

TO: Mayor and Council

FROM: Milton Dohoney Jr., City Administrator

CC: Derek Delacourt, Community Services Area Administrator

Nick Hutchinson, City Engineer Brett Lenart, Planning Manager

Marti Praschan, CFO

Jordan Roberts, Public Services Area Administrator

Skye Stewart, Chief of Staff, Public Services Mariah Walton, Deputy City Administrator

SUBJECT: September 15, 2025 Council Agenda Response Memo

DATE: September 11, 2025

<u>C-1</u> –An Ordinance to Amend Chapter 55 (Zoning), Rezoning of 4.16 Acres from O (Office District) to R4E (Multiple-Family Dwelling District), The Crescent Rezoning, 2525 Ann Arbor-Saline Road (CPC Recommendation: Approval - 6 Yeas and 1 Nays)

Question #1: The traffic evaluation conducted, including multimodal. If this has not yet been conducted, when would it be? How does this fit with the request for a traffic signal? (Councilmember Akmon)

Response: As part of the required site plan materials, a traffic impact study was conducted, submitted, and reviewed by staff. The study document is available on STREAM: https://stream.a2gov.org/energov_prod/selfservice/#/plan/eacb2b02-4577-4586-b6db-3900a3fd1f0c?tab=attachments. The newest version of the study is titled 2024-06-03 MMTIS_23351A_2525 AAS_V02. Older versions and the transportation review memos are also included in the attachments on STREAM.

The option to add a traffic signal was discussed, but staff determined that an additional study that analyzed the impacts of a traffic signal would be required. The developer has not committed to providing additional information on a potential traffic signal, so it will not move forward at this time. To improve safety for pedestrians and cyclists, the developer

and staff agreed that a crosswalk would be installed across Ann Arbor-Saline Road and the curb cut on Ann Arbor-Saline Road would be modified. As noted on the site plan, the final location of that crosswalk will be determined during the civil plan review process. Changes to the curb cut include slightly narrowing the width, extended the central island, and carrying the sidewalk through. The redesign of the curb cut and the installation of this crosswalk are included in the Development Agreement.

Question #2: Are there any plans for the installation of a crosswalk on Oakbrook? (Councilmember Akmon)

Response: A crosswalk will be installed on Oakbrook Drive to connect to Cranbrook Park if the site plan is approved.

Question #3: Can the speed limit on Oakbrook be reduced? (Councilmember Akmon)

Response: Oakbrook has a 30mph speed limit, which complies with the maximum limit recommended by the Moving Together Towards Vision Zero Plan. The same plan also recommends City advocacy to enable more flexibility for establishing reduced speed limits, however, the classification of Oakbrook as a collector vs. a local residential street is not automatically supported for a reduced speed limit by the Moving Together plan.

Question #4: What has the developer committed to in terms of a tree buffer between this development and Oakbrook drive? (Councilmember Akmon)

Response: Seven street trees will be installed along Oakbrook Drive. Based on discussion at the Planning Commission meeting on 8/5/2025, staff asked if the developer wanted to add more street trees to the plan. The developer has not committed to planting any additional trees beyond the minimum standard along Oakbrook Drive at this time.

C -3 - Regarding: Ordinance to Amend Chapter 14 (Purchasing, Contracting and Selling Procedure)

Question #1: Can staff point to the prior ordinance change agenda item? I can't find it on Legistar, and I recall that we made a change to this during my tenure (so since 2022) (Councilmember Akmon)

Response:

- Legistar File #21-2060 amended the procurement threshold to \$75,000.00.
- Legistar File #22-1930 BVP amendments
- Legistar File #25-0022 BVP amendments

Question #2: What is meant by "The proposed amendment would permit future increases to be performed administratively, without requiring additional ordinances"? It looks to me like this removes City Council from approving the threshold in the future. (Councilmember Akmon)

Response: Correct. The proposed amendment would facilitate inflationary adjustments based on the Consumer Price Index (CPI) without necessitating amendments to the City Ordinance. As a result, it will eliminate the need for City Council approval for these inflationary increases, thereby enhancing organizational efficiencies related to procurement.

Question #1: In the memo provided, staff recommends increasing the threshold for purchases of goods and services requiring City Council approval from \$75,000 to \$90,000. Can staff provide an estimate of approximately how many purchases (using the past year, for example) this change might affect? (Councilmember Mallek)

Response: Approximately 25, less than 3% of annual purchase orders issued.

Question #2: Staff states that currently Section 14.2 of the City Charter allows City Council to increase the Council Approval Threshold for the purchase of goods and services to account for inflation via ordinance. It then follows to say, "The proposed amendment would permit future increases to be performed administratively, without requiring additional ordinances."

a. Does "performed administratively" in this instance mean this proposed amendment would allow city staff to approve increases to the purchasing threshold to account for inflation going forward? (Councilmember Mallek)

Response: Yes, that is correct. The proposed amendment would facilitate inflationary adjustments based on the Consumer Price Index (CPI) without necessitating amendments to the City Ordinance. As a result, it will eliminate the need for City Council approval for these inflationary increases, thereby enhancing organizational efficiencies related to procurement.

b. If this amendment is approved as worded, would city staff be able to change the purchasing threshold without City Council approval moving forward? (Councilmember Mallek)

Response: Please see the above response.

Question #3: Staff recommends the threshold requiring City Council approval for disposal of surplus City owned property be increased to \$90,000.00. Finally, the proposed ordinance increases the value under which the Purchasing Agent may dispose of property in the manner in the best interest of the City from \$3,000.00 to \$5,000.00.

a. I understand both numbers are related to the disposal of surplus property, but they sound virtually identical but with different value thresholds. Please explain the difference between the two new proposed numbers stated above: \$90,000 and \$5,000. (Councilmember Mallek)

September 15, 2025, Council Agenda Response Memo– September 11, 2025 Page **3** of **5** **Response**: The existing ordinance mandates that the City Council's approval is necessary for the disposal of city assets valued over \$75,000. This amendment raises that threshold to \$90,000 to align with the procurement threshold requiring council approval. The increase in the purchasing agent's threshold for disposal allows the purchasing agent to dispose of assets valued up to \$5,000, raised from \$3,000, without receiving quotations or competitive bids, thereby aligning with the procurement threshold that requires quotations or competitive bids only when making purchases over \$5,000.

Question #1: How often would staff revisit the threshold for inflation, and what safeguards will ensure it isn't raised beyond what's reasonable? (Councilmember Harrison)

Response: Staff intend to update the threshold for inflation as part of the first year of the two-year budget cycle in the future. This would mean that the amount would be adjusted every other year for inflation. Staff will utilize the inflation rate (CPI) published by the Bureau of Labor Statistics to calculate the increase to the threshold amount.

Question #2: How does \$90,000 align with inflation since 2021 compared to other Michigan municipalities' thresholds? (Councilmember Harrison)

Response: This information is not available for the required timing of agenda responses.

Question #3: The ordinance raises the threshold for disposing of surplus City property from \$3,000 to \$5,000. How often do we dispose of property in this value range, and what are the accountability measures to ensure transparency and community input? (Councilmember Harrison)

Response: In FY 2025 the City disposed of 3 assets in this value range, less than 5%.

Question #4: Will there be public reporting on what property is disposed of under this threshold? (Councilmember Harrison)

Response: The City of Ann Arbor does not currently provide any reporting on the disposal of surplus property under this threshold. Assets outside this range are disposed of via Public Auction.

Question #5: What protections exist to prevent unintended consequences, like fewer opportunities for smaller local vendors if more contracts are handled administratively? (Councilmember Harrison)

Response: We are not anticipating this change to result in fewer opportunities for smaller local vendors. We believe this change will streamline the process, making it more attractive to small local vendors.

Question #6: On average, what is the dollar amount spent per purchasing transaction by the City? (Councilmember Harrison)

Response: The City engages in approximately 38,000 expenditure transactions on an annual basis, with an average calculated to be \$6,858.

Question #7: What is the typical range of those purchases (median, minimum, maximum)? (Councilmember Harrison)

Response: Minimum = \$1, Maximum = \$1,139,447.75, Median = \$256.30

Question #8: How many transactions in the last year were between \$75,000 and \$90,000, the "gray area", this ordinance would move out of Council oversight? (Councilmember Harrison)

Response: Approximately 25, less than 3% of annual purchase orders issued.

Question #9: How many transactions would shift from Council approval to administrative approval if we adopt this change? (Councilmember Harrison)

Response: Approximately 25 per year.

Question #10: Are there certain departments or types of services that most often fall into this threshold range? (Councilmember Harrison)

Response: Departments and services vary.

<u>DC-4</u> - Resolution to Affirm City's Support of the Treeline Trail Project

<u>Question #1</u>: How does staff see the Treeline's plans for the North Main segment of this project fitting in with work with MDOT to improve this corridor especially as concerns safety? (Councilmember Akmon)

Response: The current vision for this segment of the Treeline Trail includes an elevated bridge for non-motorized traffic over North Main and therefore would have little impact on planning and construction of future facilities at grade on North Main.

Question #2: How does this fit with plans we have for non-motorized transit along this section, including integration points with city facilities? (Councilmember Akmon)

Response: The City is about to undertake a planning study of the North Main corridor to evaluate needed improvements. This study will also evaluate opportunities to connect to the proposed Treeline Trail.