



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

**AB 6258
May 2, 2023
Public Hearing**

AGENDA BILL INFORMATION

TITLE:	AB 6258: 2024-2029 Six-Year Transportation Improvement Program Review and Public Hearing	<input checked="" type="checkbox"/> Discussion Only <input type="checkbox"/> Action Needed: <input type="checkbox"/> Motion <input type="checkbox"/> Ordinance <input type="checkbox"/> Resolution
RECOMMENDED ACTION:	Receive comments from public hearing and provide feedback to staff.	

DEPARTMENT:	Public Works
STAFF:	Jason Kintner, Chief of Operations Matt Mornick, Finance Director Patrick Yamashita, City Engineer/Deputy Public Works Director Clint Morris, Capital Division Manager Lia Klein, Transportation Engineer Ian Powell, Street Engineer
COUNCIL LIAISON:	n/a
EXHIBITS:	1. Summary of Public Comments Received by April 21 2. Street Fund Forecast, as of April 2023 3. Detail of Proposed Expenditures 2024-2029 4. Project Descriptions 5. Map of Proposed Roadway and PBF Improvements 6. Map of Mercer Way Shoulder Improvements
CITY COUNCIL PRIORITY:	3. Make once-in-a-generation investments to update and modernize aging infrastructure, capital facilities, and parks.

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

EXECUTIVE SUMMARY

The purpose of this agenda bill is to conduct a public hearing on the 2024-2029 Transportation Improvement Program (TIP) and for the City Council to provide staff with feedback. Adoption of the TIP is scheduled for June 6.

- The previous 2023-2028 TIP was adopted by the Council on June 7, 2022.
- The 2023 public comment period is March 21 to June 6. A public hearing will be held during the May 2 Council meeting and will be continued to June 6.
- Program elements include Residential and Arterial Street Improvements, Pedestrian and Bicycle Facilities, and East Link Traffic Safety/Mitigation Eligible projects.
- Projects pertaining to the ADA Transition Plan are included in the TIP.

- Priority for resurfacing projects is determined by the pavement condition index (PCI), a score from “Good” to “Failed” based on data collected over the entire roadway network. The PCI was last updated in 2022.
- Staff will incorporate City Council feedback and return on June 6, 2023, for continuation of the public hearing and adoption of the TIP.

BACKGROUND

The Six-Year TIP is a planning tool used to identify specific projects that serve to maintain, preserve, and maximize use of the existing roadway and trail systems. The TIP balances revenues and expenditures within the Street Fund through programming and phasing construction of projects over a six-year period.

RCW 35.77.010 requires cities to formally adopt a TIP annually and submit it to WSDOT and the Puget Sound Regional Council (PSRC) by July 1. A public hearing on the draft TIP is a requirement of State law and is incorporated as part of the City Council meeting. Once the TIP is adopted, projects are budgeted and funded through the City’s Capital Improvement Program (CIP) during the biennial budget process.

The TIP is also used to coordinate future transportation projects with needed underground utility improvements so that utility work is budgeted and programmed to occur prior to or in conjunction with roadway projects. All arterial street and pedestrian and bicycle facility (PBF) projects must be included in the TIP to be eligible for State and Federal funding.

The draft TIP is an update of the 2023-2028 version ([AB 6099](#)) adopted by the City Council in June 2022. Individual projects and programs are combined, where feasible, to create economies of scale for construction. The draft TIP includes transportation improvement projects and programs in the following categories:

- A. Residential Street Preservation Program
- B. Arterial Street Improvements
- C. Pedestrian and Bicycle Facilities (PBF) – New
- D. East Link Traffic Safety / Mitigation Eligible Projects
- E. Other

At the May 2, 2023 meeting, the City Council will conduct a public hearing on the draft 2024-2029 TIP and provide feedback to staff to guide development of the final TIP. A final version of the 2024-2029 TIP will be presented for review and adoption at the June 6, 2023 City Council meeting.

ISSUE/DISCUSSION

PUBLIC COMMENTS

The 2023 public comment period runs for eleven weeks from March 20 to June 6, when the City Council adopts the TIP. Notices advertising the opportunity for public comment were posted on the City’s website, in the Mercer Island Reporter (March 29), the City’s weekly newsletter (MI Weekly), and on [Let’s Talk](#). Additional information is available on the City’s TIP webpage (www.mercergov.org/TIP). Let’s Talk and the City’s TIP webpage provide users with access to TIP maps, FAQs, and related information to learn more about the TIP process and to submit comments online.

Prior to the public hearing, a total of 36 public comments were received.

- Pedestrian and bicycle facilities projects (23 comments)
- Other transportation projects (2 comments)

- Non-TIP Related projects: (11 comments)

These comments are summarized in Exhibit 1. Public comment will also be taken during the public hearing.

STREET FUNDING

Street Fund revenues support the planning work reflected in the TIP, as outlined in the Street Fund forecast. During the 2023-2024 planning period, resources that fund TIP projects include:

RESOURCES	% OF TOTAL
Real Estate Excise Taxes (REET) Revenues	37%
State-shared Motor Vehicle Fuel Taxes (MVFT)	9%
State Shared - Multimodal Transportation Fees	1%
MI Transportation Benefit District	7%
State Grants (when available)	2%
Transportation Impact Fees	1%
Interfund Transfers (Utility work within street projects)	10%
Sound Transit Mitigation Fees	33%

Except for REET funding, all revenues noted above are dedicated to the Street Fund. One hundred percent of REET-1 revenues go to the Capital Improvement Fund to fund capital improvements including parks, open space, public building maintenance projects, and to pay debt service on construction of the Community Center. REET-2 revenues are split differently. Ten percent of REET-2 revenues are directed to the Capital Improvement Fund. The remaining 90 percent is committed to the Street Fund for construction and maintenance of streets and pedestrian and bicycle facilities.

MVFT is a fixed tax, currently making up 49.4 cents of the per gallon price of gasoline, diesel, and other fuels. It is not based on the dollar amount of the fuel, but rather on the volume of fuel sold. Hence, there is no revenue benefit from higher gas prices. The state shared revenue is distributed based on population and other set allocation methods.

MVFT is to be spent on salaries and wages, material, supplies, equipment, purchase or condemnation of right-of-way, engineering or any other proper highway or street purpose in connection with the construction, alteration, repair, improvement, or maintenance of any city street, bridge, viaduct, or under passage along, upon, or across such streets. The share of the motor vehicle fuel tax distributed to the City of Mercer Island is projected to decline over time.

Like MVFT, Multimodal Transportation funds are a state shared revenue. Distributions are shared equally between cities and counties. The city portion is made on a per capita basis. In general, Mercer Island’s population grows at a slower rate than surrounding cities, so this revenue is projected to also remain flat if not slightly declining over time.

City Council adopted [Ordinance No. 14C-11](#), which directs vehicle license fees collected under the Transportation Benefit District (TBD) to the operation, preservation, and maintenance of principal arterials of regional significance, high-capacity transportation, and/or public transportation. Street Right of Way Maintenance and Operations, and arterial street improvements are the kind of projects typically funded with vehicle license fees.

Washington State law (RCW 82.02.050) specifies that Transportation Impact Fees are to be spent on “system improvements.” System improvements can include physical or operational changes to existing roadways, as well as new roadway connections. These are generally projects that add capacity (new streets, additional lanes, widening, signalization, etc.), but can also include bicycle, pedestrian, and transit-supportive projects that provide capacity for future growth and are within the right of way of ‘streets and roads’ as defined by the Growth Management Act.

Staff secured a Washington State Department of Transportation grant in the amount of \$185,000 to support traffic safety signal improvements (see project SP0137). Over the next two years, the grant will support installation of flashing yellow arrows, reflectorized backplates, and ADA compliant push buttons to upgrade pedestrian crossings in four separate locations on the island.

Several transportation improvements in proximity to the East Link Light Rail station are eligible for traffic/safety enhancement funding as outlined in the 2017 settlement agreement with Sound Transit. Several projects are underway with more scheduled for completion before December 2025.

Past practice with funding transportation infrastructure improvements has been to utilize the more restrictive resources in the Street Fund – such as transportation impact fees – before using the less restrictive resources (such as REET-2 or revenues from the State’s Motor Vehicle Fuel Tax). This practice will continue, as outlined in the 2024-2029 TIP. For the current Street Fund balance, refer to Exhibit 2.

PROGRAM ELEMENTS

The following describes the TIP categories and follows the same order as the Detail of Expenditures in Exhibit 3. The proposed TIP projects fall under two main categories – “Preservation & Maintenance Projects” and “New Construction Projects.” The Capital Improvement Program includes a budget policy that prioritizes capital reinvestment projects (preservation & maintenance) over capital facilities projects (new facilities). Staff utilizes this policy when prioritizing projects in the TIP to maintain a positive Street Fund balance. For specific project descriptions, refer to Exhibit 4. For a map of these projects, refer to Exhibit 5.

Preservation & Maintenance Projects

Residential Street Preservation Program

This program restores and resurfaces the City's 58.2 miles of public residential streets on an approximate 35- to 40-year cycle. Over the last 15 years, just over 14 miles of residential streets have been resurfaced with a Hot Mix Asphalt (“HMA”) overlay and 2.8 miles have been resurfaced with a chip seal. This combined 17 miles accounts for 30% of the residential street network. The residential program also improves substandard streets in public right-of-way at the rate of roughly one per biennium, as the need arises. Selection and timing of residential resurfacing work is based on Pavement Condition Index (“PCI”) ratings performed every three years, as well as planned water, sewer, and storm drainage utility work. The most recent PCI ratings were collected in 2022 and are scheduled to be updated again in 2025.

Arterial Street Improvements

This category provides preservation and improvement of the City's 25.4 miles of arterial streets on an approximate 25- to 30-year cycle. This includes the 2.6 miles of Town Center arterial streets. Project priorities are based on PCI, the need for underground utility improvements, condition of pedestrian and bicycle facilities, and timing of other large projects. These projects incorporate reinvestment in existing pedestrian and bicycle facilities. Residential street overlays are linked when feasible to arterial street projects to create an economy of scale. In the next six years, resurfacing projects are planned on portions of North Mercer Way,

East Mercer Way, West Mercer Way, Gallagher Hill Road, SE 36th Street, SE 40th Street, SE 27th Street, 78th Avenue SE, and SE 24th Street.

New Construction Projects

Pedestrian and Bicycle Facilities (“PBF”)

This category improves and adds to the pedestrian and bicycle facilities network. Specific projects are based primarily on those identified in the [2010 PBF Plan](#), with input from the community and the School District. PBF “reinvestment” projects, such as asphalt overlays of existing pedestrian paths adjacent to arterial street improvements, are not included in this category. Rather, they are included in the scopes of their associated arterial street improvement projects. This category also includes ongoing program funding to implement smaller scale PBF improvements and more recently, Americans with Disabilities Act (ADA) compliance improvements guided by the [ADA Transition Plan](#).

The Roadside Shoulder Development Program was established in 2002 to create new paved shoulders suitable for pedestrian and bicycle use on the Mercer Ways. Since that time, numerous phases of work have been completed. While most of these have been on East Mercer Way, improvements have also been made on North and West Mercer Ways. Exhibit 6 shows the status of the Roadside Shoulder Development Program. Since 2003, the City has constructed at least one shoulder project per biennium, for a total investment of over \$4 million. The final two projects within the proposed 2024-2029 TIP will complete the Roadside Shoulder Development Program in 2026 for a lifetime program cost of approximately \$5.2 million. These two projects average \$605,000.

With the Roadside Shoulder Development Program concluding in 2026, the funding can be reallocated to other priority work. Staff proposes to shift approximately \$400,000 per biennium from these funds starting in 2028 to the ADA Transition Plan Implementation program. This allows the program to proceed without increasing the “bottom line”. The projects will be accomplished through a combination of specific ADA focused capital projects (e.g., ADA Transition Plan Implementation Project) and other capital projects that include eliminating ADA deficiencies, including the SE 40th Street Sidewalk Improvement (SP0116), three sidewalk replacement projects in the town center (SP0111: 80th Avenue Sidewalk from SE 27th to SE 32nd Streets, SP0112: 78th Avenue Sidewalk from SE 32nd to SE 34th Streets, & SP0131: SE 32nd Street from 77th to 78th Ave SE).

East Link Traffic Safety / Mitigation Eligible Projects

This category was added in 2018 to reflect projects identified to mitigate traffic and safety concerns due to the I-90 center roadway closure and the opening of the East Link Light Rail station. Staff developed these projects based on the community’s feedback, analysis of traffic patterns, and anticipated needs for pedestrian/bicycle safety improvements on routes to the light rail station. The projects are eligible to be funded through the Sound Transit Mitigation funds.

Since 2018, the City has utilized this funding for several pedestrian-focused improvement projects including West Mercer Way Pedestrian Crossings, 76th Avenue SE Mid-Block Crosswalk, and 77th Avenue SE & Sunset Hwy Intersection Improvements (currently under construction). Projects planned through 2025 include the 80th Avenue SE Sidewalk, 78th Avenue SE Sidewalk, SE 32nd Street Sidewalk, and the ADA Transition Plan Implementation. See Exhibit 2.

Another project utilizing mitigation funding is the Island Crest Way Corridor Improvements. This project is moving forward in 2023 with design and development of three enhanced pedestrian crossings for

construction in 2024, as well as developing design concepts for a shared-use path and two intersection improvements. Shared use path concepts will be developed for both sides of Island Crest Way. Staff will present the concepts to the City Council in Q4 2023 for consideration and provide direction. Future projects resulting from design development will be included in a future TIP proposal.

NEW PROJECTS AND CHANGES TO CONSIDER FROM THE PREVIOUS TIP

The following is a summary of the noteworthy changes incorporated into the draft 2024-2029 TIP. Refer to Exhibit 4 for a description of the projects in the draft 2024-2029 TIP.

Arterial Street Improvements

Arterial projects can vary in scope from substantial reconstruction (as seen on SE 40th Street in 2018), to hot mix asphalt overlays (East Mercer Way in 2019 and 2021), to chip seals (East Mercer Way in 2018). Staff utilize PCI data to help determine the scope, resurfacing method, and timing of arterial street projects. Arterial work for the next six years continues to focus on preserving existing facilities through hot mix asphalt (HMA) overlays which have service lives of 25 to 30 years on Mercer Island arterial streets.

- **SP0104: North Mercer Way (7500 to Roanoke)** – This project was moved from 2023 to 2024 to provide more time to construct a water improvements project in the same area.
- **SP0001: West Mercer Way (I-90 to SE 32nd Street)** – This new project will resurface portions of West Mercer Way with a HMA overlay in 2030, with design planned in 2029. These sections of roadway were last resurfaced in 1994, 2003, and 2013. While current PCI's are in the Satisfactory and Fair ranges, staff believe this area of West Mercer Way will be in need of resurfacing by 2030. Future PCI data in 2025 may revise this future project's limits.
- **SP0002: 78th Avenue SE (SE 40th Street to WMW)** – This new project will resurface this portion of 78th Avenue SE with a HMA overlay in 2029. Last repaved in 2001, this roadway's current PCI is in the Fair range. The overlay project will be tied to the 78th Avenue SE sidewalk improvements project.
- **SP0003: SE 24th Street (72nd Avenue SE to 76th Avenue SE)** – This new project will resurface this portion of SE 24th Street with a HMA overlay in 2029. Last repaved in 1993, this roadway's current PCI is in the Fair range but is expected to decline further by 2029. The overlay project will be tied to the SE 24th Street sidewalk improvements project [SP004].

Pedestrian and Bicycle Facilities (PBF)

- **SP0004: SE 24th Street Sidewalk (72nd Avenue SE to 76th Avenue SE)** – This new project will reconstruct concrete curb, gutter, and sidewalk along SE 24th Street to upgrade the current walking facility. This project is tied to the SE 24th Street overlay project [SP003] and is planned for 2029.
- **SP0005: 81st Avenue SE Sidewalk (NMW to SE 24th Street)** – This new project proposes to reconstruct concrete curb, gutter, sidewalk, and ADA ramps along the east side of 81st Avenue SE to provide a safe walk route to the park and ride as well as to the new Sound Transit station and is planned for 2027.
- **SP0006: North Mercer Way Sidewalk (Fortuna to SE 35th St)** – This project proposes to remove the existing guardrail behind existing curb and construct a new concrete sidewalk and ADA ramps along the north side of North Mercer Way to provide a walking facility where none currently exists. This project will close a gap in the City's existing sidewalk infrastructure and is planned for 2026.
- **SP0007: 84th Avenue SE Pedestrian Improvement (SE 33rd Place to SE 36th Street)** – This project proposes to construct a new sidewalk or path along the east side of 84th Avenue SE to provide a "safe walk route" for Northwood Elementary and the High School. It is a medium priority request of the School District and is planned for 2028. This project has been on the "unfunded" PBF list for several

years.

- **SP0008: 78th Avenue SE Sidewalk (SE 40th Street to WMW)** – This project proposes to install concrete curb, gutter, and sidewalk along the west side of 78th Avenue SE from SE 40th to SE 41st Streets to provide a walking facility where none currently exists. The project will also upgrade an existing walkway on the east side of the roadway with concrete curbs and sidewalk to improve the connection from the adjacent neighborhood to SE 40th Street, providing access to the Town Center and West Mercer Elementary School. This project is tied to the 78th Avenue SE overlay project [SP0002] and is planned for 2029. This project has been on the “unfunded” PBF list for several years.

LOOKING AHEAD – UNFUNDED PEDESTRIAN AND BICYCLE FACILITIES (“PBF”) PROJECTS BEYOND 2029

Several PBF projects are unfunded pending further evaluation of scope, confirmation of need, and availability of funding. They include:

- **86th Avenue SE Sidewalk Improvement (SE 42nd Street to Island Crest Way)** – Install curb, gutter, sidewalk, ADA ramps and cycle track along east side of 86th Avenue where no walkway currently exists. Replace speed humps, signage, and pavement marking. This project would fill a current gap in the PBF network. The estimated cost is approximately \$2.6M.
- **Merrimount Drive (Island Crest Way to West Mercer Way)** – Sidewalk improvements on both sides of roadway, requested by the community, supports Safe Routes to School. The estimated cost is approximately \$960,000.
- **92nd Avenue SE Sidewalk Improvements (SE 40th to SE 41st Streets)** - Install curb, gutter, sidewalk, and ADA ramps along the west side of 92nd Ave SE to provide a “safe walk route” for Northwood Elementary and the High School, as well as a bus stop location for Islander Middle School. The estimated cost is \$800,000. This project will complete a missing link on 92nd Avenue by connecting with sidewalks along the High School frontage, creating a continuous sidewalk from SE 40th to SE 42nd Streets. This project may be eligible for Transportation Improvement Board or Safe Routes to School Grant funding. This is a low/moderate priority for the School District. City and District staff will monitor the need and propose this work in a future TIP if warranted.

MOBILE ASSET DATA COLLECTION & PAVEMENT CONDITION RATINGS

As part of the ongoing effort to cost-effectively maintain the City’s street network, staff has contracted for pavement condition assessment of City roadways at regular intervals (completed in 2013, 2016, 2019, and 2022). The data collected produces a Pavement Condition Index (PCI) value for each of the over 700 segments of pavement within the City’s 83.6-mile public road network. This rating process is based on collecting visual pavement distress information and computing it into numerical deduction values which are subtracted from a highest possible score of 100, resulting in a PCI score between 0 and 100. These numerical scores are bracketed into six condition ranges: Good (PCI 100-86), Satisfactory (85-71), Fair (70-56), Poor (55-41), Very Poor (40-26), and Failed (25-0).

The overall health of Mercer Island’s road network can be determined by three general indicators: the average network PCI, the amount of network backlog (defined as a PCI below 40), and the amount of network in Good condition (PCI of 100-86).

PCI data from 2022 gave the City’s road network an average PCI of 75. This is considered a slightly above-average grade in the pavement rating industry. The backlog was 4.0%, which is considered low (below 15% is desirable) and the amount of Good condition streets at 25% was considered somewhat high (should be at least 15%). Over the last six years, road projects have repaved numerous streets in the Poor and Failed

categories, which has significantly lowered the backlog.

Staff uses PCI information as the primary basis for prioritizing street resurfacing projects within the TIP. Other factors that are considered when scheduling roads for repaving are upcoming utility projects (storm drainage, water mains, natural gas work) and coupling with PBF improvements. Because pavement conditions change over time, data collection needs to be an ongoing process. Staff plans to collect PCI data again in the summer of 2025.

SUMMARY

Project schedules were updated from the 2023-2028 TIP. Street resurfacing projects were added based on pavement conditions, timing with utility construction projects, and increasing material costs. New pedestrian facility improvements will focus on closing gaps in the network and providing safe routes to both schools and transit.

NEXT STEPS

Develop the final TIP based on feedback from the Council. Continue public hearing and present the updated TIP to the Council on June 6, 2023 for adoption.

RECOMMENDED ACTION

Receive comments from the public hearing and provide feedback to staff.