



TO: Mayor and Council

FROM: Milton Dohoney Jr., City Administrator

CC: John Fournier, Deputy City Administrator
Matthew Kulhanek, Fleet & Facilities Manager
Marti Praschan, CFO
Brian Steglitz, Public Services Area Administrator

SUBJECT: April 17, 2023, Council Agenda Response Memo

DATE: April 13, 2023

CA-9 – Resolution to Rescind Resolution R-22-374 for a Lease Agreement with Great Lakes Air Repair d/b/a Beacon Aviation and to Approve a Lease Agreement between the City and Herron Aviation Group LLC for a Corporate Hangar Located at the Ann Arbor Municipal Airport (8 Votes Required)

Question: Going back and reading the materials attached originally approved agreement from November, it seems like Great Lakes Air Ventures was bringing much to the table in terms of maintenance and training capacity. Will the agreement with one half of the original partnership be able to offer the same services? (Councilmember Akmon)

Response: Herron Aviation Group will be partnering with a new FBO service provider to provide these services to users of the Ann Arbor Airport. Once the lease is in place, Herron Aviation Group will begin making renovations to the dilapidated building before beginning service. After building renovation, initial service will include the traditional “full FBO services” of repairs, maintenance, fueling and pilot support. Other services including flight instruction, avionics and body/interior repair services will be spooled up as staffing, licensing, equipment, and facilities are addressed. It is Herron Aviation Group’s intention to offer the full line of services as originally proposed to the City.

CA-11 - Resolution to Accept an Easement for Public Right-of-Way at 660 Earhart Road from the Toll Northeast V Corp. (8 Votes Required)

Question: What will this easement be used for? (Councilmember Disch)

Response: This easement will be used for public right-of-way. There is an existing public sidewalk constructed by the developer that is within this right-of-way easement.

C-1 – An Ordinance to Amend Section 2:63 of Chapter 29 (Water Rates) of Title II of the Code of the City of Ann Arbor

Question: Would staff please calculate the proposed increase for water portion of the average residential customer's bill as a %, plus remind us of the % increases for the four previous years? Is it possible for staff to provide brief information on how Ann Arbor's practices with respect to maintaining water infrastructure compare with recommended "best practices" for municipalities of our size and age? (Councilmember Disch)

Response: The proposed water rate increase for the average residential customer is 6%. The historical average residential customer rate increases are as follows:

Fiscal Year	Effective Date	Change %
2020	7/1/2019	6%
2021	1/1/2021	7%
2022	7/1/2021	6.5%
2023	7/1/2022	6%

The City of Ann Arbor follows several guidelines with respect to maintaining its drinking water infrastructure. These include: 10 States Standards, which are standards adopted by ten states in the Great Lakes Region and Upper Mississippi River Basin, that guide drinking water system operation, maintenance, and design. The City also follows American Water Works Association standards which includes best practices for the water industry also covering operation, maintenance, and design. Finally, there are EPA and State of Michigan regulatory requirements, some of which cover water infrastructure maintenance, such as asset management planning. This suite of guidelines and standards represent the best practices that Ann Arbor uses to make decision related to water infrastructure maintenance.

C-2 – An Ordinance to Amend Section 2:69 of Chapter 29 (Stormwater Rates) of Title II of the Code of the City of Ann Arbor

Question: Would staff please calculate the proposed stormwater increase for a residential customer in the 2nd tier as a %, plus remind us of the % increases for the four previous years? (Councilmember Disch)

Response: The proposed stormwater rate increase for the average residential customer is 4%. The historical average residential customer stormwater rate increases are as follows:

Fiscal Year	Effective Date	Change %
2020	7/1/2019	13%
2021	7/1/2020	11%
2022	7/1/2021	5%
2023	7/1/2022	4%