



TO: Mayor and Council

FROM: Howard S. Lazarus, City Administrator

CC: Tom Crawford, CFO
Derek Delacourt, Community Services Area Administrator
Craig Hupy, Public Services Area Administrator
Nick Hutchinson, City Engineer
Jen Lawson, Water Quality Manager
Brett Lenart, Planning Manager
Molly Maciejewski, Public Works Manager
Susan Pollay, Executive Director, DDA
Marti Praschan, Chief of Staff, Public Services
Cresson Slotten, Systems Planning Manager
Brian Steglitz, Water Treatment Plant Manager

SUBJECT: November 4 Council Agenda Responses

DATE: October 31, 2019

CA-3 – Resolution to Approve Purchase of Park Land at 2260 Traver Road from the William F. Hosford and Margaret W. Hosford Trust, and Appropriate \$180,500.00 from Open Space and Parkland Preservation Millage Proceeds (8 Votes Required)

Question: The sellers have requested terms for potential use as a parking lot—does the city anticipate that as a potential use? In that location, what entity would parking serve? (Councilmember Nelson)

Response: If the City acquires the parcel to the south (Parcel ID I -09-15-340-001) in the future, the City may need to establish additional parking to accommodate the use of the home for City purposes, which is not an uncommon practice for parks facilities because we want them to be accessible to people. If a parking lot were established in the future, the goal would be to minimize impact on natural areas. It is uncertain what

future use the home could serve, but the ability to construct a parking lot provides the flexibility necessary to consider a number of options.

Question: Is a parking lot consistent with “Open Space and Parkland Preservation”? (Councilmember Nelson)

Response: Where necessary, parks acquired using the Open Space and Parkland Preservation millage funds include parking lots for public access.

Question: Whatever its use, is there a plan for maintenance, estimated cost of planned maintenance? (Councilmember Nelson)

Response: Maintenance costs will be minimal and contained within existing operating budgets. A maintenance plan would be finalized when the configuration and use of the property is determined.

Question: Q1. The cover memo references the conditions of sale/purchase. Condition #3 indicates that condition #1 would be removed if, “the city subsequently acquires the house parcel and the property across the street ceases to be used for residential purposes.” Can you please clarify what the “house parcel” is? Also, is the city actively seeking to acquire it and the property across the street, and if so, can you please provide some detail on those properties (size, value, purpose of acquisition)? (Councilmember Lumm)

Response: The house parcel is Parcel ID I -09-15-340-001, which is also owned by the seller, but the seller chose not to proceed with the sale of that parcel based on the City’s appraisal, but did choose to proceed with the sale of the two parcels vacant parcels. The property across the street is Parcel ID I -09-16-195-002 (2281 Traver Road). The City is not actively pursuing the acquisition of this parcel.

Question: Q2. Assuming this acquisition is completed, what percent of Greenbelt funds have been used to date for acquisitions inside the city (and what are the dollar amounts)? (Councilmember Lumm)

Response: As of June 30, 2019 the Open Space and Parkland Preservation Millage had generated \$42,669,050 in revenue (millage proceeds + bond proceeds + investment income – debt service). As of June 30, 2019, the Open Space and Parkland Preservation Millage has contributed \$9,375,827 toward the acquisition of City parks, adding 148 acres of parkland. As of June 30, 2019, there is \$6,144,237 in the fund balance for parkland acquisitions.

Question: Q3. There is no endowment associated with this acquisition (just due diligence and closing costs) and I thought all Greenbelt-funded acquisitions required an endowment. Can you please clarify? (Councilmember Lumm)

Response: The City sets aside an endowment of \$23,867 for each conservation easement acquisition in the Greenbelt District. Fee simple acquisitions inside the City or within the Greenbelt District do not have endowments.

CA-4 – Resolution to Approve a Purchase Order to CBTS and Appropriate the Necessary Funds to Upgrade the City’s Mitel VOIP Phone System. (\$159,696.72) (8 Votes Required)

Question: Regarding CA-4, is this update being done because the existing system isn’t supported any longer or because this provides new functionality, or both? (Councilmember Lumm)

Response: Our current phone system is out-of-date and no longer supported and the new version has the latest state-of-the-art features and functionality that are more advanced than our current system.

Question: Also, what are the new E911 requirements that are referenced in the cover memo? (Councilmember Lumm)

Response: 911 must be able to determine the location of a caller within a 7,000 sq. ft. area. Currently, the requirement is a building or an address. We will be breaking down city buildings that are over 7,000 sq. ft. and providing more specific location information for 911. An example of new location information would be “Larcom Building, 5th floor, NE quadrant” instead of just the Larcom Building.

Question: Also on CA-4, how much is in the IT fund balance? (Councilmember Lumm)

Response: The IT fund has a total fund balance as of 6/30/2019 of \$4.6 million. Of that amount approx. \$530k is invested in capital assets, \$1.9 million is set aside to replace existing hardware, \$300k for software replacement, \$120k for enterprise projects, and \$100k for emergency repair of the A2 I-Net. The remaining \$1.65 million reflects undesignated fund balance. After setting aside 15% (\$1.15 million) as a minimum for operating reserves, there are approximately \$500k of undesignated funds, which resulted from expense underruns.

CA-7 – Resolution to Approve the Purchase of Pedestrian Litter and Recycling Containers from Landscape Forms, Inc. (not to exceed \$83,000.00)

Question: What is the total number of pedestrian litter and recycling containers in the Solid Waste system that are serviced weekly? Outside of our Parks system. (Councilmember Ramlawi)

Response: There are approximately 117. However, we plan to review historical observed volume data and adjust the total number of containers. There is also a plan to pilot some smart trash containers downtown to supplement these containers so the overall number will change slightly in the next year

Question: How many of these containers reside in the DDA district? (Councilmember Ramlawi)

Response: Nearly all.

Question: What if any will the DDA's financial contribution be towards this purchase? (Councilmember Ramlawi)

Response: The DDA is purchasing containers as part of their recent and upcoming street projects. Their total financial contribution will be for just over half of the containers. City and DDA staff are working closely to collaboratively implement.

Question: How old are the containers that these are set to replace? (Councilmember Ramlawi)

Response: At least 12 years.

Question: Will these new containers be able to be emptied with automatic equipment? (Councilmember Ramlawi)

Response: No. They were specifically selected for that reason. The current cans can only be emptied with automatic equipment and this poses significant service challenges. Cans are frequently not serviced because of obstructions (cars, delivery trucks etc). The new style will be serviced manually removing any possibility of misses because of obstructions. The new cans will also be mounted into the sidewalk. This is also an improvement to the current containers, which often get moved into inaccessible areas or into areas that conflict with pedestrian travel, such as crosswalk approaches. The new containers will result in better access and ultimately better service. The shift to automatic servicing was made a little over a decade ago and was a new service approach for downtown. Moving back to hand-serviced containers gets us back to our original service model and is in-keeping with the typical service approach for downtown areas.

Question: Regarding CA-7, \$83K for 50 containers is over \$1,600 each, and that's a lot for pedestrian litter and recycling containers. Why are they so costly? (Councilmember Lumm)

Response: The cost of the containers is in line with other quotes we received when researching container types. Landscape forms was selected because their shipping costs were much lower than other companies, making them the best overall prices. This Michigan based company also participates in a national cooperative bid, which gives the City better pricing.

CA-8 - Resolution to Award a Construction Contract for Galvanized Water Service Line Replacements to Lang Constructors, Inc. (\$251,165.00, ITB No. 4593)

Question: I understand that the State is requiring the City to replace 5% of the galvanized lines each year. Is it possible to replace more than 5% each year, both with cost and workload considerations? (Councilmember Eaton)

Response: We plan to coordinate replacements with other construction projects so as to minimize road and property disruption and if funds are available certain years may exceed the 5% rate of replacement. We are in the process of verifying service line materials and determining just how many private service lines will be eligible for replacement. If the final number to be replaced comes in lower than anticipated, it is possible that we can replace more than 5% per year with what we have currently budgeted in the CIP.

CA-9 – Resolution to Approve Agreement with the Washtenaw County Water Resources Commissioner to Support and Fund the 2020 Rain Garden Program Partnership (\$30,000.00)

Question: How many rain gardens do we know have been constructed in the city of Ann Arbor due to this program, since 2011? (Councilmember Nelson)

Response: 486 residential.

Question: How many rain gardens in just the last budgeted year of funding? (Councilmember Nelson)

Response: 70 residential.

Question: How might an expense like this be incorporated in the budget of our Sustainability department? (Councilmember Nelson)

Response: The Rain Garden program is funded through the Stormwater fund, as these rain gardens are considered part of an improvement to the stormwater system, reducing the amount of runoff that reaches the City's pipe network. The Office of Sustainability and Innovation does not have a funding source to implement this program.

Question: Has this possibility ever been discussed? (Councilmember Nelson)

Response: No. That being said, residents may apply for things such as rain gardens, through the City's "Sustaining Ann Arbor Together" grant program if the work would be done in a public space and benefit multiple entities.

CA-10 – Resolution to Approve a Professional Services Agreement with International Association for Public Participation (IAP2) USA Great Lakes Chapter a/k/a International Association for Public Participation (IAP2) USA Midwest Chapter (IAP2 USA Midwest Chapter) for Community Engagement Training Services (\$45,000.00)

Question: The contract says this training is available to 50 people, but in the case of low enrollment numbers it may be rescheduled. Will enrollment in this course be voluntary or required? (Councilmember Nelson)

Response: Managers and administrators have identified staff that they recommend for training. All identified staff will be encouraged to participate. The decision to make the training voluntary or required will be at the manager’s or administrator’s discretion. Ultimately, the employees’ ability to participate will depend upon factors such as employee schedules, pre-existing conflicts and workload/unit coverage demands. Interested employees must commit to participate in the full five-day training before signing up.

Question: Do we have 50 city employees who do work in public engagement (not simply interfacing with the public, but specific engagement activities)? In which departments do they work (i.e. how many in which departments)? (Councilmember Nelson)

Response: Yes, we have more than 50 employees that participate in public engagement activities. Public engagement skills addressed through the IAP2 Foundations in Public Participation training will include the following and more: identifying and applying effective engagement types, identifying stakeholders, setting engagement objectives, planning for public participation, measuring effectiveness and maintaining thoughtful communication. Managers and administrators were asked to identify staff that participate in engagement activities, and who could benefit from the training. The departments and number of employees per department are listed below; 73 training candidates in total:

- City Administrator’s Office-3
 - Clerk -1
 - Communications Office – 2
 - Fleet and Facilities - 1
 - Human Resources - 1
 - Safety – 1
 - Sustainability - 4
- Safety Services - 3
- Finance - 4
- Community Services
 - Parks and Recreation – 6
 - Planning and Building – 8

Public Services
Engineering - 15
Public Services Administration – 3
Public Works - 5
Systems Planning – 5
Water and Wastewater Plants - 5
Other
DDA – 3
Housing - 3

Question: The contract specifies city-funded registrants—will this training be open to non-city-funded registrants? If so, will their fees defray the cost to the city in hosting this training? (Councilmember Nelson)

Response: Yes, the training will be open to non-city-funded registrants. Yes, their fees would defray costs to the city; the city will only pay per person per day to IAP2 based on the terms in the contract. Through this partnership between the city and IAP2, all city-funded registrants may register at the IAP2 member rate of \$180/person/day, even though not all city employees are IAP2 members. If there are non-city-funded registrants they will pay per person to IAP2. Because the city is hosting the training, city staff would be permitted to fill the registration; any openings after city staff registers would be available to non-city-funded registrants.

Question: Is this training intended to lead to a reduction in the use of consultants to conduct public engagement? (For example, the City hired a consultant to conduct the public outreach on the issue of short term rental regulation.) (Councilmember Eaton)

Response: The training is for staff who are engineers, planners, managers, etc.; they are highly capable subject-matter experts and project leaders, but not all are well versed in public outreach. Therefore, the training is intended to enhance and increase staff knowledge, confidence and skills so that they are prepared to plan and deliver more effective, consistent community engagement as well as to process community input and information gathered through engagement efforts. While enhancing staff skill sets through internal training such as this may result in less reliance on consultant support in some cases, it is the need for staff to have a well-rounded understanding of and confidence in public engagement that drives this training effort.

Question: How did the submission review committee determined that Tannis Topolnisky was most qualified and available to provide the City of Ann Arbor with Foundations in Public Participation training? (Councilmember Eaton)

Response: The IAP2 submission review committee selected Tannis Topolnisky based on the following considerations:

- Licensed by IAP2 to conduct Foundations in Public Participation training
- Recent course evaluations submitted
- Available for requested training timeframe

All trainers were confirmed to be licensed by IAP2-USA to provide the Foundations in Public Participation training. IAP2 manages a licensing process, which includes license maintenance requirements. More information about the IAP2 licensing and certification process is available:

- [How to Become an IAP2 Trainer](#)
- [IAP2 Foundations Trainer: Program Description](#)
- [Directory of IAP2 Licensed Trainers: Tannis Topolnisky](#)

Ms. Topolnisky is a licensed IAP2 trainer, she submitted course evaluations (attached to file 19-1801), and her availability matched Ann Arbor's preferred training timeframe.

Question: If the submission review committee scored the four trainers, please explain the method for scoring and the relative scores for each trainer. (Councilmember Eaton)

Response: Quantitative scoring was not utilized. Four proposals were submitted, one was disqualified because recent course evaluations were not submitted, and the remaining three met all requirements (i.e., licensed by IAP2 and recent course evaluations provided). Availability was a determining factor in trainer selection.

CA-11 - Resolution to Contract Green Infrastructure Maintenance Services for one year with the Washtenaw County Water Resources Commissioner (\$165,000.00)

Question: Does the City have an inventory of "green infrastructure" that would be covered by this maintenance agreement to show the scope of the infrastructure that will be maintained under the agreement? (Councilmember Eaton)

Response: Yes. The "Green Infrastructure" installations that will have County-led maintenance are: Stone School Bioswales, Arbor Oaks Rain Gardens, S. Industrial Bioswales, Vet's Park Ice Arena Rain Gardens, Miller Rain Gardens, Burns Park Rain Gardens, WWTP Rain Gardens, Easy St Bioswales, West Park Rain Gardens, Briarcliff Rain Gardens, Buhr Park Rain Gardens.

Question: Q1. Regarding CA-11, can you please summarize the services we'll be receiving from WCWRC? Also, what is the basis for the \$165K annual amount, and is the agreement based on per hour rates or a flat, fixed rate for the year? (Councilmember Lumm)

Response: Services provide at multiple Rain Garden installations across the City will include:

- Monthly treatment to address invasive plant species and other typical invaders
- Monthly removal of unsightly vegetation (both woody and herbaceous)

- Cut back and remove unsightly vegetation in late fall
- Maintain borders of each unit and plant heights to ensure good road and driveway
- Manage burning contracts at several locations
- Coordination of volunteers at multiple events

The basis of the amount is a combination of hourly rates for Washtenaw County Water Resources Staff and estimates from subcontractors for additional work. This work is billed by invoice to City on a quarterly basis, for work performed.

Question: Q2. Also on CA-11, given that the number of Green Infrastructure projects are likely to grow, does it make sense for the city to develop this maintenance expertise in-house? (Councilmember Lumm)

Response: It may make sense. As a long-term strategy, City staff will evaluate the work and skill set necessary to maintain these Green Infrastructure installations. As a short-term solution, this contract will provide the necessary maintenance to ensure that these installations continue to function as designed.

CA-12 – Resolution to Petition the Washtenaw County Water Resources Commissioner to Create a new Drainage District and Undertake a Project to Design and Construct Stormwater Management Control Measures for the Huron Hills Golf Course Creek section of Huron Hills Creek (Total Project Cost: \$1,220,000.00)

Question: Regarding CA-12, I'm happy to see this project on the agenda and assuming it's approved, what is the timeline for the design and construction of the improvements? Also, will the course remain open during construction? (Councilmember Lumm)

Response: This project is currently under design. The design is anticipated to be complete Spring 2020. Construction will start Fall of 2020, with completion in Spring of 2021. Portions of the golf course will remain open during construction. It is anticipated that the course will offer a modified 14-hole playing opportunity, with only holes 12, 13, 14 and 15 being closed for a portion of the time. Please note – a majority of the construction will be done during the winter, with the restoration and growth to be completed in the Spring of 2021.

CA-14 – Resolution to Approve Change Order No. 7 with E. T. Mackenzie Company for the Hoover, Greene, Hill Improvement Project (\$750,000.00)

Question: Re: this and other contracts related to this project, can we anticipate any changes given the recent (early October) loss of trees that had been designated for protection within this development? (Councilmember Nelson)

Response: The removal of trees referenced is related to the 950 Greene development project, not to the E. T. MacKenzie construction contract. City construction contracts already contain provisions for the protection of trees.

Question: Is there an update on the reported mess of dirt on South Main that was created by this project recently? (Councilmember Nelson)

Response: The dirt that is being tracked onto the streets is also from the 950 Greene development project, not from this project. A separate response to this issue is being submitted through the councilmember request for information (RFI) system.

Question: Regarding CA-14, the cover memo indicates that “during the course of the work, naturally high levels of arsenic and selenium were found in the existing soils.” What does “naturally high levels” mean? (Councilmember Lumm)

Response: This phrase references native soils in southern Michigan which generally have higher levels of arsenic and selenium and is the reason for special spoils disposal on this project.

Question: Also on CA-14, obviously the contaminated soil needed to be removed and disposed of, but from a process standpoint, shouldn't this fairly substantial change order (\$750K) have been approved by council (or by Administrator on an emergency basis) prior to authorizing the added work? (Councilmember Lumm)

Response: Ideally, a change order for this work would have been submitted to the City Administrator for approval as an emergency change order once the issue was identified, so as to not delay the project, then Council should have been notified of the change order. However, a complicating factor in this instance was that, when the issue was first discovered, it was not known to what extent the “contamination” existed throughout the project area, and thus we did not know what the cost would be for its disposal.

CA-15 – Resolution to Approve an Amendment to the Professional Services Agreement with Bergmann Associates for Updates to the FEMA Benefit Cost Analysis for the Allen Creek Railroad Berm Opening Project (\$10,740.00)

Question: Regarding CA-15, it's good to see that we will be requesting additional FEMA funds on the project since the bids came in higher than anticipated. What is the likelihood we'll obtain the additional funds (is the FEMA award pretty much formula driven or is it more discretionary)? (Councilmember Lumm)

Response: There is roughly a million dollars of unused funds in the specific FEMA Hazard Mitigation pot of money being used for the Allen Creek Railroad Berm Opening Project. To obtain these funds, the complicated FEMA prescribed Benefit Cost Analysis will have to be recalculated using their software. Prior to starting this process we have

a fairly high level of confidence that we will be able to meet the criteria, but we cannot know for certain until the analysis is done.

CA-16 – Resolution to Approve a Construction Contract with Lanzo Trenchless Technologies, Inc. - North for the High Level Trunkline Sanitary Sewer Rehab Project (\$2,178,595.00)

Question: Regarding CA-16, the cover memo indicates that the higher costs vs. the engineer's estimate was in part caused by the requirement that the project use styrene-free liner material. Can you please elaborate on why we have that requirement and roughly how much the requirement adds to project costs? (Councilmember Lumm)

Response: Lining material containing styrene gives off a rather strong odor when it is heated for curing. While these fumes are not hazardous, they do often result in complaints about the odor. Staff has opted to use styrene-free liners in areas with high pedestrian activity (such as the downtown and near-downtown areas) where more people could be affected by the odors. The difference in cost for the styrene-free liner on this project is the difference in cost between the low bid and the Engineer's Estimate, or approximately \$579,000.

B-1 - An Ordinance to Amend Sections 5.13.9, 5.17.4, 5.18.6, 5.28.1, 5.28.6, 5.29.10, 5.30.1 and 5.37.2 of Chapter 55 (Unified Development Code) of Title V of the Code of the City of Ann Arbor (Premium Options, Affordable Housing Dwelling Units, Reimbursements) (Ordinance No. ORD-19-34)

Question: Please identify the sections of the ordinance that would need to be changed to remove the increased height permitted as a premium. (Councilmember Eaton)

Response: One section would need to be removed. In Table 5.18-1 Affordable Residential Premium (page 7 of ORD19-34), Row "30% of all residential Floor Area. . .", strike the second bullet "The maximum height limit of the character overlay district may be increased by 15%" from the Specific Standards column.

Question: Regarding B-1, I'm still a bit confused about the revised parking requirements. Page 2 of the August 7th staff report indicates that, "the proposed amendment also subtracts all affordable dwelling units from the parking requirement for premium floor area." Can you provide an example of what that means, and does "all affordable dwelling units" mean just those physically in the project or also those where a financial contribution has been made? (Councilmember Lumm)

Response: Currently, the Unified Development Code (UDC) requires developments to provide off street parking downtown at a rate of 1 space per 1,000 square feet of premium floor area. The proposed change here would exempt floor area used in the development

for affordable housing units from that calculation. As a contribution in lieu would lead to a market-rate unit, such floor area would not meet the standard and would need to be parked at the same rate of other premium floor area.

Example: A 10,000 square foot lot constructed to 700% Floor Area Ratio (FAR) (i.e. 70,000 square foot building), with 10,000 square feet devoted to affordable housing units

Current Ordinance: 400% FAR (i.e. 40,000 square feet) requires no parking; 300% Premium FAR (i.e. 30,000 square feet) requires parking at rate of 1 space per 1,000 square feet of floor area; 30 parking spaces required.

Proposed Amendment: 400% FAR (i.e. 40,000 square feet) requires no parking; 300% Premium FAR (i.e. 30,000 square feet) requires parking at rate of 1 space per 1,000 square feet of floor area, minus floor area dedicated to affordable housing; 20 parking spaces required.

Question: Also on B-1, have we received any comments on these ordinance changes since the October 7 first reading? If so, can you please provide a summary. (Councilmember Lumm)

Response: No comments have been received since the first reading.

DC-1 – Resolution to Provide Direction to the City Administrator on the Provision of Solid Waste Services

Question: Regarding DC-1, the SWRMP and the responses to my (and CM Eaton's) questions for the October 21st meeting seemed to indicate that as long as the recommendation of the SWRMP to in-source recycling collection is implemented, the net city solid waste union employment level would increase even if the downtown, multi-family and commercial solid waste services were contracted out. Is that correct? (Councilmember Lumm)

Response: Yes, if the recommendations from the SWRMP regarding delivery of collection services are implemented the net City solid waste union employment level would increase.

Question: Also on DC-1, is it accurate to say that the combined savings to taxpayers of the recycling collection in-sourcing and the downtown/multi-family/commercial service consolidation contemplated in the SWRMP will likely exceed \$1M annually (\$775K annually just for the recycling collection)? (Councilmember Lumm)

Response: There would be over \$1M of combined savings anticipated (\$775,000 from the in-sourcing of residential recycling collections and \$1,300,000 of operational savings by the City not performing front-load/dumpster collections). There would be

undetermined costs from the new downtown commercial/multi-family collections contract(s), but a portion of those costs could be recovered through fees.

DS-2 - Resolution Authorizing Publication of Notice of Intent to Issue Revenue Bonds (Water Supply System Revenue Bonds) (\$3,400,000.00) (Roll Call Vote)

Question: What is the life expectancy of the new UV disinfection to be? (Councilmember Ramlawi)

Response: The life expectancy of the new UV equipment is approximately 15 years.

Question: What are the annual operating and maintenance costs be with the new system? (Councilmember Ramlawi)

Response: Annual operation and maintenance costs are estimated to be approximately \$20,000 per year.