



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

**AB 4322  
August 4, 2008  
Regular Business**

**2007 MERCER ISLAND DASHBOARD (MIDAS)  
REPORT**

**Proposed Council Action:**  
Receive report.

<b>DEPARTMENT OF</b>	Finance (Chip Corder)
<b>COUNCIL LIAISON</b>	n/a
<b>EXHIBITS</b>	2007 Mercer Island Dashboard (MIDAS) Report
<b>APPROVED BY CITY MANAGER</b>	<i>Rich Corder 7-30-08</i>

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

**SUMMARY**

Based on the newly adopted performance model, the 2007 Mercer Island Dashboard (MIDAS) report is attached as Exhibit 1.

**RECOMMENDATION**

*Finance Director*

**MOVE TO:** Receive report.

# 2007 Mercer Island Dashboard (MIDAS) Report

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## Introduction

During the second half of 2007, a small task force comprised of five department directors set out to develop a new, city-wide performance model with the following objectives in mind:

1. To identify “dashboard” (i.e. top tier) indicators which capture the “state of the City” in terms of what matters most to the management team and the City Council.
2. To collect meaningful information that impacts financial and human resource allocation decisions and ultimately organizational direction during the biennial budget/CIP process.
3. To select a manageable group of measures that has minimal impact on productive staff time in terms of data gathering.

The City of Mercer Island has a long history of performance measurement, having comprehensively tracked and published departmental performance since the development of the 1999-2000 Budget. What has been missing, however, is the connection to the City’s budget and CIP processes in which human and financial resource allocation decisions are made. To establish this connection, which has eluded many cities endeavoring to measure performance, the task force looked primarily at 4 cities that have developed notable performance measurement models: Bellevue, WA; Vancouver, WA; Shoreline, WA; and Westminster, CO. In addition, the task force also tapped available performance measurement resources through ICMA (International City/County Management Association) and GFOA (Government Finance Officers Association).

What follows is a summary description of the City’s new performance model, called the Mercer Island Dashboard (MIDAS), which consists of indicators historically tracked by the City and the four cities noted above and those that were newly developed in-house:

- The model is comprised of 30 “dashboard” indicators organized around the City’s 6 priorities of government and broken down into functional areas within each priority of government:
  - **Community Safety & Security: 8 indicators**
    - Personal Security
    - Crime Prevention Effectiveness
    - Traffic Safety Effectiveness
    - Timely Crime Response
    - Fire Suppression Effectiveness
    - Emergency Medical Aid Effectiveness
    - Timely Fire & Emergency Medical Aid Responses
    - Emergency Preparedness

# 2007 Mercer Island Dashboard (MIDAS) Report

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- **Effective & Efficient Public Service Delivery: 9 indicators**
    - Public Trust
    - Community Issues
    - Risk Management
    - Employee Retention & Morale
    - Permit Processing
    - Court Operations
    - Creditworthiness
    - Financial Management
    - Financial Condition
  
  - **Reliable Public Infrastructure: 4 indicators**
    - Infrastructure Condition: General Government (2 indicators)
    - Infrastructure Condition: Water Utility
    - Infrastructure Condition: Sewer Utility
  
  - **Attractive Neighborhoods & Business Districts: 3 indicators**
    - Neighborhood & Downtown Attractiveness (2 indicators)
    - Economic Vitality
  
  - **Recreational, Cultural, Health & Educational Opportunities: 5 indicators**
    - Recreation Programs & Facilities
    - Park Amenities
    - Youth Counseling & Intervention
    - Senior Outreach & Advocacy
    - Volunteerism & Human Services Funding
  
  - **Public Communication & Community Involvement: 1 indicator**
    - Informed Citizenry
- Over half of the 30 “dashboard” indicators are further broken down into sub-indicators for the purpose of providing context, identifying important components, and painting a clearer picture of performance.
- The data gathering impact on staff is described below:
- 9 indicators are captured by questions included in the biennial citizen survey.
  - 5 indicators have been historically tracked and reported by staff, 1 of which includes a comparison to other cities and King County.
  - 5 indicators are currently tracked and published by other agencies, 2 of which include comparisons to other cities.

## 2007 Mercer Island Dashboard (MIDAS) Report

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- 11 new indicators have been added to what staff currently tracks, 7 of which are based on data that is readily available (or will be made so in the near future), 2 of which require the gathering of comparative data from other cities, 1 of which requires that an intensive professional engineering assessment be conducted biennially, and 1 of which requires that a customer service survey be conducted annually.

Conspicuously missing from the model are indicators related to “community sustainability”. It is anticipated that up to 5 new measures will be added to MIDAS after the Council adopts specific sustainability objectives or targets during the 2009-2010 budget process.

Other improvements to MIDAS that will be pursued for future annual reports include the following:

- Adding comparative data (in terms of other Puget Sound cities) to “Fire Suppression Effectiveness” and “Emergency Medical Aid Effectiveness”;
- Improving the comparative data (in terms of other Puget Sound cities) used in “Infrastructure Condition: Water Utility” and “Infrastructure Condition: Sewer Utility”; and
- Adding outcome measures to “Youth Counseling & Intervention” and “Senior Outreach & Advocacy”.

**Above all, the 2007 MIDAS report is intended to have an impact on the direction Council gives to staff in June 2008 regarding the development of the 2009-2010 Budget.**

**COMMUNITY SAFETY & SECURITY**

Personal Security

Dashboard Indicator	Results	
	2006	2007
1) % of residents who feel "very safe" or "completely safe" walking alone:		
▶ In their neighborhood	N/A	86%*
▶ In the City's Town Center	N/A	86%*

\* January 2008 biennial citizen survey results are reported as a 2007 indicator.

**Analysis**

This is a new question that was added to the biennial citizen survey conducted in January 2008. While this indicator is based on the perception of Mercer Island’s residents, it really provides a “bottom line” assessment of the Police Department’s effectiveness relative to the current level of patrol service provided. On a scale of 1 to 7, in which 1 is completely unsafe and 7 is completely safe, 86% of Mercer Island’s residents rated their feeling of safety a 6 or 7 while walking alone in their neighborhood or in the City’s Town Center. This is consistent with the low crime rates that Mercer Island has enjoyed for many years relative to other Eastside cities, as noted below under “Crime Prevention Effectiveness”.

Crime Prevention Effectiveness

Dashboard Indicator	Results	
	2006	2007
2) Mercer Island crime rate relative to other Eastside cities and the King County average (expressed as # of Part 1 violent crimes per 1,000 population followed by # of Part 1 property crimes per 1,000 population):		
▶ Mercer Island	1.0 / 21.3	0.3 / 17.9
▶ Bellevue	1.6 / 36.6	1.2 / 35.6
▶ Kirkland	1.9 / 39.7	1.4 / 39.5
▶ Redmond	1.3 / 35.0	1.5 / 33.3
▶ Issaquah	0.4 / 46.6	0.4 / 35.0
▶ Sammamish	0.3 / 11.9	0.2 / 13.8
▶ King County average	4.1 / 51.5	3.7 / 44.5

**COMMUNITY SAFETY & SECURITY**

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**Analysis**

Mercer Island’s low crime rates relative to those of other Eastside cities and the King County average can be primarily attributed to a very small commercial sector, a road network consisting of very few arterials, and the demographics of this community (i.e. highly educated and high median household income). Sammamish, not surprisingly, is very comparable to Mercer Island. Both cities are affluent, residential communities with small commercial footprints and similar road networks. What distinguishes Mercer Island from Sammamish is the presence of I-90, which runs through the City and invites a higher crime rate. There are no interstates adjacent to or bisecting Sammamish.

Traffic Safety Effectiveness

Dashboard Indicator	Results	
	2006	2007
3) Mercer Island traffic accident rate relative to other Eastside cities and the King County average (expressed as # of traffic accidents per 1,000 population):		
▶ Mercer Island	11.99	16.04
▶ Bellevue	28.38	24.39
▶ Kirkland	25.73	25.87
▶ Redmond	21.89	21.47
▶ Issaquah	31.27	23.88
▶ Sammamish	7.37	6.43
▶ King County average	25.20	23.32

**Analysis**

With fewer arterials and fewer high volume intersections by comparison, Mercer Island’s traffic accident rate is significantly lower than those of other Eastside cities and the King County average. Relative to Sammamish, Mercer Island’s higher traffic accident rate can be pinpointed to the presence of I-90, which accounted for almost 53% of the accidents on the Island in 2007. As noted above, Sammamish doesn’t have any interstates running through it. Compared to 2006, Mercer Island’s traffic accident rate experienced a significant jump in 2007 (from 11.99 to 16.04) mostly due to a 63% increase in the number of I-90 accidents (from 116 in 2006 to 189 in 2007).

**COMMUNITY SAFETY & SECURITY**

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Timely Crime Response

Dashboard Indicator	Results	
	2006	2007
4) Patrol officer response to emergency calls:		
▶ # of emergency calls	431	347
▶ Average response time to emergency calls	4.7 min	4.3 min
▶ % of emergency calls responded to within 5 minutes	65%	69%

**Analysis**

The number of emergency calls can fluctuate significantly from one year to the next, as seen in 2007 when the number of calls was down 19% relative to 2006. At first glance, it appears that the improvement in average response time is directly related to the significant decrease in demand for service, but there are a number of other factors, such as patrol staffing levels and officer location when a call is received, that might have impacted response times in 2007. It should be noted that there is no generally accepted professional, national, or state standard for response times. Also, the definition of an emergency call varies somewhat from city to city.

Fire Suppression Effectiveness

Dashboard Indicator	Results	
	2006	2007
5) % of fires contained to:		
▶ Room/floor of origin	N/A	N/A
▶ Building/object of origin	N/A	N/A

**Analysis**

Containing a fire to the room/floor of origin or to the building/object of origin is directly, though not exclusively, related to a timely fire suppression response, an effective fire prevention program, and good building codes. This is a new measure that the Fire Department began tracking in 2008.

Emergency Medical Aid Effectiveness

Dashboard Indicator	Results	
	2006	2007
6) Cardiac arrest survival rate	N/A	50%

**COMMUNITY SAFETY & SECURITY**

**Analysis**

This measure reflects the percentage of patients in cardiac arrest and ventricular fibrillation who were resuscitated and subsequently released from the hospital. For a number of years, this data was reported annually by King County EMS (KCEMS), but they discontinued the practice in 2005. Recently, Fire Department staff learned that KCEMS did, in fact, track this data for 2007, which is reflected above. For 2008 and beyond, Fire Department staff recently worked with KCEMS to ensure that this data continues to be provided to Mercer Island. To give Mercer Island’s 50% survival rate some context, it should be noted that the 2007 King County average is about 40%, which represents the highest survival rate of any county in the nation. Given this fact, Mercer Island’s survival rate is excellent.

Timely Fire & Emergency Medical Aid Responses

Dashboard Indicator	Results	
	2006	2007
7) Firefighter response to:		
▶ Fire suppression calls:		
• # of calls	107	45
• Average response time	6.8 min	6.7 min
• % of calls responded to within 6 minutes	40%	50%
▶ Emergency medical aid calls:		
• # of calls (excludes motor vehicle accidents)	1,451	1,487
• Average response time	6.2 min	6.0 min
• % of calls responded to within 6 minutes	62%	62%

**Analysis**

The significant drop in the number of fire suppression calls in 2007 (from 107 to 45) can’t be attributed to anything the Fire Department did that year. In a small city like Mercer Island, the number of fire suppression calls can vary significantly from year to year (and have done so historically). While it’s possible that the decrease in demand resulted in a significant improvement in the percentage of calls responded to within 6 minutes, the correlation between the two is more tenuous when the number of calls is so few. Other factors, such as fire location and receiving simultaneous calls, can significantly impact response times for better or worse. As for emergency medical aid calls, the demand and the corresponding response times tend to be fairly consistent from year to year. Not surprisingly, there were no significant changes in 2007.

## COMMUNITY SAFETY & SECURITY

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### Emergency Preparedness

Dashboard Indicator	Results	
	2006	2007
8) % of households that believe they are "mostly prepared" or "completely prepared" for a 7 day emergency entailing disruption of power and water services	N/A	58%*

\* January 2008 biennial citizen survey results are reported as a 2007 indicator.

### Analysis

This is a new question that was added to the 2008 biennial citizen survey. Accordingly, the survey results establish 2007 as the "base" year to which future survey results will be compared. This indicator is intended to provide a quick read on the effectiveness of the City's emergency preparedness program, the responsibility for which was moved from the Fire Department to the Police Department in January 2008. Of the 58% noted above, 12% claim to be "completely prepared," and 46% claim to be "mostly prepared".

**EFFECTIVE & EFFICIENT PUBLIC SERVICE DELIVERY**

Public Trust

Dashboard Indicator	Results	
	2006	2007
9) % of residents who believe the City is doing a "good" or "excellent" job of using tax dollars responsibly	61%	56%*

\* Jan 2008 biennial citizen survey results are reported as a 2007 indicator.

**Analysis**

To put these survey results in perspective, it's worth noting that only 28% of Island residents believe King County is doing a "good" or "excellent" job of using tax dollars responsibly. In other words, the City enjoys a vote of confidence among its residents that is twice as high as that of King County. As for the drop from 61% to 56%, the cause cannot be definitively identified. However, it's possible that the lower rating in 2007 is directly related to the two top problems identified below under "Community Issues".

Community Issues

Dashboard Indicator	Results	
	2006	2007
10) Most important problem facing Mercer Island today according to the biennial citizen survey is (only top 5 results are listed):		
▶ Traffic/transportation/parking	26%	26%*
▶ Overcrowding/overdevelopment	28%	24%*
▶ Nothing	6%	10%*
▶ Education	7%	9%*
▶ High taxes/high cost of living	6%	3%*

\* Jan 2008 biennial citizen survey results are reported as a 2007 indicator.

**Analysis**

With the completion of Island Square and The Mercer and the corresponding increase in multi-family residential units and traffic congestion in the Town Center, it's not surprising that the two top community problems, according to Island residents, are still "traffic/transportation/parking" and "overcrowding/overdevelopment." Change of this magnitude and the disruptions that accompany it are difficult for people—especially when it encompasses 3-4 years. It will be interesting to see if perceptions change when the downtown redevelopment boom slows down significantly and two new traffic signals are installed in 2009. Lastly, it's remarkable that "nothing" (10%) ranked higher than "education" (9%) in 2007 as the most important problem facing Mercer Island. All things considered, that's a favorable indicator for the City.

**EFFECTIVE & EFFICIENT PUBLIC SERVICE DELIVERY**

Risk Management

Dashboard Indicator	Results	
	2006	2007
11) Total # of insurance claims filed over the past 5 years relative to WCIA 5 year rolling average for Group 3 cities:		
▶ Mercer Island	152	168
▶ Group 3 cities	94	100

**Analysis**

Mercer Island is a founding member of the Washington Cities Insurance Authority (WCIA), which is a statewide municipal insurance pool. The City’s claims experience is tracked within a pool of 20 similarly sized cities (identified as Group 3 cities) that generate 200,000-400,000 worker hours annually. The annual liability assessment (i.e. insurance premium) for each member city is based on two factors: 1) actual claims experience (with a \$100,000 loss limit per claim) over the past 5 years; and 2) total number of worker hours over the past 5 years. Given that 98% of all WCIA claims are settled for \$100,000 or less, the City’s risk management practices are best captured by the “frequency” (i.e. total number) of claims rather than their “severity” (i.e. amount).

Relative to the 5 year rolling pool average through 2007, the total number of claims filed against the City during this period is 68% higher, which can be mostly attributed to the City’s water and sewer utilities. It should be noted, however, that the total number of claims filed against the City in 2007 (18) was only slightly above the pool average (15). The specific actions being taken by the City to successfully address these problem areas are described later in this report under “Infrastructure Condition: Water Utility” and “Infrastructure Condition: Sewer Utility”.

**EFFECTIVE & EFFICIENT PUBLIC SERVICE DELIVERY**

Employee Retention & Morale

Dashboard Indicator	Results	
	2006	2007
12) % of employees that have worked for Mercer Island for:		
▶ Less than 5 years:		
• Police & Fire	N/A	16%
• Maintenance and Parks & Recreation	N/A	36%
• DSG	N/A	79%
• All other departments	N/A	38%
▶ At least 5 years but less than 10 years:		
• Police & Fire	N/A	28%
• Maintenance and Parks & Recreation	N/A	30%
• DSG	N/A	8%
• All other departments	N/A	40%
▶ At least 10 years:		
• Police & Fire	N/A	56%
• Maintenance and Parks & Recreation	N/A	34%
• DSG	N/A	13%
• All other departments	N/A	22%

**Analysis**

This indicator captures the “flipside” of employee turnover by breaking down how long employees have been with specific departments or department groupings. Of particular note are the following:

- **Police and Fire**, not surprisingly, have the highest proportion of employees (56%) that have been with the City for 10 years or more. This is very common in other cities as well with police officers and firefighters typically starting and staying with the same city for their entire careers.
- **DSG** (Development Services Group) has the highest proportion of employees (79%) that have been with the City for less than 5 years, reflecting the high turnover rate experienced over the past 5 years. The primary drivers behind the high turnover rate have been an unusually high level of development activity in the Puget Sound region, a tight labor supply, and City wages for professional planners and engineers that aren’t competitive with the private sector or larger cities, such as Seattle and Bellevue.

## **EFFECTIVE & EFFICIENT PUBLIC SERVICE DELIVERY**

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- **Maintenance and Parks & Recreation** are evenly split among the three longevity categories noted above. This is a “healthy” indicator, reflecting a balanced workforce in terms of employee turnover and development. Having a high proportion of “senior” employees (i.e. with 10 years or more of employment) can sometimes lead to higher turnover rates among comparatively newer employees due to fewer advancement opportunities.
- **All other departments**, which comprise Finance, City Manager’s Office, City Attorney’s Office, Community & Organizational Relations, Youth & Family Services, and the Municipal Court, have the highest proportion of employees (40%) that have been with the City for at least 5 years but less than 10 years. This is a “healthy” indicator, reflecting the presence of a core group of experienced employees, who are responsible for most of the City’s administrative and social services work.

### Permit Processing

Dashboard Indicator	Results	
	2006	2007
13) % of DSG customers "satisfied" or "very satisfied" with the helpfulness and responsiveness of DSG staff in processing:		
▶ Single family residential permits	N/A	91%
▶ Commercial/multi-family permits	N/A	99%

### **Analysis**

This survey was conducted by DSG in January 2008, mailing out surveys to 1,000 customers. The response rate was only 10%, but this is fairly typical for such a survey. The results, however, are excellent in light of the significant DSG staff turnover over the past 5 years and the high level of development activity on the Island, especially in the Town Center.

**EFFECTIVE & EFFICIENT PUBLIC SERVICE DELIVERY**

Court Operations

Dashboard Indicator	Results	
	2006	2007
14) Annual Municipal Court activity:		
▶ # of cases filed:		
• Parking	509	719
• Infractions	2,980	3,206
• Criminal charges	442	430
• Total # of cases filed	3,931	4,355
▶ Total court-related revenues:		
• Mercer Island	294,288	319,303
• Newcastle	40,964	55,121
• Total amount of court-related revenues	335,252	374,424
• % of court-related revenues to expenditures	125%	132%
▶ # of RALJ (rules on appeal for courts of limited jurisdiction) appeals filed related to:		
• Infractions	1	0
• Criminal charges	0	0

**Analysis**

The total number of cases filed is up almost 11% in 2007 due to a 40% increase in parking citations and an 8% increase in infraction citations (which are almost completely traffic related). The huge increase in parking citations is directly related to the hiring of a Police Support Officer in the first quarter of 2007 for parking and leash law enforcement as well as prisoner transport. This was a newly approved position in the 2007-2008 Budget. In 2007, court-related revenues were up almost 12% over 2006. From a purely financial perspective, the Court more than pays for itself, generating revenues that exceed operating costs by 32%. If the City were to contract with King County for court services again, 100% of the court fines and fees currently received would be remitted to King County. Finally, the number of RALJ (rules on appeal for courts of limited jurisdiction) appeals filed speaks to a court's judicial effectiveness. Simply put, the fewer the number of RALJ appeals the better a court's adjudication process is viewed. Mercer Island's Municipal Court has an outstanding RALJ appeal record, especially given that it has only been in operation for 3 years.

**EFFECTIVE & EFFICIENT PUBLIC SERVICE DELIVERY**

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Creditworthiness

Dashboard Indicator	Results	
	2006	2007
15) City's bond rating (Moody's):		
▶ Unlimited Tax General Obligation (UTGO) bonds	Aa1	Aa1
▶ Limited Tax General Obligation (LTGO) bonds	Aa2	Aa2

**Analysis**

A city's bond rating can be likened unto an individual's credit rating. Because the City has very little debt, healthy fund balances, various operating and capital reserves, and "banked" property tax capacity, Mercer Island enjoys excellent bond ratings from Moody's Investors Service, one of the nation's leading bond rating agencies. In fact, the only Washington cities with higher UTGO and LTGO bond ratings than Mercer Island are Seattle and Bellevue.

Financial Management

Dashboard Indicator	Results	
	2006	2007
16) Receive unqualified (i.e. clean) audit opinion	Yes	Yes

**Analysis**

Since at least 1995 (i.e. the past 12 years), Mercer Island has received a "clean" (i.e. no findings) audit opinion from the Washington State Auditor's Office. Mercer Island is really just one of a handful of cities in the state that can make this claim. No other indicator provides a better measure of an organization's financial management practices.

Financial Condition

Dashboard Indicator	Results	
	2006	2007
17) Ratio of tax revenues (i.e. property, sales, and utility taxes) to personnel costs (i.e. salaries, hourly wages, overtime, and benefits) in the General Fund	1.09	1.12

## **EFFECTIVE & EFFICIENT PUBLIC SERVICE DELIVERY**

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### **Analysis**

Over the past 3 years, tax revenues, on average, have accounted for 70-71% of the total revenues in the General Fund, excluding significant, one-time sales tax receipts from “unclassified” businesses. By comparison, personnel costs have accounted for 67-68%, on average, of the total expenditures in the General Fund over the past 3 years, excluding temporary staffing funded by the prior year’s General Fund surplus. For Mercer Island, maintaining an annual ratio of tax revenues to personnel costs of at least 1.05 is considered a good financial condition indicator by the City’s Finance Director. Very simply put, it means that tax revenue growth is keeping pace with personnel cost growth. A downward trend toward 1.05, which is not the case currently, should be viewed as an early financial warning indicator. In 2005, the ratio was 1.15, which is primarily reflective of the 3.60 FTE (i.e. staffing) reduction in the 2005-2006 biennium. Comparing 2007 to 2006 tax revenues, property tax was up 5.1% (which includes almost \$200,000 in “new construction”), sales tax was up 17.4% (including a \$363,000 increase in construction-related revenue, but excluding significant, one-time sales tax receipts), and utility taxes were up 10.7%, resulting in a ratio of 1.12.

**RELIABLE PUBLIC INFRASTRUCTURE**

Infrastructure Condition: General Government

Dashboard Indicator	Results	
	2006	2007
18) % of residents who believe the City is doing a "good" or "excellent" job of maintaining the City's:		
▶ Streets	N/A	76%*
▶ Sidewalks & pedestrian/bicycle paths	N/A	66%*
▶ Parks, trails, and open space	87%	86%*
19) Pavement condition index (PCI) rating breakdown for (noting centerline miles and % of total):		
▶ Arterial streets:		
• Failed (0-20 PCI)	N/A	0.0 mi / 0%
• Poor (21-48 PCI)	N/A	0.3 mi / 1%
• Fair (49-66 PCI)	N/A	5.2 mi / 21%
• Good (67-88 PCI)	N/A	12.6 mi / 52%
• Excellent (89-100 PCI)	N/A	6.2 mi / 26%
▶ Residential streets:		
• Poor to Fair (21-66 PCI)	N/A	18.0 mi / 35%
• Good to Excellent (67-100 PCI)	N/A	34.0 mi / 65%

\* Jan 2008 biennial citizen survey results are reported as a 2007 indicator.

**Analysis**

The January 2008 biennial citizen survey included two new questions regarding citizen satisfaction with the condition of the City's "streets" and "sidewalks & pedestrian/bicycle paths." Accordingly, the survey results establish 2007 as the "base" year to which future survey results will be compared. Generally speaking, survey results in the 80% range are considered to be very good. The 76% satisfaction rating associated with the City's streets, while good, might be reflective of the development impact on the Town Center's streets. As for the City's sidewalks & pedestrian/bicycle paths, the 66% satisfaction rating is likely related to significant tree root problems in the Town Center, where most of the City's sidewalks are located, and to a substandard walkway along 72<sup>nd</sup> Avenue SE in the First Hill neighborhood. Also, some sidewalks in the Town Center have been temporarily closed due to major construction projects. It should be noted that the City's ROW Team Leader recently established an annual sidewalk repair program to address these issues. In addition, the substandard walkway along 72<sup>nd</sup> Avenue SE will be rebuilt in 2008-2009. Finally, the City's parks, trails, and open space once again were rated in the 80% range, reflecting the City's emphasis on quality of life.

**RELIABLE PUBLIC INFRASTRUCTURE**

Average pavement condition index (PCI) ratings represent a professional engineer’s assessment of the overall condition of the City’s arterial and residential streets. In 2007, the Washington State Department of Transportation assessed the arterial streets of many small cities in Washington State, including Mercer Island. The task of assessing the residential streets was left to each of these small cities. Due to a heavy project workload, the City’s Street Engineer wasn’t able to perform this task in 2007. Currently, this assessment is planned for the end of 2008, after the construction season is over. For the purposes of this report, the City’s Street Engineer has provided a very preliminary estimate of the City’s 2007 residential street condition, grouping the poor and fair ratings and the good and excellent ratings together.

Infrastructure Condition: Water Utility

Dashboard Indicator	Results	
	2006	2007
20) # of water line breaks per 1,000 service connections relative to other Puget Sound cities:		
▶ Mercer Island	1.20	1.20
▶ Bellevue	0.50	0.50
▶ Kent	0.98	1.06
▶ Kirkland	0.44	0.26
▶ Snoqualmie	N/A	0.00
▶ Highline Water District	0.72	0.72

**Analysis**

Several attempts were made to obtain the 2006 and 2007 water line break results of other King County cities and water districts, but these were the only ones that would respond to our information request. In both years, Mercer Island has the highest number of water line breaks per 1,000 service connections. According to the City’s Utilities Operations Manager, half of the City’s water line breaks are concentrated in the First Hill and East Seattle segments of our water distribution system. In these specific segments, the age of the water main pipes, the pipe material used (i.e. cast iron), and the location along the Seattle fault line represent major contributing factors to this higher incidence of water line breaks. Historically, the water main replacement program has been driven primarily by the street re-surfacing program (because the water mains are under the roadways) and the need to replace undersized mains throughout the Island. However, this policy is changing with the development of the 2009-2014 water utility CIP. Going forward, those segments that have asbestos cement (AC) pipe or are more susceptible to water line breaks, based on actual experience and visual inspections by the maintenance crew, will be given a higher priority ranking under the new replacement policy.

## RELIABLE PUBLIC INFRASTRUCTURE

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### Infrastructure Condition: Sewer Utility

Dashboard Indicator	Results	
	2006	2007
21) # of sewer system backups per 1,000 service connections relative to other Puget Sound cities:		
▶ Mercer Island	0.67	0.67
▶ Bellevue	0.30	0.63
▶ Kirkland	0.00	0.00
▶ Snoqualmie	N/A	0.29

#### Analysis

Several attempts were made to obtain the 2006 and 2007 sewer backup results of other King County cities, but these were the only ones that would respond to our information request. In both years, Mercer Island has the highest number of sewer backups per 1,000 service connections. However, with the recent delivery of a new sewer jet truck, which is used exclusively to clean sewer mains, the number of backups is expected to decline significantly. The equipment used previously by the sewer utility crew was a multi-purpose unit that couldn't access certain places on the Island and that had to be shared with the water utility crew. Having a dedicated piece of equipment has enabled the sewer utility crew to significantly enhance its sewer cleaning program. Also of note is the City's aggressive tree root treating program, which was initiated by the City's Utilities Operations Manager in 2006. Most sewer backups on the Island are caused by tree roots, which can be effectively managed by applying a special product to sewer mains. The treatment results aren't immediate, but the number of backups should decline over time.

**ATTRACTIVE, HIGH QUALITY NEIGHBORHOODS  
& BUSINESS DISTRICTS**

Neighborhood & Downtown Attractiveness

Dashboard Indicator	Results	
	2006	2007
22) # of code enforcement complaints received related to:		
▶ Critical areas/shoreline	20	18
▶ No permit or expired permit	35	34
▶ Property encroachment	66	23
▶ Debris/vehicles	14	16
▶ Trees (topping/clearing/cutting)	20	24
▶ Other	21	59
▶ Total # of code enforcement complaints	176	174
23) % of residents "satisfied" or "very satisfied" with the overall appearance and condition of the City's Town Center	N/A	71%*

\* Jan 2008 biennial citizen survey results are reported as a 2007 indicator.

**Analysis**

Tracking the types and number of code enforcement complaints, which are primarily residential in nature, provides a quick assessment of neighborhood quality. Overall, the total number of code enforcement complaints is effectively unchanged from 2006 to 2007. Looking at the types of complaints, however, there was a significant drop in "property encroachments" (from 66 in 2006 to 23 in 2007), which was offset by a corresponding jump in "other" complaints (from 21 in 2006 to 59 in 2007). This difference is believed to be directly related to a staffing change, which occurred at the end of 2006, in the Code Enforcement Officer position. Simply put, certain complaints that were previously tracked under "property encroachment" are now tracked under "trees" or "other".

Regarding the appearance and condition of the City's Town Center, a new question was added to the biennial citizen survey conducted in January 2008. Given the high level of development activity currently underway in the Town Center (i.e. Aljoja House, 7700 Central, and 7800 Plaza Condominiums), a 71% satisfaction rating is good. It will be interesting to see the results when this same question is asked again in the 2010 biennial citizen survey at which time these three projects will be complete.

## ATTRACTIVE, HIGH QUALITY NEIGHBORHOODS & BUSINESS DISTRICTS

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### Economic Vitality

Dashboard Indicator	Results	
	2006	2007
24) Sales tax per capita (excluding significant, one-time receipts):		
▶ Total (all business sectors)	\$120.20	\$137.79
▶ Construction sector only	\$56.93	\$71.84
▶ Retail, wholesale & food services sectors only	\$33.00	\$37.76
▶ All other sectors only	\$30.27	\$28.19

### Analysis

Excluding one-time extraordinary receipts from three “non-classified” businesses, total sales tax per capita was up 14.6% in 2007 relative to 2006. Most of this growth can be attributed to the construction sector, which was up 26.2% last year (on a per capita basis), primarily due to new construction in the Town Center—namely, the Aljoya House and 7700 Central and 7800 Plaza Condominium projects. It should be noted that the construction sector made up 52.1% of the City’s total sales tax receipts in 2007, excluding the one-time unexpected receipts, compared to 47.4% in 2006. Also of note are the retail, wholesale, and food services sectors, which were collectively up 14.4% in 2007 relative to 2006 as a result of new stores that have opened up in Island Square and The Mercer and new residents that have moved into the apartments in these new buildings.

## RECREATIONAL, CULTURAL, HEALTH & EDUCATIONAL OPPORTUNITIES

### Recreation Programs & Facilities

Dashboard Indicator	Results	
	2006	2007
25) % of residents who believe the City is doing a "good" or "excellent" job of:		
▶ Providing recreation programs for youth, adults, and seniors	N/A	79%*
▶ Operating the Community Center	N/A	75%*

\* Jan 2008 biennial citizen survey results are reported as a 2007 indicator.

### Analysis

This is a new question that was added to the 2008 biennial citizen survey. Accordingly, the survey results establish 2007 as the “base” year to which future survey results will be compared. Given the diversity of recreational interests in the community, a 79% satisfaction rating is very good. Curiously, the survey also included a general question about the respondent’s opinion of the Parks and Recreation Department, which garnered a 90% favorability rating. Why there’s a disconnect between these two ratings isn’t readily apparent. Regarding the new Community Center at Mercer View (CCMV), which opened in December 2005, 18% of those surveyed responded “don’t know” to this question, which was higher than expected. It’s possible that this represents the percentage of households that haven’t visited the CCMV yet, though we won’t be able to confirm this until the next biennial citizen survey is conducted in 2010. Given the challenges that accompany the opening of a new facility and the corresponding program and fee adjustments, a 75% favorability rating is very good. In terms of patrons and visitors, the new CCMV has been much busier and significantly more popular than the former facility.

### Park Amenities

Dashboard Indicator	Results	
	2006	2007
26) % of residents "satisfied" or "very satisfied" with the available amenities at the City's parks (e.g. sports fields, sports courts, playgrounds, restrooms, and picnic areas)	N/A	78%*

\* Jan 2008 biennial citizen survey results are reported as a 2007 indicator.

**RECREATIONAL, CULTURAL, HEALTH & EDUCATIONAL OPPORTUNITIES**

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**Analysis**

This is a new question that was added to the 2008 biennial citizen survey. Accordingly, the survey results establish 2007 as the “base” year to which future survey results will be compared. As noted above under “Recreation Programs & Facilities,” a 78% satisfaction rating is very good in light of the diversity of recreational interests in the community. Currently, a parks ballot measure is being considered by the Council for the November 2008 election to address community interest in improving parks, trails, and ballfields and in better maintaining shoreline, urban forests, and open spaces.

Youth Counseling & Intervention

Dashboard Indicator	Results	
	2006	2007
27) Counseling activity in middle/high schools:		
▶ # of individual contacts	3,329	3,204
▶ # of parent consultations	501	503
▶ # of school staff consultations	850	994
▶ # of drug/alcohol assessments	23	43

**Analysis**

The City’s school-based counselors provide professional mental health and substance abuse assessment, intervention, education, and referral services to adolescents and their families at Islander Middle School, Mercer Island High School, and Crest Learning Center. In 2007, the number of school staff consultations was up 17% (or 144 consultations) compared to the previous year due to the increased visibility of mental health and drug/alcohol problems on campus. Also of concern is the 87% increase (up 20 assessments) in the number of drug/alcohol assessments in 2007, which is primarily related to a change in the School District’s athletic policy to include accountability for off-season infractions.

Senior Outreach & Advocacy

Dashboard Indicator	Results	
	2006	2007
28) # of seniors and adult children served by Geriatric Specialist	354	290

## **RECREATIONAL, CULTURAL, HEALTH & EDUCATIONAL OPPORTUNITIES**

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### **Analysis**

The City's Geriatric Specialist provides in-home assessment, consultation, support, and referral services to Mercer Island senior adults and their adult children. The number of seniors and adult children served in 2007 declined 18% (or by 64 clients), because existing clients required more attention and personalized care. It should be noted that annual fluctuations between the number of clients served and the time spent per client is typical. Finally, past client surveys have rated the services provided by the City's Geriatric Specialist as highly effective.

### Volunteerism & Human Services Funding

Dashboard Indicator	Results	
	2006	2007
29) Mercer Island Thrift Shop annual activity:		
▶ # of volunteer service hours	15,869	15,394
▶ Gross sales revenue	\$596,633	\$658,160
▶ Net income	\$371,520	\$398,821

### **Analysis**

The Thrift Shop provides job training opportunities for residents transitioning back into the workforce and community service opportunities for youth, adults, and seniors desiring to give back to their community. Also, internships are provided for youth with specific barriers to employment. Another major purpose served by the Thrift Shop is financial in nature. Its profits are dedicated to funding human service programs for Mercer Island residents. In 2007, gross sales revenue and net income were up 10.3% and 7.3% respectively, easily outpacing inflation, which was 3.8% in the Seattle metro area (CPI-W). The annual growth in Thrift Shop net income and increased donations by the MIYFS Foundation have allowed the City to keep its tax subsidy for human services fixed at \$465,000 annually from 2005 through 2008.

**PUBLIC COMMUNICATION & COMMUNITY INVOLVEMENT**

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Informed Citizenry

Dashboard Indicator	Results	
	2006	2007
30) % of residents "satisfied" or "very satisfied" with the City's efforts to keep them informed through a quarterly citizen newsletter, a weekly electronic newsletter (subscription based), information provided on the City's website, and Mercer Island Reporter articles	N/A	85%*

\* Jan 2008 biennial citizen survey results are reported as a 2007 indicator.

**Analysis**

This is a new question that was added to the 2008 biennial citizen survey. Accordingly, the survey results establish 2007 as the "base" year to which future survey results will be compared. The Council initially approved a temporary Public Communications Coordinator position in March 2006 as an experiment. Then, as part of the 2007-2008 budget process, the City Manager recommended and the Council approved making this an authorized, ongoing FTE. The Public Communications Coordinator has been directly responsible for producing a weekly electronic newsletter (which is subscription based) and a quarterly citizen newsletter (distributed to all residents), posting current news on the City's website, and working closely with the Mercer Island Reporter on news articles. With respect to MI Weekly (the electronic newsletter), total subscriptions as of year-end were at 438, which represents almost 5% of the total number of households on the Island. The net result of this increased focus on public communication is an 85% citizen satisfaction rating.