construction of the Center is substantially complete by contacting MICA's Designated Representative, as established in Section 27, and, if necessary, through use of the dispute resolution procedures contained in Section 12. The term "Substantial Completion" shall mean the date when the City has issued a temporary certificate of occupancy for the Center or at any time in which the Center is fully occupied by MICA, whichever is earlier. MICA shall be deemed to have accepted possession of the Premises on the Commencement Date. Prior to the Commencement Date and subject to Section 3.10,

MICA shall have no right to possess or otherwise occupy the Premises or, without prior approval of the City, place any items of personal property on the Premises.

3.3 Option to extend. MICA shall have the option to extend the term of the tenancy under this Agreement up to three (3) periods of ten (10) years each under the same terms and conditions as during the initial term. The initial term, as such may be extended, is referred to herein as the "Term." MICA shall be deemed to have exercised each such option unless it gives notice to the City of its intention to not exercise such option at least six (6) months prior to the expiration of the initial term and any extensions thereto; and provided further that, the approval and commencement of any option term is contingent on MICA's completion of all routine and extra maintenance necessary to maintain the Center in a "first-class" manner appropriate for the Center's age and consistent with Section 9. For purposes of determining whether MICA has met its maintenance obligations, MICA and the City shall mutually agree upon a professional inspection team, which shall inspect the Center and report on its condition. MICA shall be solely responsible for all costs associated with such inspection. Any further extensions of this Agreement are to be mutually agreed upon between the Parties, and the City agrees to negotiate in good faith if MICA requests extensions of the term. Any extension shall be governed by the terms and conditions of this Agreement, except if MICA exercises an option to extend, it will have one fewer option to extend the tenancy under this Agreement than it had prior to exercising such option.

3.4 Environmental Responsibility. Nothing contained in this Agreement shall be construed as MICA's agreement to assume any liabilities or obligations the City may have under applicable law as a consequence of the Release (as defined in Section 15, below) of any Hazardous Substance (as defined in Section 15, below) onto, into or under the Premises, or any other environmental contamination of the Premises, prior to the Commencement Date. MICA has obtained, at its sole cost and expense, a Phase I Environmental Assessment ("Phase I EA") of the Premises and has provided the City with a copy of the Phase I EA. The Phase I EA has found no evidence of any contamination on the Premises and does not recommend any further investigation. The City and MICA have determined that a Phase II Environmental Assessment ("Phase II EA") is not necessary.

3.5 Wetlands. The Parties acknowledge the existence of a Category III wetland adjacent to the Premises and a buffer zone for that wetland on a portion of the Premises. MICA will be solely responsible for any costs of any mitigation which may be required for the construction of the Center.

3.6 Modifications to Premises. The City recognizes that the existing condition of the Premises will be modified by the construction and development of the Center.

3.7 Timeliness. This Agreement is conditioned upon MICA's covenant to construct the Center in a timely manner, consistent with the following:

3.7.1 MICA shall have received contributions or pledges equal to at least seventy percent (70%) of the Center's projected total construction costs, as defined in this Section 3.7.1, within five (5) years after the Effective Date of this Agreement; provided that, the City may grant extensions as required if MICA demonstrates, in the City's sole discretion, that it has engaged in good faith efforts to secure the funds and has reasonable expectations for raising the required funds. The length of any extension granted by the City pursuant to this Section 3.7.1 shall be determined by the City, in its sole discretion, based upon the facts and circumstances of MICA's request for such extension. With respect to any determination under this Agreement of "projected total construction costs," the amount used shall be the total calculated by MICA at the time of the determination of the total cost to construct the Center during the period within which construction is expected to occur, with MICA being required to demonstrate to the reasonable satisfaction of the City's Representative that such amount is based on reliable data and information.

3.7.2 Notwithstanding the requirements of Section 3.7.1 above, MICA shall have received contributions, pledges or financing equal to one hundred percent (100%) of the Center's projected total construction costs, as defined in Section 3.7.1, prior to the issuance of the Building Permit for the Center and within seven (7) years after the Effective Date of this Agreement; provided that, the City may grant extensions as required if MICA demonstrates, in the City's sole discretion, that it has engaged in good faith efforts to secure the funds and has reasonable expectations for meeting such goals. The length of any extension granted by the City pursuant to this Section 3.7.2 shall be determined by the City, in its sole discretion, based upon the facts and circumstances of MICA's request for such extension. The final day of any extension period shall not be more than ten (10) years after the Effective Date of this Agreement.

3.7.3 MICA covenants and agrees that construction shall begin within sixty (60) days after the occurrence of the Commencement Date (issuance of the Building Permit); provided that, MICA has received contributions, pledges or financing equal to 100% of the projected total construction costs; provided that, this period shall be extended to the extent of any delay in the commencement of construction of the Center caused by force majeure events or by actions of the City that are not due to a breach of this Agreement by MICA or by any delay caused by permit or land use appeals, including both administrative and judicial appeals, related to the construction of the Center and use of the Premises as contemplated pursuant to this Agreement; and provided further that, the City may grant extensions as required if MICA demonstrates, in the City's sole discretion, that it has engaged in good faith efforts to commence construction of the Center and has reasonable expectations for meeting such goal. The length of any extension granted by the City pursuant to this Section 3.7.3 shall be determined by the City, in its sole discretion, based upon the facts and circumstances of MICA's request for such extension.

3.7.4 MICA covenants and agrees that the Center shall be substantially complete within two (2) years after the Commencement Date; provided that, this period shall be

extended to the extent of any delay in the construction of the Center caused by force majeure events or by actions of the City that are not due to a breach of this Agreement by MICA or by any delay caused by permit or land use appeals, including both administrative and judicial appeals, related to the construction of the Center and use of the Premises as contemplated pursuant to this Agreement; and provided further that, the City may grant extensions as required if MICA demonstrates, in the City's sole discretion that it has engaged in good faith efforts to complete construction of the Center and has reasonable expectations for meeting such goal. The length of any extension granted by the City pursuant to this Section 3.7.4 shall be determined by the City, in its sole discretion, based upon the facts and circumstances of MICA's request for such extension. MICA will provide to the City a copy of the AIA G704 Certificate of Substantial Completion promptly after it is issued by the Architect.

3.7.5 In the event that MICA does not meet any of the timeliness provisions set forth in Sections 3.7.1 through 4, the City may immediately terminate the Term pursuant to Section 25 or, if the Term has not yet begun, terminate this Agreement, with no obligation to provide notice and/or time to cure and with no obligation to reimburse MICA for costs.

3.8 Ownership of the Center. The Center to be constructed on the Premises by MICA shall be and remain the property of MICA during the Term, subject to the terms and conditions of this Agreement.

3.9 Annual Report. MICA shall provide the City with an annual report setting forth an evaluation of all service programs provided, the cost of operating and maintaining the Center, and such other information related to the Center as may be requested by the City. The annual report shall be provided no later than sixty (60) days following the end of each calendar year for the prior year.

3.10 Access to Premises Prior to Commencement Date. To better inform the public and assist MICA in its fundraising efforts, MICA may post a sign on the Premises prior to the Commencement Date that includes a rendering of the proposed Center and other information typical for signs of this nature. The size, appearance and actual location of the sign are subject to approval of the City, which will not be unreasonably withheld or delayed. To enable MICA to evaluate the Premises and plan for construction, the City will permit MICA and its representatives to go onto the Premises prior to the Commencement Date from time to time for the purpose of inspection, planning, special events, surveying and site testing as may be necessary or desirable. MICA will request consent from the City prior to entering the Premises, which consent shall not be unreasonably withheld or delayed. The City may condition its consent on MICA agreeing to repair any damage caused by its entering the Premises. Upon request by the City, any reports produced by MICA or its consultants shall be shared with the City.

4. **RENT.**

MICA shall pay to the City as rental for the Premises an annual rent of ONE DOLLAR (\$1.00) payable on the Commencement Date and on each annual anniversary thereof during the Term and during any extension periods. In addition, the City shall have the right and privilege to use the Center constructed and operated by MICA as more fully set forth below in Section 5.

5. **USE PRIVILEGES.**

5.1. Use of the Center. As additional consideration for the granting of this lease by the City, MICA hereby agrees that the City shall have the right to use portions of the Center as follows:

5.1.1 The City shall have the right to use the spaces within the Center (including all equipment therein) at reasonable preferential rates and dates and times.

5.1.2 The City shall have the right to put on performances each year in the outdoor Center venue that faces the grassy area of Mercerdale Park for the purpose of having a public presentation to persons sitting in Mercerdale Park. The City shall not pay any usage fee to MICA for the use of such venue, except that the City shall pay all costs as described in Section 9 below.

5.1.3 The annual schedule for the spaces and the dates and times of usage shall be agreed upon by the City and MICA prior to January 1st of each year. The City and MICA shall review and approve the annual schedule for the City's use of the Center with both the City and MICA doing whatever they reasonably can do to accommodate the programming needs of each other and to ensure that the City can exercise its rights to use the Center set forth in Section 2.4.

5.1.4 During the City's use of any spaces within the Center as above provided, the City shall provide staff necessary to supervise the City's use of the Center and the equipment therein as described in Section 10 below.

5.2 Public Restrooms. The Center shall be designed so that the public has access to public restrooms at the Center between 6:00 a.m. and 10:00 p.m. on all calendar days. The City will be responsible for the maintenance, repair and security of such restrooms and for the cost of related utilities to the same extent as any public restrooms in the City's park system.

5.3 Mercer Island Farmer's Market. For so long as the Mercer Island Farmer's Market ("MIFM") shall continue to operate on SE 32nd St. adjacent to the Premises, on Sundays or another day of the week subject to MICA's and the City's prior approval, MICA shall provide storage space, electrical power, facilities for the MIFM vendors to wash their hands and equipment, and adequate hot water, the details of which will be agreed upon between MICA and MIFM consistent with Washington State Department of Health regulations. MICA will assume no responsibility for loss or damage to items placed in the storage space, may place restrictions on

items stored there to the extent necessary to address fire safety or similar concerns, may require that MIFM assume responsibility for any damage its causes to the Center incident to its use of the storage space, and shall have the right to inspect the storage space and its contents from time to time upon notice to the MIFM. During periods of use and at the conclusion of every market day, MIFM is responsible for cleaning and maintaining locations at the Center that are being used by MIFM vendors for washing their hands and equipment. MICA shall have the right to require MIFM to enter into a written agreement in which both Parties acknowledge their respective obligations with respect to the above provisions. MICA shall act in a commercially reasonable manner with respect to the provisions that it requires be included in such agreement.

6. INGRESS AND EGRESS.

By way of this Agreement, the City hereby grants to MICA the non-exclusive right of ingress and egress access across the entryways and driveways to the Premises from 77th Ave. SE and SE 32nd St. MICA, its staff, MICA members, licensees, and invitees shall have the non-exclusive right to ingress and egress on these entryways and driveway systems throughout the Term. Nothing contained in this Agreement shall limit the rights of MICA, its staff, MICA members, guests, licensees and invitees to use of Mercerdale Park to the same extent the general public has the right to use Mercerdale Park.

7. IMPROVEMENTS.

During the Term, MICA shall be permitted to make, at its own expense, any alterations, additions or improvements to the Center or Premises consistent with the programs offered by it, subject to the City's usual land use and building permitting processes in effect at the time of application, as described in Section 2. Subject to Section 25, MICA may remove any fixtures if it wishes upon termination of the Term or any extensions to the Term provided that it leaves the Premises and the Center in a structurally sound, safe and clean condition, and further provided that such removal will not cause permanent injury to the structure of the Center or the Premises. Nothing shall be removed or altered that will affect the structural integrity of the Center. At the time of the termination of the Term of this Agreement, the Center will become the property of the City.

8. UTILITIES.

MICA, at its own expense, shall construct and maintain any and all utilities and associated facilities required for construction of the Center upon the Premises. For purposes of this Agreement, the term "utilities" shall include telephone, internet and cable, heat, light, water, gas, power, sewer, and for all other public utilities which shall be used in or charged against the leased Premises during the full term of this Agreement. The City will reimburse MICA for any incremental costs of utilities which are due to the City's use of the theatres, recital hall and kitchen within the Center. Separate metering will be provided for the electrical and water use by the public restrooms, Farmer's Market facilities, Summer Celebration and other City-sponsored outdoor uses of Mercerdale Park. Incremental costs are those costs which would not

have been incurred but for the City's use of such facilities. The reimbursements will be based on reasonable estimates of those incremental costs.

9. MAINTENANCE AND REPAIR COSTS.

9.1 Maintenance and Operating Costs. Except as otherwise set forth herein, MICA shall assume total responsibility for the maintenance and operating costs for the Premises, including the Center. MICA shall at all times keep the Premises in accordance with the laws of the State of Washington and the City and in accordance with all directions, rules and regulations of the health officer, fire marshal, building inspector, or other proper officer of any pertinent and authorized public authority, at the sole cost and expense of MICA. Notwithstanding the other terms of this Section 9.1, the City shall pay the actual repair expenses for damage to the Premises for any damages caused by the negligence or willful misconduct of the City, its employees, agents or contractors, or if persons participating in City-sponsored activities caused damage to the Premises (including the Center) during those City-sponsored activities. If the source of such damages is not known, MICA shall be responsible for repairing damages to the Center (except the public restrooms), and the City shall be responsible for repairing damages to the remainder of the Premises (excluding the Center) and the public restrooms.

9.2 Maintenance Plans. MICA will formulate annual maintenance plans for the Premises and a capital replacement plan and a reserve account for all equipment and major systems, and copies of all such plans will be provided to the City. All maintenance plans will provide for the Center being maintained in a "first-class" manner, which will be at least the same level as the City maintains the Mercer Island Community and Event Center.

9.3 Janitorial Services. MICA, at its own expense, shall provide janitorial services for the Center and the Premises (except the public restrooms) and shall keep the Center and the Premises in a safe and clean condition, free of accumulations of dirt, rubbish, snow, ice, hazardous environmental contaminants, and unlawful obstructions, and shall maintain the landscaping and the Premises exterior entranceways and walkways in a safe and clean condition consistent with the City's standards of maintenance.

10. OVERSIGHT.

10.1 Monitoring of Activities. When the City is using parts of the Center as provided in Section 5, the City shall be solely responsible for monitoring City-sponsored activities within and around the Center and the Premises so as to avoid the risk of property damage or personal injury. At all other times and except as otherwise provided in this Agreement, as between MICA and the City, MICA shall be solely responsible for monitoring activities within the Center and on the Premises so as to avoid the risk of property damage or personal injury.

10.2 Security. Except as otherwise provided in Section 5, MICA agrees to provide adequate security and safety to protect the Center and occupants against injury during all uses of the Center. For these purposes, "adequate security and safety" shall be the level of security

and safety provided by the City at the Mercer Island Community and Events Center during normal operating times.

10.3 Normal Functioning. MICA agrees to provide operational support and maintenance necessary to ensure that the Center is fully functioning at all times during which it is open to the public.

10.4 Incremental Costs. The City will reimburse MICA for any incremental costs of staff, security, repairs and janitorial services which are due to the City's use of the theatres, recital hall and kitchen within the Center.

11. **SIGNS AND NAMING.**

11.1 Signs. All signs or symbols placed anywhere externally on the Center shall comply with the City's Development Code. If any signs are permitted by the City, such signs shall be removed by MICA at the termination of the Term.

11.2 Naming. MICA shall have sole discretion in the naming of rooms, spaces and areas within the Center and of the Center itself. The name placed on the exterior of the Center must be approved by the City, which approval will not be unreasonably withheld, conditioned or delayed, provided that the City shall not, for any reason, withhold its approval of the names "MICA," "Mercer Island Center for the Arts" or the name or names of any individual donor, sponsor, volunteer or patron selected by MICA, in its sole discretion.

12. **DISPUTE RESOLUTION.**

For purposes of this Section 12, the Designated Representative of the City shall be the City Manager and the Designated Representative of MICA shall be its President. If either party claims that the other party has breached any term of this Agreement, or in the event of disputes or disagreements under this Agreement that cannot be resolved by the Designated Representatives of the Parties, the following procedures shall be followed if and when informal communications, such as telephone conversations, fail to satisfy the claiming party:

12.1 The claiming party's Designated Representative shall provide a written notice to the other party's Designated Representative of the alleged breach, dispute, or disagreement. The notice shall identify the act or omission at issue and the specific term(s) of this Agreement that the complaining party alleges was violated.

12.2 The responding party's Designated Representative shall respond to the notice in writing within fifteen (15) working days. The response shall state that party's position as well as what, if any, corrective action the responding party agrees to take.

12.3 The claiming party shall reply in writing, indicating either satisfaction or dissatisfaction with the response. If satisfied, any corrective action shall be taken within fifteen

(15) days of receipt of the responding party's reply unless otherwise mutually agreed. If dissatisfied, the claiming party shall call an in-person meeting. Otherwise, the matter shall be considered closed. The meeting shall occur within a reasonable period of time (but in no event more than ten (10) days after the claiming party has called for an in-person meeting) and shall be attended by the Designated Representatives of each party, and such others as the Parties individually invite.

12.4 If the claiming party remains dissatisfied with the results of the meeting, it shall then refer the matter to the Mayor of the City and the Chairperson of the MICA Board of Directors, or their designees, for resolution. If the issue is not resolved at this level within thirty (30) days, then either party may require in writing that the matter shall be reviewed in a non-binding, structured mediation process developed on a cooperative basis by the Parties, and the Parties shall consider in good faith any recommendations or settlements arising from such process. The Parties shall use a mediator agreed to by the Parties or failing agreement, Judicial Arbitration and Mediation Service (JAMS). If JAMS is no longer in existence, either party may request the Presiding Judge of the King County Superior Court to appoint a mediator.

12.5 All of the steps preceding shall be a prerequisite to either party suing under this Agreement for breach, specific performance, or any other relief related to this Agreement, except that either party may seek an injunction for irreparable harm.

13. **INDEMNIFICATION/HOLD HARMLESS.**

13.1 MICA's Indemnification/Hold Harmless. MICA shall defend, indemnify, and hold harmless the City, its officers, officials, employees and volunteers from and against any and all claims, suits, actions, or liabilities for injury or death of any person, or for loss or damage to property, which arises out of MICA's use of the Premises, construction or use of the Center, or from the conduct MICA's business, or from any activity, work or thing done, permitted, or suffered by MICA in or about the Premises, except only such injury or damage as shall have been occasioned by the sole negligence of the City.

Should a court of competent jurisdiction determine that this Agreement is subject to RCW 4.24.115, then, in the event of liability for damages arising out of bodily injury to persons or damages to property caused by or resulting from the concurrent negligence of MICA and the City, its officers, officials, employees, and volunteers, MICA's liability hereunder shall be only to the extent of MICA's negligence. It is further specifically and expressly understood that the indemnification provided herein constitutes MICA's waiver of immunity under Industrial Insurance, Title 51 RCW, solely for the purposes of this indemnification. This waiver has been mutually negotiated by the parties. The provisions of this section shall survive the expiration or termination of this Agreement.

13.2 City's Indemnification/Hold Harmless. The City shall defend, indemnify and hold harmless MICA, its officers, officials, employees and volunteers from and against any and all claims, suits, actions, or liabilities for injury or death of any person, or for loss or damage to

property, which arises out of the City's use of the Premises or the Center or from any activity, work or thing done, permitted, or suffered by City in or about the Premises or the Center, except only such injury or damage as shall have been occasioned by the sole negligence of MICA.

The City waives its immunity under Washington's Industrial Insurance Act, Chapter 51 RCW, as respects MICA, its officers, officials, employees, and agents only, and only to the extent necessary to provide MICA, its officers, officials, employees, and agents with a full and complete indemnity and defense of claims made by the City's employees. The Parties acknowledge that these provisions were mutually negotiated and agreed upon by them.

13.3 Survival. The provisions of this Section shall survive the expiration or termination of this Agreement and the Term.

14. **INSURANCE.**

14.1 MICA's Insurance Obligations. MICA agrees to maintain the following insurance. By requiring such insurance coverage, the City shall not be deemed to, or construed to, have assessed the risks that may be applicable to MICA in this Agreement. MICA shall assess its own risks and, if it deems appropriate and/or prudent, maintain greater limits or broader coverage than is herein specified.

14.1.1 Scope and Limits of Insurance. Coverage shall be at least as broad as:

14.1.1.1 Property Insurance: Property insurance shall be written on ISO Special Causes of Loss Form CP 10 30 or a form as least as broad and shall be endorsed to provide coverage from the peril of earthquake. Property insurance shall be written covering the full replacement value of the Center and all other Lessee's property on the Premises with no coinsurance provisions. The City shall be named as loss payee as its interest may appear.

14.1.1.2 Waiver of Subrogation

MICA and the City hereby release and discharge each other from all claims, losses and liabilities arising from or caused by any hazard covered by property insurance on or in connection with the Premises or the Center. This release shall apply only to the extent that such claim, loss or liability is covered by insurance.

14.1.1.3 Commercial General Liability: Commercial General Liability insurance shall be at least as broad as Insurance Services Office (ISO) occurrence form CG 00 01 and shall cover premises and contractual liability. The City shall be named as additional an insured on MICA's Commercial General Liability insurance policy using ISO Additional Insured-Managers or Lessors of Premises Form CG 20 11 or a substitute

endorsement providing at least as broad coverage. Commercial General Liability insurance shall be written with limits of not less than \$5,000,000 per occurrence, \$5,000,000 general aggregate.

14.1.1.4 Automobile Liability: Limits of not less than \$1,000,000 combined single limit per accident.

14.1.1.5 Workers' Compensation: Workers' Compensation coverage, as required by the Industrial Insurance Act of the State of Washington statutory limits.

14.1.2 Adjustment to Limits. Periodically, but not more than once every ten (10) years, the City may require MICA to increase the General Liability and Automobile Liability limits to levels that are consistent with prevailing practices involving similar rentals.

14.1.3 Deductibles. Any deductibles of the insurance coverage shall not limit or apply to the City and shall be the sole responsibility of MICA.

14.1.4 Other Insurance Provisions. The insurance coverages required by this Agreement are to contain or be endorsed to contain the following provisions where applicable:

14.1.4.1 Liability Coverages:

- To the extent of MICA's negligence, insurance coverage shall be primary insurance as respects the City, its officers, officials, employees, and agents. Any insurance and/or self-insurance maintained by the City, its officers, officials, employees, and agents shall not contribute with MICA's insurance or benefit MICA in any way.
- MICA's insurance coverage shall apply separately to each insured against whom a claim is made and/or lawsuit is brought, except with respect to the limits of the insurer's liability.

14.1.4.2 All Policies. MICA shall provide the City with written notice of any policy cancellation within two business days of their receipt of such notice. Failure on the part of MICA to maintain the insurance as required shall constitute a material breach of lease, upon which the City may, after giving five business days' notice to MICA to correct the breach, terminate the Lease or, at its discretion, procure or renew such insurance and pay any and all premiums in connection therewith, with any sums so expended to be repaid to the City on demand.

14.1.4.3 Acceptability of Insurers. Unless otherwise accepted by the City, insurance coverage is to be placed with insurers with a Best's rating of no less than A:VIII, or, if not rated by Best's, with minimum surpluses the equivalent of Best's surplus size VIII.

14.1.4.4 Verification of Coverage. MICA shall furnish the City with certificates of insurance and endorsements required by this Agreement. The certificates and endorsements for each policy are to be signed by a person authorized by that insurer to bind coverage on its behalf. The certificates and endorsements are to be on forms approved by the City and are to be received and approved by the City prior to the commencement of activities associated with this Agreement. The City reserves the right to require complete certified copies of all required policies at any time.

14.1.4.5 Application of Insurance Proceeds. In the case of any insurance policies as described in Section 14.1.1.1, the application of the proceeds from damage or loss to property shall be applied as follows: first, for the purpose of defraying the cost of repairing, restoring, replacing and/or rebuilding the Center and other improvements on the Premises as provided in Section 26.1 herein; and second, if MICA elects termination pursuant to Section 26.2, said funds shall be applied first to restoring the Premises as set forth in Section 26.2. All insurance proceeds shall be deposited into an account agreed to by the City and MICA for disposition as above provided.

14.2 City's Insurance Obligations. The City agrees to maintain commercial general liability insurance or other similar liability coverage acceptable to MICA covering injuries to persons and damage to property covering all of the activities pertaining to this Agreement. The City's membership in Washington Cities Insurance Authority satisfies the City's insurance obligations of this Agreement. By requiring such insurance coverage, MICA shall not be deemed to, or construed to, have assessed the risks that may be applicable to the City in this Agreement. The City shall assess its own risks and, if it deems appropriate and/or prudent, maintain greater limits or broader coverage than is herein specified.

15. **HAZARDOUS SUBSTANCES.**

MICA shall not, without first obtaining the City's prior written approval, generate, release, spill, store, deposit, transport, or dispose of (collectively "Release") any hazardous substances, sewage, petroleum products, radioactive substances, medicinal, bacteriological, or disease-producing substances, hazardous materials, toxic substances, or any pollutants or substances defined as hazardous or toxic as defined by applicable federal, state, and local laws, regulations, or agencies in any reportable quantities ("Hazardous Substances") in, on or about the Premises, except that MICA may store and use limited quantities of Hazardous Substances (such as paints,

cleaning agents and office supplies) as necessary in the ordinary course of its operations. MICA shall indemnify, hold harmless, and defend the City from any and all claims, liabilities, losses, damages, cleanup costs, response costs, and expenses, including reasonable attorney's fees, arising out of or in any way related to the Release by MICA, or any of its agents, representatives, employees, or authorized users, or the presence of such Hazardous Substances in, on or about the Premises whether or not approved.

16. RIGHT OF INSPECTION.

The City shall have the right to inspect the Premises and the Center during reasonable hours at any time during the Term to ensure compliance with the provisions of this Agreement. When reasonably necessary for such purposes, the City may temporarily alter access to the Premises. Except in an emergency, mutual prior consent is required for any such closures that would require the cancellation of scheduled programming at the Center.

17. LIENS AND INSOLVENCY.

MICA shall keep the Center and the Premises free from encumbrances including mortgages, deeds of trust and any liens arising out of any work performed, materials furnished, or obligations incurred by MICA. In the event MICA becomes insolvent, voluntarily or involuntarily bankrupt, or if a receiver, assignee, or other liquidating officer is appointed for the business of MICA, then the City may terminate the Term and this Agreement at the City's option following at least thirty (30) days' notice to MICA and an opportunity to remedy such condition within such period.

18. CONDEMNATION.

If at any time during the term of this Agreement, the Premises or a substantial portion thereof shall be taken, appropriated or condemned by reason of eminent domain or threat of eminent domain, this Agreement and the Term shall terminate as of the date of any final judgment entered upon such condemnation or as of the date possession is taken by the condemning authority, whichever is earlier; provided that, in case of a taking of part of the Premises not required for MICA's reasonable use, then this Agreement shall continue in full force and effect. The entire award with reference to the value of land shall belong to the City and MICA hereby assigns to the City any award which may be made in such taking or condemnation of the land. The Parties shall share, on a proportionate basis (as based upon each party's proportionate share of the capital costs incurred with respect to the construction and subsequent improvement of the Center determined in accordance with generally accepted accounting principles consistently applied, taking into account the initial construction and related capital costs as well as the cost of subsequent capital improvements that are depreciable over the remaining life of the Center), the award with reference to the value of the Center provided that, nothing herein shall be deemed to give the City any interest in or to any award made to MICA for the taking of personal property or fixtures belonging to MICA, for the interruption of or damage to MICA's business, or for MICA's moving expenses. The City covenants and agrees not to exercise its power of eminent domain with respect to the Premises.

19. PERSONAL PROPERTY TAXES.

MICA shall pay promptly when due all taxes assessed during the term of this Agreement upon MICA's fixtures, furnishings, equipment, and stock in trade, upon MICA's leasehold interest under this Agreement, or upon any other personal property situated in or upon the leased Premises. In the event any governmental authority, during the term of this Agreement shall levy any tax upon rentals, then MICA shall promptly pay such charge.

20. REAL PROPERTY AND LEASEHOLD EXCISE TAXES.

20.1 Real Property Taxes. In the event that either party is determined to be subject to real property taxes, the taxed party shall be solely responsible for such assessments. In the event that both Parties are determined to be subject to real property taxes, and it being understood

that the King County Assessor will assess the Premises as though all structures and improvements thereto were a part of the realty, the Parties therefore agree that the City shall advise MICA as promptly as possible after receipt of annual general property tax statements, that proportion of the annual taxes which apply to improvements to said Premises, and that proportion which apply to the assessed valuation of the land. Not less than five (5) days prior to April 30 and October 30 of each year of the term of this Agreement and any renewal term, MICA shall deliver to the City a check payable to the King County Treasurer for the portion of the taxes applicable to the improvements, and shall reimburse the City for payment of that proportion of the taxes applicable to the land. The taxes for a partial year shall be pro-rated.

20.2 Leasehold Excise Tax. As the Premises is publicly-owned property, this Agreement may be subject to a leasehold excise tax under Ch. 82.29A RCW. Upon the effective date of the Commencement Certificate, MICA shall complete the necessary paperwork to receive an exemption from the leasehold excise tax. In the event the State of Washington makes any demand upon the City for payment of any leasehold excise tax under RCW 82.29A resulting from MICA's use or occupancy of the Premises, the City shall tender to MICA the right to defend against the levy of any such tax and to appeal any adverse decisions. MICA shall indemnify the City for all sums expended by the City or withheld by the State from the City in connection with such taxation.

21. ASSIGNMENT.

MICA shall not assign or sublet its rights or responsibilities under this Agreement without the written authorization of the City, which authorization will be in the City's sole discretion. Neither assignment nor sublease shall relieve MICA from its liability or obligations under this Agreement. A consent to one assignment or subletting shall not be deemed a consent or waiver to any subsequent assignment or subletting.

22. SEVERABILITY.

If any term of this Agreement is held invalid or unenforceable, the remainder of this Agreement will not be affected but will continue in full force.

23. NON-WAIVER.

Failure of either party to insist upon the strict performance of any term of this Agreement will not constitute a waiver or relinquishment of any party's right to thereafter enforce such term.

24. INTEGRATION.

This writing contains all terms of this Agreement. It replaces all prior negotiations and agreements. Modifications must be in writing and be signed by each party's authorized representative.

25. TERMINATION.

The Term or, if the Term has not yet commenced, then this Agreement, shall be subject to the following termination provisions:

25.1 Termination After Initial Term or After Any Extension. In the event that MICA chooses not to extend the Term pursuant to Section 3.3, the Term shall terminate at the expiration of the unextended Term and no amounts shall be due from either party to the other.

25.2 Termination for Default. The Parties are required to follow the dispute resolution process in Section 12 prior to taking steps under this Section to terminate for default. Only after pursuing the steps in Section 12 shall each party have the right to terminate under this Section 25.2 in the event the other party is in default of any material term or condition of this Agreement by providing thirty (30) days' advance written notice specifying the basis for such determination. If the other party thereafter fails to commence reasonable steps within the thirty day period to correct fully and to remedy the default within ninety (90) days from the date of the notice, then the Term or, if the Term has not yet begun, this Agreement shall be deemed terminated; provided that, if the nature of the default is such that it cannot be remedied within ninety (90) days, then the Term and this Agreement shall not terminate so long as the party in default is proceeding promptly to remedy the default and does so within such additional period as may be agreed by the Parties. This Section 25.2 shall not be invoked by either party for purposes other than default. Such termination shall be subject to the following terms and conditions:

25.2.1 If the City terminates for default by MICA, the City shall take immediate ownership of the Center and shall have no obligation to reimburse MICA in any amount. MICA shall be subject to the following obligations:

25.2.1.1 If the Center was substantially completed pursuant to Section 3 at the time of termination, MICA shall pay the City upon termination an amount equal to three times the Operating Funds (as defined below); provided that, the City shall use good faith efforts to identify, in its sole and absolute discretion, an alternative tenant to operate the Center and, if such tenant assumes operation of the Center at any point during the three years after termination, the City shall reimburse MICA a pro rata amount of what it has previously paid the City.

25.2.1.2 If the Center was not substantially completed pursuant to Section 3 at the time of termination, and if the City elects to demolish what has theretofore been constructed, MICA shall be solely responsible for immediate repayment to the City of any costs reasonably incurred by the City to restore the Premises to the condition existing immediately prior to the Commencement Date, including but not limited to demolition and removal costs for the Center and related improvements.

25.3 Relinquishing Possession; Disposition of Fixtures and Removal of Personal Property and Fixtures. Upon termination, MICA shall surrender the Premises and the Center to the City in a structurally sound, safe and clean condition and remove MICA's personal property and convey title to the Center to the City. MICA shall remove all personal property within forty-five (45) days of the expiration of the Term or it shall be considered surplus and become the property of the City. The City may dispose of such surplus property by any reasonable means and charge MICA for the City's disposal costs. During such 45-day period, MICA may also remove any improvements, additions, or fixtures erected in or attached to the Center; provided that, MICA is not then in default and the removal will not cause permanent injury to the structure of the Center or the Premises.

25.4 Operating Funds. For purposes of this Section 25, the phrase "Operating Funds" shall mean the actual average annual costs incurred by MICA in operating the Center during the 3-year period prior to termination or, if there have not yet been three full years of operation, then during the actual period of operation.

26. **DESTRUCTION.**

26.1 Total or Partial Destruction. In the event of total or partial destruction of the Center, as soon as reasonably possible following receipt of insurance proceeds and any necessary permits, MICA shall commence repair, reconstruction and restoration of the Center and undertake the same diligently to completion. MICA's failure to comply with this Section 26(a) shall be a basis for default unless MICA elects to terminate using the process set forth in Section 26(b) below.

26.2 Election to Terminate. In the event the cost of repairing damage to the Center exceeds 50% of the value the Center would have after such restoration, MICA may, at its option, elect not to restore the Center pursuant to Section 26.1, subject to MICA providing the City with written notice of such election within four (4) weeks of the receipt of the insurance proceeds and subject to MICA's payment to the City an amount equal to the reasonable costs related to restoring the Premises to the condition existing immediately prior to the Commencement Date, in which case MICA shall surrender ownership of the Center to the City. Following MICA's election and payment pursuant to this Section 26.2, this Agreement shall terminate.

27. **NOTICES.**

All notices and communications between the Parties will be between the persons identified immediately below or such successor persons as may be identified in writing by either party. Each of the persons designated below and any successors will have authority to bind their respective organizations or will obtain any necessary authority on an ad hoc basis and in a timely manner. Each such notice or other communication which may be or is required to be given under this Agreement shall be in writing and shall be deemed to have been properly given when delivered personally or by email during normal business hours to the party to whom such

communication is directed, or three (3) days after being sent by regular mail, to the Parties' Representatives at the following addresses:

If to MICA:

Mercer Island Center for the Arts
P.O. Box 1702
Mercer Island, WA 98040
Attn: _____
Email: _____

If to the City:

City of Mercer Island
9611 SE 36th St.
Mercer Island, WA 98040
Attn: City Manager
Email: _____

Either party may change its address for notices from time to time by notice to the other party given as above provided.

28. JURISDICTION, VENUE, AND GOVERNING LAW.

The Parties hereto, their successors and assigns, hereby consent to the jurisdiction and venue of the King County Superior Court, State of Washington, for the determination of any dispute that may arise pursuant to the terms of this Agreement and other agreements contained herein to the extent not resolved pursuant to Section 12 above. All the rights and remedies of the respective Parties shall be governed by the provisions of this instrument and by the laws of the State of Washington as such laws relate to the respective rights and duties of City and MICA.

29. SECTION HEADINGS.

The section headings used in the Agreement are for the convenience of the Parties. In the event of a conflict between a section heading and the text of a particular section, the written text shall prevail.

30. SUCCESSORS AND ASSIGNS.

Subject to the provisions hereof pertaining to assignment and subletting in Section 21, the covenants and agreements of this Agreement shall be binding upon the heirs, legal representatives, successors, and assigns of any or all of the Parties hereto.

31. AMENDMENTS.

MICA and the City anticipate that terms of this Agreement may need to be modified in the future. MICA’s President, after approval of the MICA Board of Directors, and the City Manager, after approval of the City Council, are hereby authorized to approve mutually agreed amendments to this Agreement and to supplement this Agreement where necessary to improve the administration of this Agreement and the collaboration between the Parties. All amendments must be in writing signed by the President of MICA and the City Manager.

32. AUTHORITY.

The City has the authority to enter into this Agreement pursuant to RCW 35A.11.010 and the City Council approved this Agreement on _____, 2016, at a regular Council meeting for which public notice was properly advertised; and

MICA's Board of Directors approved this Agreement on _____, 2016.

33. COUNTERPARTS.

The Parties may execute this Agreement in two or more counterparts, which shall, in the aggregate, be signed by both Parties; each counterpart shall be deemed an original instrument as against any party who has signed it. In the event of any disparity between the counterparts produced, the recorded counterpart shall be controlling.

IN WITNESS WHEREOF, both the City and MICA have caused this Agreement to be executed by authorized officers effective on the date first written above.

CITY OF MERCER ISLAND, a Washington
municipal corporation

MERCER ISLAND CENTER FOR THE ARTS, a
Washington nonprofit corporation

By _____
Its City Manager

By _____
Its President

Approved as to form:

City Attorney

STATE OF WASHINGTON)
) ss.
COUNTY OF KING)

I certify that I know or have satisfactory evidence that Steve Lancaster is the person who appeared before me, and said person acknowledged that he signed this instrument, on oath and stated that he was authorized to execute the instrument and acknowledged it as the Interim City Manager of the City of Mercer Island, to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

DATED: _____

(notary signature)
Printed Name: _____
NOTARY PUBLIC in and for the State of Washington
My commission expires: _____.

STATE OF WASHINGTON)
) ss.
COUNTY OF KING)

I certify that I know or have satisfactory evidence that _____ is the person who appeared before me, and said person acknowledged that s/he signed this instrument, on oath and stated that s/he was authorized to execute the instrument and acknowledged it as the President of Mercer Island Center for the Arts, a Washington nonprofit corporation, to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

DATED: _____

(notary signature)
Printed Name: _____
NOTARY PUBLIC in and for the State of Washington
My commission expires: _____.

EXHIBIT A



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

**AB 5157
February 22, 2016
Regular Business**

2016 CITY COUNCIL WORK PLAN	Proposed Council Action: Approve 2016 City Council work plan.
------------------------------------	---

DEPARTMENT OF	City Manager (Chip Corder & Ali Spietz)
COUNCIL LIAISON	n/a
EXHIBITS	1. 2016 City Council Work Plan
APPROVED BY CITY MANAGER	

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

SUMMARY

The 2016 City Council Work Plan, which is attached as Exhibit 1, primarily consists of staff work that has resulted or will result in an agenda item at a Council meeting or at one of the two Council Planning Sessions in 2016. In addition, 2017 agenda items are identified for various departments to make the Council aware of other significant work items on the horizon.

The 2016 City Council Work Plan, which is broken down by quarter, is organized as follows:

- Planned Council meeting agenda items (organized by department)
- Routine Council meeting agenda items
- Planning & Mini-Planning Session agenda items
- Unplanned Council meeting agenda items

The green shading in the 2016 and 2017 columns identifies the quarters in which staff will perform the work. The numbers in the green shading identify how many agenda items are planned in each quarter.

There are 115 total agenda items projected in 2016. To put this in perspective, staff completed 134 agenda items in 2015, which represented the busiest year on record not only in terms of staff workload but also in terms of the number of Council meetings that ended after 11:00pm (i.e. 9 meetings). **As a result, the City Manager recommends capping the total number of agenda items at 115 in any given year**, which breaks down as follows:

- 88 planned & routine Council meeting agenda items (22 meetings x 4 agenda items per meeting)
- 17 Planning & Mini-Planning Session agenda items
- 10 unplanned Council meeting agenda items

This represents the maximum amount of work, on average, that staff and the Council can effectively accomplish in a given year.

Exhibit 1 also includes a summary listing of 2016 Action Items that came out of the January 2016 Planning Session, representing staff work that will be accomplished in one of the following ways:

- 2016 City Council Work Plan:
 - Council meeting agenda item
 - Mini-Planning Session agenda item
 - 2017-2018 budget process (which includes Council meeting agenda items)
- Subcommittee assignment (Public Safety, Parks & Recreation, and Organizational Effectiveness)
- Meeting(s) between staff and 1-3 Council members
- Staff memo to the Council
- Letter to another governmental jurisdiction

On Monday night staff will review the 2016 City Council Work Plan, focusing on the planned Council meeting agenda items. Any Council directed changes will be incorporated into the approved 2016 Work Plan.

At the June 2016 Mini-Planning Session, the City Manager will review the approved 2016 Work Plan, noting progress to date and any significant changes to the planned and unplanned Council meeting agenda items.

RECOMMENDATION

Assistant City Manager

MOVE TO: Approve the 2016 City Council Work Plan attached as Exhibit 1 and as amended by the City Council on February 22, 2016.

MERCER ISLAND CITY COUNCIL 2016 WORK PLAN

PLANNED COUNCIL MEETING AGENDA ITEMS	Staff	2016				2017			
		Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
CITY ATTORNEY'S OFFICE	--								
Comcast Cable Franchise	Sand					2			
PSE Electric Franchise	Sand				2				
CenturyLink Cable Franchise	Sand			2					
Zayo Franchise	Sand				2				
Mobilite 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			

MERCER ISLAND CITY COUNCIL 2016 WORK PLAN

2016 COUNCIL PARKING LOT	STAFF	ACTION
Economic development committee or office of economic development (Weiker/Sanderson)	Lancaster	2016 Mini Planning Session
Financial recovery plan (Wisenteinter)	Corder	2017-2018 Budget Process
Revision to current policy permitting private parties to make street repairs (e.g. following new utility installations) (Grausz)	Kintner	Staff Memo
Community Center Support (Grausz)	Fletcher	Bruce Fletcher will meet with new Councilmembers (and others if want to) to provide overview of MICEC Budget Support
Improving Dashboard (report card) (Wisenteiner)	Corder	Chip and Dave will meet to discuss possible changes to the report
Thrift Store—Future operations/expansion status (Grausz)	Goodwin	Cindy Goodwin will meet with new Councilmembers (and others if want to) to provide overview of the Mercer Island Thrift Shop operations and expansion
Emergency operations command center policy/business continuity/emergency preparedness/drills (Weiker/Grausz)	Holmes	Jennifer Franklin will meet with new Councilmembers (and others if want to) to provide overview of City's Emergency Management Program
Bollards post Camicia (Grausz)	Sand/ Fletcher	Parks & Recreation staff will be providing information to the Parks & Recreation Subcommittee regarding bollards on the Island
Council member communication with the public and related social media issues (Wisenteiner/Sanderson)	Org. Effect. Cmte	The newly establish Organizational Effectiveness Committee will review/develop policies regarding Council communications with the public and on social media
City sustainability action plan (Bassett)	Freeman	On 2016 Work Plan
Preliminary green building standards development (Bassett)	Freeman	On 2016 Work Plan
MICA update (Grausz)	Sand	On 2016 Work Plan
Maintenance Department performance audit (Grausz)	Kintner	On 2016 Work Plan
Future funding of school counselors (Wong)	Corder	2017-2018 Budget Process
Town Center vision and code Council engagement (Wisenteiner/Sanderson)	Greenberg	On 2016 Work Plan
Sound Transit negotiation update (Sanderson)	Taylor	On 2016 Work Plan

2016 ADDITIONAL ACTION ITEMS	STAFF	ACTION
Agenda Approval at beginning of meeting	Spietz	Completed
Letter supporting cost recovery for long-term planning legislation	Greenberg	Completed
Cost of LID to Underground Power from PSE	Kintner/Sand	Will be part of PSE Electric Franchise
Fireworks Ban	Heitman	Public Safety Subcommittee
Honeywell Contamination Update	Kintner/Sand	Staff Memo
Sales Tax Sound Transit paid to Mercer Island?	Taylor	Staff Memo
Level of Service and Number of Outages from PSE	Kintner	Staff Memo
City Manager Reports	Lancaster	Starting Feb 2016
Forming Council Organizational Effectiveness/Efficiency Committee (Wendy, Dan, Dave)	Taylor	Starting Mar 2016



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.

FEBRUARY 22 – 6:00 PM

Item Type	Topic/Presenter	Time
<i>Executive Session (6:15-7:00 pm)</i>	Potential or pending litigation pursuant to RCW 42.30.110(1)(i) for 60 minutes.	45
<i>Special Business</i>	Presentation from King County Councilmember Claudia Balducci	10
<i>Special Business</i>	MISD Diversity Community Discussion Information – E. Holmes	5
<i>Consent Calendar</i>	ARCH 2016 Budget and Work Program – A. Van Gorp	--
<i>Consent Calendar</i>	ARCH 2015 Trust Fund Recommendations – A. Van Gorp	--
<i>Regular Business</i>	Memorandum of Understanding with the Mercer Island Center for the Arts (MICA) Regarding a Performing Arts Center and Related Environmental Impacts Review – K. Sand	60
<i>Regular Business</i>	2016 Council/Staff Work Plan – C. Corder	60

MARCH 7 – 6:00 PM

Item Type	Topic/Presenter	Time
<i>Regular Business</i>	Trellis Final Long Plat Approval – K. Sand & S. Restall	60
<i>Regular Business</i>	Coval Final Long Plat Approval – K. Sand & S. Restall	60

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>Regular Business</i>	2017-2022 Capital Improvement Program (CIP) Budget Kick-Off – F. Lake	60
<i>Regular Business</i>	Community Solar Project Update and Lease Agreement – R. Freeman	30
<i>Regular Business</i>	DSG Long-Range Planner Position Approval	30

APRIL 4

Item Type	Topic/Presenter	Time
<i>Study Session</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

APRIL 7 (THURSDAY) – 5:00-6:45 PM

	Joint Meeting with the Mercer Island School District Board (Council Chambers)	
--	--	--

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>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
<i>Public Hearing</i>	Public Hearing: Council Preview of 2017-2022 Transportation Improvement Program – P. Yamashita	90

JUNE 6

Item Type	Topic/Presenter	Time
<i>Consent Calendar</i>	2016 Summer Celebration Fireworks Permit Approval – S. Heitman	--
<i>Consent Calendar</i>	2016 Fireworks Sales Permit Approval – S. Heitman	--
<i>Regular Business</i>	2015 General Fund & REET Surplus Disposition – C. Corder	30
<i>Regular Business</i>	2015 Mercer Island Report Card – C. Corder	60
<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)		
Item Type	Topic/Presenter	Time
<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	60
<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

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>	Title 19 Code Amendments to Add Compressive Plan Amendment Process (2 nd Reading) – S. Greenberg	30
<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 19 Code Amendments 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 19 Code Amendments 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 Franchise (Q4) – K. Sand

COUNCILMEMBER ABSENCES:

- Sanderson: April 4 & April 7