Next Steps for City Facilities

City Council Study Session
January 16, 2026

AB 6840

Agenda

- City Facility Snapshot
- Looking Back
  - Long-Range Facility Planning
  - Permanent Closure of City Hall
  - Interim Facilities
  - PSM Facility & Bond Measure
- Looking Forward
  - Reassessing the Project Approach
  - Space Planning
  - Community Engagement
  - Internal Stakeholder Engagement
  - New Project and Planning Framework
- Next Steps

City Facility Snapshot

2023 to Present

City Facilities 2023 - Present

Community & Event Center & Annex Facility

Tully's Building
(Decommissioned)

Fire Station 91

Thrift Shop

Police Modular Buildings

Fire Station 92

Luther Burbank Admin Building and Caretaker House

City Hall (Closed)

9655 Building

Public Works Building

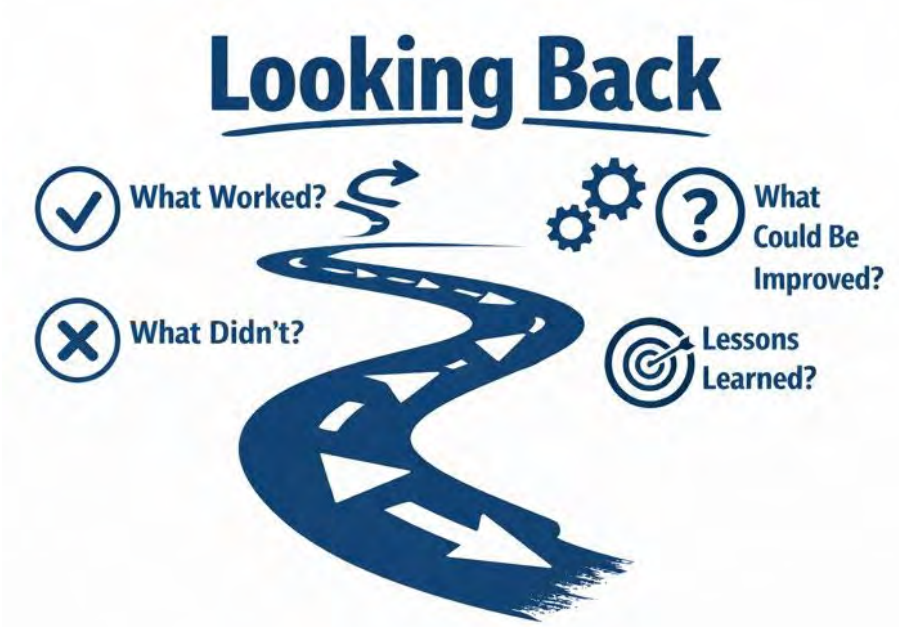
Looking Back

Long-Range Facility Planning, City Hall Closure, Interim Facilities, & PSM Facility & Bond Measure

Looking Back

Reflecting on the policy and operational decisions leading to the proposed Public Safety and Maintenance Facility and the November 2025 bond measure.

- **Long-Range Facility Planning:** Council-directed facility planning identified aging, seismically vulnerable, and operationally constrained facilities.
- **Permanent Closure of City Hall:** City Hall was initially closed due to asbestos, and subsequently permanently closed based on seismic deficiencies, failing building systems, and a very limited return on investment for rehabilitation and abatement.
- **Interim Facilities:** Interim facilities were implemented as a necessary stopgap to maintain essential services but were not designed as long-term or cost-effective solutions.
- **Bond Measure:** The bond measure proposed a comprehensive, long-term solution for public safety and maintenance and was presented to voters in the November 2025 election.



Long-Range Facility Planning

2023 to Present

Long Range Facility Planning

Work Was Planned in 2022

- In 2022, the City Council discussed the need to develop a long-range plan to replace aging facilities.
- Many of the City's facilities were (are) aging and were not designed to support and meet current operational needs.
- The City needed a coordinated way to prioritize reinvestment, major repairs, and replacement strategies across all facilities.
- The Long-Range Facility Plan:
  - Provides a comprehensive, long-term view of the City's facility needs
  - Evaluates the condition, capacity, and functionality of each facility
  - Identifies building systems requiring major repair or replacement
  - Aligns facility investments with service levels and operational needs
  - Supports continuity of operations and reduces risk through proactive planning
  - Establishes a phased roadmap for facility reinvestment and capital budgeting
- This planning work was funded in the 2023-2024 biennial budget.

Long Range Facility Planning

Work Commenced in 2023

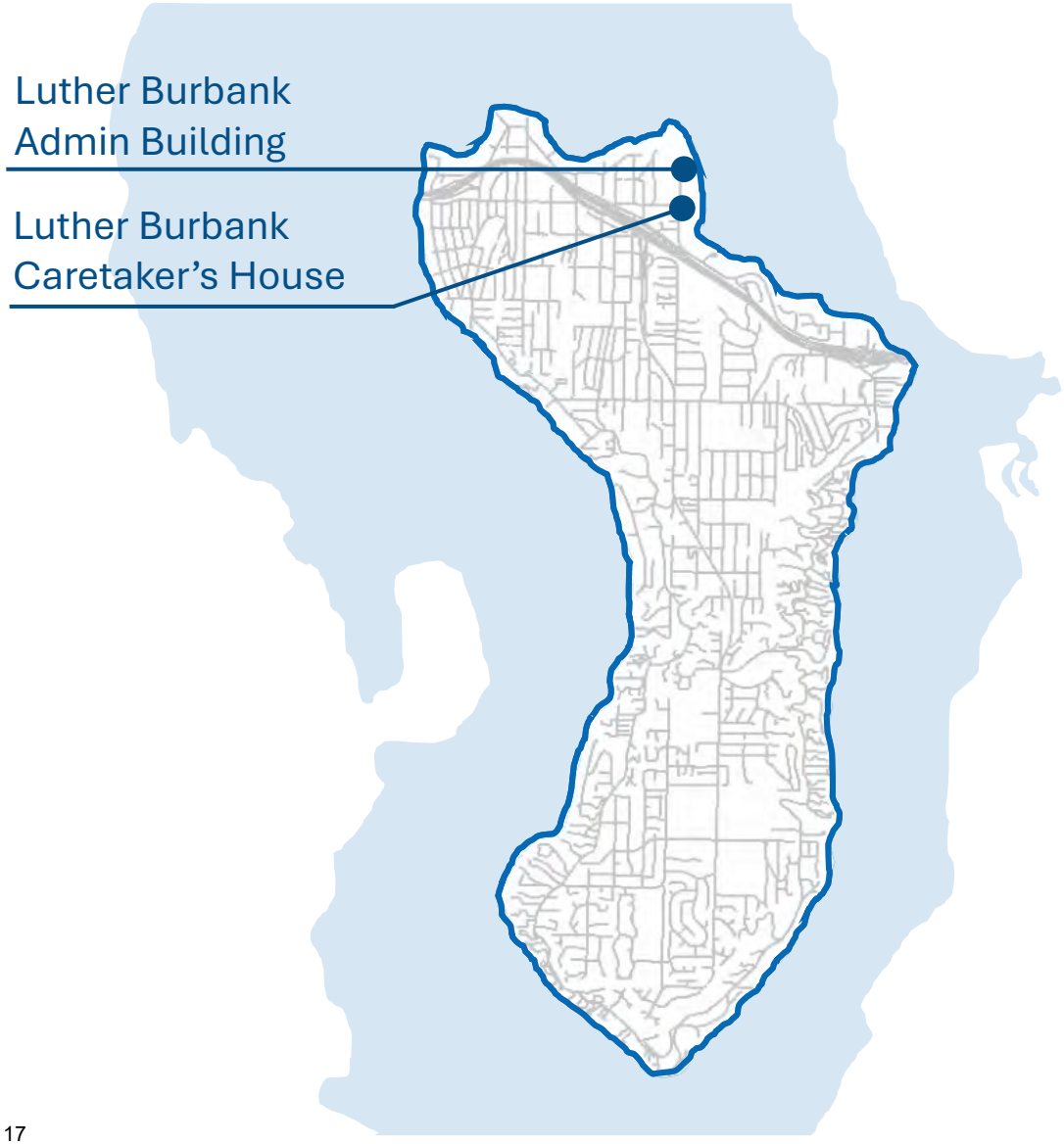
- Work on the Long-Range Facility Plan began in 2023.
- The City facilities were broken into two groups with the intention of completing facility condition assessments (FCAs) for the first group in 2024. Assessments for the second group of facilities was planned for later.

First Group for Assessment	Second Group for Assessment
City Hall	Community & Event Center
Public Works Building	Fire Station 91
Luther Burbank Admin Building	Fire Station 92
Mercer Island Thrift Shop	Luther Burbank Caretaker's House
MICEC Annex Building	
Former Tully's Building	

- The Facility Conditions Assessments evaluate building conditions, identify deficiencies, and determine the remaining useful life of a building (and building systems) to inform renovation or replacement decisions.

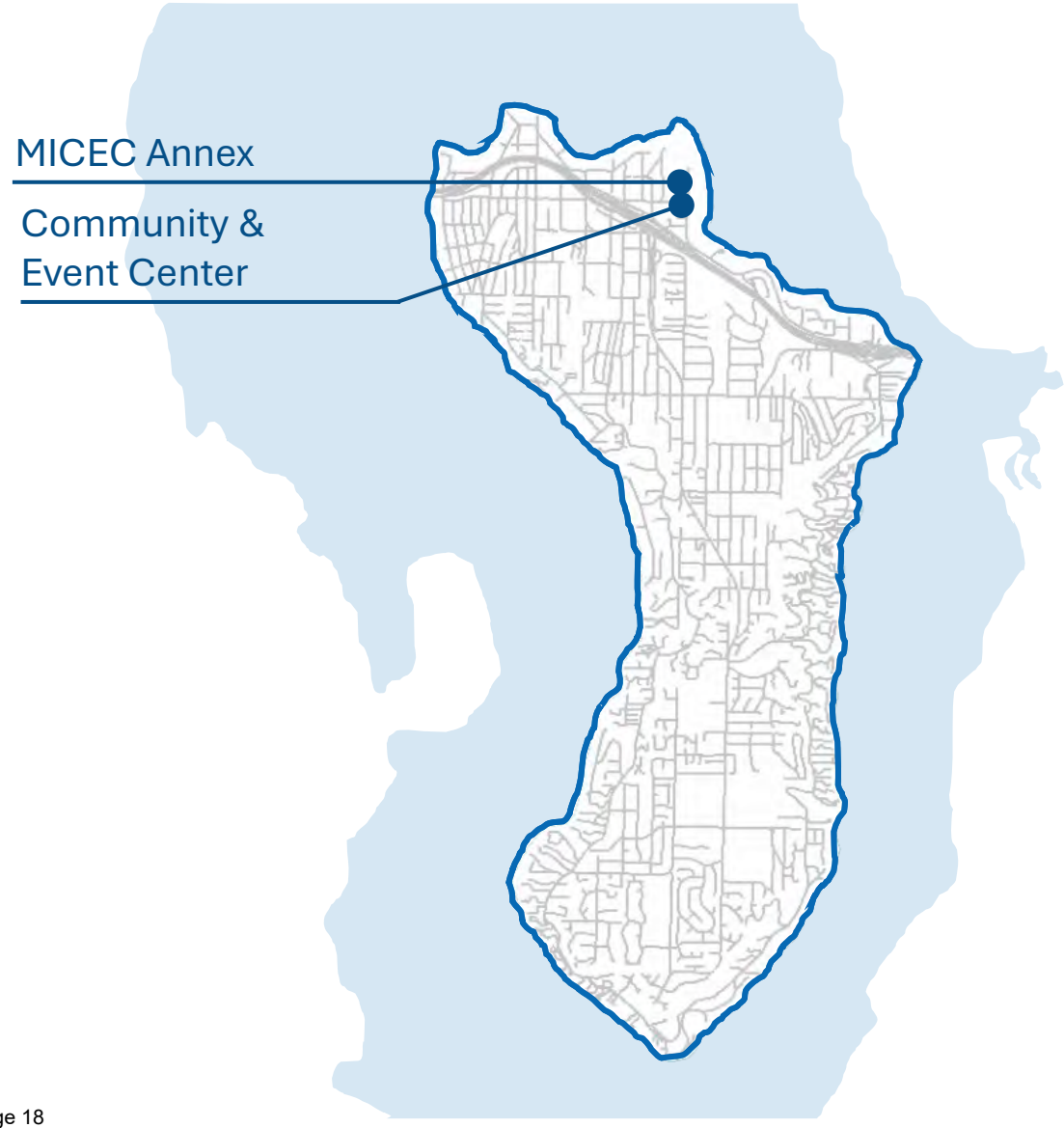
Luther Burbank Admin Building & Caretaker's House

		
	Luther Burbank Admin Building	**Luther Burbank Caretaker's House**
Primary Function	Supports Youth and Family Services, environmental protection, park and waterfront stewardship, and land-use planning through co-located city teams.	Supports on-site staff responsible for daily park, open space, and trail maintenance, including operation of the City's plant nursery.
Year Built	1928	1984
Size	9,356 SF	2,288 SF
Condition	Fair	Poor
FCA Priority	First Phase	Second Phase



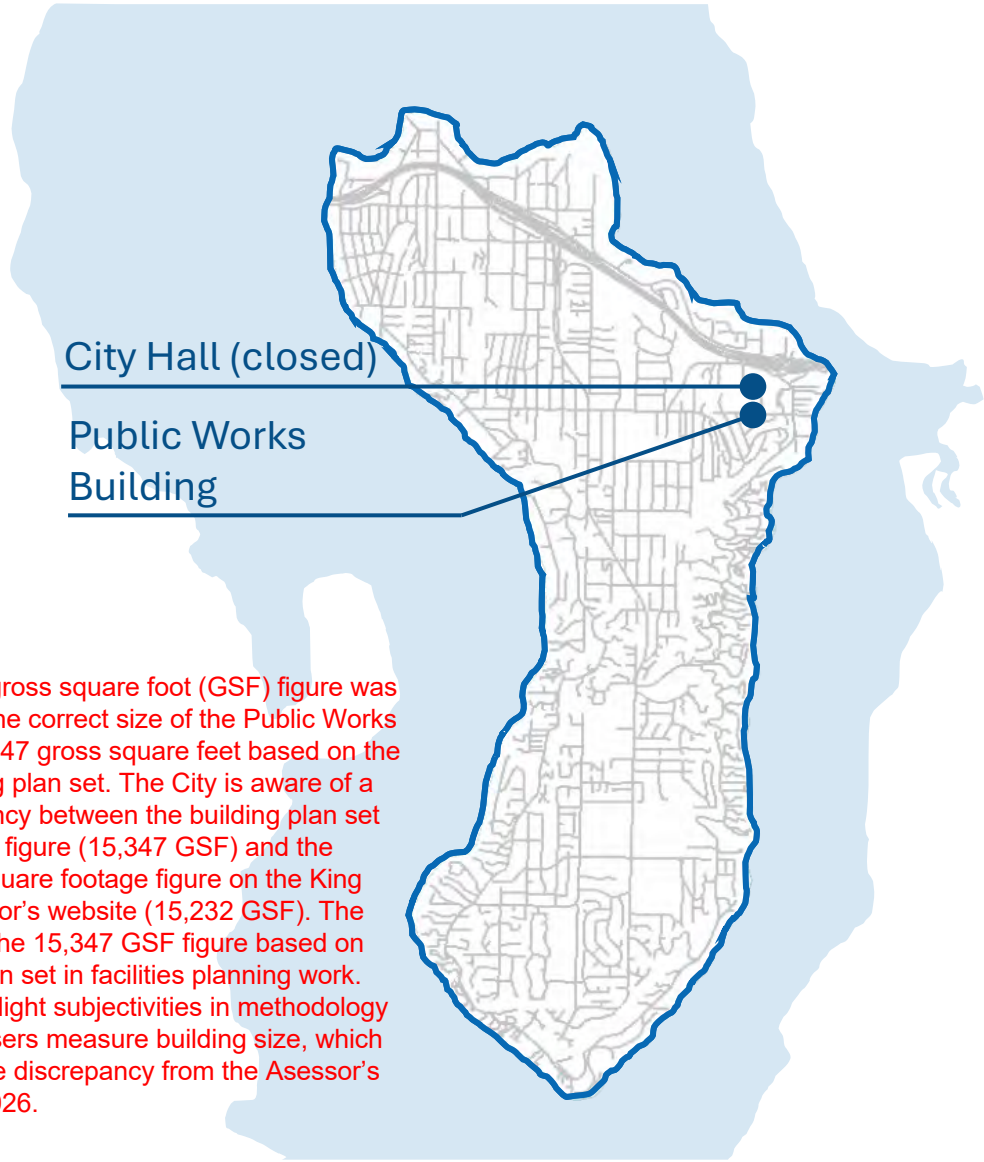
Community & Event Center and MICEC Annex

		
	Community & Event Center	**MICEC Annex**
Primary Function	Provides recreation programs, events, and gathering spaces, while housing the City Council Chambers and Emergency Operations Center.	The Annex Building is the remaining portion of the former elementary school that operated on this site. Currently in use as a leased facility for private preschools.
Year Built	2006	1960
Size	37,925 SF	4,830 SF
Condition	Great/Good	Poor
FCA Priority	Second Phase	First Phase



City Hall & Public Works Building

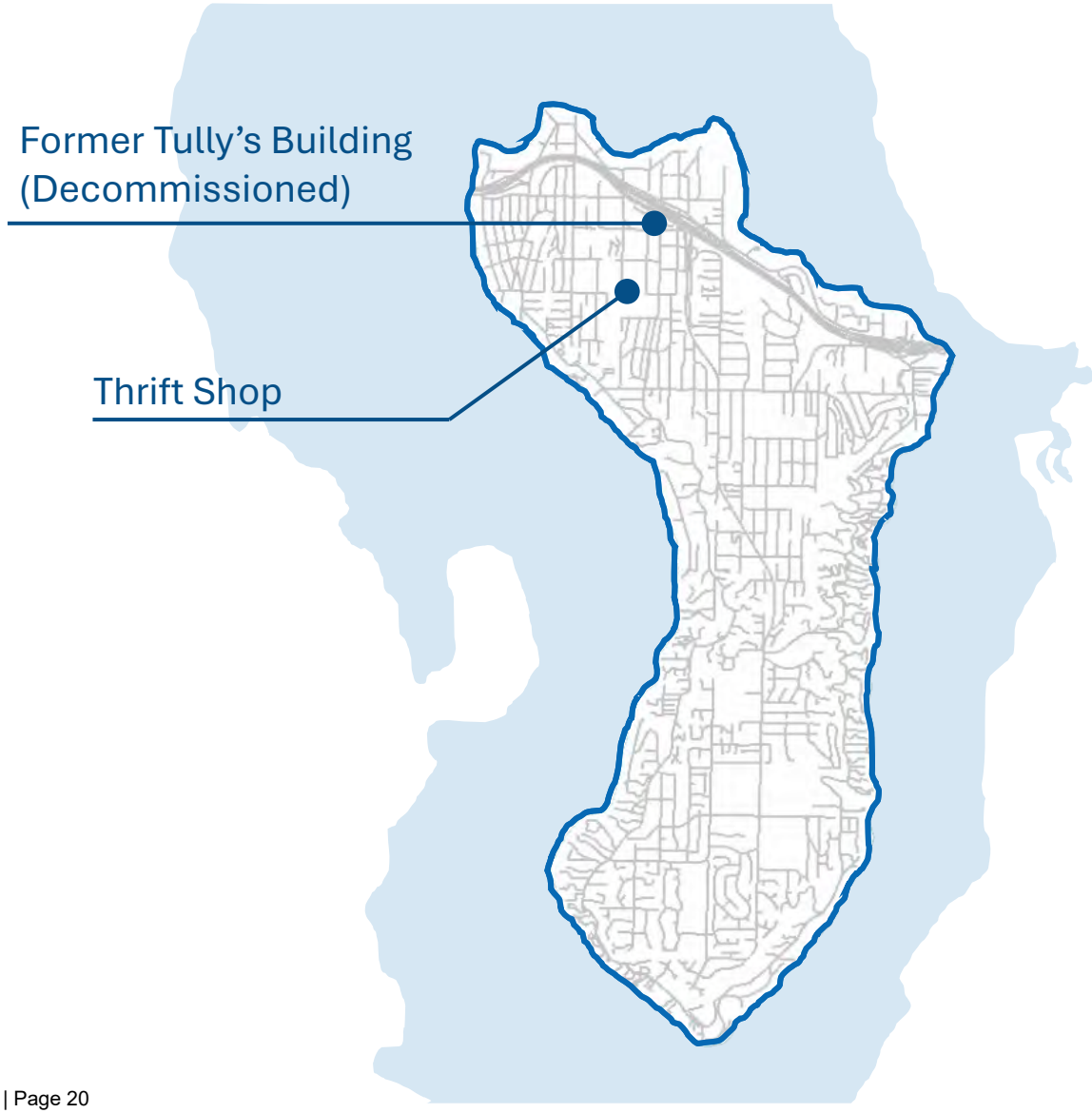
		
	City Hall (Permanently Closed)	Public Works Building
Primary Function	Central administrative facility that previously housed Planning, Customer Service, Police, the EOC and other Admin Teams. City Hall was permanently closed in 2023.	Primary maintenance and operations facility that houses - streets, utilities, parks, facilities maintenance, stormwater, emergency response, and capital project teams.
Year Built	1957	1981
Size	35,832 SF	~~26,000 SF~~ **15,347 SF
Condition	Poor	Poor-Fair
FCA Status	First Phase	First Phase



**This 26,000 gross square foot (GSF) figure was used in error, the correct size of the Public Works Building is 15,347 gross square feet based on the original building plan set. The City is aware of a small discrepancy between the building plan set square footage figure (15,347 GSF) and the stated gross square footage figure on the King County Assessor's website (15,232 GSF). The City has used the 15,347 GSF figure based on the building plan set in facilities planning work. There can be slight subjectivities in methodology for how appraisers measure building size, which may explain the discrepancy from the Asessor's office. 05/12/2026.

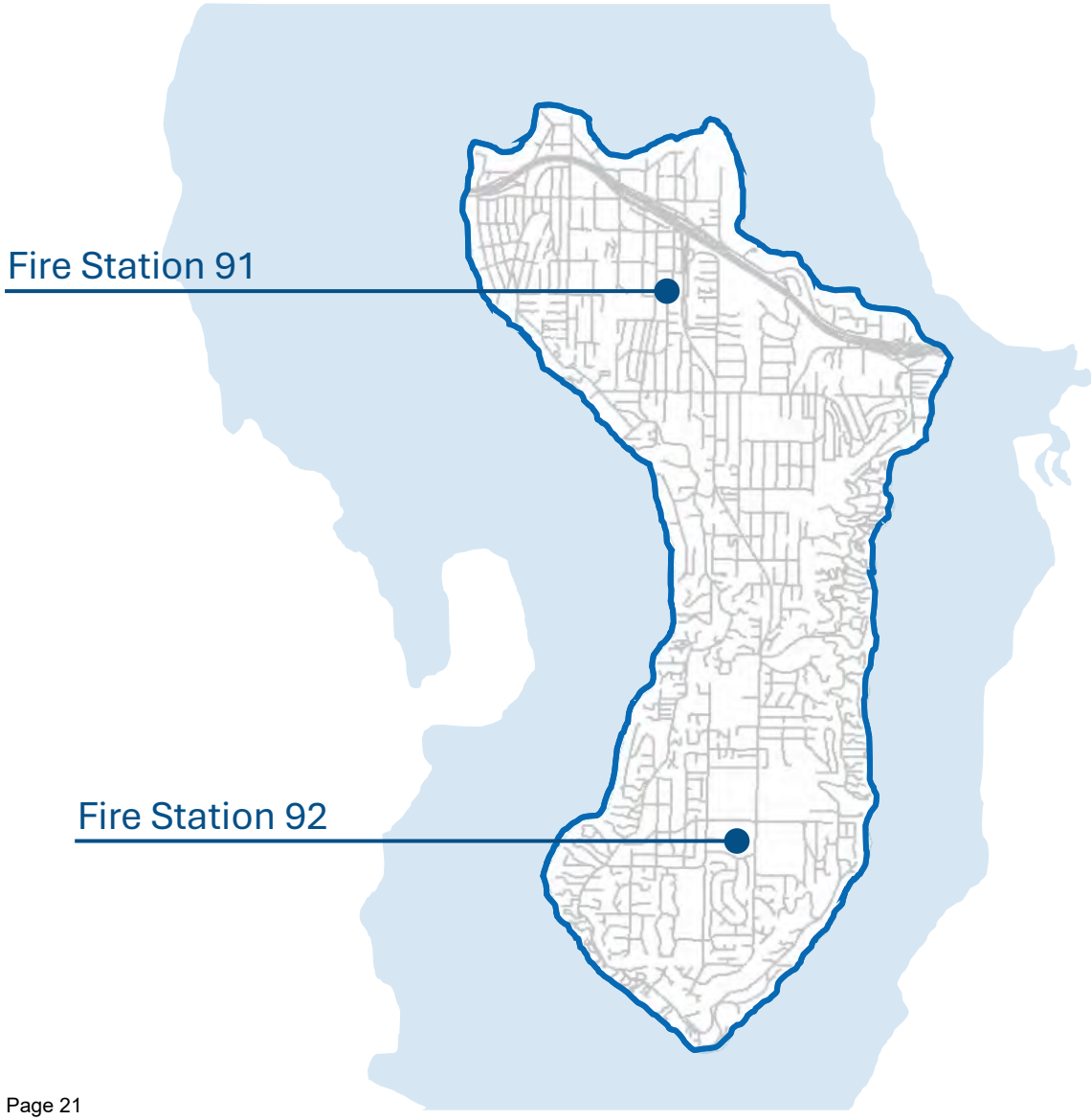
Thrift Shop & Former Tully's Building

		
	Thrift Shop	**Former Tully's Building (Decommissioned)**
Primary Function	Provides affordable goods to the community through a staffed retail storefront that supports Youth and Family Services.	This former Tully's Building housed a coffee shop prior to the City taking ownership of the property. The building was decommissioned in 2025 due to its condition.
Year Built	1959	Unknown
Size	4,060 SF	1,168 SF
Condition	Fair	Poor
FCA Status	First Phase	First Phase



Two Fire Stations – North & South

		
	Fire Station 91	**Fire Station 92**
Primary Function	Houses emergency response personnel and equipment that provide fire protection, emergency medical services, and life-safety response.	Houses emergency response personnel and equipment that provide fire protection, emergency medical services, and life-safety response.
Year Built	1999	2014
Size	17,022	7,987 SF
Condition	Good	Great
FCA Priority	Second Phase	Second Phase



Police Temporary Modular Buildings & 9655 Building

		
	Police Temporary Modular Buildings	**9655 Building**
Primary Function	Provides temporary *leased* facilities for Police Department operations and Emergency Management functions, supporting public safety and incident response.	The City acquired the building in August 2025, and the tenant vacated on September 30, 2025. The building will be repurposed to house City staff displaced by the City Hall closure.
Year Built	2024	1998
Size	6,010 SF	23,322 SF
Condition	Good	Good
FCA Status	N/A	N/A

Long Range Facility Planning

Scope of Work Modified in 2023 & 2024

Just as the long-range facility planning work was kicking off in early 2023, City Hall was closed due to asbestos contamination. The long-range facility planning approach was modified, and the table below summarizes completed work and planned actions for facilities included in the first assessment group.

First Phase Facilities	Status of Facilities Conditions Assessment	Status
City Hall	Asbestos testing and a limited FCA was completed in 2023.	Permanently closed in 2023, services re-housed temporarily. Planning work is ongoing to identify permanent replacement.
Public Works Building	The FCA was completed in 2024.	The FCA identified multiple systems requiring significant repair or replacement. The building was prioritized for replacement in 2024; seismic retrofit completed in 2025 to extend useful life while planning for replacement.
Luther Burbank Admin Building	A limited FCA was completed in 2024.	Ongoing use will require continued reinvestment in building systems. ADA compliance, safety improvements, and HVAC improvements are the next immediate priority.
Mercer Island Thrift Shop	The FCA was not completed.	The covered walkway and donation garage were replaced in 2025. Interior improvements were also completed during the closure.
MICEC Annex Building	The FCA was not completed.	The building and its systems are at the end of their useful life. Reinvestment or replacement decisions will need to be made in the near-term.
Former Tully's Building	A limited FCA was completed in 2023.	The building was decommissioned in 2025 due to the age and condition of the facility.

Long Range Facility Planning

2026 and Beyond

Recap and Key Findings:

- The Public Works Building and associated structures were recommended for replacement due to age, failing systems, structural and seismic issues, and functional obsolescence.
- The City's facilities represent a mix of ages, conditions, and functional capabilities.
- Sustaining the City's facility infrastructure to support essential services requires ongoing planning to address major repairs and long-term reinvestment.
- Building and Energy Code requirements have change significantly over the last 20 years. Given the age of most of the City's buildings, substantial system upgrades will likely be required to meet current standards. This is particularly notable with the numerous HVAC projects the City has on deck.
- Resuming the long-range facility planning work in the future should be prioritized to complete comprehensive evaluations for all facilities and develop a phased roadmap for reinvestment and replacement.

Permanent Closure of City Hall

Background, Assessment, & Closure

City Hall Temporary Closure

April 2023

- In April 2023, a staff member inspecting the Mechanical Room discovered broken asbestos-containing tiles in the City Hall basement.
- Same-day tests confirmed that both the tiles and the adhesive contained asbestos.
- The Mechanical Room also included an air handling unit for the City Hall HVAC System.
- Given the proximity of the air handling unit to the broken tiles, City Hall was immediately closed to further investigate and to test inside the HVAC system.
- **The contractor conducted initial air quality testing throughout the building; there were no positive tests for airborne asbestos.**
- Comprehensive asbestos testing was performed at City Hall through June 2023.

City Hall Results of Asbestos Testing

June/July 2023

- By July 2023, the comprehensive asbestos testing at City Hall was concluded.
- **No asbestos fibers were identified in any air testing samples.**
- **Asbestos was detected in 11 settled dust samples from 10 locations, including inside the HVAC system.**
- Bulk testing identified asbestos in two HVAC system filters and one sample of flooring.
- The Good Faith Survey of other potential asbestos containing materials in the building was positive for asbestos including undisturbed floor tiles, window putty, and 31 fire doors.

- **It is unlikely that the basement floor tiles were the sole source of the asbestos found in the HVAC system. However, additional sources of asbestos were not identified.**
- It is possible that the asbestos contamination within the HVAC system occurred prior to City ownership or during a renovation project in the late 1980s - early 1990s.
- Significant destructive investigation (e.g. full removal of the City Hall ceiling) would have been required to fully confirm the conditions.

Abatement Scenarios Presented to City Council

July 2023

- The findings from the comprehensive asbestos testing confirmed that a comprehensive abatement strategy would need to be evaluated in order to re-open the City Hall facility.
- In July 2023, the staff presented two scenarios to the City Council to abate and re-occupy City Hall.
  - **Scenario 1: Re-Occupy City Hall** - This option required full HVAC replacement and related infrastructure upgrades, with a preliminary construction estimate of $10 million (excluding abatement and soft costs) and a nearly two-year timeline to complete the work.
  - **Scenario 2: Re-Occupy Police Department** - This option involved partitioning the Police Department spaces, abatement, removing the existing HVAC system, and installing a new system to support continued occupancy for 5 to 7 years. The preliminary construction estimate was $4 million (excluding abatement and soft costs) with a 12–18 month timeline to complete the work.
- Neither re-occupancy scenario was favorable considering the age and condition of City Hall and both options were anticipated to result in exponentially rising costs had the “abate and re-occupy” path been pursued.
- Meanwhile, staff teams remained displaced from City Hall through 2023.

City Hall Permanently Closed

October 2023

Recap and Key Findings:

- **The City Council approved the permanent closure of City Hall during the October 3, 2023, City Council meeting.**
- City Hall did not meet current new construction energy or building code requirements, and multiple building systems were failing or needed to be substantially replaced.
- Almost all interior walls had been identified as lacking lateral bracing and, unless reinforced, were at risk of failure in the event of seismic activity.
- **The age and condition of City Hall meant there was not a high return on investment for the significant cost of abating and re-occupying all or part of the building.**
- Staff remained focused on re-housing City services to ensure continuity of operations.

Interim Facilities

Staff Teams Relocated Temporarily

Police Interim Facilities

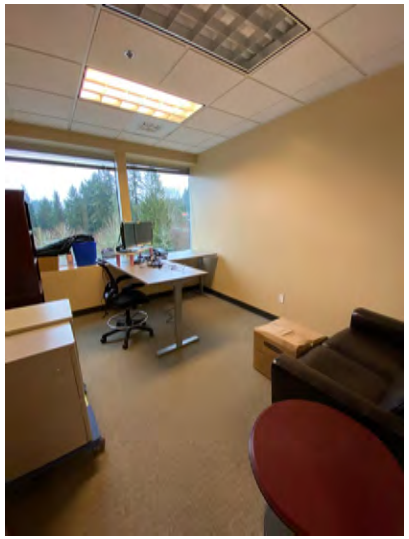
Temporary Facilities – 2023 & 2024

- The Police Department has been significantly impacted by the closure of City Hall.
- The Police Department initially relocated to the Mercer Island Community & Event Center in April 2023 and then in the summer of 2023 moved to the Luther Burbank Building, neither of which were designed to support full operations.
- In 2023, the City evaluated multiple lease and purchase options on Mercer Island; no viable long-term or operationally appropriate alternatives were identified.
- The City ultimately leased modular buildings as a stopgap solution, recognizing they were not intended to serve as a permanent or optimal facility. Due to manufacturing and delivery timelines, the modular buildings had a lead time of more than one year.
- The modular buildings opened for use in fall 2024 and **provide basic functionality but do not fully meet the operational, security, or efficiency needs of the Police Department**.

Other Interim Strategies

2023 to Current

- The Municipal Court initially relocated to the City of Kirkland Justice Center and, in 2024, moved to the City of Newcastle City Hall, where it currently operates under a lease agreement.
- City Council Chambers was relocated to the Slater Room at the Mercer Island Community & Event Center.
- The Utility Billing team relocated to the Public Works Building.
- While it is sometimes assumed that most City staff are working remotely, approximately 80% of City staff work in person on Mercer Island each day.
- Remaining staff operate through a combination of home offices and shared or rotating workspaces, with meetings held at the Community Center or other City facilities.
- Modified and shared workspaces have been established at the Luther Burbank Admin Building, the Maintenance Building, and the Community Center to support ongoing operations.



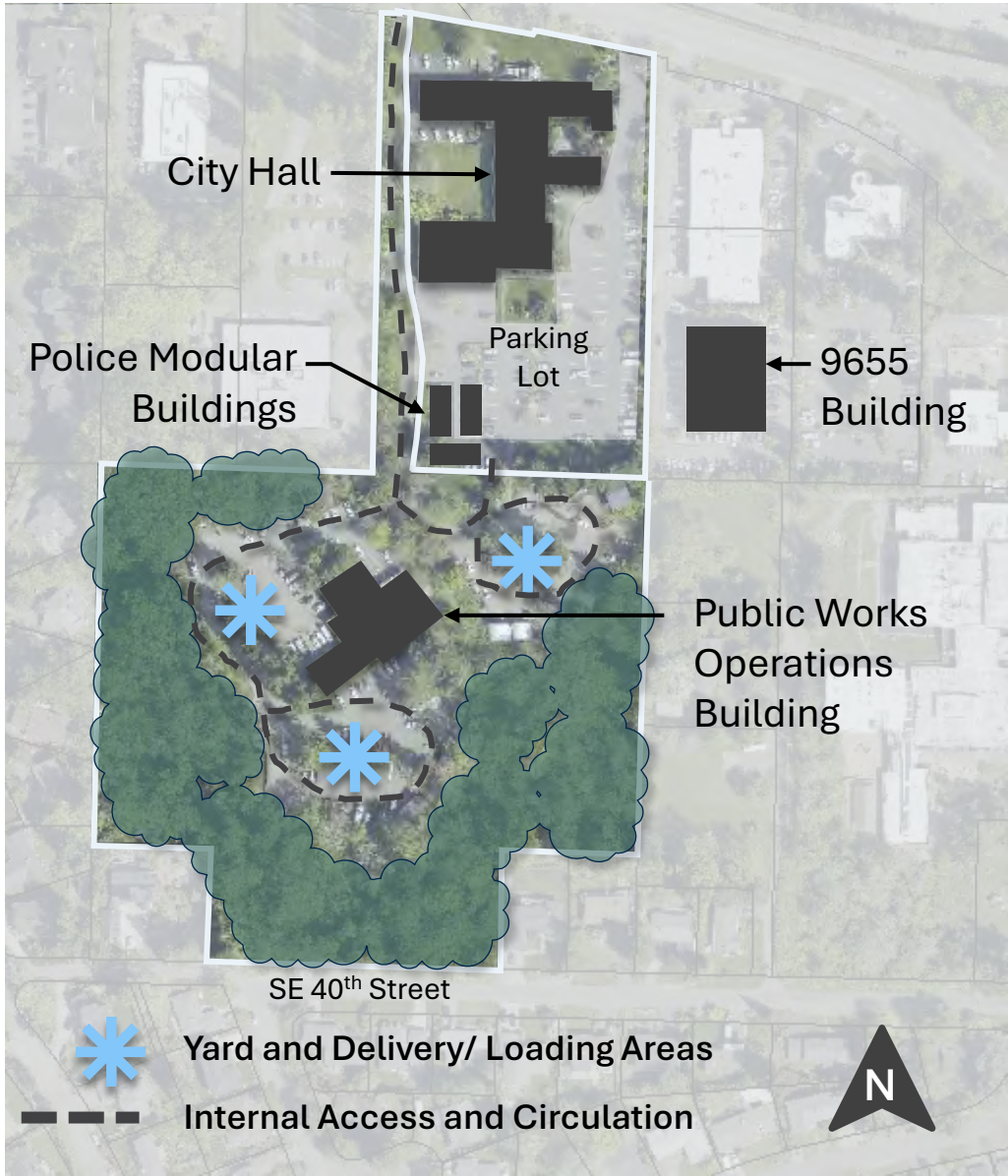
Public Safety & Maintenance Facility

Presented to the Mercer Island Voters in November 2025

Council Prioritizes Public Safety & Maintenance Facility

March 2024

- Following the permanent closure of City Hall in October 2023 and based on the initial results of the 2024 Facility Conditions Assessment for the Public Works Building, City Council directed staff to begin planning for a new Public Safety and Maintenance (PSM) Facility.
- **The direction reflected the loss of a critical civic facility, ongoing operational impacts to public safety and maintenance, and the need for a long-term, permanent solution to deliver essential community services.**
- The PSM Facility was proposed for the existing City Hall campus, where Public Works operations must remain due the size and scale of operations and available land.
- The services were co-located for efficiency.
- In 2024, the City initiated pre-design and planning work to evaluate scope, cost, and delivery options in preparation for a potential bond measure in November 2025.



PSM Facility Pre-Design and Schematic Design

May 2024 to May 2025

- During pre-design and schematic design, the design team conducted internal programming and design meetings to refine space requirements, functional relationships, and overall facility design.
- The design team led site tours of the City Hall and Public Works properties for all project consultants, focusing on site conditions, technical considerations, and programming opportunities.
- City Council members and the design team toured the Kitsap County Public Works Facility and police facilities in Shoreline, Kirkland, and the University of Washington, to observe comparable operations and facilities.
- The project team presented a preferred concept to the City Council in April 2025 and made further refinements over the next month.
- The planning process was robust; however, the timeframe between finalizing the preferred concept and ballot submission limited the depth and duration of community outreach.
- Additional design process details are included in the background slides

Proposition 1 – 54% Approval, Short of 60% Required

June to November 2025

- In July 2025, the City Council voted to submit Proposition 1 to the Mercer Island voters for the construction of the new Public Safety and Maintenance Facility.
- The project included authorization to issue $103,160,000 in bonds to fund the design and construction of the PSM Facility, and the authorization for an increase in property taxes to pay back principal and interest of the bonds.
- Bonds would have had a 25-year term and an estimated levy rate in 2026 of $0.33/$1,000 of assessed value for a Mercer Island home.
- For a home with a $2,000,000 assessed value, the approximate cost of the property tax levy was about $55 per month over the life of the levy.
- In the State of Washington, a bond measure requires a super majority (60%) for approval.
- Proposition 1 received 54.61% approval, falling short of the required 60% for passage.

CITY OF MERCER ISLAND

Proposition 1: Public Safety and Maintenance Facility

Rendering of Proposed Public Safety and Maintenance Facility

Proposition 1 authorizes the City of Mercer Island to issue bonds to fund the design and construction of a Public Safety and Maintenance (PSM) Facility that will replace the existing aging and failing Public Works building and maintenance yard and temporary police facilities. Proposition 1 will be presented to Mercer Island voters at the November 4, 2025, General Election.

Features of the Public Safety and Maintenance Facility

Provides Permanent Home for Police Department and Emergency Operations
Designed to provide a secure facility for police officers and equipment and promote efficient and improved emergency response and police operations.

Restores In-Person Customer Service
Includes an accessible lobby to assist the community with utility billing, permit reviews, and general city customer service.

Extends Fleet Life
Covered and secure storage protects vehicles and equipment and improves the City's ability to maintain its fleet, reducing maintenance and replacement costs. Vehicles can be equipped and deployed more effectively to support snow removal, street repairs, and respond to utility emergencies.

Combines Maintenance and Technology Facilities
Provides one central location for water, sewer, stormwater, parks, trails, and natural resource teams, housing equipment, fleet and materials for these operations. Technology and GIS are co-located for streamlined operations.

Enables Critical Operations During Emergencies
Designed to Risk Category IV to withstand seismic events, this facility ensures continuity of operations during emergencies.

How much would the PSM bond measure cost property owners?

The bond measure authorizes the sale of up to $103,160,000 in bonds with a term of up to 25 years to fund the design and construction of the PSM Facility. The measure also authorizes an increase in property taxes via an excess levy to pay back principal and interest of the bonds. This debt service is expected to remain level each year over the life of the bonds. For example, in 2026 the estimated levy rate is $0.33/$1,000 of assessed value for a Mercer Island home. For a home with a $2,000,000 assessed value, the approximate cost of the excess levy is about $55 per month over the life of the levy.

Looking Back: Council Debrief Part I

Long-Range Facility Planning, the Permanent Closure of City Hall, the Proposed PSM Facility & the Bond Measure

City Council Discussion Part I:

Looking Back - Reflecting on the Project & the Approach

Project Scope & Assumptions:

- How clearly did we define the problem we were solving, versus the solution we proposed? Where were the information gaps?
- What decisions did we make during project scoping that may not have been fully understood by the community? What decisions should be revisited?
- What aspects of the project were supported by the community? What aspects were not? Where was more information needed?
- How did the short turn time from preferred concept to ballot affect our ability to listen and engage, not just inform? What was the impact?
- What other feedback have you received about the proposed project?

City Council Discussion Part I:

Looking Back - Reflecting on the Bond Measure

Bond Measure & Timing:

- What feedback did you receive about the bond structure (amount, duration, household impact?)
- What concerns did voters raise most frequently about the bond itself?
- Was the timing of the bond measure a concern given broader economic conditions?
- What other feedback did you receive about the bond measure?

Looking Forward

Project Approach, Planning Assumptions, Engagement & New Project Framework

Looking Forward

Reaffirm the priority of addressing essential municipal facility needs and discuss goals, strategies, and engagement opportunities.

- **Reassessing the Project Approach:** Revisiting the project assumptions, exploring alternatives, and reimagining what facility solutions might be possible as we resume planning
- **Space Planning:** Maximizing existing facilities, aligning spaces with services, evaluating co-location opportunities, and other scenarios that reduce the scale and scope of a new facility.
- **Community Engagement:** Strengthening community input through a mix of surveys, meetings, other engagement tools, both informal and formal.
- **Internal Stakeholder Engagement:** Internal teams play a critical role in shaping creative, forward-looking facility solutions in partnership with City Council and the community.
- **New Planning Framework:** Establishing goals and objectives that will guide our process moving forward.

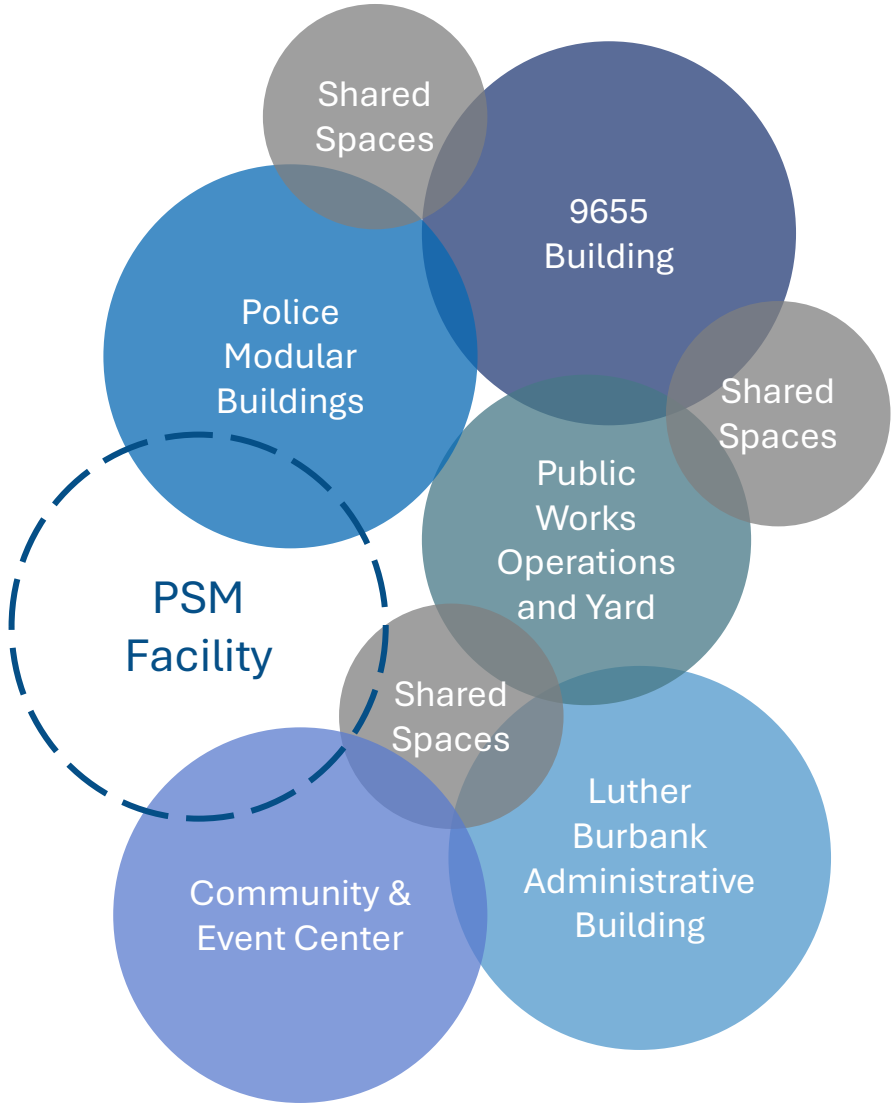
Reassessment of the PSM Facility Approach

Review Assumptions, Explore Alternatives & Engage the Community

Reassessing Facility Replacement Strategies

Space Planning Assumptions & Alternatives

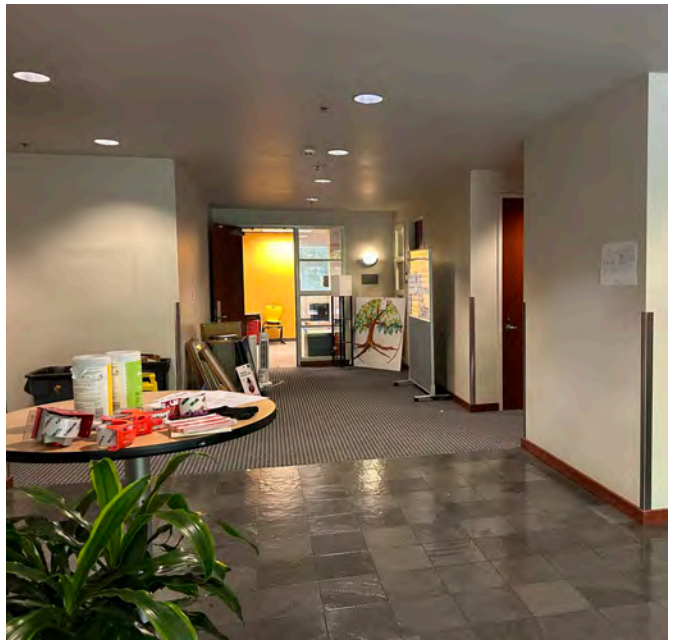
- In December 2025, staff initiated a strategic reassessment of the PSM Facility Project to inform next steps in the planning process and to support City Council decision-making.
- A space planning consultant was engaged to:
  - Revisit facility needs based on current service delivery and operational requirements.
  - Begin exploring alternatives that maximize use of existing assets including the newly acquired 9655 Building.
  - Discuss other strategies and alternatives to address the City's municipal facility needs.
- **The effort focuses on revisiting and challenging earlier assumptions – versus locking in on a solution.**
- The project reassessment, community and internal stakeholder engagement, and today's discussion will help **establish a new project framework** for the facility planning process.



Overview of the 9655 Building

Acquired in August 2025

- The City acquired a new facility in August 2025 (the “9655 Building”), located directly east of the City Hall Campus. Tenant vacancy occurred in September 2025.
- The commercial office building is 22,000 square feet and was constructed in 1998.
- The purchase secured a centrally located, City-owned facility at a time when few viable alternatives were available.
- Modest renovations and repairs will be needed to address near-term occupancy.
- Long-term use of the building is being evaluated as part of the City’s current facilities planning reassessment and portfolio-wide space planning effort.



Maximizing Use of Existing Assets

Options to Reduce the Scope/Size/Cost of a New Civic Facility

- Reassess the City facility portfolio to identify opportunities to maximize existing space before planning resumes on a new facility.
- Align space planning with service delivery, consider co-location scenarios, operational efficiencies, community access, and other factors.
- Engage the community and internal stakeholders.
- Use the findings to inform implementation strategies including phased development options and funding considerations.
- **Ultimately, we need to identify alternatives to reduce the scale and scope of a new facility.**

Engagement

Community and Internal Stakeholder Connections

Community Survey & Engagement

Gathering Resident Input to Inform Facility Planning Decisions

- Develop a more robust community engagement approach to inform facility planning decisions. Opportunities include public meetings, online tools, surveys and more.
- Earlier this month, the City Council directed staff to proceed implement a statistically valid community survey to receive feedback on the Public Safety and Maintenance Facility Bond Measure. Today's discussion will inform survey development
- An Ad-Hoc City Council Committee was appointed and is developing survey questions. The survey is anticipated to launch at the end of January.
- The survey results and accompanying analysis will be presented to City Council in March 2026 to support inform future planning decisions.
- And more!

Internal Stakeholder Engagement

Important Insights from Service Professionals

- The past several years have been extraordinarily challenging for the City teams due to the loss of facilities, repeated relocations, and reliance on temporary work environments.
- Despite these constraints, staff have remained resilient, focused, and committed - continuing to deliver essential services to the community under difficult conditions.
- The City's staff teams contributed meaningfully to facility planning and design efforts in the prior year, and their continued engagement is equally important as we move forward.
- Staff will continue to contribute by exploring creative solutions, remaining open to new approaches, and engaging thoughtfully with the City Council and the community throughout the planning process.

A New Project Framework

Community Centered Service Delivery & Planning

How Municipal Service Delivery is Shaped

Community Centered Service Delivery

Public Facing Services

Public Safety & Emergency Response
Permitting & Planning
Recreation & Event Services
Municipal Court
Youth & Family Services
Thrift Shop

Operations & Field Services

Public Works Operations
Utilities (water, sewer, storm)
Parks, Streets & Facilities
Capital Project Delivery
Sustainability

Internal & Admin Support

City Manager's Office
Finance & Budget
Human Resources
IT & GIS
Legal & City Clerk

Safety
Quality of Life
Livability
Health & Well-Being
Sense of Community

Looking Forward: Council Debrief Part II

A New Project Framework, Engagement Strategies & Revisiting Project Assumptions

City Council Discussion Part II:

Looking Forward – High-Level Project Framework

These questions are intended to establish shared direction and expectations before evaluating specific strategies or alternatives to address the City's facility needs.

- What are the primary goals the City is trying to achieve through the facility planning process?
- What does success look like? From a community, service delivery, City Council and workforce perspective?
- What objectives should guide future analysis and decision-making (e.g., affordability, operational efficiency, flexibility, community access)?
- How should lessons learned from the recent measure bond shape the new project framework and planning approach?

City Council Discussion Part II:

Looking Forward - Engagement

These questions are intended to shape how engagement supports future facility planning - focusing on structure, timing, and purpose.

- What are the goals of engagement in the next phase of facility planning?
- How can future engagement be structured to allow for meaningful community dialogue earlier in the process?
- What information and decision points should the community help inform before options are finalized?
- How do we bring together all the stakeholders in a broader facility planning discussion?
- How do we ensure engagement reaches a broad and representative cross-section of the community?
- What other ideas do you have for project engagement goals or strategies?

City Council Discussion Part II:

Looking Forward – What Else?

These questions are intended to capture the other ideas, feedback, and perspectives that will help inform the facility planning work ahead.

- What have we not discussed?
- What feels unresolved or still emerging for you after today's facility planning discussion?
- What additional ideas would you like to share at this stage in the process?
- Any final reflections?

Next Steps

Next Steps

Path Forward and Upcoming Council Engagement

January 2026:

- City Council Planning Session – Debrief and Re-Set
- Launch Community Survey
- Space Planning Assessment

February 2026:

- Community & Internal Stakeholder Engagement
- Develop/Draft New Project Framework (Reviewed by the City Council)

March 2026:

- Review Engagement Outcomes
- Preliminary Project Scope & Provide Direction on Next Steps
- Timeline & Key Deliverables

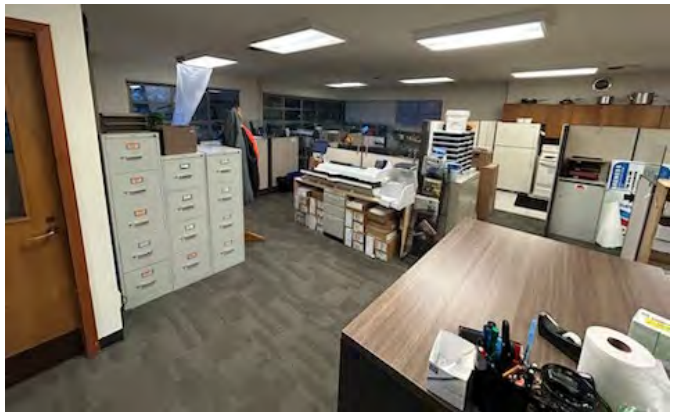
BACKGROUND SLIDES

Background Slides:
Existing Facilities

Existing Facilities Overview

Public Works Building

- Constructed in 1980.
- 64 year-round and 15 to 20 seasonal employees.
- Multiple systems are failing or in need of significant repair or investment (i.e. electrical).
- Does not meet certain codes or industry standards.
- Inadequate work areas and support facilities.
- Facility is undersized and poorly laid out.
- City Manager recommended the City Council prioritize the Public Works Building for replacement.



Existing Facilities Overview

Police Modular Buildings

- Four leased, temporary modular buildings installed in 2024, housing police and emergency management staff.
- Not intended for long-term or permanent use. Does not provide sufficient facilities and capabilities needed for MIPD operations.
- Significant ongoing lease cost to the City.
- Interim solution pending development of a permanent facility.

Existing Facilities Overview

Luther Burbank Administration Building

- Built in 1928.
- Houses and supports Youth and Family Services, providing counseling, family services, and specialized community outreach.
- Has served as temporary workspaces for various city departments, including parks, open-space/natural resources, land-use and permitting, and police functions.
- Aging facility faces issues meeting current accessibility standards and building codes.
- Facility parking is shared with highly active park.

Background Slides: Public Works Building

Facilities Conditions Assessment (From AB 6477 – May 21, 2024)

Long Range Facilities Planning

Facilities Conditions Assessment

- In early 2023 the City began work on a Long-Range Facilities Plan to guide decisions about use and improvements to City facilities.
- The first phase of the project included Facilities Conditions Assessments (FCA) for the following buildings:
  - City Hall
  - **Public Works Building**
  - MICEC Annex Building
  - Luther Burbank Administration Building
  - Mercer Island Thrift Shop
  - Former Tully's Building
- The purpose of an FCA is to inventory and evaluate building and site infrastructure conditions, document observed deficiencies, and develop a recommended strategy for **renovation or replacement** to extend the life of the asset and ensure continuity of services.

Public Works Building

Summary

- The Public Works Building houses many essential services.
- It was constructed primarily as a workshop and mechanic facility in 1981.
- The facility operates under an approved Conditional Use permit originally issued in 1979.

Public Works Building

Summary

The Public Works Building is 15,350 square feet and currently houses the following operational and administrative teams:

- Right-of-Way & Stormwater Team (10 FTEs)
- Water Utility (8.5 FTEs, 3 LTEs)
- Sewer Utility (6.5 FTEs)
- Parks Maintenance (10 FTEs)
- Support Services Team (3 FTEs, 1 LTE)
- Public Works Engineering and Administration Teams (19 FTEs)
- Following the closure of City Hall in April 2023, the City's Utility Billing Team was re-located at the Public Works Building (3 FTEs).

Public Works Building

Summary

- In total, there are 64 employees (FTE and LTE equivalents) and 15 to 20 seasonal employees who currently operate out of this facility.
- In addition to the primary building, the site also includes the City warehouse and the “yard,” which accommodates the storage of City vehicles, equipment, and materials.
- Due to the complex equipment and critical-response teams operating out of this area, access is restricted to staff only. There is no public access or public meeting space at the building or yard.

Background Slides: Public Works Building

Critical Deficiencies

FCA Findings

Public Works Building

- The results of the Public Works Building Facility Condition Assessment (FCA), conducted in 2023, confirmed that the **facility has reached the end of its useful life.**
- It remains necessary to **keep the building operational** while a new facility is planned and constructed.
- Staff presented findings from the FCA and the building's Seismic Analysis to City Council in February 2024 (AB6402) and May 2024 (AB6477).
- In order to keep the building operational on a short-term basis, critical issues were addressed between August 2024 and July 2025. These addressed the immediate **structural deficiencies** and several **safety and operational issues**.
- The remaining building deficiencies identified in the FCA have not been addressed due to their high cost, complexity and inherent uncertainty.

Public Works Building

Structural Deficiency Repairs

- The Public Works Building was not designed to meet the seismic demands of the current code or provide seismic resiliency to operate as an essential facility following an earthquake.
- ASCE 41-17 seismic evaluation found that the existing building structure is inadequate to remain operational as a Seismic Risk Category II building.
- A standalone Public Works' operations facility would ideally meet Seismic Risk Category III or preferably Category IV to ensure that it can perform essential functions following a seismic event.

Public Works Building

Structural Deficiency Repairs

- Quantum Consulting Engineers conducted a detailed seismic analysis of specific issues identified as priorities from prior structural reports and the building's FCA.
- The evaluation outlined structural system, capacity, and identified the deficiencies relative to current safety standards and code requirements.
- The report included options to retrofit the existing structural system required for the building to meet the minimum seismic performance and allow continued occupancy.

Public Works Building

Structural Deficiency Repairs

- **Green roof:** Weight of the green roof's accumulated soil and vegetation is more than existing shear walls were designed to support.
- **Roof-wall connections:** Connections between the wood-framed roofs and the exterior walls inadequate or absent.
- **High-bay garage structure:** Inadequate foundation to support high-bay structure (mechanic's shop).
- **Unbraced interior walls:** Numerous unbraced interior Concrete Masonry Unit (CMU) walls.

Public Works Building

Structural Deficiency Repairs

- City Council directed staff to proceed with seismic repairs in July 2024 (AB 6517).
- In February 2025, $1.14M was appropriated for the project's construction (AB 6619).
- Construction was completed in summer 2025.
- Seismic retrofit work included:
  - removal of the green roof overburden
  - installation of grade beams on both sides of mechanic's shop
  - construction of numerous wall-roof connections
- Contractor scope also addressed several of the identified non-structural deficiencies.

Public Works Building

Critical Building Deficiencies – Operations and Safety

- In addition to the identified structural deficiencies, the FCA also identified several issues that needed to be corrected in order for the building to continue being used.
- These items include elements of the building that did not meet current code, were negatively impacting Public Works operations, and/or presented potential safety risks.
- The following slides outline the identified deficiencies that have since been addressed.

Public Works Building

Roofing and Water Intrusion

- The roofing membrane over the warehouse and operations spaces was more than 10 years beyond end-of-life and beginning to fail, causing extensive leaking.
- The flat roofs over the administrative offices and the mechanic's shop were not properly sloped, resulting in standing water.
- The existing green roof soil was removed in order to address the roof leaks and structural concerns.
- The membrane beneath the green roof was replaced, and the roofs above the office and mechanic's shop underwent significant repairs.
- New storm drainage was installed to properly direct run-off away from building foundations.

Public Works Building

Fall Protection Railings

- Accessible roofs on top of the Public Works Building and outbuildings had no railing system to protect against falls.
- Several of these areas are used for material storage (benches, holiday displays, plants, etc.)
- To meet code requirement, a railing system or other fall prevention system had to be installed on all edges.
- Railings and/or fall protection elements were installed on all accessible roof structures in 2024 and 2025.

Public Works Building

Wired Glass

- The glass originally installed on the interior windows and doors included wired glass, which is now considered a potential safety hazard.
- Wire mesh weakens the glass and creates jagged glass shards when broken.
- In 2024, all wired glass windows were covered with a protective film to contain glass if broken, a cost- effective alternative to full replacement.

Public Works Building

Unresolved Deficiencies

- Many of the deficiencies identified in the Public Works Building FCA have been addressed in order to allow for the continued use of the building.
- However, several of the larger issues have not been resolved due to their significant cost, the difficulty of implementation, and/or the likely disruption to operations.
- The following slides outline these unaddressed building deficiencies.

Public Works Building

Unresolved Deficiency: Electrical Service & Distribution

- Inadequate electrical capacity, unable to support normal operations with overloading circuits, results in tripping breakers and frequent interruptions.
- The electrical system must be assessed and updated before any modifications can be made to the HVAC or lighting systems.
- The findings of the FCA included a recommendation to engage an electrical contractor to fully review the existing system and develop a work package to address observed deficiencies and code-based upgrades, including replacing electrical panels and distribution system.
- Due to the expected short-term occupancy, the City has not moved forward with this recommendation.

Public Works Building

Unresolved Deficiency: Heating, Cooling & Ventilation

- Industrial heating and venting are insufficient for updated use and occupancy. There is no cooling and inadequate venting for staff and operations team in the lower level of the building .
- The HVAC controls system on the upper level is at the end of its useful life, rendering poor performance and high energy use.
- There is a lack of adequate ventilation to address vehicle exhaust, the welding hood, and the fluid storage room.
- The exterior walls are concrete block with minimal insulation value.
- The aluminum-framed windows are not insulated and the double panes are unsealing.
- Extensive updates and modifications required to install a new HVAC system is cost prohibitive given the building's value and expected short-term occupancy.
- The existing HVAC systems will be run to failure and components replaced or repaired if necessary.

Public Works Building

Unresolved Deficiency: Insufficient Restroom Capacity

- The Public Works Building only has 5 restroom stalls, which is insufficient for current staffing needs as determined per WAC 296-800-23020.
- Two portable toilets are currently on-site to satisfy minimum requirements.
- There are no restrooms on the second floor of the building.
- Staff will continue to provide on-site portable restrooms to address the capacity needs for the current workforce.

Public Works Building

Unresolved Deficiency: Fire Suppression System

- The building does not have a fire suppression system installed and is comprised of fire/heat detection only.
- This is of particular concern in the Mechanic's Shop and Warehouse where flammable materials and liquids are stored.
- The existing fire suppression system meets the code requirements for this building.
- Additional fire extinguishers have been procured for the facility.
- No further work is planned to install a fire suppression system due to the significant cost of this scope of work.

Background Slides:
Public Safety & Maintenance Facility

2025 Planning and Design Overview

Existing Facilities Overview

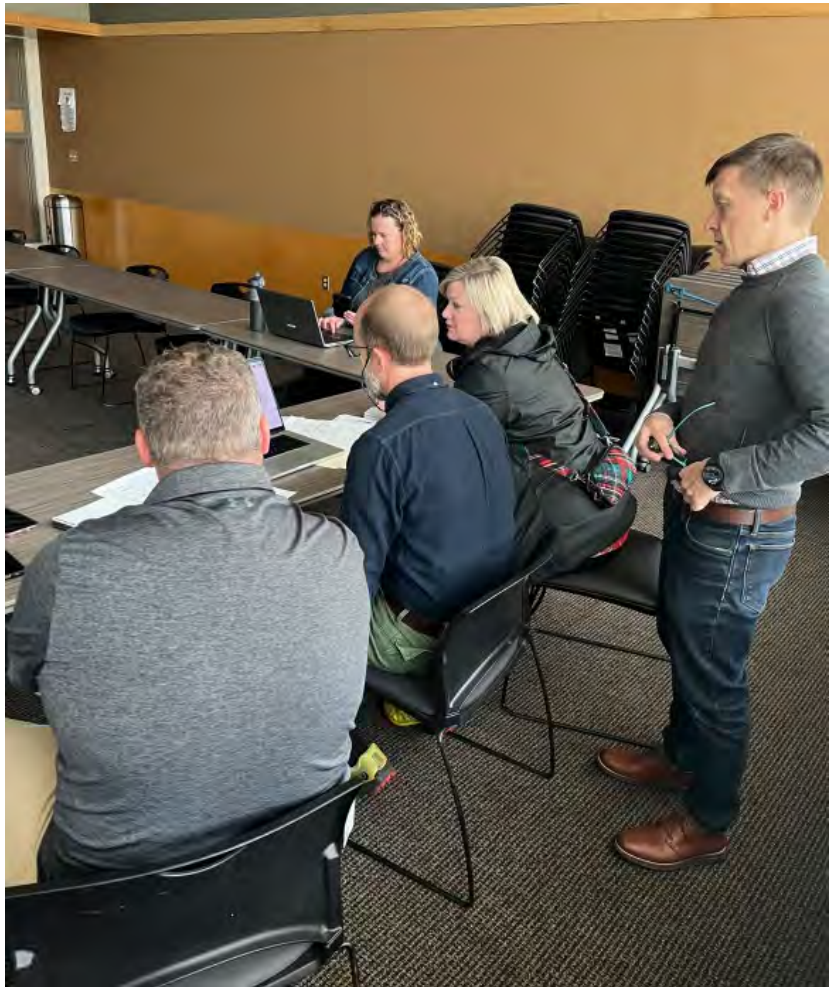
Assessment of Other Site Options

- Staff conducted an island-wide real estate analysis following the City Hall closure, supported by a professional real estate firm.
- The analysis determined that no other on-island parcel can accommodate Public Works Operations and the Operations Yard.
- Off-island relocation and private acquisition options were evaluated and found to be infeasible or not cost-effective.
- Public Works Operations and the Operations Yard must remain on the City Hall campus.

Pre-Design Research and Information Gathering

PSM Programming and Design Meetings

Throughout the pre-design and schematic design phases, the design team conducted internal programming and design meetings with City staff to refine space requirements, functional relationships, and overall project design.



Pre-Design Research and Information Gathering

City of Mercer Island Facility Tour

The design team conducted site walks with the City's Public Works Department to understand how the facility and yard are used for equipment and materials storage and daily operations.

The design team also led a site tour of the City Hall and Public Works properties for all project subconsultants, focusing on site conditions, technical considerations, and potential programming opportunities.

Pre-Design Research and Information Gathering

Regional Public Works Facility Tour

Council members, city staff, and design team members toured the Kitsap County Public Works Facility

The tour and discussion included:

- Private and open office spaces, shared workspaces, and training space layouts.
- Circulation, building, and yard accommodation for large vehicles and equipment.
- Covered storage, lighting, and security.
- Shared spaces for meals, hygiene, nursing, and teambuilding.

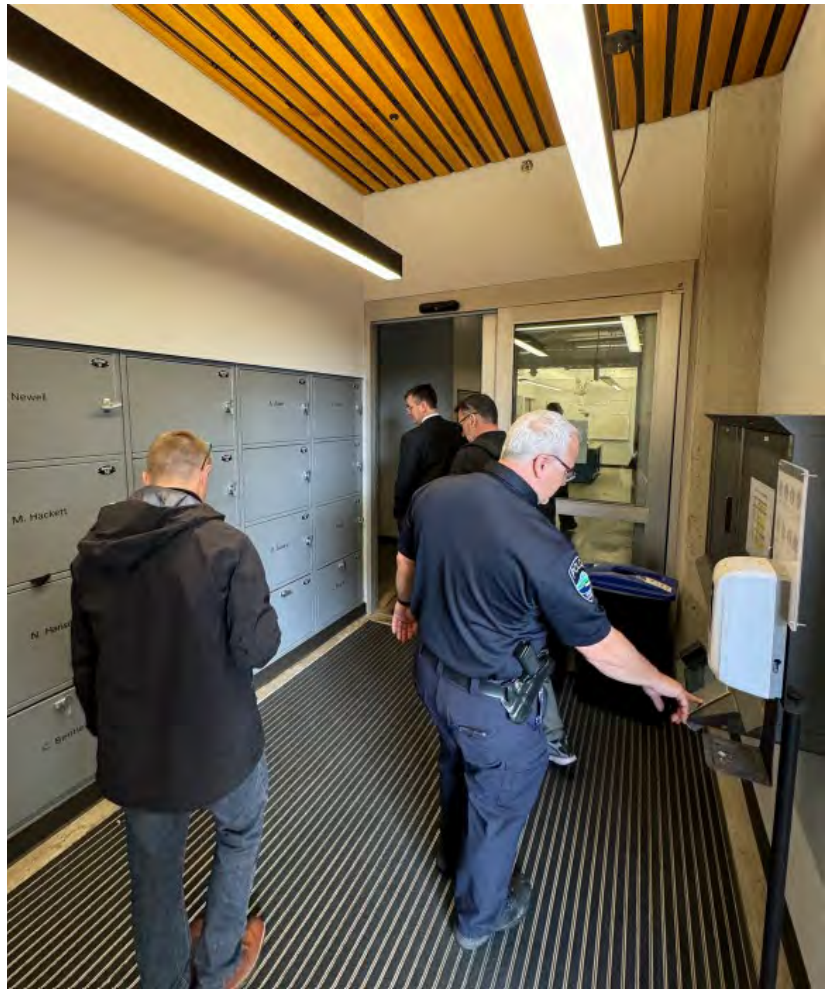
Pre-Design Research and Information Gathering

Regional Police Department Facility Tours

City staff, council members, and design team members toured regional police departments, including:

- Shoreline
- University of Washington
- Kirkland

The team heard about both successes and “lessons learned” from the construction and renovation of these police facilities to help inform work on Mercer Island’s facility.



Building Design for Risk Category IV

Facility Requirements

What is Risk Category IV?

- Risk Category IV is the highest building design standard under the International Building Code (IBC).
- It applies to essential facilities that must remain operational during and after major emergencies.
- Classification is based on building use, occupancy, and the consequences of failure.
- These requirements affect structural design, systems resilience, and construction cost.

Why it Matters for Space Planning?

- Risk Category IV functions cannot be housed in lower-resilience or repurposed buildings.
- Not all City services require Risk Category IV design.
- Risk category significantly affects feasibility, cost, and reuse potential of existing facilities.

Applies To:

- Fire, rescue, ambulance, and police stations
- Emergency operations, communications/information technology, and response centers
- Emergency vehicle garages supporting essential services

Schematic Design

PSM Facility

Facility tours, programming meetings, and design strategies informed the proposed schematic design of the PSM facility, which was subsequently included in the November 4 ballot measure.

Schematic Design

Design Strategies

Facility tours and programming meetings informed the development of design strategies for the proposed schematic design of the PSM building.

Strategy 1 Cover more vehicles, equipment, and work areas to protect equipment and staff, and promote efficient operations, no matter the weather.

Strategy 2 Co-locate buildings with covered areas for operational efficiency, and for structural cost effectiveness.

Strategy 3 Prioritize one-way circulation and normalize vehicle parking to reduce conflicts and operational impacts.

Strategy 4 Organize the site into zones for clear and efficient use.

Strategy 5 Organize the buildings into zones that maximize shared spaces, promote efficient operations for staff, and create clearly accessible spaces for public services.

Background Slides:
City Hall and Public Works Parcel Re-Zone

Public Institution

Reassessment and Land Use Actions

Steps Taken to Preserve Future Planning Options

- In 2025, the City applied to rezone the City Hall and Public Works Operations parcels.
- The Planning Commission recommended approval of the Rezone application on November 19, 2025.
- City Council subsequently adopted the Rezone on December 2, 2025.