



# GMHB EXHIBIT 89

## CITY COUNCIL MINUTES

### REGULAR HYBRID MEETING

#### MAY 2, 2024

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#### CALL TO ORDER & ROLL CALL

Mayor Salim Nice called the Regular Hybrid Meeting to order at 5:01 pm in the Slater Room Council Chambers at the Mercer Island Community & Event Center, 8236 SE 24<sup>th</sup> Street, Mercer Island, Washington.

Mayor Salim Nice, Deputy Mayor Dave Rosenbaum, and Councilmembers Jake Jacobson and Ted Weinberg participated in person in the Slater Room Council Chambers. Councilmembers Lisa Anderl, Craig Reynolds, and Wendy Weiker attended via Zoom.

#### PLEDGE OF ALLEGIANCE

The City Council delivered the Pledge of Allegiance.

#### AGENDA APPROVAL

It was moved by Weinberg; seconded by Rosenbaum to:

**Approve the agenda as presented.**

PASSED: 7-0

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

#### SPECIAL BUSINESS

##### **AB 6469: 2022 Financial, Accountability, and Federal Audit Exit Conference**

Deputy Finance Director LaJuan Tuttle introduced the staff from the Washington State Auditor's Office (SAO) to present the results of the 2022 Financial, Accountability, and Federal Audit.

Audit Manager Haji Adams spoke about the importance of audits and how audits increase trust in government, are independent, transparent examinations, and improve efficiency and effectiveness of government.

Assistant Audit Manager Lorraine Nitta presented the purpose of an accountability audit, discussed the City's compliance in all material respects, with applicable state laws, regulations, the City's own policies, and provide adequate controls over safeguarding of public resources. Ms. Nitta spoke about the areas that were reviewed during the accountability audit including accounts payable, Public Works procurement, payroll, open public meetings minutes and Executive Sessions, and review for indications of financial distress.

Mr. Adams presented the financial statement audit results for 2022 and noted that there was a material weakness (finding) relating to the recognition of revenues received in advance from the Coronavirus State and Local Fiscal Recovery Funds, which is a program funded through ARPA. The reported finding does not represent any misuse of public funds. Rather, it represents a classification error involving how the federal funds received were reported on the audited financial statements.

City Council asked questions of the audit team regarding the lack of specific direction from the SAO about how to recognize ARPA revenues and why it was not an issue in the 2021 audit but is in the 2022 audit.

#### CITY MANAGER REPORT

City Manager Jessi Bon reported on the following items:

- **Council, Boards & Commission Meetings:** Next City Council Meeting – June 4 at 5:00 PM, Planning Commission – and May 29 at 6:00 PM.

- **Update on SPU Water Supply Pipeline Repair:** On April 3, 2024 the Emergency Operations Center was activated due to a leak in the underground Seattle Public Utilities (SPU) water main that supplies water to the island. The City and SPU continue planning and design work for the repair. Additional evaluation is needed and being completed including assessing hydrology, capacity, and slope stability. Water conservation will likely be needed this summer as planning for the pipeline repair continues. Updates will be posted to Let's Talk.
- **Update on City Hall Transitions:** Police modular buildings are almost complete; third building delivery is on schedule for July.
- **City Services Updates:** Water Reservoir Standby Generator Replacement, Luther Burbank Boiler Building, Town Center Tree Inventory.
- **Upcoming Events:** MIVAL is partnering with the City for three art classes; first class is May 25 – Exploring Watercolor Techniques. YFS is hosting new monthly support group for seniors – Living Alone starting June 11
- **News:** Coffee with a Cop on May 11 – last one for retiring Police Chief Ed Holmes. Judge Gregory assisted with mock trials at the NW Fire Investigation Conference.

## APPEARANCES

Addie Smith, spoke about being a survivor of a hate crime.

Dan Thompson (Mercer Island), spoke about the process for the Comprehensive Plan Update.

## CONSENT AGENDA

### AB 6470: May 3, 2024 Payroll Certification

**Recommended Action:** Approve the May 3, 2024 Payroll Certification in the amount of \$867,211.93 and authorize the Mayor to sign the certification on behalf of the entire City Council.

#### Certification of Claims:

**A. Check Register | 219548-219641 | 05/03/24 | \$1,818,385.10**

**B. Check Register | 219642-219730 | 05/10/24 | \$1,755,261.86**

**Recommended Action:** Certify that the City Council has reviewed the documentation supporting claims paid and approved all checks or warrants issued in payment of claims.

### City Council Regular Hybrid Meeting Minutes of May 7, 2024

**Recommended Action:** Approve the City Council Regular Hybrid Meeting Minutes of May 7, 2024.

### AB 6471: Ratification of Proclamation of Emergency Issued by the City Manager

**Recommended Action:** Ratify and continue the ratification of Emergency Proclamation No. 329, issued by the City Manager on May 1, 2024 declaring a local water emergency, until the same is rescinded by the City Manager after the supply of potable water to Mercer Island is restored to normal levels.

### AB 6472: Public Display of Fireworks Permit Issuance – Summer Celebration

**Recommended Action:** Authorize grant of operational permit for Western Display Firework's application for a Public Display of Fireworks to be discharged per the permit conditions on July 13, 2024 at or about 2200hrs (10:00 pm) for a total duration of approximately 20 minutes pursuant to MICC 8.35.020(C).

### AB 6478: Gun Violence Awareness Day (Proclamation No. 330)

**Recommended Action:** Proclaim June 9, 2024 as Gun Violence Awareness Day in Mercer Island.

### AB 6480: National Public Works Week (Proclamation No. 332)

**Recommended Action:** Proclaim May 19-25, 2024 as National Public Works Week on Mercer Island.

**AB 6481: Asian Pacific American Heritage Month (Proclamation No. 333)**

**Recommended Action:** Proclaim May 2024 as Asian Pacific American Heritage Month on Mercer Island.

Deputy Mayor Rosenbaum requested removal of AB 6479: Jewish American Heritage Month (Proclamation No. 331) from the Consent Agenda. Mayor Nice moved it to the first item of Regular Business.

It was moved by Jacobson; seconded by Rosenbaum to:

**Approve the Consent Agenda as amended, and the recommended actions contained therein.**

PASSED: 7-0

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

**REGULAR BUSINESS**

**AB 6479: Jewish American Heritage Month (Proclamation No. 331)**

Councilmember Jacobson spoke about the importance of the proclamation. Deputy Mayor Rosenbaum read a statement regarding the importance of the proclamation.

It was moved by Jacobson; seconded by Rosenbaum to:

**Proclaim May 2024 as Jewish American Heritage Month on Mercer Island.**

PASSED: 7-0

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

**AB 6473: Public Hearing - Interim Regulations in MICC 19.16.010 Related to Emergency Shelters and Housing, Transitional Housing, and Permanent Supportive Housing (Ordinance No. 24C-03)**

Mayor Nice opened the Public Hearing at 5:54 PM. There being no public comments, Mayor Nice closed the Public Hearing at 5:54 PM.

CPD Director Jeff Thomas noted that the Public Hearing fulfilled the requirement for passing interim regulations Emergency Shelters and Housing, Transitional Housing, and Permanent Supportive Housing at a previous meeting.

**AB 6474: Financial Status Update for the First Quarter 2024 and Budget Amending Ordinance**

Financial Analyst Ben Schumacher presented the first quarter 2024 financial status update and provided an overview of the budget amending ordinance.

City Council asked questions of staff regarding switching to cash basis and the impact of lower REET revenues.

It was moved by Rosenbaum; seconded by Jacobson to:

**Adopt Ordinance No. 24-11, amending the 2023-2024 Biennial Budget.**

PASSED: 7-0

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

**AB 6475: 2024 Update to the City's Cost Allocation Plan**

Finance Director Matt Mornick presented an update to the City's Financial Management Policies to include a Cost Allocation Plan. Director Mornick explained the purpose and mechanisms for allocating costs by assigning direct and indirect or "overhead" expenses to the departments, projects, funds, or other cost centers that benefit from them.

It was moved by Jacobson; seconded by Rosenbaum to:

**Adopt Resolution No. 1660 amending the City's Financial Management policies to adopt the Cost**

## **Allocation Plan update for 2024.**

PASSED: 7-0

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

### **AB 6477: Public Works Building Follow-Up**

Sr. Management Analyst Merrill Thomas-Schadt presented an overview of the long-range facilities planning that began in early 2023 and included the Public Works building. She discussed the teams and equipment that are currently housed in the Public Works Building, the results of the Facilities Conditions Assessment (FCA), and the recommendation to prioritize the Public Works Building for replacement.

City Manager Jessi Bon discussed the capital investments that will be needed in the Public Works Building to keep it operational for the next five years during the planning and construction of a new facility. She spoke about the green roof, flat roofs, and water intrusions that need to be addressed to fix leaks and structural deficiencies.

Chief of Operations Jason Kintner spoke about the recommendations to continue using the building related to the HVAC system, fall protection railings, wired glass in the windows, and electrical capacity. He discussed the insufficient restroom capacity in the Public Works Building, the fire suppression system, and the seismic assessment. He presented the structural work that is needed to address deficiencies from the seismic assessment including removing all of the green roof soil, installing anchoring between the walls at the second-floor office and high-bay garage roofs, installing a subsurface concrete-grade beam along the exterior at each end of the high-bay garage doors, and bracing the internal non-bearing walls to protect against potential collapse. Chief of Operations Kintner spoke about the process for making these capital investments in the Public Works Building and noted that there will be several phases of work required to keep the existing building operational, the most immediate phase will address basic safety improvements.

City Council asked questions of staff.

### **AB 6476: Public Safety and Maintenance Building Design Progress Update**

Management Analyst Robbie Cunningham Adams presented the Public Safety and Maintenance Building design progress update. He spoke about the direction City Council gave at the March 1 Planning Session to commence the planning for a new Public Safety and Maintenance Building (PSM) on the current City Hall campus, and discussed the work that has been underway including Facilities Conditions Assessments, preliminary renewal/repair cost estimates, site investigation, development standards review, preliminary redevelopment feasibility studies, space needs assessments, departmental planning workshops, and preliminary building programming. Management Analyst Cunningham-Adams presented the anticipated teams and equipment who would be housed in the new PSM including Police, Public Works, Emergency Operations, and IT/GIS. He spoke about why it is beneficial to co-locate these teams and the efficiency that will be gained.

David Cutler, Northwest Studios Architects and Urban Designers, discussed the staff workshops that were conducted with each group that will be housed in the new PSM to determine and understand what the space needs for each department are. He spoke about the building standard risk categories and the recommendation to build the PSM to the highest risk category IV, due to this facility being a lifeline to the community in the most extreme circumstances.

City Council asked questions of staff.

## **OTHER BUSINESS**

### **Planning Schedule**

City Manager Jessi Bon spoke about the June 4 meeting, noting that the Draft Water System Reliability Plan has been postponed.

### **Councilmember Absences and Reports**

Councilmember Jacobson will be absent July 2

Deputy Mayor Rosenbaum spoke about the Pride and the Park event on June 15 and the vandalism of the

event posters.  
Councilmember Weinberg spoke about the recent Arts Council meeting.  
Councilmember Jacobson spoke about the Utility Board meeting being postponed and the King County Solid Waste Advisory Committee meeting.

City Council was in recess from 7:25 pm – 7:34 pm.

**EXECUTIVE SESSION**

At 7:34 pm, Mayor Nice convened an Executive Session in Room 104 at the Mercer Island Community & Event Center, 8236 SE 24th Street, Mercer Island, WA and via Microsoft Teams.

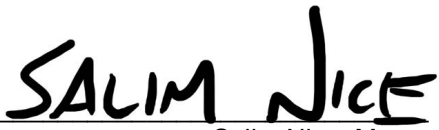
The Executive Session was to consider the selection of a site or the acquisition of real estate by lease or purchase when public knowledge regarding such consideration would cause a likelihood of increased price pursuant to RCW 42.30.110(1)(b) and for planning or adopting the strategy or position to be taken by the City Council during the course of any collective bargaining, professional negotiations, or grievance or mediation proceedings, or reviewing the proposals made in the negotiations or proceedings while in progress pursuant to RCW 42.30.140(4)(b).

Mayor Salim Nice, Deputy Mayor Dave Rosenbaum, and Councilmembers Jake Jacobson and Ted Weinberg participated in person in the Slater Room Council Chambers. Councilmembers Lisa Anderl, Craig Reynolds and Wendy Weiker attended via MS Teams.

Mayor Nice adjourned the Executive Session at 9:30 pm.

**ADJOURNMENT**

The Regular Hybrid Council Meeting adjourned at 9:30 pm.

  
Salim Nice, Mayor

Attest:

  
Andrea Larson, City Clerk