



BUSINESS OF THE CITY COUNCIL CITY OF MERCER ISLAND

AB 6811
November 18, 2025
Consent Agenda

AGENDA BILL INFORMATION

TITLE:	AB 6811: Utility Easement Replacement (9150 Fortuna Drive)	<input type="checkbox"/> Discussion Only <input checked="" type="checkbox"/> Action Needed: <input checked="" type="checkbox"/> Motion <input type="checkbox"/> Ordinance <input type="checkbox"/> Resolution
RECOMMENDED ACTION:	Authorize City Manager to execute documents for relinquishment of a public water easement in exchange for a new easement.	

DEPARTMENT:	Public Works
STAFF:	Jason Kintner, Chief of Operations Patrick Yamashita, City Engineer
COUNCIL LIAISON:	n/a
EXHIBITS:	1. Request to Modify Existing Public Water Easement 2. Easement Relinquishment 3. New Utility Easement
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 present a request on behalf of a property owner to replace an existing public water easement with a new easement at Covenant Living located at 9150 Fortuna Drive.

- Covenant Living is planning the replacement of their Lodge building to meet the changing needs of its residents. Their project requires changes to the water system and related public easements. Their request is provided in Exhibit 1.
- The proposed new building location will encroach on an existing City water main and easement. City Code does not allow buildings to be located within utility easements, so Covenant Living proposes to relocate the water main at their expense and requests the relinquishment of the existing public water easement (Exhibit 2) in exchange for providing a new easement (Exhibit 3).
- In addition, Covenant Living proposes to replace and relocate at their expense, a City-owned water meter serving Covenant Living. The meter is located in a parking garage and will be moved outside to allow 24/7 access, addressing ongoing challenges City personnel have faced in gaining access to read and maintain the meter.

BACKGROUND

Navix Engineering, representing the owner of Covenant Living, located at 9150 Fortuna Drive is requesting the replacement of an existing public water easement on the property to accommodate the replacement of the existing Lodge building that has exceeded its useful life and no longer meets the needs of the senior living development. The site is a 14.8-acre property with multiple senior housing buildings located at the north end of Mercer Island. Refer to Exhibit 1 for the request and related information.

The existing easement was granted to the City of Mercer Island in 1985 at the time the water main was constructed to serve the site. The main is looped, connected to the water system in North Mercer Way on both ends with a short dead-end main that serves the Lodge building (page 4 of Exhibit 1). The building has exceeded its useful life and no longer meets the needs of the residents of the senior living community. Covenant Living is planning to replace the building with a new Commons building consisting of new dining, fitness, activity and common areas for residents.

ISSUE/DISCUSSION

In planning for the replacement of the Lodge building, the designers found that a portion of the existing water easement conflicts with the location of the proposed building and site improvements. Development regulations restrict structures from being constructed within utility easements. The request in Exhibit 1 is for the City to relinquish the existing easement (Exhibit 2) and replace it with a new easement that eliminates the conflict and allows the construction to proceed. In exchange, Covenant Living will:

1. Grant a new easement for the existing water main looped across the site (Exhibit 3).
2. Replace and relocate the City's water meter currently located inside Building 8's parking garage to an exterior location. This will provide the City 24/7 access to the meter, addressing ongoing challenges City personnel have faced in gaining access to read and maintain the meter.
3. A new easement will be granted for the new water meter for the new Commons building.
4. The public water infrastructure serving the Lodge building will be replaced with new private water infrastructure serving solely the new Commons building, no longer requiring a public easement.

Staff support this request and believe it is in the City's best interest. It provides 24/7 access to the City-owned water meters on the site and reduces the amount of water main the City will need to operate and maintain since a small portion only serving Covenant Shores will be taken over by Covenant Living. The new easement uses the City's updated easement template, explicitly describing the rights granted to the City compared to the current 40 year old easement which provides limited rights and less specificity.

NEXT STEPS

Following City Council approval of this agenda bill, permits will be issued and the improvements constructed by Covenant Living. The water improvements will be put into service following acceptance by the City. Then the easement documents (Exhibits 2 and 3) will be executed and recorded with the King County Department of Records and reflected in the City's Geographic Information System (GIS) maps.

RECOMMENDED ACTION

Authorize the City Manager to execute document relinquishing water easement (recording number 8510300965, located at 9150 Fortuna Drive) substantially in the form in Exhibit 2, in exchange for a new 20-

foot-wide public utility easement substantially in the form in Exhibit 3, after the new public water infrastructure is accepted by the City Engineer and put into operation.