It was moved by Councilmember Grausz; seconded by Deputy Mayor Jahncke to: Prepare an Operations & Maintenance levy that reduces the Annual O&M for Capital Projects by $27,000, eliminates the Forest Steward to reduce the levy by $35,000 and reduce the Schools Financing enough to end up with net annual property tax on a $1 million home of $100. Set the Operations & Maintenance Levy at $900,000 per year for 15 years.

Motion passed 5-1 (Councilmember Cero dissented).

Staff will return at the August 4, 2008 Council Meeting with an ordinance to place a bond levy for capital parks projects and an ordinance for a 15-year levy lid lift for ongoing parks operations and maintenance for ballot measures on the November 4th General Election ballot.

(9) AB 4327 2009-2014 Capital Improvement Program Preview

City Manager Rich Conrad provided an overview of the proposed 2009-2014 Capital Improvement Program. He stated that the City of Mercer Island is in a good place as existing revenue streams are almost all in equilibrium with our capital infrastructure needs.

Deputy Finance Director Francie Lake provided a brief overview of the status of revenues (REET and projected utility rates).

Finance Director Chip Corder presented the new organization of the projects by funding status and walked the Council through the review of the proposed projects.

The Council asked questions of staff regarding specific projects and amended the following projects as listed below:

- Open Space Vegetation Management: Can staff include an education component within the proposed project budget?
- I-90 Park Improvements: Staff to provide more information on the Boat Launch before we launch into design.
- Minor Park Improvements: Staff to provide details on expenditures for Groveland Beach Park in out years.
- South Fire Station Replacement: Re-open Council discussions on replacement of the S. Fire Station (currently unfunded) in 2009.
- Low Impact Development Demonstration Project: Council would like staff to look into other locations -- not interested in spending this much on City Hall.
- Open Space Park Acquisitions: Delete this project and reallocate the funding to Open Space Vegetation Management.

Due to the late hour the discussion of the CIP staffing proposal was moved to a future meeting.

(10) AB 4322 2007 Mercer Island Dashboard Report

This item was moved to a future agenda.

OTHER BUSINESS:

Councilmember Absences:
Councilmember Litzow's absence was excused.
Deputy Mayor Jahncke and Councilmember Grady will be absent July 21.

Planning Schedule:
There were no changes.

Board Appointments: