



TO: Mayor and Council

FROM: Milton Dohoney Jr., City Administrator

CC: Andre Anderson, Police Chief
Joshua Baron, ITSU Manager
Kimberly Buselmeier, Finance Manager
Missy Stults, Sustainability & Innovations Director
Mariah Walton, Deputy City Administrator

SUBJECT: July 6, 2026 Council Agenda Response Memo

DATE: July 2, 2026

CA-9 - Resolution to Approve a Master Services and Purchasing Agreement with Axon Enterprise, Inc. for Police Technology Consolidation, Drones, Hardware, and Software Services (\$2,967,419.69)

Question #1: Which services represent new one for the City from Axon and which are consolidation of existing? (Councilmember Akmon)

Response: The only new service being added is the De-Drone system (Drone detection sensors that detect drone flights within the city, showing the drone's current location, flight path and operator location, this is a detection system only). All other components are existing Axon contracts being consolidated. This contract does include upgrades of existing software and hardware to the newest versions (IE Taser 7 to Taser 10).

Question #2: Please explain how Axon's drone technology, particularly data collection protections, conform to Ann Arbor's policy on the use of drone technology (Councilmember Akmon)

Response: Axon's software is designed to help track drone usage, including pilot certifications/training, and flight records. It also allows us to securely store this data as well as any picture/video data collected. This data is handled in the same manner as our existing Axon data, with the city retaining ownership of all data.

Question #3: Would approval of this contract enroll the City in Axon’s Customer Experience Improvement Program, including ACEIP Basic, ACEIP Custom, Enterprise Basic+, or any similar product-improvement/data-sharing program? (Councilmember Akmon)

Response: This city “red-lined” the ACEIP program from the Master Services and Purchasing Agreement (MSPA) which will opt us out of the ACEIP.

Question #4: If ACEIP or a similar program is included by default, has the City opted out? Can we get written confirmation that the City will not participate unless separately approved? (Councilmember Akmon)

Response: This city “red-lined” the ACEIP program from the MSPA which will opt us out of the ACEIP.

Question #5: Does this contract allow Axon to use any Ann Arbor police data (e.g. body camera video/audio, transcripts, reports, evidence files, metadata, location data, or other police records) for or AI training, product development, analytics, benchmarking, or product improvement? (Councilmember Akmon)

Response: This city “red-lined” the ACEIP program from the MSPA which will opt us out of the ACEIP. This prevents our data being used for the above listed purposes.

Question #6: Does this contract allow Axon to use de-identified, anonymized, aggregated, derived, or transformed versions of City data for those purposes? (Councilmember Akmon)

Response: This city “red-lined” the ACEIP program from the MSPA which will opt us out of the ACEIP. This prevents our data being used for the above listed purposes.

Question #7: Does the agreement prohibit Axon from sharing City-originated data, de-identified data, derived data, or analytics outputs with other law enforcement agencies, federal agencies, ICE/CBP/DHS, researchers, subcontractors, or commercial partners, except as required to provide the contracted services or by valid legal process? (Councilmember Akmon)

Response: This city “red-lined” the ACEIP program from the MSPA and opts out of it. This prevents our data being used for the above listed purposes. The one exception being the DeDrone system, Dedrone has a specific addendum in the MSPA that outlines how Dedrone data is handled, the excerpt regarding this is below.

1. **Data Protection.**

1.1 Data. If Customer licenses Dedrone Software, as part of its operation, the Dedrone Software may collect and send to servers owned, operated or controlled by Axon data or other information regarding Customer's use of the Dedrone Software, which may include (i) information generated by each Sensor deployed by Customer, including information related to the date, time, and duration of the detection of the drone, as well as the locations of the detected drones and remote controls and of the Sensor itself (collectively, "Sensor Data"), and (ii) video recording of the detected drones, including flight path ("Video Data") (Sensor Data and Video Data are collectively referred to as "Collected Data").

1.2 Use of Collected Data. Axon has the right to use Collected Data for any purpose, including: (i) improving any Dedrone Product; (ii) analyzing any Dedrone Product or the performance of any Dedrone Product; or (iii) compiling or using aggregate or de-identified Collected Data with other customers, or government and law enforcement entities, with or without compensation. Customer acknowledges that Axon may learn from the performance or use of any Dedrone Product, and Axon shall have the sole right to exploit any modification, enhancement or improvement of any Dedrone Product resulting from such learning.

1.3 User Data. To the extent Axon uses User login information, including name, email, username, and password (collectively, "User Data") for any purpose other than to provide services to the Customer, such User Data will be deidentified and anonymized, and will not be identified as having come from Customer, except that Axon may disclose User Data where Axon, in good faith, believes that the law or legal process (such as a court order, search warrant or subpoena) requires Axon to do so.

As a note, Axon is not a public entity, so does not fall under FOIA or similar laws, but must comply with disclosure rules for private companies such as by search warrant or subpoena.

Question #8: Does the quote include or enable any Axon AI tools? (Councilmember Akmon)

Response: The only Axon AI Tool included is the redaction assistant, this software aids our records department with video redaction for FOIAs.

CA-16 - Resolution to Adopt Revised Investment Policy

Question #1: One of the attachments to this resolution on Legistar, “2021 City of Ann Arbor Investment Policy redlined 06-2026.pdf”, includes a proposed deleted section on page 8. The section reads, “If the City is offered a security for which there is no other readily available competitive offering, then quotations for comparable or alternative securities shall be documented.” Could staff explain the reason behind the proposed removal of this sentence? (Councilmember Mallek)

Response: The sentence proposed for removal states: *“If the City is offered a security for which there is no other readily available competitive offering, then quotations for comparable or alternative securities shall be documented.”*

The proposed removal is intended to eliminate language that no longer reflects how institutional fixed-income securities are evaluated and purchased. The sentence addressed the uncommon situation where a specific security was available without multiple competitive offerings. In fixed-income markets, that can occur because one broker/dealer may have inventory of a particular commercial paper issue or agency security that other broker/dealers do not. As a result, it may not be possible to obtain multiple true competitive quotes on the same CUSIP.

Rather than relying on quotations for alternative securities, staff evaluates the reasonableness of an investment by comparing the offered security to relevant market benchmarks and alternatives, including U.S. Treasury yields, securities with similar maturities, comparable credit quality, call features, settlement terms, and recommendations from the City's independent investment advisor. This approach provides a more meaningful measure of value than obtaining quotations for different securities that are not identical to the investment being considered.

The proposed removal is intended to modernize the policy and is not intended to reduce transparency, pricing discipline, or oversight.

Question #2: How often do purchases of securities with no other readily available competitive offerings occur? (Councilmember Mallek)

Response: These transactions are uncommon but do occur from time to time. For example, a broker/dealer may have inventory of a particular commercial paper issue or agency security that is not simultaneously available through other broker/dealers. In these situations, obtaining multiple quotes on the exact same security may not be practical because the offering itself is unique to the dealer holding that inventory.

Question #3: If approved, what processes or procedures, if any, will replace the current documentation requirement to ensure transparency and reasonable prices in single-source investment transactions? (Councilmember Mallek)

Response: No new procedures are anticipated because the City's existing investment practices already provide the necessary controls. Investment transactions will continue to be evaluated using current market pricing, Treasury yield spreads, comparable securities, credit quality, maturity, call features, settlement terms, and recommendations from the City's independent investment advisor. Transactions will continue to be supported by trade confirmations, market pricing information, and documentation maintained in the City's investment records, and they will continue to be executed only through approved broker/dealers, financial institutions, or authorized investment pools in accordance with the Investment Policy.

Question #4: Does staff envision the proposed removal of this sentence impacting future auditing of the City's finances? (Councilmember Mallek)

Response: No. Staff does not expect the proposed change to affect future audits of the City's investment program or financial statements. Investment transactions will continue to be fully documented, reconciled, and available for review by management and the City's independent auditors. The amendment does not alter the City's internal controls, accounting records, audit trail, or compliance with Michigan law.

CA-18 - Resolution to Approve a Professional Services Agreement with Washtenaw 2030 District to Continue Program Development, Outreach, Engagement, and Support for Commercial Building Decarbonization (\$300,000.00)

Question: Could staff provide more specifics about the meaningful contribution that 2030 Washtenaw has made to Commercial Building Decarbonization and Green Rental Housing to date? Was metrics tracking performed for this work? (Councilmember Disch)

Response: The [Washtenaw 2030 District](#) is essential to the implementation of the City of Ann Arbor's Energy and Water Benchmarking Ordinance. They meet with property owners, property managers, and condo board members and assist them with obtaining energy and water data, creating accounts in Energy Star Portfolio Manager, setting up DTE Data Hub and water automation, performing data quality checks and troubleshooting issues. Through this work, they have brought 229 properties into compliance with the ordinance thus far this year with more currently in progress. In addition to Benchmarking support, the 2030 District supports OSI's work to decarbonize existing commercial buildings through conducting energy audits and engineering assessments which evaluate energy usage, opportunities for efficiency and fuel switching, and solar feasibility. They also provide education to commercial entities through lunch and learn events and workshops, as well as one-on-one consultations. All of these resources can help building owners and managers coming into compliance with the Green Rental Housing Ordinance.

Please also see the attached Quarterly Report which details the work done in April-June 2026, as well as the [2025 Impact Report linked here](#).

CA-20 - Resolution to Accept a Sidewalk Easement at 1520 Pear Street from Linda L. Moody and Tanya Thunberg (8 Votes Required)

Question: Could staff specify what this easement will achieve for the Pear Street Sidewalk project? (Councilmember Disch)

Response: The property owner requested and voluntarily granted the easement onto their property to avoid removal of a large tree in the right of way to install the sidewalk.



a member of the
2030 Districts Network

April 2026 Washtenaw 2030 District Report

TASK 1: ENERGY BENCHMARKING ASSISTANCE

Weekly meetings w/ City staff

New Buildings benchmark set up:

Ridgmaar Square, Lockwood of Ann Arbor, Loft 322 Condominium (Denali Building), 914-918 S State St

TASK 2: COMMERCIAL ENERGY SAVING ASSISTANCE

Energy Audit Complete: Juicy Kitchen

Energy Audit in progress: 10 ICC buildings funded by DTE

Green Rental Housing Ordinance compliance assistance: Setting up Dan's Houses—considered single family by DTE

TASK 3: CONDUCT ENERGY EDUCATION AND ENGAGEMENT WITH COMMERCIAL ENTITIES

Researched and Published Newsletter

Coordinating/ Marketing May lunch & Learn

Conducted GRH workshop with OSI/Washtenaw Area Apartment Association

Conducted Workshop at Climate Teach-IN

TASK 4: REPORTING AND ACCOUNTABILITY

Monthly Consultants' Coordination Meeting

Annual Report framework

Ongoing 2025 data QC for benchmarking

TASK 5: ON DEMAND SUPPORT RELATED TO COMMERCIAL DECARBONIZATION

Commercial Solar Technical Assistance Program:

Sloan Plaza; working with City on Colonial Square; Mothfire

Elective Pay outreach; coordinating June Washtenaw Solarize event with GLREA

Development with Graham Scholars of HoW outreach data base and developing four HoW case studies

May 2026 Washtenaw 2030 District Report

TASK 1: ENERGY BENCHMARKING ASSISTANCE

Weekly meetings w/ City staff

New members benchmarking set up

Balmoral Park Condominiums

University Commons Association

Huron Chase Condominium Association

Saint Joseph Catholic Parish Country Church

Newport West Condominium Association

Tower Plaza

Walden Hills/Summit View

410 North First Condominiums

Oakridge Condominiums

Cloverly Village Condominiums

Liberty Pointe Condominiums

Briarcrest Condominiums

Brookside Commons

Crossings of AA

Main Street Commons Condos

Cambridge Condominiums

Liberty Heights Condominiums

Kingsley Condominiums

Alpine Condominiums

Oakbrook Condominiums

Brentwood Condominiums

Pattengill Condominium Association

Independence Condominium

Georgetown of Ann Arbor

Turnburry Village

Woodland Mews

Berkshire Creek Condominium Association

Alpha Mu Chapter of Sigma Kappa Sorority

National Storage of Ann Arbor- Plymouth Rd

Clarendale of Ann Arbor

Aspen Ridge

Dexter Township

St. Joseph Catholic Church, Dexter

TASK 2: COMMERCIAL ENERGY SAVING ASSISTANCE

Energy Audits Completed: Ann Arbor Friends Campus

Completed weatherization and blower door testing of ICC Owen: achieved **33%** infiltration reduction—collaboration with Insulate Ann Arbor Program and DTE Multifamily rebate program.

TASK 3: CONDUCT ENERGY EDUCATION AND ENGAGEMENT WITH COMMERCIAL ENTITIES

Researched and Published Newsletter

L&L June marketing

Planning for fall L&Ls

Graham Scholars meetings re: database & case studies; joint meeting with ICPJ to coordinate outreach.

Planning for June Solarize events

Planning for June Municipal Workshop

TASK 4: REPORTING AND ACCOUNTABILITY

Monthly Consultants' Coordination Meeting

Published 2025 Impact Report

Ongoing 2025 data QC for benchmarking

TASK 5: ON DEMAND SUPPORT RELATED TO COMMERCIAL DECARBONIZATION

Commercial Solar Technical Assistance Program:

Sloan Plaza under construction; assessed Leslie Science Center array

Marketing & outreach for GLREA June Solarize events.

Support for contractor selection and scheduling for Peace Neighborhood Center renovation project.

June 2026 Washtenaw 2030 District Report

TASK 1: ENERGY BENCHMARKING ASSISTANCE

Weekly meetings w/ City staff

New Buildings benchmark set up:

Georgetown Village Condominium Association

Georgetown Commons North

Sheraton Ann Arbor

The Ark

Walden Hills Condominiums

Riverhouse Condominiums

Parkside Commons Condominium Association

Arbor party store

Kingsley West Condominiums

Bradford House

Jackson West

829 Tappan

Liberty Lofts Condominium Association

Holiday Inn Express & Suites University South

Hampton Inn by Hilton

Ongoing data quality checking

TASK 2: COMMERCIAL ENERGY SAVING ASSISTANCE

Energy Audits in progress: Casey's, Ark, Broadway Party Store

Energy Audits completed: Thomas Plaza

Assisting with electrification options for El Harissa, Bev's Bagel's

TASK 3: CONDUCT ENERGY EDUCATION AND ENGAGEMENT WITH COMMERCIAL ENTITIES

Researched and Published Newsletter

Meetings with City on Commercial Rebate program pilots and program development

Conducted Municipal Workshop with County Resiliency Office

TASK 4: REPORTING AND ACCOUNTABILITY

Monthly Consultants' Coordination Meeting

Ongoing 2025 data QC for benchmarking

TASK 5: ON DEMAND SUPPORT RELATED TO COMMERCIAL DECARBONIZATION

Commercial Solar Technical Assistance Program: new projects outside city

Presentation at June 24/25 GLREA Washtenaw Solarize events