



TO: Mayor and Council

FROM: Howard S. Lazarus, City Administrator

CC: Derek Delacourt, Community Services Area Administrator
Nick Hutchinson, City Engineer
Earl Kenzie, Wastewater Treatment Plant Manager
Brett Lenart, Planning Manager
Molly Maciejewski, Public Works Manager
Cresson Slotten, Systems Planning Manager

SUBJECT: Council Agenda Responses

DATE: 3/6/17

CA-4 – Resolution to Approve Fourth Amendment with Varnum LLP for Legal Services to Contest the National Pollutant Discharge Elimination System (NPDES) Permit for the Wastewater Treatment Plant (\$50,000.00)

Question: If the City does not ultimately prevail in this, what will need to be done, in what timeframe, and approximately how much will it cost? (Councilmember Lumm)

Response: The Administrative Law Judge will render a decision and recommendation to the Director of MDEQ for a final decision on the contested case. If the City does not prevail in this final decision, the City has the option to accept it and implement the necessary capital improvements at the WWTP, or to exercise its right to appeal the decision to circuit court.

If the City accepts the decision, an updated engineering study would be needed to evaluate and select the best alternative for achieving the phosphorus limits at current and future flows because the previous study was completed in June 2000. The estimated costs for engineering and construction services to implement the selected capital improvements very likely would exceed the estimated costs from the June 2000

study (capital cost of \$1,500,000, annual operating cost of \$167,000, plant scale testing over a three-year period at an expected cost of \$520,000). The time to complete these activities would be approximately three to five years.

If the City and the other WWTPs exercise their right to appeal the decision to circuit court, litigation would likely take one to two years to complete, not including time for appeals. Litigation costs cannot be estimated at this time, but could be low to mid six figures.

CA-5 - Resolution to Authorize Renewal of Professional Services Agreement with Stantec Consulting Michigan, Inc. for General Construction Inspection Services (\$500,000.00)

Question: The amount spent on this consultant in 2016 was an initial \$200,000 plus an additional \$75,000 approved in a subsequent contract amendment. The currently proposed \$500,000 is substantially more than the previous year. If the estimated amount of services are not required, will the contract require that the City pay the full \$500,000? (Councilmember Eaton)

Response: The contract is for construction inspection services on an as-needed basis. With this contract, the City can request as much or as few services as are needed to provide support for construction projects. The consultant is required to submit invoices for their work on a project-by-project basis, and the contract does not require the City to pay the full amount if less services are needed.

Question: With the significant increase of the contract price, why wasn't this contract put up for a competitive bid? (Councilmember Eaton)

Response: The proposed resolution is for a renewal of the contract, not an amendment to the existing contract. The Request for Proposal (RFP) that was issued last year was written with the intent of having the option to renew the contracts for one additional season; thus, if the City was satisfied with the work of the consultant, their contract could be renewed without the additional administrative expense of issuing a new RFP. The consultant is required to hold their prices from the previous year. The increase in amount from last year is based on the anticipated workload for 2017, taking into consideration that other consultants that were hired through the same RFP process either did not perform adequately or were not able to provide adequate staffing, and thus their contracts are not being renewed.

As the original RFP only allowed for a single year renewal, another RFP process for inspection services will be initiated in late 2017/early 2018 for inspection services for the following two construction seasons.

CA-12 - Resolution to Approve 50% Waiver of Annexation, Site Plan, and Zoning Fees for Hickory Way Apartments (1110 and 1132 S. Maple Road) by Avalon Housing, Inc.

Question: What would have been Avalon's capital recovery costs for water and sewer if they had connected under the old fee schedule? (Councilmember Warpehoski)

Response: The old method of computing capital recovery charges involves researching historic project costs specific to the utilities which serve the parcel (eg. the water main in Maple was constructed in 1960s). Staff will need additional time to perform this research to determine what the charges would have been under the previous capital recovery charge method. However, when the City adopted the new/current method of calculating charges, a similar comparison was performed on other development sites and the new/current method generally resulted in higher charges for the larger commercial/high density residential projects (similar to the proposed Avalon project).

CA-14 - Resolution to Approve Avalon's Request of \$130,004.00 Grant for Water Service Expenses at Hickory Way Apartments (1110/1132 S. Maple) from the Ann Arbor Affordable Housing Fund Water Utility Fund (HHSAB Recommendation: Approval - 10 Yeas, 0 Nays, 1 Abstention) (8 Votes Required)

Question: What is the current balance in the Affordable Housing Trust fund and are there any other separate line item allocations related to affordable housing (like this one) that are available to help fund projects? Also, have we received any other requests to use these funds? (Councilmember Lumm)

Response: The Affordable Housing Fund has a balance of \$3,860 in uncommitted general funds. Similar to the separate line item for water connection fund (\$130,004) there is an additional small amount available from the sidewalk repair fund (\$6,762). No other requests have been received to use the water connection fund.

DB-1 - Resolution to Approve the South Maple Apartments by Avalon (Hickory Way Apartments) Planned Project Site Plan, 1110 and 1132 South Maple Road (CPC Recommendation: Approval - 7 Yeas and 0 Nays)

Question: I'm trying to understand the side setback requirements. The cover memo indicates that required side setbacks are greater when a building's length exceeds 50 feet (and that makes sense), but I don't understand how the required setbacks can be different for the two buildings on the site – can you please clarify how that works? (Councilmember Lumm)

Response: The additional setback requirement does not move the minimum required setback line for the entire site but rather requires that each building over 50 feet be set back farther than normal based on its individual measurement. Building A and B on the South Maple Apartments by Avalon site are different lengths so each has its own additional setback requirement.

C-1 - An Ordinance to Amend the Code of the City of Ann Arbor by Adding a New Chapter Which New Chapter Shall be Designated as Chapter 120 (Solicitation of Immigrant Status) of Title IX of Said Code

Question: In the Statement of Purpose section of the ordinance, the phrase “to prevent biased-based policing” was deleted in the March 3rd version. Why was it deleted? (Councilmember Lumm)

Response: It was decided by the sponsor, Councilmember Eaton, that the anti-profiling provision in the first draft of the ordinance would be handled as a stand alone matter by Council, and thus the statement of purpose tied to that provision was deleted.

Question: The original version of the ordinance included sections 9:406 (Private Cause of Action) and 9:407 (Indemnification Policy). Why were those two sections removed in the March 3rd version? (Councilmember Lumm)

Response: This was somehow deleted in Legistar improperly. These were inadvertently omitted but have been re-inserted.

Question: The Administrator’s memo (AC-2) indicates that “The City is currently in compliance with applicable federal law, and does believe any of these funds are at risk.” Assuming that should say “not believe”? (Councilmember Lumm)

Response: The memo has been corrected to read “does not believe” and the revised version is attached to AC-2.

Question: The Administrator’s memo also mentions AAPD’s not profiling based on immigration status and indicates that “The City Attorney is preparing an ordinance to codify this practice at the request of Council”. When do we expect that ordinance to come to Council and when did Council request it? (Councilmember Lumm)

Response: The request for an anti-profiling ordinance was first made in conjunction with the request for a non-solicitation of immigration status ordinance in January, 2017. The City Attorney will be working with the sponsor on the timing.

C-2 - An Ordinance to Amend Chapter 55 (Zoning), Zoning of 0.5 Acres from TWP (Township District) to R1D (Single-Family Dwelling District), 685 S. Wagner Road (CPC Recommendation: Approval - 7 Yeas and 0 Nays)

Question: The Planning Staff report indicates that City sanitary sewer service is currently not available to this site, but the CIP includes a future project to extend the sanitary sewer main which would provide service to this property. When we annex a property where sanitary sewer (or water) service does not exist, does that somehow create a legal obligation or commitment to provide the service within some defined time frame? (Councilmember Lumm)

Response: There is not a defined timeframe. The project is programmed into the CIP and is prioritized against all other Citywide utility needs. On that basis, this particular project is presently programmed for Fiscal years 2019-2020 construction (calendar 2019). Project schedules can also be impacted by funding availability, staffing resources, and/or coordination with other projects (eg. road reconstruction).

DC-2 - Resolution to Direct City Administrator to Negotiate a Services Agreement with Recycle Ann Arbor for Interim Operation of the Ann Arbor Material Recovery Facility and Waste Transfer Station and to Amend the Solid Waste Fund Operations and Maintenance Budget by Appropriating \$1,680,000.00 from the Solid Waste Fund Balance (8 Votes Required)

Question: In the past I was told that the glass that was collected through RAA was crushed and sent to the landfill. I was pleasantly surprised to hear during budget session that WM was actually recycling glass. I was told that glass did not have a recycling market and therefore it was being sent to the landfill. Kindly explain what changed? Is it the markets or WM being a big corporation is able to find a market due to economies of scale? (Councilmember Kailasapathy)

Response: The WM Akron Ohio MRF is located near a glass processing facility. All three proposed to recycle glass. We understand that the market is making a rebound.

Question: Can you please list out the pros cons of the two vendors in terms of recycling history, diversion to landfill rates and price. (Councilmember Kailasapathy)

Response: Below is an excerpt from the staff memo to the Environmental Commission Meeting which contains Q&A that answers this question.

Question: *In September, 2016, how many tons of recyclables and MSW were processed (i.e., what numbers were used to calculate the three proposals' costs)?*

Response: *In September, 2016 there were 1328.45 tons of recyclables and 4843.76 tons of MSW.*

Question: *Each of the three proposals outlines different scenarios. Which did you use to calculate each of their costs?*

- For Emterra's bale and ship option, did you use the processing fee/ton with commodity revenue or processing fee/ton without commodity revenue (i.e., \$188.81 + revenue or \$118.50/ton)?

Response: Bale and Ship - \$118.50/ton Flat Fee without credit

- For Waste Management, did you calculate using \$132/ton or did you include estimated commodity revenue (\$132 - \$65.83) and calculate at \$67.17/ton?

Response: Bale and Ship - \$132.00 - \$71.76 = \$60.24/ton (based on published index of blended value commodities, September market, 100% credit to City as blended value <\$132)

- Which scenario did you use to calculate RAA's costs? And if it's baling recyclables, did you use \$160.46/ton (including commodity revenue) or \$214.99 (without commodity revenue)?

Response: Bale and Ship - \$214.99 - \$54.53 = \$160.46/ton (using submitted sample average commodity revenue credit)

Question: Staff expenses are not included in Emterra's fees or Waste Management fees (though they are included in Emterra's proposal). RAA did include staff expenses in its proposal and its fees. How did you weigh staffing and compare the other two to RAA's proposal?

Response: Emterra's fees and Waste Management's fees are set, fixed fees, inclusive of labor, equipment and materials to perform the stated services, thus not requiring staffing comparisons. If Emterra or Waste Management were to require additional staffing to perform the work, they would have to absorb that cost as the fee could not be adjusted.

Question: Emterra and RAA both include detailed maintenance schedules and procedures. Waste Management did not address this in their proposal. Did WM address it during your interview? If yes, what did they say? If not, how did you weigh this lack against the other two proposals?

Response: WM addressed the issue during the interview process, within their presentation and provided supplemental clarification documentation "Summary of Current Operational Practices and Procedures for the Interim Operation of Ann Arbor Materials Recovery Facility (MRF) and Waste Transfer Station." Topics covered in the documentation:

1. Material Recovery Facility Operations
2. Material Marketing and Critical Safety Rules
3. Transfer Station Operations and Critical Safety Rules
4. Compliance Summary and Safety Program Details

Question: How did you include the \$50K/month Waste Management will charge to operate the transfer station in your cost evaluation?

Response: *It was included in the total calculated cost for each vendor; the calculations were made including all supplemental monthly costs.*

Question: *A member of EC thinks the transfer operations were removed from RFP 980 and will now be included in the RFP for the new landfill contract instead. Is this the case?*

Response: *The operation of the Transfer Station was included in the RFP 980 scope of work. In developing the scope of work for the Landfill Disposal Services RFP that is necessary due to the upcoming expiration of the current contract on June 30, 2017, the City's consultant (CB&I) recommended including the Transfer Station operations in the Landfill Disposal Services RFP. Therefore, the Interim Operations contract resulting from RFP 980 will include the operation of the Transfer Station until June 30, 2017 and these operations will move to the vendor selected for the Landfill Disposal Services contract on July 1, 2017.*

Question: *Staff's evaluation of RAA's proposal to sort and loose load at the transfer station expressed logistical/coordination concerns. Can you explain these concerns? I would assume current operations at the transfer station are at least standard (if not best) practice. The MDEQ has okayed it. The City will presumably produce the same amount of waste. Why would a different operator be so disruptive?*

Response: *Under this loose load option, there would be City trucks operated by RAA staff and City trucks operated by City staff delivering recyclables, then RAA staff loose loading the recyclables into semi-trucks with open top trailers to transport the material for processing; and, City solid waste trucks and commercial franchise trucks delivering MSW at the same facility, being loose loaded into open top trucks by the Landfill/TS Operator Contractor. These dual, parallel operations by two different operating groups would all be occurring in a space designed and intended solely for MSW transfer operations, particularly the dual use of the single drive-through bay for loading the transfer trucks. Two separate operations by different contractors utilizing, and vying for this same workspace to each accomplish their required work in a safe and timely manner would not be a tenable situation for the City.*

Question: *Is the City's current landfill rate \$14.18/ton? If not, what does the City pay under the landfill contract that expires in June 2017?*

Response: *The current landfill rate is \$14.18/ton, which includes state and county fees.*

Question: *I don't understand Staff's recommendation to award the contract to WM in light of what I view as its publicly-announced and thus binding RFP evaluation criteria (p. 13-14) and evaluation process (p. 14-15). Based on the City's criteria and the Administrator's 2/10/17 letter to the Commission (and, perhaps, per its file name to the Mayor and Council)*

where Emterra's proposal received the highest score for criteria A - C (and for that matter A - D), how can the City in effect overrule its own RFP and evaluation and recommend WM? In effect, it is acting as if the fee structure is not a 10% criteria but one weighted much higher. **According to my reading of p. 15 and especially point 4 of the RFP, the City is obligated to recommend Emterra and then negotiate more favorable fees with it.**
Response: As noted in Section H. **Type of Contract**, found on p. 6 of the RFP:

The City reserves the right to award the total proposal, to reject any or all proposals in whole or in part, and to waive any informality or technical defects if, in the City's sole judgment, the best interests of the City will be so served.

In addition, Section Q. **Reservation of Rights**, found on page 8 of the RFP states:

1. *The City reserves the right in its sole and absolute discretion to accept or reject any or all proposals, or alternative proposals, in whole or in part, with or without cause.*

Additionally, the Emterra team was approached regarding providing a reduced fee, but they declined to provide any adjustment to their fee proposal.

Question: CC approved a WMI contract of \$60K/month or \$720K annualized. Staff memo indicates, however, that the costs since June 2016 have been \$1.38M – that is, \$200K/month rather than the budgeted \$60K/month. Staff indicates further that going forward the figure will be \$200K/month rather than the previously indicated \$60K/month.

Response: The \$60,000 monthly/\$720,000 annual budget cost discussed in the memo to the Environmental Commission is the figure that was budgeted under the former, ReCommunity contract, rather than for the Short-Term Operations contract with Waste Management of Michigan, which occurred after the completion of the budget process for FY17.

When the currently in-place short-term operations contract with Waste Management of Michigan was presented to City Council on September 9, 2016, the cover memo noted that the interim operating contract may not be in place until January, 2017, a duration of approximately four months. The memo also stated that based on the quantities of recycling and solid waste handled during the first three weeks of emergency operation of the MRF and Transfer Station following the termination of the contract with ReCommunity, it was estimated that \$588,734 would be utilized for this four-month period, which is approximately \$147,000 per month. This initial three-week data snapshot of City-only material handled at the MRF and Transfer Station was prorated to a monthly amount to generate the initial estimate. Concurrently at the same time, the City had contracted with two additional vendors to process recyclables during the emergency situation to provide uninterrupted service to the community, and those weights were inadvertently not included in this estimate.

Recognizing this to be a partial month snapshot for an initial estimate, the memo noted “the unknown quantity of recyclable and solid waste materials that will need to be handled during this period” and as a result the contract cannot have a maximum, not-to-exceed

total value, but that the contractor would be compensated at the contract unit prices for the materials actually delivered to the MRF and the Transfer Station. With the total cost from mid-July to the end of January (6.75 months) being \$1,381,302.62 for an average of \$204,637, resulting in the current monthly estimate of \$200,000/month being based on a larger data set than the initial partial month that was necessary to be used for the initial estimate.

Question: Current employees of Recycle Ann Arbor are represented by a Union. Will the employees hire to work at the MRF be members of the same bargaining unit and be represented by the same union? (Councilmember Eaton)

Response: In their proposal, RAA stated, "UAW Local 174; will be the recognized collective bargaining unit at the Ann Arbor MRF (once operational) in reference to the potential of the processing equipment at the MRF becoming operational". RAA did not indicate if the employees hired to loose load and transport material are unionized. However, the City cannot ask a vendor or potential vendor whether their work force is represented by a union and has not asked RAA for additional information.

Question: The February 22, 2017 memo from City Administrator Lazarus regarding "Follow-Up Items Regarding Ann Arbor MRF Status Update and Staff Recommendations for Next Steps" said that the Recycle Ann Arbor bid for services from April through the end of 2017 was \$1,201,803.35. The resolution budgets \$1,680,000.00 for those services from that vendor. Why has the cost increased? (Councilmember Eaton)

Response: Our monthly invoice payments to Waste Management are averaging \$200,000/month (July-March). We assumed the same costs for the period of April – June as we anticipate final negotiated costs to be similar. Our approved budget included monthly costs of \$60,000/month; therefore, are requesting the difference to be appropriated.

Question: It is my understanding that the MRF under the previous operator did not recycle glass materials, such as bottles. It also is my understanding that while Waste Management Inc. has been operating the MRF, glass has been recycled. Will glass collected in curbside recycling be sent for recycling by Recycle Ann Arbor under this proposed contract? (Councilmember Eaton)

Response: ReCommunity glass was sent for daily landfill cover, WM glass is recycled, RAA proposes to recycle glass.

Question: Recycle Ann Arbor has no experience running a facility like the MRF. Will

there be added cost attributable to staff monitoring of RAA's performance of the contract? (Councilmember Eaton)

Response: For this interim contract, RAA would just be loading and transporting the material to another facility for processing. Additional staff effort will be needed to monitor loose load performance.

Question: The materials provided (staff presentation to and Q&A with Environmental Commission), indicate that the loose loaded approach results in more than 2 times the greenhouse gas emissions and does not result in a higher recycle rate, but the Environmental Commission indicates Loose Loading is a best practice approach. Can you please reconcile these positions? (Councilmember Lumm)

Response: During the initial proposal review, staff concluded that loose loading would require more trucking, and in turn, produce more greenhouse gas emissions. RAA has indicated that they will be using large capacity trucks and that like baled transport; the limiting factor in hauling will be weight rather than volume. Staff has not done the calculations to verify the volume of the large capacity trucks.

Question: There has been a good bit of discussion/confusion regarding recycling of glass both in terms of what the City has been doing the past 6-9 months or so and what it will do under this interim contract. Can you please clarify what happened and whether glass will be recycled under the staff-recommended interim contract with WMM and under the resolution-recommended interim contract with RAA? (Councilmember Lumm)

Response: Glass under the current contract with WM is being recycled, and has been since WMM began operating. Glass will continue to be recycled by WMM or RAA under the interim contract.

Glass under the previous contract with ReCommunity was being crushed and sold as landfill cover.

Question: Given that this interim contract is for just the next 12 months or so and that the City will be deciding on a long-term operator separately, coupled with the fact that WMM has been successfully providing the service the last few months and was the low bidder on the RFP, it would seem the least disruptive, lowest risk, least cost alternative would be to award the contract with WMM. Does staff agree with that assessment? (Councilmember Lumm)

Response: Yes, as indicated by staff's recommendation to award the contract to WMM.

Question: In the Administrator's email to City Council March 3rd on this agenda item, it states in the first bullet that loose loading with RAA "appears to be price competitive with bailing of shipments". Can you please clarify what "appears" means? Also, what is staff's interpretation of "competitive" in paragraph (5) of the first resolved clause that

states “at a cost that is competitive with the cost of WMM’s proposal for interim operation services?” (Councilmember Lumm)

Response: The RAA cost in its proposal to ship recyclable materials “loose loaded” in lieu of baling is costed at \$146/ton. The WMM cost to ship materials “baled” is costed at \$132/ton. The difference of ~10% is within a range that would allow staff to consider the benefits of loose loading as RAA maintains they would obtain better pricing on the recyclable materials due to less contamination. The word “appears” was used because the City has not yet negotiated the exact terms of the contract.

Question: Also in the Administrator’s March 3rd email, it states that “during this process, staff has maintained the distinction between RAA as a community advocate from their proposal to provide services to the city.” Can you please elaborate on that – why the statement was included and how, specifically, the distinction has been maintained? (Councilmember Lumm)

Response: RAA has provided valuable service to the Ann Arbor community for many years and has been a strong advocate for the benefits of a community-based recycling program. Throughout the solicitation process, and many community members have spoken on behalf of RAA. However, staff has considered the proposal from RAA based solely upon its technical merits, cost competitiveness, and performance risk compared to other offerors.

Question: The Administrator’s email indicated that this resolution is a “bit different than a normal contract resolution.” That certainly seems accurate as (1) we are negotiating with the high bidder, and (2) the resolution provides for the high bidder to experiment with something and if it doesn’t work, abandon that and do what is in the base bid that they were not the low bid on. That just does not seem fair or proper purchasing process to me so can you please explain how you’ve concluded this is an appropriate competitive-bidding process and not simply “bidding” to set a price for a pre-determined vendor? (Councilmember Lumm)

Response: This procurement has been solicited using a Request for Proposals (RFP) as opposed to an Invitation for Bids (IFB). The RFP process uses a “best-value” approach where factors besides cost are considered. The IFB process typically considers only cost. In an RFP process, the terms (including pricing) can be negotiated once the apparent best offer is identified. The RFP also clearly states that the City has the latitude and flexibility to award based upon its evaluation of all criteria and at its sole discretion.

Due to the high level of community interest in this procurement, staff sought to engage the expertise and perspectives of the Environmental Commission in making a recommendation to Council. This approach resulted in staff presenting substantially more information than it has in the past for the Environmental Commission members to review. The Environmental Commission has expressed an opinion that the loose load method RAA proposes to use is a better or best practice for recyclable material (all of

the proposers had the option to propose alternative methods; only RAA proposed an alternative method). This created an unusual circumstance where the Environmental Commission's recommendation differs from that of staff.

During its discussions with Environmental Commission, staff relayed that the RAA proposal for loose loading carries with it substantial performance and financial risks that would have to be addressed during negotiations. The primary concern is that if RAA cannot perform loose loading of the materials, RAA's price for baling was significantly higher than that of WMM (whom staff recommended). The Environmental Commission considered staff's input, and hence made the recommendation that is provided in the agenda item.

Question: If the resolution is passed, how much additional staff effort is anticipated in negotiating with RAA, establishing and monitoring performance measures, and potentially changing approaches mid-stream rather than simply awarding the interim contract to WMM as staff had originally recommended? (Councilmember Lumm)

Response: Negotiating the contract will involve 1-3 meetings, e-mails, and phone calls with City staff. As part of that, a performance monitoring plan will be developed. An exact level of effort has not been quantified. Numerous staff would be involved in the negotiations and in establishing and monitoring performance, either through direct interaction or through review and approval of the contract and monitoring terms and conditions. Those staff include the City Administrator, City Attorney, Finance Manager, Systems Planning Manager, Public Works Manager, Safety Manager and the Recycling and Solid Waste Coordinator.

Question: Recycle Ann Arbor has had many contracts with the City. Can you please provide the list of contracts, whether they were competitively bid, and whether there were any requests from RAA for price/fee adjustments during the contract period? (Councilmember Lumm)

Response: Recycle Ann Arbor currently has the following contracts with the City. Staff did not have time to research the history and nature of the procurement process.

Curbside Recycling Collection – Municipal Resource Recovery Services

Original contract December 2003, developed as a performance based contract. Recycle Ann Arbor had been providing recycling services for 20 years before that date.

First amendment March 2005.

Second amendment 3/15/10 for change to single stream collection, and to extend the 10-year contract by five years, to June 30, 2018

Before amendment the contract paid \$19.30 per ton to \$102.58 per ton (depending on the annual tons), as well as \$2.41 per service unit, with 48,886 service units (also known as per dwelling unit).

Per the amendment the contract paid a revised rate of \$18.74 to \$30.00 per ton, as well as \$3.35 per cart, which replaced the service unit fee. The estimated program will start with 32,800 single stream recycle carts.

Third amendment 7/5/11 to adjust the monthly per cart tip fee to \$3.55. Annual additional payment of \$107,042.00

Fourth amendment 8/17/15 because the Annual Recycling Cost adjustment Factor in the contract became obsolete. The contract amended changed to the use of a 4% flat adjustment for the final three years of the contract, eliminating the use of a calculated Annual Recycling Collection Cost Adjustment Factor. City FY 2016 (July 1, 2015- June 30, 2016) \$3.70, City FY 2017 (July 1, 2016- July 1, 2017) \$3.84, City FY 2018 (July 1, 2017 – June 30, 2018) \$4.00, per cart.

Multifamily Recycling Incentive Pilot Program

Student Move In/Out

Awarded June 2014; \$35,000/year for three years

Increased by \$15,000/year April 2015

Operation and Maintenance of Drop Off Station

Maintenance - Began January 1, 2006 at \$10,000/year

Renewed January 1, 2008 at \$10,000/year

Operations originally funded by Washtenaw County and Pittsfield Township in addition to Ann Arbor

Co-funding stopped beginning 2010 and fees for non-City residents were implemented.

December 2011 – service agreement approved at no cost to the City of Ann Arbor

First amendment August 2015 to compensate for compostable deliveries by City residents (\$7,500)