



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

**AB 6581
December 3, 2024
Consent Agenda**

AGENDA BILL INFORMATION

TITLE:	AB 6581: 2025 Fee Schedule Adoption	<input type="checkbox"/> Discussion Only <input checked="" type="checkbox"/> Action Needed: <input checked="" type="checkbox"/> Motion <input type="checkbox"/> Ordinance <input checked="" type="checkbox"/> Resolution
RECOMMENDED ACTION:	Approve Resolution No. 1668 adopting the 2025 Fee Schedule.	

DEPARTMENT:	Administrative Services
STAFF:	Ali Spietz, Chief of Administration
COUNCIL LIAISON:	n/a
EXHIBITS:	1. Resolution No. 1668, including Exhibit A – 2025 Fee Schedule
CITY COUNCIL PRIORITY:	n/a

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

EXECUTIVE SUMMARY

The purpose of this agenda bill is for the City Council to update the City’s fee schedule for 2025.

- In November 2022, the City Council passed [Resolution No. 1635](#) establishing and adopting a Fee Schedule for the City.
- The fee schedule centralized the City’s various fees in one document to be updated at least annually as part of the biennial budget adoption or mid-biennial budget review.
- The annual review of the fee schedule ensures that departments are evaluating fees for service regularly and on the same timeline. This is an established best practice outlined in the City’s Financial Management Policies.
- In addition, to the current fee schedule, past fee schedules will be available for residents to access on the City’s website.

BACKGROUND

In 2022, the City Council established a Citywide fee schedule to bring all set and published fees into one location to make it easier for the public to locate specific fees. The fees included in the schedule are either set by Mercer Island City Code, resolutions of the City Council, administratively by departments, or by an outside agency with which the City contracts. In addition, fees are calculated and adjusted in varying ways. For

example, development services fees are tied to annual inflationary factors, utility rate adjustments are derived from rate modeling and capital construction needs, and recreation fees are tied to market demands.

This centralized fee schedule benefits residents by providing simple, transparent access to City fees and benefits City staff by creating a process for annual review of all fees by staff and the City Manager. Every fall, each department will review and adjust, if necessary, the fees related to their work to be reflected in fee schedule.

ISSUE/DISCUSSION

The 2025 Fee Schedule was updated through outreach to individual City departments requesting any fee changes for the next year. The following fees are included in the 2025 Fee Schedule: animal and business licenses, copy, parking, court, police, parks and recreation, development and construction permit, and miscellaneous fees, taxes, and utility rates. Fee determinations vary by department:

- Fees related to business licenses, parking permits, and copies are set by the City Council.
- Community Planning and Development fees are adjusted annually based on the estimated annual growth in personnel costs for CPD staff.
- Recreation fees are determined using cost recovery tiers and market- and competitor-based rates as adopted by Council in July 2021 (Reset Strategy).
- Utility rates are established annually by the City Council based on recommendations from the Utility Board.
- Third party servicers set costs for the fees related to animal licensing, boater education, and business license processing.

Below are the sections that have changes for 2025:

4. PARKING FEES

This section has been updated to reflect the changes adopted by the City Council in September with Ordinance No. 24C-14:

- Increase the citation fee for parking infractions from \$20.00 to \$54.00.
- Add a citation fee for unauthorized handicapped zone parking of \$450.00.
- Removal of the fees for the Town Center Commuter Parking Permit Program.

7. PARKS AND RECREATION FEES

Mercer Room Rentals

Added fee for Partial room (1 section) hourly at \$75

Staff setup/Breakdown/Clean-up changed to \$100 per section rented

Additional Room Rentals

Added Lobby hourly rental rate of \$100

Food Truck per truck increased from \$100 to \$200

Gymnasium and Dance Room Rentals

Added Staff setup/Breakdown/Clean-up at \$100 per rental

Full Facility Rental – New Section

Private Rental (12 hours) at \$12,500

Main Level Rental hourly (minimum of 5 hours) at \$1,000

Security Deposit of \$1,500

Boat Launch Parking

Daily Pass increased from \$15 to \$17

Annual Pass increased from \$120 to \$125

MICEC Fitness Room and Drop-In Activities

Eliminated 25-Punch Pass

Added 10-Punch Pass: Resident \$40, Non-Resident \$60

Added 20-Punch Pass: Resident \$70, Non-Resident \$110

Added 30-Punch Pass: Resident \$90, Non-Resident \$150

Athletic Field Fees

Grass/Dirt fields hourly increased to \$25 from \$30

IMS Track/Field hourly increased to \$40 from \$70

Additional Athletic Field Fees

Added Light Activation fee of \$25 per rental

Special Event Permits

Changed Level 2 Event fee from \$380 - \$620 to flat fee of \$400

Changed Level 3 Event fee from \$820 - \$1,240 to flat fee of \$1,200

Changed Level 4 Event fee from \$1,540 to \$1,600

Administrative Fee

Eliminated the \$4 fee per booking and program registration to cover technology replacement costs

Staffing Rates

Added Recreation Staff Member hourly rate of \$35 to 55

Changed MICEC Custodial hourly rate from \$50 to \$35 to 55

Updated Aid Car Unit name to Eastside Fire & Rescue

8. DEVELOPMENT AND CONSTRUCTION PERMIT FEES

- 4.2% increase to fees and valuations (the first half CPI-W for 2024), to maintain alignment with the growth of personnel costs.
- “Planner Meeting” fee has been adjusted from an hourly rate to a flat fee of \$176 to simplify related administrative process.
- 1.6% increase in Impact Fees, based on the Engineering News Record’s 2024 Seattle Construction Cost Index (June to June). This is consistent with Title 19 of the Mercer Island City Code.
- A column has been added to the Construction Permit Fee Calculation Table to display the building permit fee range for each tier of project valuation, with intent to help permit customers more easily understand permit cost.
- The Mercer Island Building Valuation Data Table (Appendix A) has been escalated by 1.6%, based on the Engineering News Record’s 2024 Seattle Construction Cost Index (June to June). In prior years, this data has been adjusted by the first half CPI-W. Moving forward, Community Planning and Development will adjust this data using ENR’s Seattle Construction Cost Index to better reflect regional changes to construction cost.

10. UTILITY RATES

Every fall, Public Works and Finance staff meet with the Utility Board to review annual rate adjustments for the water, sewer, storm water, and emergency medical service (EMS) utilities. The

table below outlines rate adjustments for an average single-family residence that the Utility Board unanimously approved for City Council consideration. The Utility Rates section of the fee schedule has been updated to reflect the increases in the rates.

Bi-Monthly Utility Rates		2024	2025	2025	
<i>For Sample Single-Family Resident</i>		Adopted	Proposed	\$ Change	% Change
City	Water	\$142.51	\$153.90	\$11.39	8.0%
City	Sewer Maintenance	\$68.41	\$71.49	\$3.08	4.5%
County	Sewer Treatment	\$110.22	\$116.56	\$6.34	5.75%
City	Storm Water	\$46.43	\$50.14	\$3.71	8.0%
City	EMS	\$11.54	\$11.65	\$0.14	1.21%
Total Charges		\$379.11	\$409.77	\$24.66	

11. MISCELLANEOUS FEES

Eastside Fire & Rescue began providing emergency medical transportation services for Mercer Island on January 1, 2024. The Ambulance Transport fee is increasing to \$1,323.00 and the mileage fee is increasing to \$24.26/mile to align with Eastside Fire & Rescue’s fee for ease of administrative oversight, to keep pace with market rates, and to recover transportation costs primarily from Medicaid, Medicare, and private insurance providers.

NEXT STEPS

Following the adoption of the 2025 Fee Schedule by the City Council, staff will finalize the document for publication on the City’s website on January 1, 2025.

RECOMMENDED ACTION

Approve Resolution No. 1668 adopting the 2025 Fee Schedule.