

**Ann Arbor Downtown Development Authority Meeting Minutes
Wednesday, February 6, 2019**

Place: DDA Office, 150 S. Fifth Avenue, Suite 301, Ann Arbor, 48104
Time: Chair Marie Klopf called the meeting to order at 12:01 p.m.

1. ROLL CALL

Present: Robert Guenzel, Tyler Kinley, Marie Klopf, Howard Lazarus, Joan Lowenstein, Jessica A. S. Letaw, Molly McFarland, Darren McKinnon, John Mouat, Rishi Narayan, Keith Orr, Phil Weiss

Absent: None

Staff: Susan Pollay, Executive Director
Joseph Morehouse, Deputy Director
Maura Thomson, Communications Manager
Amber Miller, Capital & Private Projects Manager
Jada Hahlbrock, Manager of Parking Services
Liz Rolla, DDA Project Manager
Kelley Graves, Management Assistant

Audience: Ray Detter, Downtown Citizens Advisory Council
Mike McKiness, Republic Parking System
Chris Simmons, get!Downtown
David Diephuis, resident
Alan Haber
Chris Tompkins
Brad Moore, J Bradley Moore & Associates Architects
Chris Johnson

2. APPROVAL OF THE BOARD MEETING AGENDA

Mr. McKinnon moved and Mr. Weiss seconded the motion to approve the agenda.

A vote on the motion to approve the agenda showed:

Ayes: Guenzel, Kinley, Klopf, Lazarus, Letaw, Lowenstein, McFarland, McKinnon, Mouat, Narayan, Orr, Weiss

Nays: None

Absent: None

The motion was approved.

3. AUDIENCE PARTICIPATION

Mr. Haber recommended the DDA and City Council read "Governing The Commons: The Evolution of Institutions for Collective Action" about standards and worldwide governing resources for commons. He said he would be submitting a special event application to use the surface lot atop Library Lane on Presidents Day, and asked that the 60 day deadline be waived. He said in keeping with the holiday he would be inviting presidential candidates to come speak.

Mr. Moore presented renderings of a proposed mixed-use development on E. Washington and S. State which he said will include 19 units of affordable housing. The project requires 142 parking spaces, 120 will be constructed on site but they are requesting 21 permits from the DDA. In a separate speaking slot, Mr. Johnson presented additional information about the project. Ms. Pollay said that the parking request will be discussed at the next Operations Committee meeting.

4. REPORTS FROM CITY BOARDS AND COMMISSIONS

Downtown Area Citizens Advisory Council: Mr. Detter said the CAC discussed the future of the Library Block, the former Y-lot and the proposal on E. Washington near State. There is a citizens' participation meeting scheduled for February 13th at the Graduate Hotel. CAC had a robust discussion regarding ADU's, and many indicated their support for changes to encourage ADUs.

5. DDA MEMBER COMMUNICATIONS

Ms. Letaw said she will hold her next "Walk and Talk" on February 9th at 10am at the Blake Transit Center focusing on the DDA's People-Friendly-Streets projects and her next "Downtown Hall" would be that evening, from 7-8:30 pm in the Traverwood Library. All are welcome.

6. EXECUTIVE DIRECTOR COMMUNICATIONS

Ms. Pollay reported that part of the DDA office sustained water damage due to a sprinkler malfunction in the residence upstairs likely triggered by severe cold temperatures. Drywall, carpet and kitchen cabinets will be replaced; the printer was damaged but has been repaired.

7. APPROVAL OF MINUTES

Mr. McKinnon moved and Mr. Weiss seconded the motion to approve the January minutes.

A vote on the motion to approve the minutes showed:

Ayes: Guenzel, Kinley, Klopf, Lazarus, Letaw, Lowenstein, McFarland, McKinnon, Mouat, Narayan, Orr, Weiss

Nays: None

Absent: None

The motion was approved.

8A. SUBCOMMITTEE REPORTS - CAPITAL IMPROVEMENTS COMMITTEE

Mr. Mouat moved and Ms. Letaw seconded the following resolution:

RESOLUTION TO APPROVE THE SELECTION OF FONSON COMPANY, INC. AS CONTRACTOR FOR THE HURON STREET IMPROVEMENT PROJECT

Whereas, The Ann Arbor DDA's Development Plan highlighted identity, infrastructure, and transportation as key strategies, and recognized that an enjoyable pedestrian experience is one of downtown's principal attractions, as well as a necessary element in its social and economic life;

Whereas, On July 7th, 2016, The DDA Board approved a \$4M total project budget for its Huron Street Project, from Division Street to Ashley Street; and on November 1st, 2017 extended the western project boundary to Third Street and increased the total project budget to \$5.6M;

Whereas, The total project budget anticipated costs for design, engineering, sidewalk reconstruction, street trees, furnishings, new streetlights, traffic signal changes, and rail viaduct and gateway enhancements;

Whereas, In partnership with the City, the DDA led the design process including extensive public engagement, and on June 6, 2018, the DDA Board approved a schematic design for its Huron Street Project;

Whereas, In early January the DDA bid the Huron Street construction project through the City of Ann Arbor's procurement service and sought competitive bids due January 18th, 2019;

Whereas, The construction project received significant interest – eight companies attended the pre-bid meeting and 102 companies (contractors, subcontractors, and suppliers) downloaded the plans;

Whereas, Despite this interest only one bid was received - Fonson Company Inc. of Brighton, MI, submitted a bid of \$3,064,660.65;

Whereas, The DDA Capital Improvements Committee reviewed this bid and bid process, and recommends approval along with a 12% construction contingency, which is within the project budget;

Whereas, The City of Ann Arbor has asked that the DDA include extensive conduit in this project estimated at a cost of approximately \$90,000 which will be reimbursed to the DDA by the City;

RESOLVED, The DDA approves the selection of Fonson Company, Inc as contractor for the Huron Street Improvement Project with a contract amount of \$3,432,419.93 which includes a 12% construction contingency and City of Ann Arbor costs for conduit;

RESOLVED, That the DDA Board Chair and Executive Director are authorized to sign the contract with Fonson Company, Inc., and to take the necessary administrative actions to implement this project.

As background, Mr. Mouat reported that DDA staff worked with the City's Procurement Office to post the Huron Street project through the MITN ("mitten"), the state-wide bidding system that allows government agencies to reach a large number of contractors. More than 100 companies downloaded the bid documents, several attended the pre-bid meeting, but only one bid was received from Fonson. Other contractors who attended the pre-bid meeting were asked by DDA staff why they did not submit a bid; responses included their already heavy workload or the challenges of working in an MDOT right-of-way.

Mr. McKinnon expressed his concern that only one bid was received, and questioned if the DDA was inviting the right contractors to bid. Mr. Narayan asked if the DDA was required to use MTN and if only one bid were received if it could reach out to other contractors to ask for bids; it was noted that this would be improper, as they would have unfair advantage. Ms. Miller and Ms. Rolla both reiterated that MTN is a statewide resource to which nearly every contractor in the state subscribes. Mr. Lazarus supported the use of MTN and stated the City has also received smaller numbers of bidders on various projects.

Mr. Mouat moved and Ms. Letaw seconded an amendment to remove the 12% contingency to change the contract amount back to the bid number submitted by Fonson:

RESOLVED, The DDA approves the selection of Fonson Company, Inc as contractor for the Huron Street Improvement Project with a contract amount of ~~\$3,432,419.93~~ \$3,064,660.65 which includes ~~a 12% construction contingency and~~ City of Ann Arbor costs for conduit;

A vote on the motion to approve the amendment:

Ayes: Guenzel, Kinley, Klopf, Letaw, Lowenstein, McFarland, McKinnon, Mouat,
Narayan, Orr, Weiss

Nays: Lazarus

Absent: None

The amendment was approved.

There was discussion about construction processes. Mr. McKinnon recommended regular updates to the Capital Improvements Committee during construction. Mr. Orr suggested an amendment and Mr. Lazarus suggested a change in the wording to clarify authorization to exercise the project contingency.

Mr. Orr moved and Ms. Lowenstein seconded the motion to amend the resolution as follows.

RESOLVED, That the DDA Board Chair and Executive Director are authorized to sign the contract and exercise the contingency within the budget amount with Fonson Company, Inc., and to take the necessary administrative actions to implement this project. The DDA Board Chair and Executive Director shall report on any additional expenditures to the Capital Improvements Committee in a timely fashion.

A vote on the motion to approve the amendment:

Ayes: Guenzel, Kinley, Klopf, Lazarus, Letaw, Lowenstein, McFarland, McKinnon, Mouat,
Narayan, Orr, Weiss

Nays: None

Absent: None

The amendment was approved.

Ms. Klopf asked for any further comment; being none, the amended resolution to be voted on was as follows:

RESOLUTION TO APPROVE THE SELECTION OF FONSON COMPANY, INC. AS CONTRACTOR FOR THE HURON STREET IMPROVEMENT PROJECT

Whereas, The Ann Arbor DDA's Development Plan highlighted identity, infrastructure, and transportation as key strategies, and recognized that an enjoyable pedestrian experience is one of downtown's principal attractions, as well as a necessary element in its social and economic life;

Whereas, On July 7th, 2016, The DDA Board approved a \$4M total project budget for its Huron Street Project, from Division Street to Ashley Street; and on November 1st, 2017 extended the western project boundary to Third Street and increased the total project budget to \$5.6M;

Whereas, The total project budget anticipated costs for design, engineering, sidewalk reconstruction, street trees, furnishings, new streetlights, traffic signal changes, and rail viaduct and gateway enhancements;

Whereas, In partnership with the City, the DDA led the design process including extensive public engagement, and on June 6, 2018, the DDA Board approved a schematic design for its Huron Street Project;

Whereas, In early January the DDA bid the Huron Street construction project through the City of Ann Arbor's procurement service and sought competitive bids due January 18th, 2019;

Whereas, The construction project received significant interest – eight companies attended the pre-bid meeting and 102 companies (contractors, subcontractors, and suppliers) downloaded the plans;

Whereas, Despite this interest only one bid was received - Fonson Company Inc. of Brighton, MI, submitted a bid of \$3,064,660.65;

Whereas, The DDA Capital Improvements Committee reviewed this bid and bid process, and recommends approval along with a 12% construction contingency, which is within the project budget;

Whereas, The City of Ann Arbor has asked that the DDA include extensive conduit in this project estimated at a cost of approximately \$90,000 which will be reimbursed to the DDA by the City;

RESOLVED, The DDA approves the selection of Fonson Company, Inc as contractor for the Huron Street Improvement Project with a contract amount of \$3,064,660.65 which includes City of Ann Arbor costs for conduit

RESOLVED, That the DDA Board Chair and Executive Director are authorized to sign the contract and exercise the contingency within the budget amount with Fonson Company, Inc. and to take the necessary administrative actions to implement this project. The DDA Board Chair and Executive Director shall report any additional expenditures to the Capital Improvements Committee in a timely fashion.

A vote on the amended resolution showed:

Ayes: Guenzel, Kinley, Klopf, Lazarus, Letaw, Lowenstein, McFarland, McKinnon, Mouat, Narayan, Orr, Weiss

Nays: None

Absent: None

The motion was approved.

Mr. Mouat said that given the importance of trees as an element in the Huron project the trees were bid separately to get the best selection of large specimens. Three regional nursery suppliers were asked to provide a bid; 2 of the 3 submitted bids but one of these was incomplete. The Committee recommended approval of the remaining bidder, Landscape Supply, Inc.

Mr. Mouat moved and Ms. Letaw seconded the following resolution:

RESOLUTION TO APPROVE LANDSCAPE SUPPLY INC. AS TREE SUPPLIER FOR THE HURON STREET IMPROVEMENT PROJECT

Whereas, The Ann Arbor DDA's Development Plan highlighted identity, infrastructure, and transportation as key strategies, and recognized that an enjoyable pedestrian experience is one of downtown's principal attractions, as well as a necessary element in its social and economic life;

Whereas, On July 7th, 2016, The DDA Board approved a \$4M total project budget for its Huron Street Project, from Division Street to Ashley Street; and on November 1st, 2017 extended the western project boundary to Third Street and increased the total project budget to \$5.6M;

Whereas, In partnership with the City, the DDA led the design process including extensive public engagement, and on June 6, 2018, the DDA Board approved a schematic design for its Huron Street Project;

Whereas, Through its public engagement and design process the DDA heard the desire for large, healthy trees on Huron Street as a signature identifier of Ann Arbor as "Tree City", thus trees became a central design feature of the improvement project;

Whereas, To ensure the best possible tree size and health the design team recommended contracting directly with a landscape supplier to hand select trees to be pre-purchased and cared for until planting at the end of construction;

Whereas, Bids were received on January 21, 2019 and Landscape Supply was the lone bidder capable of supplying the specified trees, with a bid amount of \$80,200;

Whereas, The DDA Capital Improvements Committee reviewed the approach and this bid, and recommends approval;

RESOLVED, The DDA approves the selection of Landscape Supply, Inc as tree supplier for the Huron Street Improvements Project with a contract amount of \$80,200;

RESOLVED, That the DDA Board Chair and Executive Director are authorized to sign the contract with Landscape Supply, Inc. and to take the necessary administrative actions to implement this project.

Mr. McKinnon said he would vote in support, but stated his concern that that only one responsible bidder ended up submitting a bid.

A vote on the motion to approve the resolution showed:

Ayes: Guenzel, Kinley, Klopf, Lazarus, Letaw, Lowenstein, McFarland, McKinnon, Mouat, Narayan, Orr, Weiss

Nays: None

Absent: None

The resolution was passed.

Mr. Mouat said that the William St bikeway was moved up to 2019; the hope is to get the project out to bid so the project can be completed this construction season. Mr. Kiley/Smith Group gave a presentation on the project: Following the presentation, **Mr. Mouat moved and Ms. Letaw seconded the following resolution:**

RESOLUTION TO APPROVE A SCHEMATIC DESIGN FOR THE WILLIAM STREET BIKEWAY PROJECT

Whereas, The DDA's Development Plan highlights identity, infrastructure, and transportation as overarching strategy areas, which include improving safety and economic vitality through pedestrian improvements;

Whereas, In November 2017 the DDA began work on its William Street Bikeway Project, including selecting its consultants and establishing its project budget as part of its First, Ashley, and William Street Projects;

Whereas, On July 11, 2018 The DOA approved transportation recommendations for First, Ashley, and William Streets, including a two-way protected Bikeway on William Street from State Street to Third Street;

Whereas, Extensive community outreach, a detailed analysis, and best practice knowledge from around the country were all used to create the final design for this Bikeway, which is the first protected bikeway in Ann Arbor;

Whereas, The DDA Capital Improvements Committee reviewed the proposed William Street Bikeway schematic design and recommends approval;

Resolved, The DDA Board approves a schematic design for the William Street Bikeway Project

as recommended by its Capital Improvements Committee;

Resolved, The DDA Capital Improvements Committee will bring the DDA a resolution to approve contractor selection once construction bids have been received.

Mr. Lazarus stated his support that the bikeway project was moving forward.

A vote on the motion to approve the resolution showed:

Ayes: Guenzel, Kinley, Klopf, Lazarus, Letaw, Lowenstein, McFarland, McKinnon, Mouat, Narayan, Orr, Weiss

Nays: None

Absent: None

The resolution was approved.

DTE Gas Main: Mr. Mouat said that DDA staff are working to shape a cost share agreement with DTE, as they will be replacing a gas main on Huron Street at the same time as the DDA project. It is hoped an MOU might be available in time for next DDA Board meeting.

The next Capital Improvements Committee meeting will be Wednesday, February 20 at 11 am.

8B. SUBCOMMITTEE REPORTS – OPERATIONS COMMITTEE

Mr. Orr said that the Committee didn't meet as scheduled due to the severe weather conditions.

Monthly Parking and Transportation Report: Ms. Hahlbrock reported that the Republic Parking is working with Powerdash developers to enhance the reporting capabilities to include EV and solar data, so this can be included in future Parking and Transportation reports.

The next Operations Committee meeting will be on Wednesday, February 27 at 11 am.

8C. SUBCOMMITTEE REPORTS – FINANCE COMMITTEE

Mr. Guenzel said that the Committee also didn't meet due to severe weather.

The next Finance Committee meeting will be on Thursday, February 28 at 1 pm.

8D. SUBCOMMITTEE REPORTS- PARTNERSHIPS COMMITTEE

Ms. Letaw reported that affordable housing was identified as a key issue at the joint City Council/DDA Work Session last fall. The Committee is working with representatives of Avalon, Housing Commission, and County Office of Community & Economic Development to develop a public workshop series on topics relating to affordable housing. City staff members Brett Lenart and Heather Seyfarth are also participating. Work will continue at the next Committee meeting.

The next Partnerships Committee meeting will be Wednesday, February 13 at 9 am. (DDA only)

8E. SUBCOMMITTEE REPORTS- EXECUTIVE COMMITTEE

Ms. Klopf reported that the committee reviewed the board meeting agenda.

The next Executive Committee will be on Wednesday, March 6 at 11 am.

9. NEW BUSINESS

None.

10. OTHER AUDIENCE PARTICIPATION

Mr. Tompkins expressed his support and appreciation for the work of the DDA on the People-Friendly Streets project. He suggested incorporating strobe lights at crosswalks wherever possible. He thanked the DDA Board and staff for their time and efforts.

11. ADJOURNMENT

There being no other business, Ms. McKinnon moved and Mr. Orr seconded the motion to adjourn. Ms. Klopf declared the meeting adjourned at 1:30 pm.

Respectfully submitted,
Susan Pollay, Executive Director