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TO: Mayor and Council

FROM: Tom Crawford, CFO  
Craig Hupy, Public Services Area Administrator  
John Seto, Safety Services Area Administrator  
Colin Smith, Parks Manager

CC: Steven D. Powers, City Administrator

SUBJECT: Council Agenda Responses

DATE: 3/13/14

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**CA-5 - Resolution to Approve a Grant Application to the Michigan Department of Natural Resources Grants Management for a University Access Playground at Gallup Park**

**Question:** It is exciting that the AA Rotary has committed to raise \$250K for this Universal Access Playground at Gallup as their centennial project. It is noted in the memo that the City's contribution will be \$100K and the total project cost is \$500K. Is the grant request for the balance (\$150K) or are there other funding sources? And if the grant isn't awarded, where is it expected that funding would be made up or would the project scope be reduced? (Councilmember Lumm)

**Response:** The Rotary Club of Ann Arbor has committed to raising at least \$250,000 for the Universal Access Playground at Gallup Park. The preliminary budget estimate referenced in the memo accompanying the resolution is \$500,000, although after public input from the Commission on Disability Issues, PAC, and a public meeting that figure will likely increase as there is a strong desire to make this a state-of-the-art playground and incorporate newer features that might require custom design, which is more costly. There is also a desire to include barrier free educational signage in Braille and raised type that would require further custom design and construction. Additionally, improved pathways leading to the playground from the parking lot should be included.

As a result the grant request will be for the full amount possible (\$300,000), allowing for a potential project budget of \$650,000. If the grant isn't awarded there are a number of options available to move forward. One is that the scope could be reduced fairly easily – playground design can, to a degree, be done a la carte, adding or subtracting elements as budget allows. The second option is that the City and the Rotary Club of Ann Arbor would look at other grant opportunities to assist in funding. The MDNR grant is the largest recreational grant available, and as such makes sense to pursue first. Regardless of whether the grant application is successful, staff and Rotary will look for additional grant fund opportunities and are well positioned to do so. Rotary, as a 501c3, has the ability to apply for certain grants that the City is not eligible for.

**DC-4 – Resolution to Approve Amendment to Professional Services Agreement with Aaron Seagraves as Public Art Administrator (\$18,500.00) and Appropriate Funds from the Public Art Fund Balance (\$20,500.00) (8 Votes Required)**

**Question:** The memo “Update on Public Art Program in Ann Arbor” states that the Argo Cascades Selection Panel is considering two proposals. Did these two proposals come in after the initial finalists were rejected? (Councilmember Petersen)

**Response:** The memo was draft a number of weeks ago. The subgroup working on the Argo Cascades has reached a conclusion to explore options other than either of the two proposals received. The Public Art Commission has yet to act as a full body accepting that result and notify the artists.

**DC – 5 – Resolution to Encourage Support to Fund the Fire Protection Grant Program**

**Question:** What is the estimated TV for University of Michigan property (Councilmember Lumm)

**Response:** State estimates the Assessed Value of State property in Ann Arbor (primarily but not exclusively UM) to be \$1.1 billion.

**Question:** What the "fully funded" level for Ann Arbor would have been for the last 10 years or so? (Councilmember Lumm)

**Response:** Please see chart below.

**Question:** What the actual state legislature allocation has been for that same period. (Councilmember Lumm)

**Response:** Please see chart below.

**Fire Protection Grant Program**

<b>Fiscal Year</b>	<b>Formula Amount</b>	<b>Appropriated/Actual Amount</b>	<b>Diff. (\$)</b>	<b>Diff. (%)</b>
2004	\$15,419,589	\$3,710,500	(\$11,709,089)	-75.9%
2005	\$16,275,672	\$7,410,500	(\$8,865,172)	-54.5%
2006	\$16,283,549	\$7,210,500	(\$9,073,049)	-55.7%
2007	\$16,030,367	\$10,910,500	(\$5,119,867)	-31.9%
2008	\$16,072,369	\$10,910,500	(\$5,161,869)	-32.1%
2009	\$16,421,595	\$10,910,500	(\$5,511,095)	-33.6%
2010	\$18,300,831	\$10,910,500	(\$7,390,331)	-40.4%
2011	\$19,710,270	\$10,910,500	(\$8,799,770)	-44.6%
2012	\$21,026,731	\$9,273,500	(\$11,752,831)	-55.9%
2013*	\$22,840,188	\$12,628,400	(\$10,211,788)	-44.7%
2014	\$22,470,187	\$9,273,500	(\$13,196,287)	-58.7%

\* 2011 PA 255 amended the Motor Vehicle Code. Previously, the Fire Protection Fund received \$3.5 million in Driver Responsibility Fees after collections reached \$65 million and received an additional \$5 million after collections reached \$100 million which normally occurred late in the fiscal year. As a result, a significant portion of the \$5 million was carried-forward into the next fiscal year to be dispersed for fire protection grants on December 1 per statute. Due to the amendment under 2011 PA 255, the first \$8.5 million in Driver Responsibility Fees is deposited into the Fire Protection Fund. This provides LARA with more actual revenue than spending authorization during FY 2012-13.

**DC-6 – Resolution Designating an Urban Public Park Location on the Library Lot Site**

**Question:** When the Council adopted the downtown open space recommendations from PAC, the resolution included instructions that “the City Administrator review the report and recommendations and direct staff to program and implement them as feasible within the constraints of available resources and other priorities.” Please update on this, especially as it relates to the Library Lot. (Councilmember Warpehoski)

**Response:** Many of the recommendations relate to future development opportunities, and as such are not implemented yet. For example, since the recommendations were accepted by Council a new park has not been developed, so the recommendation that a new park should ‘adhere to placemaking principles’ has not had an opportunity to be implemented.

Short-term efforts continue at Liberty Plaza to focus on smaller-scale incremental changes and programming opportunities. PAC passed a fee-waiver for the use of Liberty Plaza in an effort to see increased activation of the space. Ideas for programming and other uses are being explored with a hope to seeing increased use once winter ends.

In regards to Library Lane, when City Council decides to offer the property for sale, staff will recommend City Council designate a percentage of the area as public space and specify expectations for the public space. Designating the public space concurrently with the sale of the property would provide the flexibility of maximizing the use of public investments (in foundation and infrastructure) already made with private investment to accomplish City Council's mixed-used goals for the property. Developing the public space at the same time the site is developed will provide for increased activity, safety, and security; limit nuisance behavior at this public space; provide potential funding for public space features and programming; and have a responsible private entity for ongoing maintenance.

**Question:** The resolution calls for the surrounding businesses, including those on Fifth Ave, to encourage "Reorientation of the physical design of these adjacent properties so that they face toward the public park on the Library Lane Structure." How do our Historic Districts affect the ability to carry out this goal, in particular as it relates to the building housing Earthen Jar? (Councilmember Warpehoski)

**Response:** The parcels immediately north of the proposed public park (Earthen Jar, Jerusalem Garden, the Christian Science Reading room, and a residential structure) are located in the southwest corner of the East Liberty Historic District. Proposed changes to these buildings' physical orientation would be evaluated individually by the Historic District Commission for compliance with the Secretary of the Interior's Standards and Guidelines and all applicable state and local historic district laws, including the Ann Arbor Historic District Design Guidelines. Generally, moving buildings or creating new primary entrances are not appropriate under the Standards and Guidelines.

**Question:** If this resolution were to be adopted, how much of the parcel would remain open for development? (Councilmember Warpehoski)

**Response:** Based on the DDA's site development program for the Library Lot, the area located at the northwest corner – where the park expansion is proposed - is envisioned as the "Medium Density" portion of a new building. This portion is intended to be 4 stories in height, allowing for a transition between the lower scale historic buildings to the north and the higher density envisioned for the middle of the block.

If the Medium Density portion of the site development program is committed to plaza use, this would affect about 22,400 sf of potential floor area (5,600 sf/floor). Depending on the premiums used, this floor area could be reallocated to the High Density area, which is located in the center of the site.

Based on a parcel size of 1.2 acres, the allowable D1 floor area with premiums is 700% of the lot size, or approximately 209,000 sf. If all of the site's development program is located on the High Density footprint of 18,400 sf with no upper level setbacks, this would result in a building of 12 stories. With upper level setbacks, the building could be

14 or more stories. The maximum height in the Midtown Character Overlay District is 180 feet; the parking structure was designed to accommodate the structural load of an 18-story building.

See attached map.

**Question:** What are maintenance costs for an urban park? (Councilmember Briere)

**Response:** Field Operations and Parks worked together to drive some costs. As you asked, we've assumed that any public space in Library Lane and the Palio lot are similar in infrastructure to Liberty Plaza - more hardscape and benches, along with some planting. Attached is an Excel document that provides the following:

- Size of spaces
- What maintenance costs consist of
- Annual estimate maintenance cost per square foot

It is also important to note that these costs could change dramatically if the amenities offered changed: add water features, fountains, programming, ice rinks, etc. and the square foot cost will increase exponentially. Lastly, another cost that is not factored in our park maintenance cost is security. Larger urban parks often have security guards on foot throughout the day.

### **DC-8 – Resolution to Waive Attorney-Client Privilege**

**Question:** What are the advantages or disadvantages of directing the Attorney's office to produce a public opinion as set forth in the Charter versus waiving privilege on an advice memo? (Councilmember Warpehoski)

**Response:** The City Attorney's Office will respond separately.

### **DS – 3 – Resolution to Approve the Purchase of 18 Vehicles from Signature Ford (Macomb County Cooperative Purchasing Contract \$457,393.00)**

**Question:** What is the vehicle replacement policy of the City? Kindly provide details. (Councilmember Kailasapathy)

**Response:** Fleet Services uses three basic procedures to determine when a vehicle is replaced base on the vehicle class or where the vehicle is used.

- #1 – Vehicles used by staff members of the Police Department are replaced consistent with the specific language in their collective bargaining agreements that details vehicle replacement.

The City contracts with the Ann Arbor Police Officers Association and the Ann Arbor Police Supervisors unions require that their vehicles be removed from service at 80,000 miles or 6 years of service, whichever comes first.

#2 – Light vehicles - Cars and Trucks (one ton and below)

Each sub class in this category has a replacement schedule or estimated life expectancy. When a vehicle hits its scheduled replacement time frame, it is run through the vehicle review process described in the Council memo to determine if it qualifies for replacement. When a vehicle does not qualify for replacement, it is reviewed the next year and each following year until it may qualify. The sub categories and replacement schedule are as follows:

Cars – 6 Years

Pickups and Cargo Vans – 7 Years

Passenger Vans and One Ton Dump trucks – 8 years

#3 – Heavy Vehicles and Equipment (one ton and above)

This group is also split into sub classes within this category. Since these vehicles are typically built to order for a specific purpose, our understanding of the life span of these trucks is better. These vehicles are designed for a specific function and are not just transportation like most of the light vehicles. The replacement schedule is often set to avoid large maintenance expenses.

Dump Trucks - 10 Years (the ten recently purchased trucks had a number of upgrades, including stainless steel bodies, that allowed us to increase the replacement to 15 years on them)

Street Sweeper – 10 Years

Refuse Trucks – 7 years

Aerial Trucks – 12 Years

Fire Apparatus – 15 Years

Trailers – 15 Years

Misc Heavy Equipment – 10 to 20 Year (based on the specific machine)

We purchase police vehicles and the other light vehicles off the Cooperative Bid programs of the State of Michigan and Oakland and Macomb Counties. Once these bids are awarded by those agencies, we have a limited amount of time to place orders based on the vehicle manufactures cutoff date (the date when they no longer accept orders for the model year). The order cutoff date is based on the vehicle model but normally happens in March or April. The vehicles on tonight's agenda are for units that have already met or will meet in the next year, the 80,000 mile limit or 6 years of service contractual limit. Once the new vehicles are received they are held at the Wheeler Center and not put into service until a vehicle hits one of the limits and is removed from service.

**Question:** How old are the 18 vehicles that are being replaced (please provide purchase year & miles). (Councilmember Kailaspathy)

**Response:** Fleet Service does not track the City's vehicles by miles driven. We have found that tracking the hours of operation is a more effective measure of the need for preventive maintenance. The Police Department does provide us a list of all their vehicles mileage quarterly. This list is used to estimate when a vehicle will reach the 80,000 mile limit by calculating the average miles per month each vehicle is driven. The purchases made this year will replace vehicles anticipated to be aged/mileage out by May/June 2015.

The miles for each vehicle listed below are from the Police Department's December 2013 Report.

<u>Vehicle #</u>	<u>Year</u>	<u>In Service Date</u>	<u>Miles (on 12/11/13)</u>	
<u>Age/Mileage</u>				
0031	2007	2/25/08	43,336	Age
0035	2009	5/20/09	45,463	Age
0037	2008	5/20/09	48,820	Age
0039	2009	10/26/09	71,169	Mileage
0043	2009	1/1/10	76,258	Mileage
0047	2009	7/1/10	70,775	Mileage
0050	2010	10/8/10	59,065	Mileage
0051	2010	10/8/10	66,839	Mileage
0052	2010	2/14/11	60,388	Mileage
0053	2010	3/17/11	58,406	Mileage
0058	2011	6/15/11	56,277	Mileage
0062	2011	12/1/11	49,265	Mileage
0063	2011	2/1/12	44,589	Mileage
0147	2008	4/28/08	84,032	Mileage
0203	2008	5/12/08	42,557	Age
0336	2008	10/3/08	57,500	Age
0337	2011	11/1/11	48,707	Mileage
4248	2006	5/5/06	91,106	(Non Police Vehicle)

**DS-5 – Resolution to Approve Second Amendment to Professional Services Agreement with Fishbeck, Thompson, Carr & Huber, Inc. for General Civil Engineering Services (\$148,176.00)**

**Question:** On DS-5, the original professional services bid and award was \$85K (\$110K with contingency) and with this 2nd amendment, the total is now \$268K. Can you please remind me how the pricing is determined in situations like this where there is a base contract (that is bid) and then amendments (not bid) are added on -- are there time and material rates established in the original contract that determine the amendment amounts or some other approach? (Councilmember Lumm)

**Response:** Pricing for the amendments is based on the fee schedule in the original contract.

**DS-6 – Resolution to Repurpose \$75,000.00 in Approved FY2014 General Fund Budget and Appropriate (\$122,250.00) to Support the Pedestrian Safety Task Force, and to Approve a Professional Services Agreement with Project Innovations, Inc. (\$77,400.00) (8 Votes Required)**

**Question:** I am confused about the costs. In the memo, reference is made to the "estimated budget totaling \$122,250", but the first resolved clause appropriates \$75,000 to the Task Force and the second resolved appropriates \$122,250 for a total of \$197,250. Can you please confirm that \$197,250 is being appropriated to the Task Force or am I reading the two resolved clauses incorrectly? (Councilmember Lumm)

**Response:** The total amount being appropriated for the Task Force project budget in the item is \$197,250. The stated "estimated \$122,500" is the approximate cost of the anticipated staff effort for this project. With \$77,400 of the project budget for the professional services agreement with Project Innovations, Inc. the balance (\$119,850) will be for staff time on the effort, and though not equal to the estimated amount it is expected to be adequate for this project.

**Question:** In my experience, the City has not habitually set a significant budget for a task force. The proposed budget indicates that the cost of establishing this task force is about \$200,000. This includes the reallocation of \$75K already in the budget and an additional \$122K. How much of the funding is for the task force support, and how much is for other endeavors related to the goal of creating a pedestrian safety plan? (Councilmember Briere)

**Response:** The proposed contract for facilitation services for the effort is for \$77,400.00 and the estimated cost of staff time for the effort is approximately \$120,000.

**Question:** What actual level of support - from the staff - is necessary in order for this task force to meet and accomplish its goals? (Councilmember Briere)

**Response:** It is estimated that with the use of outside facilitation services, there would be approximately 1850 hours of staff time needed for this effort. If City staff were to provide all of the support for this effort, including facilitation, that level of effort would increase.

The detailed impacts and the estimated increased effort would need to be examined more closely with the project manager, Connie Pulcifer, upon her return from an international exchange at the end of this week.

**Question:** Could the task force begin meeting and then, if financial needs arose beyond the reallocated \$75K from the sidewalk gap budget (FY14) seek to address those needs during the FY15 budget process? (Councilmember Briere)



**Response:** Yes, the task force could begin to meet utilizing the reallocated \$75k from the FY14 budget for the sidewalk gap effort. But with the task force effort beginning in March, provided that those funds are reallocated to the Pedestrian Safety and Access Task Force work effort project budget, it is likely that the full utilization of those funds requiring additional funding will occur after the FY15 budget process has been completed (if not reallocated to the project budget, any unspent GF funds at the end of the current fiscal year would be returned to fund balance).

**Question:** How much time is the facilitator expected to work with the task force? How much time for other aspects of the job - meeting with staff, meeting with 'stakeholders,' facilitating public meetings, etc.? (Councilmember Briere)

**Response:** It is anticipated that there will be 18 task force meetings, 24 resource group (staff) meetings, 5 stakeholder meetings and 3 public meetings. For these meetings, the facilitator will be: preparing materials and agendas; facilitating the meetings; summarizing the meetings; facilitating communication and discussions between, and among, the task force members and the resource group; and, developing materials for community outreach in addition to the actual public meetings, including content for press releases and web page publishing, and a community survey.

**DS-7 – Resolution to Approve a Road Improvement Agreement between the City of Ann Arbor and the Board of Washtenaw County Road Commissioners for the Proposed Improvements to Ann Arbor-Saline Road, and to Appropriate Funds for the Construction of New Sidewalk (\$30,000.00) (8 Votes Required)**

**Question:** Please clarify how the 60/40 sharing of the \$373,000 state grant is determined. The total project cost is \$2,417,100 and with the \$373,000 grant, the cost to be shared between the city and county is \$2,044,100. Of that \$2,044,100, it looks to me that the city is paying \$1,124,100 (55%) and the county \$920,000 (45%) yet the county gets credit for 60% of the grant -- what am I missing here? (Councilmember Lumm)

**Response:** The 60/40 sharing for the grant is determined by the pavement area being repaired that is within each party's jurisdiction, which is the primary work item in the project. However, when various ancillary items are taken into consideration, the cost split for the overall project is 55/45.