Ann Arbor City Council Regular Session: June 18, 2018 Email Redactions List Pursuant to Council Resolution R-09-386

	Α	В	С	D	E	F	G
		Received					
1	<u>Sent Time</u>	<u>Time</u>	<u>TO</u>	<u>From</u>	<u>CC</u>	<u>Redactions</u>	Reason for Redaction
					Howard Lazarus,		
					Jacqueline Beaudry,		
					Craig Hupy, Nicholas		
2	7:31 PM		City Council	Jane Lumm	Hutchinson		
3	8:06 PM		Chuck Warpehoski	Kelli Kerbawy		Email address, address	Privacy
4	8:14 PM		Jane Lumm	Harvey Berman		Email address	Privacy
5	9:03 PM		Sumi Kailasapathy	Mary Underwood		Email address	Privacy
6	9:13 PM		Jane Lumm	Matthew Postiff		Email address	Privacy
7	9:15 PM		Julie Grand	Matthew Postiff		Email address, address	Privacy
			Jane Lumm, Stuart				
8	10:06 PM		Baggaley	Claire Schulte		Email addresses	Privacy
9	10:25 PM		Jane Lumm	Kitty Kahn		Email address	Privacy
10	11:18 PM		Jacqueline Beaudry	Stephen Postema	City Council		

Archive, Journal	
From: Sent: To: Cc: Subject:	Lumm, Jane Monday, June 18, 2018 7:31 PM CityCouncil Lazarus, Howard; Beaudry, Jacqueline; Hupy, Craig; Hutchinson, Nicholas FW: Sidewalks Along Green Road - Item DS-2
Council copying you on fe assessment (item DS-2). I and email address. Thank	eedback from a Chapel Hill resident re: the Green Road sidewalk B/c this will be added to the public record, I've removed the sender's name you, Jane
Original Message From: Sent: Monday, June 18, 20 To: Lumm, Jane <jlumm@ Subject: Re: Sidewalks Alo</jlumm@)a2gov.org>
Thank you, Jane. You may getting to tonight's meeting	share my concerns with other council members. I am in my 70's so is not feasible for me.
Again, thank you for focusion	ng on the city finances and priories.
Sent from my iPhone	
> On Jun 18, 2018, at 5:34 >	PM, Lumm, Jane <jlumm@a2gov.org> wrote:</jlumm@a2gov.org>
> Dear,	
> Thank you for writing to s and the proposed assessm >	share your feedback on the proposed Green Road sidewalk gap project nents.
> At tonight's city council m Hill homeowners you do is part of the assessment a	neeting there is a public hearing on the sidewalk assessment for Chapel not have to sign up in advance to speak. The assessment public hearing approval/disapproval process, and if you'd like to attend the meeting to se do, and I can also copy city council and staff on your concerns if that's
overall sidewalk gap infras very valid point, and becau grant to significantly offset	rn that this sidewalk gap project is being undertaken as part of the City's tructure plan, and that this was not initiated by Chapel Hill. You make a use this is a large stretch of road with no sidewalk, the City is utilizing a the cost for the sidewalk assessment (local assessment costs total pel Hill condominium it's \$115.63).
	if you'd like me to share your position on the cost and project with city to do so.

```
> Hope this is helpful, and thank you for taking the time to share your concerns.
>
> Best regards, Jane Lumm
>
> -----Original Message-----
> From:
> Sent: Monday, June 18, 2018 5:14 PM
> To: Lumm, Jane <JLumm@a2gov.org>
> Subject: Sidewalks Along Green Road
> Hello;
> 1) The residents at Chapel Hill did not petition the city for the sidewalk to be added.
> 2) A vote was not taken, is this not taxation without representation.
> 3) The $500k in funds would be better spent on the streets which are in disrepair.
> 4) Not all residents can afford the added expense.
> Either the city needs to cover the entire cost of this sidewalk OR cancel the project.
> Thank you.
>
>
```

From: Sent:	Kelli Kerbawy Hamiltonia (1901) Monday, June 18, 2018 8:06 PM	
To:	Warpehoski, Chuck	
Subject:	Re: Vote NO on Proposed Change in City Water Rates	
I'd advagate for a flat	fee / cubic gallon for all users. Period. Sorry that wasn't clear.	
	APT	000
were a private institut already thin (my tree	th looking for ways to recapture the property tax money that the U would have to pay it on (which, despite my alumni status, I'd admit it essentially is). Our city services are put front, the police department phone tree, the snow situation), I'd hate to think how atture as the city gets bigger and the University continues to expand.	if it
Kelli		
On Mon. Jun 18, 201	at 3:30 PM, Warpehoski, Chuck < <u>CWarpehoski@a2gov.org</u> > wrote:	
Thank you for your inp	ut.	
serve each of the cust	developed the proposed rate schedule, they first worked to determine what the actual cost to omer classes (residential, multi-family, and commercial) is within those classes, then to propose each customer class pays its cost to serve, in compliance with state law that utility rates be se	ose a
losers, that with the o	pproach you would consider fair (recognizing that each of these structures have winners and ata we now have some of these options may not be defensible, and may trigger a lawsuit by a ser in one of the scenarios):	
 A universal per h user type or volume) 	undred cubic foot (CCF) of water flat fee for all users (e.g. everyone pays \$4/CCF regardless of	f
 Ignore the cost to the rates for single-fa 	serve per user class and maintain the existing rates, in which multi-family water users subsic mily users?	lize
Something else?		
-Chuck		

Chuck Warpehoski Ann Arbor City Council, Ward 5 cwarpehoski@a2gov.org c: 734-972-8304

Visit www.chuckwarpehoski.org for Ward 5 updates and to sign up for a Ward 5 email newsletter.

Emails received and sent to me as a Councilmember regarding City matters are generally subject to disclosure under the Freedom of Information Act.

From: Kelli Kerbawy

Sent: Sunday, June 17, 2018 10:01 PM
To: CityCouncil < CityCouncil@a2gov.org >

Subject: Vote NO on Proposed Change in City Water Rates

City Council,

I cannot imagine WHY water rates would be weighted in such a way that owners of single-family homes would pay more for a cubic gallon of water than multi-unit buildings. If anyone was going to pay more on a weighted basis, shouldn't it be the owners of large, multi-unit buildings? After all, some of those buildings are owned by the University, which doesn't pay property taxes; the water rate the U pays should be the same rate that those of us who do pay property taxes must pay, perhaps even more (to recoup some of the cost of maintaining city amenities/services from which the University benefits and to which it does not contribute). I cannot think of ANY reason to give non-University multi-unit buildings a break on water. THEY, unlike the University, do little to contribute to this community. Moreover, the residents of such buildings often do not pay for water and therefore have little incentive to use it carefully. Charging these multi-unit buildings the same rate as single-family property owners might prompt some clever ideas to lessen water usage-- if not, though, at least the buildings would be paying commensurate with use.

CITY SERVICES ARE NOT GOOD AND POLICY DECISIONS SEEM INCREASINGLY WEIGHTED TO BENEFIT CORPORATIONS/WEALTHY PROPERTY OWNERS VS. FAMILIES.

Vote no on this proposal. It is not fair and not consistent with our overall community values.

Kelli Kerbawy

From:

Berman, Harvey

Sent:

Monday, June 18, 2018 8:14 PM

To:

Lumm, Jane

Subject:

Water rate increase

Jane

Please vote against the water rate restructuring. It is unfair to single family residential home-owners.

Thank you.

Harvey

Harvey W. Berman BODMAN PLC Suite 400 201 South Division Street Ann Arbor, Michigan 48104 office: 734-930-2493

email:

My biography on bodmanlaw.com

Bodman is a Corp! Magazine "Diversity-Focused Company"

bodman

CONFIDENTIALITY NOTICE The contents of this message from Bodman PLC may be privileged and confidential. Therefore, if this message has been received in error, please delete it without reading it. Your receipt of this message is not intended to waive any applicable privilege. Please do not disseminate this message without the permission of the author.

From:

Mary Underwood

Sent:

Monday, June 18, 2018 9:03 PM

To:

Kailasapathy, Sumi

Subject:

Water cost report

FYI the report is over 94 pages long. And given to everyone for review at 9:00?????

Sent from my iPhone

From:

Matthew A. Postiff

Sent:

Monday, June 18, 2018 9:13 PM

To:

Lumm, Jane

Subject:

Re: Water Rate Increase

Thank you Jane for your response. I'm troubled by how the numbers seem to work out, particularly in our case. The same logic that says the tiered system hurt multi-family is the same logic that would support my idea that it hurts larger single families. The idea that you can somehow "isolate" peak usage and penalize that is simple-minded.

The chart below shows what will happen. Namely, Users 1-7 units will get a cost increase of 14%; users of 8-20 units or under will get a cost cut; above that, the increases are substantial; at 28 units, the cost increase is 31% from the old rate system. That is steep.

Your point is well taken that it doesn't cost \$6.57 to deliver the 19th unit of water compared to 1.77 for the first unit.

Under the new system, a multi-family pays \$2.13 per unit. Anything above 13 units, a single family pays more per unit. At 27 units, where we are at, we are paying on average 3.72 for the same unit of water that a family in a multi-family structure would pay \$2.13. That is not at all equitable. And at 28 units and above, the single family is paying the same as the commercial rate.

The numbers show that obviously this is a change that favors multi-family structures. I'm not sure why we are subsidizing apartment building owners this way...

Thanks for listening.

Matt

Units used	Old Rate New RateIncrease				
	8	14.22	14.16	-0.42%	
	9	17.59	15.93	-9.44%	
	10	20.96	18.76	-10.50%	
	11	24.33	21.59	-11.26%	
	12	27.7	24.42	-11.84%	
	13	31.07	27.25	-12.29%	
	14	34.44	30.08	-12.66%	
	15	37.81	32.91	-12.96%	
	16	41.18	35.74	-13.21%	
	17	44.55	38.57	-13.42%	
	18	47.92	41.4	-13.61%	
	19	51.29	47.97	-6.47%	
	20	54.66	54.54	-0.22%	
	21	58.03	61.11	5.31%	
	22	61.4	67.68	10.23%	

23	64.77	74.25	14.64%
24	68.14	80.82	18.61%
25	71.51	87.39	22.21%
26	74.88	93.96	25.48%
27	78.25	100.53	28.47%
28	81.62	107.1	31.22%

On 6/18/2018 5:15 PM, Lumm, Jane wrote:

Matthew, Thank you very much for writing to share your concerns about the restructuring proposal, and its impact on single family homeowners. I share your concerns and do not support the proposed rate restructuring.

I believe it would be more fair to charge all users the same rate for water for volume/CCF used, and do not support the proposed rates and restructuring plan.

In as much as the "peaking" concept (i.e., City staff had indicated residential volume use peaks and is not constant like commercial) is at the core of the study, and, as a result, the new rates and rate structure (the existing rate structure has usage-based tiers for both comm'l. and residential; the proposal adds a tier to residential, but eliminates the tiers for commercial to create one flat rate), and staff has now confirmed that commercial usage is not constant and the commercial percentage volatility is, in fact, greater for commercial than residential (e.g., the commercial peak volume in July is roughly 15M gallons more than February while the residential peak in July is less than 10M gallons more than February), eliminating the commercial tiers is inconsistent with the underlying basis of the study and with the objective of disincentivizing discretionary water use. If, as proposed, the higher rates per CCF for residential customers are to be charged based on peak usage and are proportional to the costs to provide water for peak use to properly charge customers for cost of service, the rationale for eliminating the commercial tiers does not stand. Likewise, I would maintain that the rationale for the proposed residential pricing structure does not stand.

In response to questions I've submitted regarding the proposed residential pricing structure (I've attached Q&A information), the City, in defense of the new pricing structure, continues to maintain that "residential customers use water differently and impact the system differently than other classes." The City also states that for commercial customers, the "peak is recovered in the costs that are paid per unit of water." What the City does not state, but would be accurate, is that for residential customers peak usage is also recovered in the costs that are paid per unit of water. While this is also based on a cost of service study, the City also now acknowledges that "the data does not exist to be able to allocate the cost of service" for non-residential customers and also does not have the data for multi-family residential because multi-family units have multiple dwelling units on a single meter.

After studying the proposed water, sewer, and stormwater rate proposal, I cannot support the proposed rate increases and tiered residential pricing structure. The proposed plan will:

- Raise water rates on 1/1/19 by 6% and also raise water rates again by 6% on 7/1/19.
- Raise sewer rates on 1/1/19 by 7% and also raise sewer rates again by 7% on 7/1/19.

I've asked for the cost of service data that demonstrates the cost of service for a residential customer is dramatically different at tier 4 volumes (37CCF+) than at Tier 1 volumes (1-7 CCF), and, in response, City staff indicates they are "working on material to communicate this information."

The proposed water and sewer increases only (proposed stormwater rates reflect a 14% increase and will generate an additional $\sim $1.3M$) represent a 19% rate increase for, e.g., a 2 person household w/minimal outdoor usage and for a 4 person household w/moderate outdoor usage. Under the proposed rate restructuring, the total utility bill (water, sewer, stormwater) increase for the avg. residential customer represents a $\sim 11\%$ increase.

The rationale for eliminating the commercial tiers, while expanding the number of residential tiers, and the associated costs for residential use, does not, based on the information that's been provided and in my analysis, justify the transferring of \$2M of costs to homeowners. The end result of this proposal is, in my view, an unacceptable 50% or more increase in bills for single family homeowners in five year's time. I remain very concerned that this proposal results in unaffordable cost increases for single-family homeowners, and does not fairly and equitably allocate costs based on higher rates to provide water for peak usage.

Thanks again for taking the time to share your perspective and concerns, my apologies for getting in the weeds on this proposal, and hope this information is helpful.

All best, Jane		

From:

Matthew A. Postiff

Sent:

Monday, June 18, 2018 9:15 PM

To:

Grand, Julie

Subject:

Re: Big concern over water issue

Hello Julie,

Thanks for the reply. Your answers aren't quite helping it make sense.

I'm troubled by how the numbers seem to work out, particularly in our case. The same logic that says the tiered system hurt multi-family is the same logic that would support my idea that it hurts larger single families. The idea that you can somehow "isolate" peak usage and penalize that is simple-minded. You'd have to start the tiers at a much higher level. 20 or 25, like I suggested.

The chart below shows what will happen. Namely, Users 1-7 units will get a cost increase of 14%; users of 8-20 units or under will get a cost cut; above that, the increases are substantial; at 28 units, the cost increase is 31% from the old rate system. That is steep.

It doesn't cost \$6.57 to deliver the 19th unit of water compared to 1.77 for the first unit.

Under the new system, a multi-family pays \$2.13 per unit. Anything above 13 units, a single family pays more per unit. At 27 units, where we are at, we are paying on average 3.72 for the same unit of water that a family in a multi-family structure would pay \$2.13. That is not at all equitable. And at 28 units and above, the single family is paying the same as the commercial rate.

The numbers show that obviously this is a change that favors multi-family structures instead of bringing them in line with single-family. I'm not sure why we are subsidizing apartment building owners this way...

Thanks for listening.

Matt

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8	14.22	14.16	-0.42%	
9	17.59	15.93	-9.44%	
10	20.96	18.76	-10.50%	
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12	27.7	24.42	-11.84%	
13	31.07	27.25	-12.29%	
14	34.44	30.08	-12.66%	
15	37.81	32.91	-12.96%	
16	41.18	35.74	-13.21%	
17	44.55	38.57	-13.42%	
18	47.92	41.4	-13.61%	
19	51.29	47.97	-6.47%	
20	54.66	54.54	-0.22%	
21	58.03	61.11	5.31%	

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23	64.77	74.25	14.64%
24	68.14	80.82	18.61%
25	71.51	87.39	22.21%
26	74.88	93.96	25.48%
27	78.25	100.53	28.47%
28	81.62	107.1	31.22%

On 6/18/2018 5:36 PM, Grand, Julie wrote:

Hi Matt,

Thank you for reaching out. The past structure allowed multi family households to subsidize single family homes. This was simply unfair and so the proposed adjustments attempt to redistribute that cost. We are making significant improvements to the infrastructure at the water treatment plant, so there will be some increases to offset that investment.

In the past, very large families were hit hardest by the tiered system. The new system penalizes those with inconsistent/peak usage, as opposed to normal use. I had inquired about a per capita cost in the past and do not believe that is permissible under Bolt.

There is a great deal of variation in commercial, which requires rates to be more consistent across the board.

I'm off to council, but hope this gives you a preliminary answer to your questions.

Best, Julie

Julie Grand Ann Arbor City Council, Ward 3 (734) 678-7567 (c)

On Jun 18, 2018, at 4:08 PM, Matthew A. Postiff wrote:

Hi Julie,

We met when you were campaigning and stopped by our house. I am concerned about the water rate changes which seem to be disproportionately levied on single family homes, whose residents are no more or less worthy of the precious resource of water than others in the community.

More importantly, there seems be be another serious problem. The tiered rating system is discriminatory to larger families. It is already regressive that way, and the new rates will make it even worse. My typical bill for water will go up 28% under the new plan.

Just because I have three children doesn't mean that I should pay more for water for the third one than I did for the first two

(like 2.3x more when you look at the third tier compared to the second!). He needs water just like the others do.

We do NOT water our lawn at all because we believe it is a waste of water. We are fairly conservative in water use, as much as we can in the home we are in, but we have to do laundry and drink and take baths :-)

Case study: We are fairly consistent, using around 27 units every water bill. Here's how the billing would look for us:

Old bill: \$78.25 New bill: \$100.53

This is far higher than the 10.96% increase stated at http://www.mlive.com/news/ann-arbor/index.ssf/2018/06/heres_how_ann_arbor_water_rate.html.

Suggestions:

- 1. Create a less regressive structure for mid-size families. I suggest that the first 20 or 25 units or 30 units should be flat rate. Hit your "rich people who water their lawn target" with higher rates after that point.
- 2. Or allow people to sign up and say "We have X people in our household" and give us "X times 5 units" at the base rate, so that each person gets the same amount of water for the same rate. If someone doesn't want to sign up for that program, they don't have to (to maintain privacy, I suppose).

Furthermore, I don't understand why commercial rates are more than residential at the low end. I mean, it costs me twice as much to flush the toilet at the church than it does at my house! Why not tier the usage for ALL instead of just for residential?

I'd like your take on this, and help as our representative to make sure we are not getting "soaked." Thanks,

Matt Postiff

[cid:part1.3D990CFD.2AE061C7@comcast.net]
<qlkadhahpnlchcod.png>

From:

Claire

Sent:

Monday, June 18, 2018 10:06 PM

To:

Lumm, Jane;

'Ann'; 'Stuart Baggaley'

Subject:

RE: Agenda Responses - June 18, 2018

Thanks for all your efforts Jane. I was able to catch the final vote and unfortunately see it get approved.

From: Lumm, Jane <JLumm@a2gov.org>

Sent: Monday, June 18, 2018 6:15 PM
To: Claire

'Ann'

'Stuart Baggaley'

Subject: FW: Agenda Responses - June 18, 2018

Includes responses to water rate proposal

From: Higgins, Sara

Sent: Monday, June 18, 2018 4:30 PM

To: *City Council Members (All) < CityCouncilMembersAll@a2gov.org>

Cc: Lazarus, Howard < HLazarus@a2gov.org >; Crawford, Tom < TCrawford@a2gov.org >; Pollay, Susan

<SPollay@a2dda.org>; Delacourt, Derek <DDelacourt@a2gov.org>; Turner-Tolbert, Lisha <LTurner-Tolbert@a2gov.org>;

Delacourt, Derek < DDelacourt@a2gov.org >; Hupy, Craig < CHupy@a2gov.org >; Praschan, Marti

<<u>MPraschan@a2gov.org</u>>; Harrison, Venita <<u>VHarrison@a2gov.org</u>>; Hutchinson, Nicholas <<u>NHutchinson@a2gov.org</u>>;

Lancaster, Karen < KLancaster@a2gov.org>; Postema, Stephen < SPostema@a2gov.org>; McDonald, Kevin

< KMcDonald@a2gov.org; Gillotti, Teresa < gillottitm@ewashtenaw.org; ;

Lancaster, Karen < KLancaster@a2gov.org>; Rechtien, Matthew < MRechtien@a2gov.org>

Subject: Agenda Responses - June 18, 2018

Mayor and Council,

Attached are staff responses to June 18 Council Agenda questions. The referenced attachment is at the end of the document.

Sara Higgins, Strategic Planning Coordinator

Ann Arbor City Administrator's Office | Guy C. Larcom City Hall|301 E. Huron, 3rd Floor · Ann Arbor · MI · 48104 734.794.6110 (O) · 734.994.8296 (F) | shiggins@a2gov.org | www.a2gov.org



Think Green! Please don't print this e-mail unless absolutely necessary.



EVERYWHERE - EVERYONE - EVERY DAY. a2gov.org/A2BeSafe

From:

Kitty B. Kahn

Sent:

Monday, June 18, 2018 10:25 PM

To:

Lumm, Jane

Subject:

Thank you!!

Thanks so much, Jane, for speaking out for us. I am disappointed, though not surprised, by the outcome.

I have a question: Are the new luxury condos included as single-family homes? Or are they lumped in with multi-family? I am under the impression that the luxury condos will see their water rates lowered and I want to make sure I am understanding correctly.

I hope people remember how the mayor and their representatives voted when they go to the polls on August 7th.

-Peace, Kitty

https://voteali.org

http://www.jackeatonformayor.com

"The struggle continues." -Bernie Sanders

From:

Postema, Stephen

Sent:

Monday, June 18, 2018 11:18 PM

To:

Beaudry, Jacqueline

Cc:

*City Council Members (All)

Subject:

FW: A16-00946 Mayberry, Rodney v City of Ann Arbor, et al Federal Case

Attachments:

Resolution Directing the City Attorney in the matter of Mayberry v.docx

CyAutoId:

1820092

CycomPath:

C:\CYCOMSQL\

CyMatterId:

1709998

CyMultiRecMemos: CyStaffId:

N SKP

Stephen K. Postema

Ann Arbor City Attorney

City of Ann Arbor

301 E. Huron Street

Ann Arbor, MI 48104

T: 734-794-6189

C: 734-846-1495

E: spostema@a2gov.org

From: Postema, Stephen

Sent: Monday, June 18, 2018 8:27 PM

To: Postema, Stephen <SPostema@a2gov.org>

Subject: A16-00946 Mayberry, Rodney v City of Ann Arbor, et al Federal Case

** Attached file(s):

Resolution Directing the City Attorney in the matter of Mayberry v.docx

Stephen K. Postema

Ann Arbor City Attorney

City of Ann Arbor

301 E. Huron Street

Ann Arbor, MI 48104

T: 734-794-6189

C: 734-846-1495

E: spostema@a2gov.org

..Title

Resolution Regarding *Mayberry v City of Ann Arbor*, Eastern District Federal District Court Case No. 16-14063.

..Body

RESOLVED, That the City Council authorizes the City Attorney to fully resolve the case entitled *Mayberry v City of Ann Arbor*, Eastern District Federal Court Case No. 16-14063 now on appeal (18-1215 Sixth Circuit Court of Appeals), with acceptance of a full release of all claims by the Plaintiff and a payment by the City of \$45,000. The City Attorney is authorized to sign such a settlement agreement and release and all dismissal documents, along with the Mayor and the Clerk.