



## BUSINESS OF THE CITY COUNCIL CITY OF MERCER ISLAND

**AB 6824**  
**December 2, 2025**  
**Consent Agenda**

### AGENDA BILL INFORMATION

<b>TITLE:</b>	AB 6824: 2026 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
<b>RECOMMENDED ACTION:</b>	Approve Resolution No. 1685 adopting the 2026 Fee Schedule.	

<b>DEPARTMENT:</b>	Administrative Services
<b>STAFF:</b>	Ali Spietz, Chief of Administration
<b>COUNCIL LIAISON:</b>	n/a
<b>EXHIBITS:</b>	1. Resolution No. 1685, including Exhibit A – 2025 Fee Schedule
<b>CITY COUNCIL PRIORITY:</b>	n/a

<b>AMOUNT OF EXPENDITURE</b>	\$ n/a
<b>AMOUNT BUDGETED</b>	\$ n/a
<b>APPROPRIATION REQUIRED</b>	\$ n/a

### EXECUTIVE SUMMARY

The purpose of this agenda bill is for the City Council to update the City's fee schedule for 2026 (Exhibit 1).

- 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 with input from the Utility Board, and recreation fees are often 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 2026 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 2026 Fee Schedule: animal and business licenses, copying/printing, 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 as well as market- and competitor-based rates as adopted by Council in July 2021 (Reset Strategy [AB 5848](#)).
- 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, among others.

Below are changes in 2026 to different sections in the fee schedule (Exhibit 1):

### 6. POLICE FEES

Added Impounding Administrative Fee: \$100.00

### 7. PARKS AND RECREATION FEES

#### **Mercer Room Rentals (Monday-Thursday)**

- Added security deposit for renting one only section of the room: \$75

#### **Mercer Room Rental Packages**

- Added “Saturday (Peak Season: June – September; includes 12 hours)” rental fee: \$4,500
- Increased Weekend (Friday – Sunday; includes 12 hours) from \$3,700 to \$3,800
- Reduced Weekday (Monday – Thursday; includes 8 hours) from \$2,600 to \$2,000
- Added “Extended Package Rate” hourly: \$100

#### **Gymnasium and Dance Room Rentals**

- Added “Multi-Purpose/Dance Room security deposit (non-athletic)” fee: \$75
- Added Gym Carpet Squares half gym and full gym set up fees: \$400 and \$800

#### **MICEC Fitness Room and Drop-In Activities**

- Increased drop-in rates for non-residents from \$7 to \$8
- Aligned escalating percentage discounts on punch passes for both residents and non-residents
  - 10-Punch Pass (10% discount): Resident: \$40 to \$45 / Non-Resident: \$60 to \$72
  - 20-Punch Pass (20% discount): Resident: \$70 to \$80 / Non-Resident: \$100 to \$128
  - 30-Punch Pass (30% discount): Resident: \$90 to \$105 / Non-Resident: \$150 to \$168

### P-Patch Garden Fees

- Increased plot fees: small \$60 to \$75 / large \$75 to \$100

### Sport Court Fees

- Added sport court rental fees:
  - Court hourly (per court): \$25
  - Pickleball - Full Facility (per day): \$1,400
  - Tennis - Full Facility (per day): \$700

### Commercial Photography

- Increased commercial photography fee and added videography: \$50 to \$175 per session

## 8. DEVELOPMENT AND CONSTRUCTION PERMIT FEES

- The hourly staff rate for both Community Development and Planning and Eastside Fire and Rescue has been adjusted to \$182 per hour.
- All other Development and Construction Permit Fees have increased by 2.3% (the first half CPI-W for 2025), to maintain alignment with the growth of personnel costs.
- Impact Fees have decreased by -1.6%, based on the Engineering News Record's 2025 Seattle Construction Cost Index (June to June). This is consistent with Title 19 of the Mercer Island City Code.
- The Building Valuation Table has not been escalated.
- Language has been added to clarify:
  - Minimum Land Use Fees are non-refundable
  - The cost of peer review related to Shoreline Permitting, Transportation Concurrency, and Tree Permit review will be the responsibility of the applicant.

## 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 on October 28, 2025. The Utility Rates section of the fee schedule has been updated to reflect the increases in the rates.

Bi-Monthly Utility Rates <i>For Sample Single-Family Resident</i>		2025 Adopted	2026 Proposed	2026	
				\$ Change	% Change
City	Water	\$153.90	\$166.22	\$12.32	8.0%
City	Sewer Maintenance	\$71.49	\$74.35	\$2.86	4.0%
County	Sewer Treatment	\$116.56	\$125.32	\$8.76	7.5%
City	Storm Water	\$50.14	\$53.16	\$3.02	6.0%
City	EMS	\$11.65	\$12.26	\$0.58	4.97%
Total Charges		\$403.77	\$431.31	\$27.54	

## NEXT STEPS

Following the adoption of the 2026 Fee Schedule by the City Council, staff will finalize the document for publication on the City's website on January 1, 2026.

## RECOMMENDED ACTION

Approve Resolution No. 1685 adopting the 2026 Fee Schedule.