



BUSINESS OF THE CITY COUNCIL CITY OF MERCER ISLAND

AB 6773
September 16, 2025
Consent Agenda

AGENDA BILL INFORMATION

TITLE:	AB 6773: Luther Burbank Boiler Building Phase 1 Project Closeout	<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:	Accept the completed project and authorize staff to close out the project.	

DEPARTMENT:	Public Works
STAFF:	Jason Kintner, Chief of Operations Shelby Perrault, Capital Parks Manager Sarah Bluvas, CIP Project Manager
COUNCIL LIAISON:	n/a
EXHIBITS:	1. Project Location Map
CITY COUNCIL PRIORITY:	3. Make once-in-a-generation investments to update and modernize aging infrastructure, capital facilities, and parks.

AMOUNT OF EXPENDITURE	\$ 2,191,105
AMOUNT BUDGETED	\$ 2,521,556
APPROPRIATION REQUIRED	\$ n/a

EXECUTIVE SUMMARY

The purpose of this agenda bill is to accept the completed Luther Burbank Boiler Building Phase 1 Project (PA0124, 90.25.0047) and authorize staff to close it out.

- This project stabilized the Luther Burbank Park Boiler Building, including seismic retrofits to the building, replacement of the building roof, and reinforcement of the brick chimney. The attached restroom and concession stand were also renovated.
- The Phase 1 stabilization project was included in the 2023-2024 Capital Improvement Program (CIP) with a project budget of \$2,012,300. At bid award, the project budget was increased to \$2,521,556 to construct the restroom annex renovations and a new viewing deck atop the annex. These improvements were originally included in the 2023-2024 CIP under the Luther Burbank Park Dock and Waterfront Improvements (PA0122) but were consolidated with the Boiler Building scope to streamline construction and improve cost efficiency.
- Two Washington State grant programs partially funded this project: the State Historical Society's (WSHS) Heritage Capital Program and the Recreation and Conservation Office's (RCO) Washington Wildlife and Recreation Program.
- The City awarded the public works contract to Ferguson Construction, Inc., on January 2, 2024, in an amount not to exceed \$1,891,377 ([AB6380](#)).

- During construction, the contractor was unable to complete the sewer pump connection for the restrooms, the new electrical supply for the buildings, and the new rooftop deck.
- The sewer pump connection and new electrical supply features will be incorporated into construction of the Luther Burbank Waterfront Improvements Project (90.25.0020). Costs for the rooftop deck will be re-evaluated during development of the 2027-2028 CIP, and construction of that feature will be incorporated into the Luther Burbank Boiler Building Phase 2 Project.
- The total completed project cost was \$2,191,105. Of the project budget savings of \$330,451, \$188,636 remains in project code 90.25.0047. Staff recommends moving these funds to 90.25.0020 to complete the sewer and electrical supply work as part of the Luther Burbank Park Waterfront Improvements Project.

BACKGROUND

The 2006 Luther Burbank Park Master Plan identified the 1928 Boiler Building for reuse as a non-motorized watercraft facility. A 2017 study of the Boiler Building established the feasible reuse of the building for this purpose. It also outlined Phase 1 improvements to stabilize the Boiler Building with seismic retrofits, install a new roof membrane, repair masonry, and renovate the 1974 restroom annex.

Partial funding for the stabilization portion of Boiler Building Phase 1 was included in the 2021-2022 Capital Improvement Program (CIP) with full funding approved in the 2023-2024 CIP. During early design work on the Luther Burbank Park docks in 2020, the Parks and Recreation Commission began exploring a more comprehensive vision for the waterfront area. Initially, the restroom annex renovations were in the waterfront project scope ([AB 5868](#)). At the 30% design stage, this work was consolidated with the Boiler Building stabilization scope to streamline construction and improve cost efficiency. City Council supported this approach during the 30% design phase ([AB 6021](#)).

On January 2, 2024, City Council awarded a public works construction contract to Ferguson Construction Inc. in an amount not to exceed \$1,891,377 ([AB 6380](#)). The total approved budget was \$2,521,556 and is partially funded by two Washington State grant programs.

ISSUE/DISCUSSION

PROJECT DESCRIPTION

Ferguson Construction Inc. began work in February 2024. Improvements included:

- Installing a steel reinforcement framework inside the Boiler Building and around the chimney;
- Removing the top ten feet of the chimney;
- Pinning masonry cladding to the concrete structure;
- Installing a new roof membrane and chimney cap; and
- Renovating the restrooms and concession stand.

The project achieved substantial completion on November 21, 2024, and final acceptance on February 24, 2025.

PROJECT EXPENDITURES

The total completed project cost for the Luther Burbank Boiler Building Phase 1 Project was \$2,191,105, resulting in total project budget savings of \$330,541.

LUTHER BURBANK BOILER BUILDING PHASE 1 (PA0124/90.25.0047)		
Description	Approved Project Budget	Actual Expenditures
Final Design & Bidding	\$63,000	\$50,766
Project Management	\$86,000	\$40,800
Original Construction Contract (includes WSST)	\$1,891,377	\$1,891,377
Construction Contingency	\$327,000	\$19,380
Construction Support Services	\$94,000	\$136,275
Construction Inspection and Testing	\$15,000	\$23,570
1% for the Arts	\$17,179	\$19,117
Historical Interpretive Program	\$28,000	\$9,820
Total Project Cost	\$2,521,556	\$2,191,105
Approved Budget (2023-2024)	\$2,521,556	\$2,521,556
Budget Remaining	\$0	\$330,451

During construction, the contractor was unable to complete the following project elements:

Rooftop Deck

The City determined that the rooftop deck could not be permitted at the time of construction due to delayed land use approvals associated with the Luther Burbank Waterfront Improvements Project. Although land use permitting for the waterfront project was completed on May 12, 2025, it was subsequently determined that constructing the rooftop deck would trigger a change to the building's current occupancy classification, requiring additional upgrades that fall outside of the waterfront project scope. As a result, this work will need to be completed as part of the Luther Burbank Boiler Building Phase 2 Project (90.25.0024), which is scheduled to begin design in 2028. The construction contract savings for removing this project element was \$109,313. City staff will re-evaluate the cost to complete the rooftop deck during the development of the 2027-2028 CIP.

Sewer Pump Connection

The installation of the new sewer pump was removed from the project scope after the contractor discovered a leak in the existing utility vault. The project team determined that the vault must be fully replaced but that timing would conflict with excavation work associated with the upcoming waterfront project. As a result, the City postponed the vault replacement and opted to close the restrooms for one season. The sewer vault will be replaced during construction of the Luther Burbank Waterfront Improvements Project (90.25.0020) in 2026.

Additionally, during trenching for the new sewer connection, the contractor encountered contaminated soil and abandoned concrete that needed to be removed. These and other unforeseen sewer-related issues added \$3,098 to the construction cost.

New Electrical Supply

During construction, the electrical subcontractor determined that the existing underground conduit had deteriorated and could not support the future electrical needs of the Boiler Building and restroom annex. The project team designed a new 400-amp electrical service that requires a new electrical line connection to the transformer next to the Luther Burbank Administrative Building. Upgrading the service also requires approval

from Puget Sound Energy (PSE); the City started this permitting process in April 2024 and is still awaiting approval.

As part of the Boiler Building project, the electrical subcontractor relocated the electrical cabinet and meter to the north side of the Boiler Building and installed a new 400-amp disconnect and feeder to support the future service. This work added \$16,722 to the construction cost. Due to the permitting delays with PSE, work to build the new electrical line from the Administrative Building to the Boiler Building could not be completed as part of the Boiler Building project. The electrical line will be constructed with the waterfront improvements project in 2026.

GRANT FUNDING

In June 2023, the Washington State Legislature approved a state budget that included funding through two grant programs to support this project:

- A State Historical Society Heritage Capital Program (HCP) grant of \$513,000 to support the Boiler Building stabilization; and
- A Recreation and Conservation Office (RCO) Washington Wildlife and Recreation Program (WWRP) grant of \$2,000,000 to support the Luther Burbank Park Waterfront Improvements Project (90.25.0020).

The entire HCP grant, minus a 3% administrative fee paid to the State Historical Society, was expended on this project. A portion of the WWRP grant funded the restroom and concession stand renovations. The remaining WWRP funds will be expended during construction of the waterfront improvements project in 2026.

The summary of grant reimbursements received for this project is provided below.

Grant Source	Reimbursement
State Historical Society Heritage Capital Program	\$497,610
RCO Washington Wildlife & Recreation Program	\$280,338
TOTAL	\$777,948

Staff anticipate submitting for reimbursement of the remaining WWRP funds once the waterfront design is complete (Q4 2025) and after construction is complete (Q4 2026). The RCO grant agreement for WWRP funds expires on December 31, 2026. If necessary, the City may request an extension; staff would initiate that process in June 2026 if needed.

Four historical marker plaques and an associated interpretive program were also developed for Luther Burbank Park as a condition of the HCP grant. The plaques are currently being fabricated and will be installed by the end of the year. Community members will be able to learn more about the park's cultural and natural history through information shared on [STORY](#), the City's digital engagement platform for Mercer Island art, history, and heritage.

NEXT STEPS

The sewer pump connection and completion of the new electrical service will be incorporated into the Luther Burbank Waterfront Improvements Project (90.25.0020), which will be constructed in 2026. The remaining \$188,636 in 90.25.0047 will be reallocated to 90.25.0020 to fund this work.

The rooftop deck will be completed as part of the Luther Burbank Boiler Building Phase 2 Project (90.25.0024), which is scheduled to begin design in 2028. Phase 2 will complete the transformation of the facility into a small craft boating center, further activating the waterfront complex. Once complete, the facility could support a three-season boating program, including classes, camps, and equipment rentals.

RECOMMENDED ACTION

Accept the completed project and authorize staff to close it out.