



TO: Mayor and Council

FROM: Sumedh Bahl, Community Services Area Administrator
Tom Crawford, CFO
Craig Hupy, Public Services Area Administrator
John Seto, Safety Services Area Administrator
Robyn Wilkerson, Human Resources Director

CC: Steven D. Powers, City Administrator

SUBJECT: Council Agenda Responses

DATE: 10/6/14

Item CA-5 – Resolution Setting A Public Hearing on the Application of Mehindra GenZe, for an Industrial Facilities Exemption Certificate in Industrial Development District No. 2013-010

Question: Can you please indicate how much of the abatement amounts mentioned in the cover note are related to the real property and how much to the personal property as well as how much the abatement percentage would be for the three year period if this is ultimately approved. Also, can you please provide a listing of all the abatements approved in the City in the last five years or so, and the abatement details (duration, amount, percentage)? (Councilmember Lumm)

Response: Approximately \$6,100 is for real property tax and \$15,400 is personal property tax.

At this time the total abatement is estimated to be 1 year for the real property portion and three years for the personal property portion. The total property tax incentive to the company is estimated to be \$33,796.

The following are a list of abatements granted in the last five years

<u>Name</u>	<u>Years</u>	<u>Equipment/Improvement Value</u>
Nano Bio	5yrs	\$372,000
Arbor Networks	5yrs	2,530,000
Sakti3	3yrs	1,497,600
Barracuda Networks	5yrs	1,540,000
Edward Brothers	12yrs	3,600,000
Picomatrix	5yrs	1,846,400

The percentage that is abated is the same for all. It is 1/2 of the millage rate excluding the State Education Tax.

Item C-2 – An Ordinance to Amend the Code of the City of Ann Arbor by Repeal of Chapter 112, Non-Discrimination, of Title IX of said Code in its Entirety and Adding a New Chapter 112, Non-Discrimination, of Title IX of said Code

Question: The proposal reflects language based on Lansing, Madison, and Philadelphia, respectively. What do we know about the experience in those cities with their language in terms of any legal or operational issues? And for the veteran status inclusion, does the Lansing ordinance (or others you are aware of) afford the protection for all veterans regardless of discharge status? (Councilmember Lumm)

Response: All of the information used was put together by the Human Rights Commission, but a review of Lansing’s Ordinance shows that it has the same language as that proposed in the City’s ordinance restatement.

Question: The proposed ordinance requires that the complaints flow through the Human Rights Commission, but it would seem that complaints from city employees should be routed through city HR – was that considered? Also, how much (if any) additional staff effort/cost will likely result from the changes proposed? (Councilmember Lumm)

Response: It is staff’s understanding that the HRC is to refer City employees to their internal processes and only after all internal (procedural and contractual) processes and potential remedies have been exhausted will the complaint be considered by the HRC.

Question: Monitoring compliance with the ordinance by contractors doing business with the City will be the responsibility of city staff (primarily Purchasing it appears) and that seems appropriate. How is that being handled currently? (Councilmember Lumm)

Response: City contract compliance is currently being managed as follows:

- Purchasing reviews the Contract Compliance documents. If the low bidder is not in compliance they are notified of the non compliance and required to re-submit Contract Compliance documents.

- Failure by the bidder to submit required information or to comply in good faith, the city has the option to do any or all of the following:
 - a. Cancel, terminate, or suspend the contract
 - b. Declare the contractor ineligible for new work.
 - c. Recover liquidated damages as specified in the contract.

Question: Also, what is the assessment of the impacts of the changes on the contractors doing business with the City and were there any representatives from these contractors/employers participating in this update? (Councilmember Lumm)

Response: Staff reports that the HRC has reported that Leslie Stambaugh sent the restated ordinance to the Chamber of Commerce and staff is unaware of any feedback from them yet. Staff was informed that the HRC shared the draft with Zingerman's as well.

Item C-3 – An Ordinance to Amend Section 10:148 of Chapter 126, Traffic, Title X, of the Code of the City of Ann Arbor

Question: I looked up rules on yielding - and most of the ones I could find referred to behavior at a fixed 'yield' sign or an obvious 'yield and stop' situation, such as when a school bus stops. This website seemed useful. Is this how the law applies in Michigan? (Councilmember Briere)

<http://www.driversedguru.com/driving-articles/drivers-ed-extras/what-to-do-when-the-light-turns-yellow/>

Response: The information provided in the link are general suggestions. The rules on yielding may depend on the specific situation requiring a motorist to yield in a particular regulation as described in the Michigan Motor Vehicle Code. For instance, in regards to yield signs, language describes a driver's obligation to "slow down to a speed reasonable for the existing conditions and shall yield the right away..." The section covering the yellow indicator of a traffic signal uses the language, "shall stop before entering...but if the stop cannot be made in safety, a vehicle may be driven cautiously through the intersection."

In regards to our current city code, section 10-148, the requirement is to "stop before entering a crosswalk and yield the right of way..." Both stopping and yielding are required.

Question: It's my understanding that legislation at the State level on crosswalks is in process and could be passed by year end. Could you please confirm if that's accurate and what substantive changes are being contemplated. (Councilmember Lumm)

Response: A technical committee has been convened by State Representative Zemke to undertake initial fact-finding into the issue of pedestrians and crosswalks from a state-wide perspective. To the best of staff’s knowledge, this committee has met at least two times, and has not yet advanced to the point of proposing an item for legislative consideration.

Question: How would the amendment affect the enforceability of the pedestrian safety ordinance? (Councilmember Warpehoski)

Response: If the proposed amendment of “if the driver can do so safely” was adopted, it should not significantly change the enforceability of the ordinance. If a citation is issued under the new language, the officer would have to articulate that the circumstances surrounding the situation allowed for the driver to stop safely. Officers should already be using this criteria when considering enforcement action.

Item DB -1 – Resolution to Adopt Recommendations Regarding the Application of the City’s Living Wage Ordinance (LWO)

Question: How many employees the city employs during a year who earn less than the hourly wage required by the City's Living Wage ordinance. (Councilmember Eaton)

Response: Using calendar year 2013, there were 400 less than the living wage.

Question: In what capacity do we employ anyone who earns less than required under the living wage ordinance? Are they seasonal, temporary or some other category? (Councilmember Eaton)

Response: These employees are mainly temporary in nature and concentrated in the Parks & Recreation service unit. The data used does not include Election related workers or Board of Review members.

Below is a list of all job titles for positions paying less than the LW:

School Crossing Guards	Day Camp Counselor II
Cashier	Inst II Golf Iceskate Ski
Arena Facility Worker	Outreach Assistant I
Golf Facility Worker I	Program Asst-Solid Waste
Golf Cart Operator	Conservation Worker II
Clerk I/Farmers Market	Park Space Coordinator
Golf Course Ranger	Ice Skating Instr III

Canoe Livery Attendant II	Ice Skating Instructor II
Clerk Aide I	Engineering Student Inter
Lifeguard	Commun/Ext Relations Asst
Swim Instructor II	Instr III Golf Ice Swim W
Golf Facility Worker II	Program Coordinator II
Canoe Livery Attendant I	Forestry Intern
Program Assistant - Parks	Equip Operator II
Day Camp Counselor I	Outreach Assistant II
Asst Fac Superv I	Contractual/Temporary
Instr I Golf Ice Ska	Court Clerk II
Zamboni Operator	GIS Intern
Facility Rental Supervis	Stormwater/Water Resource
Swim Instructor I	Work Study Temp
Assistant Neighborhood Sw	Neighborhood Swim Coach
Court Clerk I	Ice Skating Prog Asst Dir
Golf Course Maintenance W	Compost Collection SW
Head Lifeguard	Field Biologist I
Production Assistant	Outreach Assist I (NAP)
Golf Instructor I	Day Camp Director
Program Coordinator I	Program Asst. - Water
Intern	Asst Market Manager
Ice Skating Instructor I	Masters Swim Coach
Equip Operator I	Asst Fac Superv II
Maintenance Worker	Technician Aide II
Head Neighborhood Swim C	Swim Instructor III
Temp Admim Assistant	Program Asst-Stormwater

Temp Waitlist Specialist	Conservation Worker III
HR Intern	HR Benefits Intern
	Graduate Intern

Question: Approximately how many hours, in the aggregate, did all of the employees work within a year? Approximately how many hours, on average, do these employees each work in a year? (Councilmember Eaton)

Response: The total and average are below. The hours range from 3 hours to 1542 hours per calendar year 2013.

Total Hours (less than LW)	183888
Average Hours/Temp	460

Question: How much more would it have cost the City to pay those employees an hour rate above that required by the living wage ordinance? (Councilmember Eaton)

Response: In calendar year 2012, the City employed 1038 temps (586 related to the election). If City paid everyone the living wage, City costs would increase by \$824K. Of that \$824K, \$651K would impact the General Fund. Even excluding the added costs of the election temporary workers in the Clerk’s office (\$101K), \$550K would be the General Fund impact. The bulk of this staff is in the Parks service unit followed by the Police crossing guards.

The average temp employee that does not make living wage earns \$10.26/hour. The living wage without benefits is \$13.96/hour.

Question: The second resolved clause “directs the City Administrator to increase General Fund human services appropriations on an annual basis at a rate equal to or greater than the rate of change in the most recent living wage.” Can you please clarify what that means – in other words, if the living wage goes up by 3%, does that mean that the full amount of human services allocations goes up by 3% (e.g., ~ \$300K on base of ~ \$1M) or does it mean the allocation would go up by the actual, specific dollar impact on the non-profits that results from a 3% increase in wages paid under the living wage? (Councilmember Lumm)

Response: The intention is that this would result in a comparable increase in the human services allocation (i.e. If living wage goes up 3%, the allocation for human services would go up 3%).

Question: And can you please indicate what the General Fund impact would have been if this were in effect the last three years? (Councilmember Lumm)

Response: If the full allocation to Human Services is increased by the % increase in living wage, the General Fund impact would be as follows:

FY2012 Budget = \$1,244,629 with 2.9% increase would have been \$1,280,486

FY2013 Budget = \$1,246,529 with 2.9% increase would have been \$1,317,287

FY2014 Budget = \$1,246,529 with 1.7% increase would have been \$1,339,934

Please note that the above increase is higher than the staff estimate of the annual increase in the General Fund's recurring revenue.

Question: In June 2013, staff provided data calculating the impact on the City if the City paid its temporary employees the living wage. The data provided was an \$824K increase in city costs (\$651K in General Fund) for calendar year 2012 if the City paid all employees the living wage (based on 1,038 temporary employees). Are those numbers still directionally accurate in total and for the General Fund? (Councilmember Lumm)

Response: Staff has not revised the estimate provided in 2013. This information is provided in the response to Councilmember Eaton's question above.

Question: The first resolved clause directs HHSAB to prepare revisions to the LWO consistent with their report including providing for a more effective education and oversight system. Is there an anticipated completion date for that (and if so, shouldn't it be referenced in the resolution)? What is envisioned in terms of the oversight element, and what is the rationale for the Human Rights Commission being the oversight body? Also, given the new responsibilities related to monitoring the Non-Discrimination Ordinance, is the HRC equipped to handle this LWO responsibility as well? (Councilmember Lumm)

Response: Staff recommends that there be an assessment of the HRC and its membership's ability to handle this oversight. City staff does not have any knowledge of the time constraints of the HRC or the training that would be necessary if the HRC was to handle the LWO responsibilities. The rationale for the oversight element is to put an entity in a position to provide reports and potentially recommendations to the City Council around implementation of the ordinance (e.g. recommendations on waiver requests) and periodically reporting to Council about how the living wage (and non-discrimination ordinance) is being implemented and what violations and settlements have been addressed.

DS-1 – Resolution to Approve Fuller Park Parking Lot Land Lease with the University of Michigan

Question: I thought this was postponed until the first meeting in November to allow PAC time to reconsider – am I missing something? (Assuming Council will be asked to act on this in early November, I have a number of questions related to the proposed rates, the Burr Oaks at the VA site, and other aspects of the agreement that I will get to you later this week.) (Councilmember Lumm)

Response: Council considered DS-1 at its August 18, 2014 meeting and postponed it to October 6, 2014. On September 15, 2014, Council passed a resolution R-14-323 asking PAC to provide recommendations to Council by November 6, 2014 regarding Fuller Park Parking Lot lease without specifically making any change to the postponement date of the item Council considered on August 18, 2014. Hence, DS-1 (Fuller Lot lease with UM) is on the agenda for Council meeting today.

Question: When this item first appeared on the agenda, I asked about the lease amount, specifically asking about whether the price per parking space per year is comparable to the price per parking space per year in a City lot (I'd recommend using 415 W. Washington for those lease rates) or a City parking structure. Could this information please be provided - as well as the cost of Gold and Blue parking permits? (Councilmember Briere)

Response: On September 15, 2014, Council by resolution R -14-323 asked PAC to provide recommendations to Council by November 6, 2014 regarding lease rates, length of lease duration, and identify projects of concerns to the Parks and Recreation system, within the Fuller Park area affected by the lease. Staff is gathering information addressing questions, asked by Councilmembers regarding Fuller Parking Lot lease, and will provide to PAC for its review of the Fuller Road Parking Lot lease as directed by R-14-323.

Question: There are now three parking lots at Fuller - all are leased to the University for their use during specific hours. This is a two-part question: a. When these parking lots are in use *by park patrons, only*, what percentage of the parking spaces is filled? b. Is there any way to determine whether those parking in the Fuller Park parking lots after 5 pm are UM staff? (Councilmember Briere)

Response: Please see response provided above.

Question: When the City initially approved the lease for Fuller Park usage with the University, the rationale was to prevent the destruction of the oak grove. Fuller was routed around that oak grove successfully, and the imperiled oak grove was saved. This is a two-part question: a. Is the primary reason the City and the UM continue this lease the need the UM has to find adequate parking for the staff at the medical complex? b. Is there any update from the City forester and from the VA about plans to

address the damage being done to the oak trees from VA casual parking uses?
(Councilmember Briere)

Response: Please see response provided above.

DS – 4 – Resolution to Approve a Contract with Emergency Restoration Company for the Asbestos Abatement and Restoration of the 2nd Floor in the Guy C. Larcom City Hall Building (\$177,900.00) and to Appropriate Funds (\$75,000.00) (8 Votes Required)

Question: The October 2nd memo from Mr. Powers indicated that one potential area of cost-savings to offset the overrun on the abatement project was a lower cost ceiling system. The memo indicated the recommended ceiling system cost is \$75K, but the savings for a lower cost system wasn't mentioned. How much would be saved? (Councilmember Lumm)

Response: The sub-contract for the ceiling system included in the existing bid, along with some additional drywall and painting work is \$42,000. When describing the ceiling system in the memo, the reference to the \$75,000 was related to the additional funds being requested for the entire project and not the recommend ceiling system. A change to a lesser quality commercial ceiling system would save approximately \$6,000 in materials cost. Installation costs would not be impacted by the change in materials.

Question: As discussed in the Oct 2 administrator's memo, I would like staff to prepare estimates for "rebuilding the dais and elevated floor/platform, including constructing a permanent ADA ramp and installing new moveable wall partitions."

Response: Staff recently began working on these estimates. The estimate for the new moveable wall partitions, furnished and installed, is around \$30,000. This covers both 9' x 30' walls in the Council Chambers. Based on the average STC (sound transmission) for the proposed panels, it would be the rough equivalent of building a 2" x 4" wall with two layers of ½" drywall on *each* side and insulated with fiberglass batt insulation.

The estimate for the other work is less refined. The proposed scope would include removal of the existing workstations, elevated platform, abatement of the asbestos tile floor under the platform, asbestos air monitoring, construction of a new single level platform (with permanent ADA access), construction of new workstations, associated electrical, lighting, data and sound work. The price for the workstations can vary significantly based upon the final product, type of wood used, finishes, detail, etc. I have spoken with a cabinet maker and based upon a mid level wood finished workstation, the above scope of work should be in the \$35,000-\$40,000 range. This would include workstations for the Council, Clerk and public speaking area.

DS – 5 – Resolution to Approve a Contract with TEL Systems for the Community Television Network’s Council Chambers Video Production System Upgrade (\$145,650.00)

Question: The cover memo indicates that other CTN capital equipment needs have been reprioritized and adjusted as a result of doing this project. Can you please provide some detail on the specific CTN projects/equipment that would be deferred/not done if this project is approved? (Councilmember Lumm)

Response: When planning for the FY15 budget, CTN prioritized this project as the major project planned and budgeted. No specific CTN projects or equipment needs will be deferred as a result of this project being approved in FY15.