



BUSINESS OF THE CITY COUNCIL CITY OF MERCER ISLAND

AB 6954
July 21, 2026
Consent Agenda

AGENDA BILL INFORMATION

TITLE:	AB 6954: Appropriation to accelerate design of Phase 1 of the 2028 Water System Improvements Project	☐ Discussion Only ☒ Action Needed: ☒ Motion ☐ Ordinance ☐ Resolution
RECOMMENDED ACTION:	Postpone the 2026 PRV Replacement Project (90.40.0015) to the 2027-2028 biennium and reallocate \$400,000 to Phase 1 of the 2028 Water System Improvements Project (90.40.0020).	

DEPARTMENT:	Public Works
STAFF:	Jason Kintner, Chief of Operations Christopher Marks, Interim Assistant City Engineer Zechariah Rodino, Utilities Engineer
COUNCIL LIAISON:	n/a
EXHIBITS:	1. Location Map of Project Limits
CITY COUNCIL PRIORITY:	3. Make once-in-a-generation investments to update and modernize aging infrastructure, capital facilities, and parks.

AMOUNT OF EXPENDITURE	\$ 400,000
AMOUNT BUDGETED	\$ n/a
APPROPRIATION REQUIRED	\$ 400,000

EXECUTIVE SUMMARY

The purpose of this agenda item is to postpone the 2026 PRV Replacement Project (90.40.0015) to the 2027-2028 biennium and reallocate the project's \$400,000 authorized project budget in the Water Fund to accelerate Phase 1 design of the 2028 Water System Improvements Project (90.40.0020). This work will take place concurrently with Phase 11 of the East Mercer Way Roadside Shoulder Paving Project (90.20.0016).

- Phase 11 of the East Mercer Way Roadside Shoulder Paving Project (EMW Roadside Shoulder Project) will construct a new paved shoulder at the southeast tip of the Island. The project is currently in design with construction planned for 2027.
- The 2028 Water System Improvements Project (2028 WSI Project) includes replacing approximately 4,200 feet of water main along East Mercer Way and Avalon Drive. This work was scheduled for design in 2027 and construction in 2028.
- To prevent utility cuts through the newly paved shoulder, staff propose splitting the 2028 WSI project into two phases to align with the shoulder paving work (Exhibit 1), as outlined in Figure 1.
 - Phase 1 – Accelerated to align with the EMW Roadside Shoulder Project's 2027 construction schedule.

- Phase 2 – The remaining segment outside the EMW Roadside Shoulder Project will be designed and constructed as originally planned in 2028.

Phasing the 2028 water system improvements and funding Phase 1 design in the current biennium aligns the construction schedules.		2027-2028 Biennial Budget											
		2026				2027				2028			
		Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Existing Work Plan Project Timeline	EMW Roadside Shoulder Project - Phase 1			Design		Construction							
	2028 WSI Project					Design			Construction				
Project Timeline as Proposed in AB 6954	EMW Roadside Shoulder Project - Phase 1			Design		Construction							
	2028 WSI Project - Phase 1			Design		Construction							
	2028 WSI Project - Phase 2							Design		Construction			

Figure 1 – Proposed Changes to Project Timelines

- Accelerating Phase 1 design to begin this year requires a \$400,000 budget appropriation, made possible by postponing work on the 2026 PRV Station Replacement Project to the 2027-2028 biennium. Construction will fall within the upcoming 2027–2028 biennium.

BACKGROUND

As part of the City’s ongoing commitment to maintaining a reliable public water system, continued investment in water system improvements and renewal is necessary to prevent unexpected system breakdowns and costly emergency repairs. Taking a proactive approach to replacing critical components such as water mains will strengthen the system’s reliability and ensure continued service to the community. This project furthers the goals outlined in the City’s Water System Plan (2015), by implementing necessary improvements that help the City remain at the forefront of providing high-quality water service to its current and future customers.

The 2028 WSI Project (90.40.0020) consists of replacing approximately 4,200 ft of aging 4-inch, 6-inch, and 8-inch cast iron water mains with new 6-inch and 8-inch ductile iron water mains along East Mercer Way and Avalon Drive.

Phase 11 of the EMW Roadside Shoulder Project (90.20.0016) will construct a new paved shoulder on East Mercer Way from SE 79th Street to 85th Avenue SE. This is the final phase of the roadside shoulder program and will eliminate the last gap in pedestrian and bicycle facilities along the entire 4.8-mile corridor of East Mercer Way. Project design is expected to be completed in October 2026, and the improvements will be constructed in 2027.

City staff have identified approximately 1,900 ft of water main replacement in the 2028 WSI Project that overlaps with the planned pavement restoration area for the EMW Roadside Shoulder Project. For efficiency and to avoid utility cuts through the newly constructed pavement, staff are proposing to align the design and construction schedules for these projects.

Staff recommend deferring the 2026 PRV Station Replacements Project (90.40.0015) to the 2027–2028 biennium and reallocating the project’s funds to accelerate Phase I of the 2028 WSI Project.

ISSUE/DISCUSSION

To align construction schedules and protect new infrastructure, staff recommend splitting the 2028 WSI Project into two distinct phases. Phase 1 (approximately 1,900 ft) overlaps with the EMW Roadside Shoulder Project (Exhibit 1) and will be accelerated to align the construction schedules. Phase 2 consists of the

remaining segment outside the EMW Roadside Shoulder project limits and will proceed in 2028 as originally planned. Coordinating this work allows the City to install the water main concurrently, preventing utility cuts through the newly paved asphalt shoulder.

PROJECT BUDGET

To allow for the completion of the 2024 PRV Station Replacements Project (90.40.0036), the 2026 PRV Station Replacements Project (90.40.0015) is recommended to be deferred to the 2027–28 biennium. If approved, this deferral frees up \$400,000, which is recommended to be reallocated to accelerate Phase 1 design of the 2028 WSI Project (90.40.0020).

Table 1: Project Budget and Funding Requirements	
2028 WSI Project Elements (90.40.0020)	ESTIMATED TOTAL
Design	\$350,000
Design Project Management (Consultants)	25,000
Contract Administration (City Staff)	25,000
Total Estimated Project Costs	\$400,000
90.40.0020 – Available funds in the 2025-2026 Biennial Budget	\$0
Funding Reallocation	
90.40.0015 – 2026 PRV Station Replacement	\$(400,000)
Total Reallocated Budget	\$400,000

NEXT STEPS

Upon City Council approval of the funding appropriation, staff will proceed with project design. Construction of Phase 1 of the 2028 WSI Project is anticipated in 2027.

RECOMMENDED ACTION

Postpone the 2026 PRV Replacement Project (90.40.0015) to the 2027-2028 biennium and reallocate \$400,000 to Phase 1 of the 2028 Water System Improvements Project (90.40.0020).