

**Ann Arbor City Council Regular Session: June 5, 2017**  
**Email Redactions List Pursuant to Council Resolution R-09-386**

	A	B	C	D	E	F	G
	<u>Received</u>						
1	<u>Sent Time</u>	<u>Time</u>	<u>TO</u>	<u>From</u>	<u>CC</u>	<u>Redactions</u>	<u>Reason for Redaction</u>
2	8:21 PM		Jacqueline Beaudry	Chip Smith			
3	8:22 PM		City Council	Jacqueline Beaudry	Howard Lazarus, Stephen Postema		
4	9:41 PM		City Council	Kai Petainen		Email Address	Privacy

## Archive, Journal

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**From:** Smith, Chip  
**Sent:** Monday, June 05, 2017 8:21 PM  
**To:** Beaudry, Jacqueline  
**Subject:** 060517 RAA title reso amend  
**Attachments:** 060517 RAA title reso amend.docx

Amended resolution attached

**..Title**

Resolution to Approve Interim Operations Services Agreement with Recycle Ann Arbor for Ann Arbor Material Recovery Facility (MRF) (Estimated \$873,909.24 to \$1,135,114.44~~\$1,272,216.00~~ ~~– \$1,375,992.42~~/Year in First Year)

**..Body**

Whereas, City Council Resolution R-17-070 directed the City Administrator to negotiate an agreement with Recycle Ann Arbor (RAA) by March 31, 2017 on an interim services contract to operate the City's Material Recovery Facility (MRF) with terms that include (1) loose loading of recycling materials at the City's MRF, (2) performance measures to determine the benefits of loose loading, (3) an option to change to baling of recyclable material if loose loading is not shown to be beneficial, (4) with a performance bond, and (5) at a cost that is competitive with the cost of Waste Management of Michigan Inc.'s proposal in response to City Request for Proposal (RFP) No. 980;

Whereas, The resolution further directed that if such an agreement was reached by March 31, 2017, the City Administrator and staff were to bring the interim operations services agreement to City Council for its review and approval no later than the second meeting in April 2017, and that if an agreement was not reached by March 31, 2017, then an interim operations service agreement with Waste Management of Michigan, Inc. (WMM)- was to be brought to City Council no later than the second meeting in April 2017;

Whereas, Following the approval of Resolution R-17-070, City staff and RAA staff met in several negotiation sessions that concluded with an proposed agreement on March 31, 2017;

Whereas, On April 17, 2017, City Council directed staff to continue negotiations with RAA to consider a proposal for a hybrid of loose loading combined with baling of commercial cardboard instead of its prior proposal for just loose loading;

Whereas, RAA submitted its hybrid proposal on April 28, 2017, which did not include any other changes to the contract terms it had previously agreed to;

Whereas, City Council has reviewed the terms of the proposed agreement with RAA, as revised to incorporate its April 28, 2017, hybrid proposal, and determines that it complies sufficiently with the terms specified in Resolution R-17-070;

Whereas, The Interim Operation Services Agreement with the selected contractor will become effective on July 1, 2017 and terminate on June 30, 2018 and includes the option for the contract to be extended for up to two additional six-month period or periods of time if desired by the City to provide uninterrupted recycling services to the Ann Arbor community during the transition from the Interim Operations Services Agreement to a new long-term approach for locally processing and returning the community's recyclables to market;

Whereas, City Council wishes to grant the City Administrator authority to extend the Agreement, for up to two six-month periods if needed to provide uninterrupted recycling services to the Ann Arbor community during the transition from the Interim Operations Services Agreement to a new long-term approach for locally processing and returning the community's recyclables to market, subject to the availability of funding;

Whereas, The City of Ann Arbor FY18 proposed Solid Waste Fund Operations and Maintenance budget includes sufficient funds for the services under this contract; and

Whereas, Recycle Ann Arbor complies with the requirements of the City's Nondiscrimination and Living Wage Ordinances;

RESOLVED, That an Interim Operation Services Agreement for the Ann Arbor Material Recovery Facility (MRF) with Recycle Ann Arbor that incorporates its April 28, 2017, hybrid proposal be approved, including a provision that the Agreement may be extended for up to two additional six-month ~~period~~ ~~or~~ periods of time if desired by the City;

RESOLVED, That the Mayor and City Clerk be authorized and directed to execute said Agreement after approval as to form by the City Attorney and approval as to substance by the City Administrator;

RESOLVED, That City Council authorizes the City Administrator to approve six-month extensions of the Agreement after June 30, 2018, if necessary to provide continued recycling services to the community; and

RESOLVED, That the City Administrator be authorized to take the necessary administrative actions to implement this resolution.

## Archive, Journal

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**From:** Microsoft Outlook on behalf of Beaudry, Jacqueline  
**Sent:** Monday, June 05, 2017 8:22 PM  
**To:** \*City Council Members (All)  
**Cc:** Lazarus, Howard; Postema, Stephen  
**Subject:** FW: 060517 RAA title reso amend  
**Attachments:** FW: 060517 RAA title reso amend

Sender: JBeaudry@a2gov.org

Subject: FW: 060517 RAA title reso amend

Message-Id: <8652C2569552D2428BA43598962381592E5DE8@ExchMBX2.CITY.A2>

To: CTaylor@a2gov.org, Expanded: CityCouncilMembersAll@a2gov.org

To: JLumm@a2gov.org, Expanded: CityCouncilMembersAll@a2gov.org

To: SKailasapathy@a2gov.org, Expanded: CityCouncilMembersAll@a2gov.org

To: CWarpehoski@a2gov.org, Expanded: CityCouncilMembersAll@a2gov.org

To: JEaton@a2gov.org, Expanded: CityCouncilMembersAll@a2gov.org

To: KWestphal@a2gov.org, Expanded: CityCouncilMembersAll@a2gov.org

To: JGrand@a2gov.org, Expanded: CityCouncilMembersAll@a2gov.org

To: GKrapohl@a2gov.org, Expanded: CityCouncilMembersAll@a2gov.org

To: ZAckerman@a2gov.org, Expanded: CityCouncilMembersAll@a2gov.org

To: ChSmith@a2gov.org, Expanded: CityCouncilMembersAll@a2gov.org

To: JFrenzel@a2gov.org, Expanded: CityCouncilMembersAll@a2gov.org

Cc: HLazarus@a2gov.org

Cc: SPostema@a2gov.org

**..Title**

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RESOLVED, That the Mayor and City Clerk be authorized and directed to execute said Agreement after approval as to form by the City Attorney and approval as to substance by the City Administrator;

RESOLVED, That City Council authorizes the City Administrator to approve six-month extensions of the Agreement after June 30, 2018, if necessary to provide continued recycling services to the community; and

RESOLVED, That the City Administrator be authorized to take the necessary administrative actions to implement this resolution.

## Archive, Journal

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**From:** Kai Petainen [REDACTED]  
**Sent:** Monday, June 05, 2017 9:41 PM  
**To:** CityCouncil  
**Subject:** SPARK/LDFA thoughts from tonight

Dear Mayor and City Council,

First off, SPARK has done some good things. They have improved on metrics and even transparency. I actually think providing the metrics and transparency has made SPARK stronger. That portion serves as an example (should serve as an example) to other development agencies in the country.

It concerns me that today you're voting on the LDFA, but it won't be until tomorrow that the LDFA meets and they discuss the changes that they are making to the SPARK/LDFA contract. They have talked about this contract, but I don't see it in the council agenda today. Why is it missing from the agenda? It seems to me that it would be incredibly important to see the changes proposed in the contract if you're voting on it. Postpone the vote until the contract is viewed by the public -- this should be in your agenda today. It's important that this process is done correctly.

[it has been noted to me that you don't vote on the contract, what I'm getting at... is that the SPARK/LDFA is modifying the contract and you should know about the changes being made]

Another aspect that bothers me and hopefully I understand this correctly... this pulls in over \$60 million from the School Aid Fund. You, as Democrats, quite often criticize the Republicans in Michigan for raiding the School Aid Fund, but here you are.... doing just that. It seems to me that you like complaining when the money goes to others, but if it comes to you, then you're fine with it. It's a hypocrisy. Please, if you vote in favor of this and in favor of raiding the school aid fund, then stop blasting off the Republicans for raiding the school aid fund. For any of you thinking of going into politics beyond Ann Arbor then this is an important thing to think about. Do you value a marketing firm in Ann Arbor or do you value the School Aid fund? Vote in favor of this and it could be used against you in the future when you're trying to show folks that you care about education.

[it has been noted that this does not impact local Ann Arbor schools, but does it still impact the state School Aid Fund? perhaps it doesn't hurt Ann Arbor, but it hurts some other school in Michigan. I don't like hurting Northern Michigan for Ann Arbor's gain]

According to the changes in the SPARK/LDFA contract, they are removing the microloan program. According to FY 2017, March 2017 Financial Summary of the LDFA, only \$50,000 had been spent on this. May I remind council that the microloan program helped entrepreneurs and small businesses. And to me, SPARK is supposed to be about helping small businesses. As of March 31st, according to SPARK's report to the LDFA, \$1.5 million had been disbursed in total via Microloans. Those microloans retained 97 jobs and created 23 net jobs. That works out to about 120 jobs at a cost of \$12,500 per job -- I think that's a pretty good return, and that's with only \$1.5 million. The numbers don't lie, unless SPARK's job numbers are all covfefe. Now, although I'm a bit concerned about this, I do notice an increase in Internship Support from \$300,000 to \$450,000 and if that Internship Support is a substitute for the microloans, then perhaps this removal is not a concern.

One version increased SPARK staffing from \$675,000 to \$1 million. That was then altered to \$720,000. With that increase and management will take up 33% of the salaries.



I read through the documentation and see 'MOBILITY SUPPORT', but I'm still not sure what that is as it grabs about \$100,000. I'd like to know more about this aspect, as it talks about "MINING" UofM's intellectual property somehow? What does the University think about this?

SPARK is supposed to be about helping entrepreneurs and so they have a 'Boot camp', but the contract states that there will be only 2 of these -- at which there can be a max of 15 firms at each one. Why only 2 and why a max of only 15 companies? But what puzzles me, why is there a registration fee of \$1,500? If the public is paying for these boot camps, then why aren't they free and why are there only 2 of these sessions? As SPARK is getting millions, then I expect more of these camps, I expect them to be free, and I expect them to be available to more companies.

[since SPARK is charging for the Boot Camp, then it sounds like this portion has become self-sustaining. If so, then perhaps this particular funding should be discontinued or moved to other projects]

It saddens me that in a deal that is worth over \$60 million, there are so few people who comment on something like this. Sadly, in Ann Arbor, we get more debate and discussion over cheaper things like deer and small bridges in neighborhoods. Bridges and deer are like the red herring (covfefe), to bigger things such as this. I wish more people in Ann Arbor cared about the big-ticket items and less on the smaller ones.

I believe this vote requires 7 votes and it'll pass easily. I see council as two parties -- the council party and the neighborhood party. I think it's an opportunity for someone from either party to vote differently than the rest of your party and an opportunity to make a symbolic vote that differentiates you from the rest of your party. As a final note -- my thoughts are mine only. I'm just Kai talking about a political topic and these are only my thoughts and do not represent the thoughts of anyone else.

#justkai

Kai Petainen, Ann Arbor

p.s. for new councilmembers wondering how I squeezed in (almost) that much within 3 minutes, I was able to squeeze in a 6 minute speech once. The former Mayor called me out on it.