

EXHIBIT – E



CITY COUNCIL MINUTES SPECIAL MEETING SEPTEMBER 17, 2018

CALL TO ORDER & ROLL CALL

Mayor Debbie Bertlin called the meeting to order at 5:00 pm in the Council Chambers of City Hall, 9611 SE 36th Street, Mercer Island, Washington.

Mayor Debbie Bertlin, Deputy Mayor Salim Nice, and Councilmembers Tom Acker (arrived 6:00 pm), Bruce Bassett, Wendy Weiker, and Benson Wong were present. Councilmember David Wisenteiner was absent.

AGENDA APPROVAL

It was moved by Nice; seconded by Bassett to:

Approve the agenda as presented.

Passed 5-0

FOR: 5 (Bassett, Bertlin, Nice, Weiker, and Wong)

ABSENT: 2 (Acker and Wisenteiner)

EXECUTIVE SESSION

Executive Session to discuss with legal counsel pending or potential litigation pursuant to RCW 42.30.110(1)(i) for 60 minutes

At 5:01 pm, Mayor Bertlin convened the Executive Session to discuss with legal counsel pending or potential litigation pursuant to RCW 42.30.110(1)(i) for 60 minutes.

At 5:48 pm, Mayor Bertlin adjourned the Executive Session.

STUDY SESSION

AB 5473: Update on City Council Goal 4: Preserve, Promote, and Enhance Mercer Island's Focus on Arts and Culture

City Manager Julie Underwood provided a brief update of Council Goal 4, "Preserve, Promote, and Enhance Mercer Island's Focus on Arts and Culture" explaining that Council adopted the goal in April 2018 and established the following action items:

- Engage the community regarding arts and culture policies and goals for the Comprehensive Plan.
- Partner with the Mercer Island Center for the Arts (MICA) to identify alternative site locations.
- Research and explore creating a "Certified Creative District."

City Manager Underwood introduced Paul Shoemaker, Executive Director of MICA and Ann Janikowski, Brand Strategist with Phinney Bischoff. Executive Director Shoemaker reviewed the organization's progress since February 2018 and outlined the following:

- MICA's new leadership;
- MICA's relationship with the City of Mercer Island;
- Research efforts to identify alternative sites and design; and
- MICA's community engagement process

Ms. Janikowski discussed MICA's Community Visioning Dialog and the methodology used for input sessions, visioning sessions, and an online survey. She explained that the community dialogue revealed the following insights:

- Strong support for an arts and culture center,

- Youth Theatre Northwest is a vital resource,
- Need for a centralized space for the arts,
- Access to quality, diverse arts education,
- Desire to unite and strengthen the existing arts community,
- Anchor for Town Center, and
- Enhancing quality of life for future generations.

Executive Director Shoemaker responded to Council questions and explained that the Tully's site provides a good central location with proximity to Sound Transit and the Town Center, it addresses MICA's location and parking concerns, and meets the criteria defined in the City's RFQ. In closing, Shoemaker reported that MICA will hold a meeting on October 8 and 7 pm to discuss next steps.

Mayor Bertlin surprised Manny Cawaling and invited him to join her and receive the Manny Cawaling Day Proclamation. Mayor Debbie Bertlin proclaimed September 17, 2018 as Manny Cawaling Day in Mercer Island and encouraged all residents to join her in thanking Manny for his dedicated service to the youth and the community of Mercer Island through his 10 years as Executive Director of Youth Theatre Northwest.

As an additional update on City Council Goal 4, Parks & Recreation Director Jessi Bon, Arts & Recreation Coordinator Sarah Bluvus, and Vice Chair of the Arts Council Erin Vivion addressed the Council, providing an update on the City's pursuit of the Certified Creative District Designation. They explained what a "Creative District" means and how its certification will help bring together citizens, businesses, nonprofits, artists, and local government to strengthen the cultural arts vision for the community. Designation as a Creative District will establish eligibility for additional training, networking, grant funding, and more.

Parks & Recreation Director Bon further explained that the DSG Planning team is developing a Creative District proposal, including identifying the boundaries for the Creative District. The Arts Council and staff estimate the process will take about five to six months to complete. Staff anticipates bringing a proposal back before Council within the first quarter of 2019 and submit the application the State's Arts Commission by March 2019.

SPECIAL BUSINESS

AB 5476: National Recovery Month Proclamation

YFS Senior Programs Manager and Clinical Supervisor Derek Franklin introduced Dave Murphy, Diversions and Reentry Senior Manager with King County Behavioral Health and Recovery to join him and Mayor Bertlin and receive the proclamation.

Mayor Bertlin proclaimed September 2018 as National Recovery Month and called upon residents of Mercer Island to observe this month with appropriate programs, activities, and events to support this year's Recovery Month theme, "Join the Voices for Recovery: Invest in Health, Home, Purpose, and Community."

AB 5477: Peace Day on Mercer Island Proclamation

Recreation Superintendent Diane Mortenson introduced Beth Baska, Past President of Rotary Club of Mercer Island and current Vice-President of the Rotary Foundation and Chair of the Peace Committee to join her and Mayor Bertlin.

Mayor Bertlin proclaimed September 21, 2018 as Peace Day on Mercer Island and encouraged all citizens to join me in attending the dedication of the Peace Poles at the Mercer Island Community and Event Center. The event will take place on September 21, 2018 from 12-1pm outside the Mercer Island Community & Event Center. The Rotary Club and City of Mercer Island enthusiastically support this celebration of peace on Mercer Island and everywhere

CITY MANAGER REPORT

City Manager Julie Underwood reported on the following items:

- September 7 - Successful **Earthquake Exercise** by staff.
- **New Crime Stats Page** added to city website at mercergov.org/police
 - Crime Prevention Programs offered by MIPD:

- Neighborhood Watch
- Paws on Patrol
- Map Your Neighborhood
- Tips on how to prevent burglaries and car prowls
- Proposed **Commuter Parking & Mixed-Use Project** - RFQ Update
 - September 11 - 1st Pre-Submission Conference & Tour
 - September 20 - 2nd Pre-Submission Conference & Tour
 - October 5 - Submission deadline
- September 27 - **Oktoberfest Senior Lunch** at MIECC, 12 pm
- September 27 - YFS Presents, **The Top Secret Project**, 6:30 pm to 8:30 pm
- September 28 - **Family Movie Night** at the Community Center at 6 pm
- September 29 - **Parents Night Out**, 5 pm to 10 pm
- Volunteer at a **Restoration Event**:
 - September 29 - Mercedale Hillside, 10 am to 2 pm
 - October 6 - Homestead Park, 10 am to 1 pm

APPEARANCES

The following people encouraged Council to support Mercer Island Center for the Arts (MICA) and the Youth Theatre Northwest:

- Bharath Shyam, Mercer Island
- Sue Sherwood, 7444 W. Mercer Way
- Robynne Parkinson, 3870 83rd Avenue SE
- John Gordon Hill, 8914 SE 56th Street
- Katie McKenna, 2914 70th Avenue SE
- Alexander Thomson, Mercer Island
- Katie McKenna, Issaquah
- Xixi Shakes, 9211 SE 33rd
- Judy Ginn
- Manny Cawaling, Seattle
- Robert Thorpe, 5800 W. Mercer Way
- Jenny Harrington, 4821 88th Place SE
- Fred Jarrett, Mercer Island
- Kyle Gerstel, Mercer Island
- Genevieve Morton, Mercer Island
- Kate Lamperti, 9202 SE 33rd Place
- Jonathan Shakes, 9211 SE 33rd Street
- Megan Atkinson, 2735 63rd Avenue SE
- Jared (unintelligible), 2500 81st Avenue SE
- Brian Emmanuels, 2255 82nd Avenue SE
- Ira Appelman, 9039 E. Shorewood Drive
- Doreen Kindritz
- Micah (last name unknown), Mercer Island

Carolyn Boatsman, Mercer Island, current Planning Commissioner, spoke in opposition of the "Director's Discretion" in the new code amendments.

Julie Green, 7800 SE 27th, Mercer Island, reported that she had just heard about the RFQ and wished to voice her concern about the proposed five-story building going in next to their building. She expressed a desire to know what the building would include and that their voices be heard.

CONSENT CALENDAR

Councilmember Wong requested to remove AB 5475: Code Compliance Code Amendments from the Consent Agenda. Mayor Bertlin noted this item would be discussed prior to the Public Hearing.

Payables: \$430,555.19 (08/30/18) & \$150,184.03 (09/06/18)

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

Payroll: \$817,266.44 (09/14/18)

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

Minutes: September 4, 2018 Regular Meeting, August 28, 2018 Special Meeting, & July 24, 2018 Special Meeting

Recommendation: Adopt the September 4, 2018 Regular Meeting, August 28, 2018 Special Meeting, & July 24, 2018 Special Meeting minutes as written.

AB 5468: Business License Model Ordinance Code Amendments (2nd Reading & Adoption)

Recommendation: Adopt Ordinance No. 18C-09, updating chapter 5.01 MICC to include amendments required under chapter 35.90 RCW for business licensing.

AB 5478: 81st Avenue SE Backyard Sewer Project Bid Award

Recommendation: Reallocate \$126,732 from the Sewer Special Catch Basins project to the Backyard Sewer System Improvement project within the Sewer Fund and direct the City Manager to execute the construction contract.

It was moved by Nice; seconded by Bassett to:

Approve the Consent Calendar and the recommendations contained therein.

Passed 6-0

FOR: 6 (Acker, Bassett, Bertlin, Nice, Weiker, and Wong)

ABSENT: 1 (Wisenteiner)

AB 5475: Code Compliance Code Amendments (2nd Reading & Adoption)

Councilmember Wong confirmed that the items he identified were not substantive, but rather clarifying, and therefore were considered scrivener's errors.

It was moved by Wong; seconded by Nice to:

Adopt Ordinance No. 18C-06 amending Mercer Island City Code Titles 1, 8, 15, 17 and 19 and adopting Chapter 6.10 MICC to consolidate and improve code compliance provisions.

Passed 6-0

FOR: 6 (Acker, Bassett, Bertlin, Nice, Weiker, and Wong)

ABSENT: 1 (Wisenteiner)

PUBLIC HEARING

AB 5480: Receive Public Comments and Consider a Resolution in Support of State Initiative 1631, Carbon Emissions Fee Measure

Mayor Bertlin opened the public hearing at 8:35 pm.

Peter Struck, 9130 SE 54th Street, expressed concern that the evidence supporting I-1631 was inclusive and asked what the impact would be on the Mercer Island community.

The following people encouraged Council to support State Initiative 1631, Carbon Emissions Fee Measure:

- Rev. Dr. Marilyn Cornwell, 9010 SE 47th Street
- Kate Lamperti, 9202 SE 33rd Place
- Jane Reynolds, 8105 SE 48th Street
- Gaurang Chandrakant, 4500 W. Mercer Way
- Kim Rice, 4552 E. Mercer Way
- Peter Donaldon, 3635 88th Avenue SE
- Carolyn Boatsman, 3210 74th Avenue SE
- Brian Emannuels, 2255 82nd Avenue SE

- Erick Jansen, 9428 SE 54th Street

Randy Pepple, Bellevue, spoke in opposition to I-1631.

There being no further comment, Mayor Bertlin closed the public hearing at 9:02 pm.

It was moved by Bassett; seconded by Nice to:

Approve Resolution No. 1546, endorsing Initiative No. I-1631, Carbon Emissions Fee Measure, scheduled for the November 6, 2018 General Election.

Passed 6-0

FOR: 6 (Acker, Bassett, Bertlin, Nice, Weiker, and Wong)

ABSENT: 1 (Wisenteiner)

Mayor Bertlin recessed the meeting for 10 minutes and called the meeting back in session at 9:31 pm.

REGULAR BUSINESS

AB 5479: Title 19 Procedural Code Amendments (2nd Reading & Adoption)

Interim Development Services Director Evan Maxim briefly reviewed the amendments discussed at the September 4, 2018 Study Session explaining that the amendments were intended to:

- 1) clarify the land use review and approval process;
- 2) consolidate the procedural requirements and approval criteria;
- 3) ensure compliance with applicable state regulations and recent case law; and
- 4) simplify the regulations for readability, ease of use, and to avoid unintended consequences.

Following the September 4 review, City Council made a motion to move Ordinance No. 18C-08 forward to a second reading. Staff revised the amended code language to incorporate the staff recommended approach to adopting Comprehensive Plan amendments and implement various technical corrections (typographical errors, cross-references, etc.) identified by Council and staff.

Interim DSG Director Maxim responded to Council questions and clarified Table B "Review Processing Procedures" noting that the table was discussed extensively by the Planning Commission.

It was moved by Bassett; seconded by Wong to:

Adopt Ordinance No. 18C-08 amending Title 19 of the Mercer Island City Code to clarify land use review and approval procedural requirements.

Passed 6-0

FOR: 6 (Acker, Bassett, Bertlin, Nice, Weiker, and Wong)

ABSENT: 1 (Wisenteiner)

AB 5474: Second Quarter 2018 Financial Status Report & 2018 Budget Adjustments

Assistant City Manager/Finance Director Chip Corder reviewed a presentation with City Council summarizing the Second Quarter 2018 Financial Status Report and 2018 Budget Adjustment, reviewing the following:

- General Fund (revenues, general sales tax, utility tax, licenses, expenditures by department);
- Utility Fund (water, sewer, stormwater);
- All Other Funds (YFS Fund and REET); and
- 2017-2018 Budget Adjustments (previously approved and new requests).

It was moved by Wong; seconded by Weiker to:

Suspend the City Council Rules of Procedure 6.3, requiring a second reading for an ordinance.

Passed 6-0

FOR: 6 (Acker, Bassett, Bertlin, Nice, Weiker, and Wong)

ABSENT: 1 (Wisenteiner)

It was moved by Wong; seconded by Nice to:

Adopt Ordinance No. 18-11, amending the 2017-2018 Biennial Budget.

Passed 6-0
FOR: 6 (Acker, Bassett, Bertlin, Nice, Weiker, and Wong)
ABSENT: 1 (Wisenteiner)

OTHER BUSINESS

Councilmember Absences

Councilmember Wisenteiner's absence was excused.

Planning Schedule

City Manager Underwood reviewed items scheduled for October 2 and October 16.

- Executive Session scheduled October 2 at 5 pm.
- Study Session on Transportation Concurrency Revised Ordinance.
- 1st reading on Comprehensive Plan.
- 3rd reading on Transportation Concurrency Ordinance.

October 16, 2018, under Special Business, the Police Department is recognizing Breast Cancer Awareness month.

Community Facilities Code Amendments were postponed from November 20 to the first part of 2019.

Councilmember Acker expressed a desire to participate in the Mayor and Deputy Mayor's meeting with the 41st Delegation scheduled for September 20th.

Mayor Bertlin requested that staff prepare a brief outline for the Council and public on the upcoming Budget Calendar. She also encouraged Council to meet with staff to discuss any questions they may have regarding the budget.

Board Appointments

There were no appointments.

Councilmember Reports

Councilmember Bassett reported that he was in Olympia and met with policy folks at the Governor's office to discuss K4C. There is an elected official meeting on October 2 that he and Councilmember Weiker plan to attend.

Councilmember Wong attended Alcohol Tobacco and Other Drugs Committee. He reminded Council that next month the Mercer Island Police Department will hold its annual Take Back Event. He further noted that Walgreens has a permanent "Take Back" bin and that KCLS has a policy to pick up envelopes from the librarian to mail back medicines.

Councilmember Acker expressed a desire to participate in the Mayor and Deputy Mayor's pre-meeting with the 41st Delegation on September 20. It was agreed that Mayor Bertlin and Deputy Mayor Nice would have a pre-meeting with the 41st Delegation.

Councilmember Wong congratulated Councilmember Weiker as the 2019 Chair of the Mercer Island Rotary ½ Marathon.

Councilmember Weiker attended a SCA Women's event on Saturday wherein it was announced that the process for getting appointments for next year's committee will be earlier. She also expressed a desire to thank the Chamber for the Art-Uncorked event and reported that the KC Emergency Management Advisory Committee meeting is organizing a training.

Mayor Bertlin thanked King County Councilmember Claudia Balducci for attending the SCA event. She also reported that she participated in a Women's Mayor's panel discussion for women in real estate with City Manager Underwood and Leadership Eastside. Mayor Bertlin thanked the Utility Board and reported that recommendations would be forthcoming in October.

ADJOURNMENT

The Special Meeting adjourned at 10:28 pm.

Attest:

Debbie Bertlin, Mayor

Deborah Estrada, City Clerk