

**ANN ARBOR CITY COUNCIL MINUTES
REGULAR SESSION - MAY 20, 2002**

The regular session of the Ann Arbor City Council was called to order at 7:38 p.m. in the City Hall Council Chamber by Mayor John Hieftje.

Council stood for a moment of silence.

Mayor Hieftje led Council in the recitation of the Pledge of Allegiance.

ROLL CALL OF COUNCIL

PRESENT : Councilmembers Jean Robinson, Robert M. Johnson, Joseph Upton, Michael R. Reid, Jean Carlberg, Heidi Cowing Herrell, Marcia Higgins, Christopher Easthope, Wendy A. Woods, Mayor John Hieftje, 10.

ABSENT : Councilmember Stephen C. Hartwell, 1.

INTRODUCTIONS

HISTORIC DISTRICT PRESERVATION AWARDS

Heather Edwards, Historic Preservation Coordinator, and Scott Diels, representing the Historic District Commission, presented the 2000 Historic District Preservation Awards to citizens and businesses in Ann Arbor. The preservation award recognizes superior maintenance and repair of significant properties to preserve their architectural value. A list of the recipients is on file in the City Clerk's Office.

PUBLIC COMMENTARY - RESERVED TIME**MARGARET PARKER – ART IN PUBLIC PLACES**

Margaret Parker, 1218 Olivia, spoke about the budget for the Commission on Art in Public Places. She asked Council for help in hiring a manager for the Art in Public Places Program.

JOE REPELLICAN – BUSINESS CRIMINALS

Joe Repellican, 3810 Packard, expressed concern with businesses that may be involved in criminal activity.

ANN ARBOR CITIZENS FOR RESPONSIBLE GOVERNMENT - ADDITIONAL POLICE OFFICERS

Elmer White, 3144 Bolgos, and Craig Trombley, 2355 Delaware, spoke in opposition to the hiring of three new police officers by the Ann Arbor Police Department.

PUBLIC HEARINGS**IMPOUNDED ANIMAL FEE (ORDINANCE NO. 17-02)**

A public hearing was conducted on the proposed amendment to Chapter 107, Section 9:40 of the Ann Arbor City Code – Impounded Animal Fee. Notice of public hearing was published May 12, 2002.

There being no one present to speak, the Mayor declared the hearing closed.

CONFINED ANIMAL INSPECTION FEE (ORDINANCE NO. 18-02)

A public hearing was conducted on the proposed amendment to Chapter 107, Section 9:50 of the Ann Arbor City Code – Confined Animal Inspection Fee. Notice of public hearing was published May 12, 2002.

There being no one present to speak, the Mayor declared the hearing closed.

ALARM CONNECTION PERMIT FEE (ORDINANCE 19-02)

A public hearing was conducted on the proposed amendment to Chapter 77, Section 7:33 of the Ann Arbor City Code – Alarm Connection Permit Fee. Notice of public hearing was published May 12, 2002.

There being no one present to speak, the Mayor declared the hearing closed.

FALSE ALARM FEE (ORDINANCE NO. 20-02)

A public hearing was conducted on the proposed amendment to Chapter 93, Section 7:404 of the Ann Arbor City Code – False Alarm Fee. Notice of public hearing was published May 12, 2002.

There being no one present to speak, the Mayor declared the hearing closed.

APPROVAL OF AGENDA

AGENDA APPROVED WITH CHANGES

Councilmember Easthope moved that the agenda be approved with the following changes:

CONSENT AGENDA

Revise: Resolution to Transfer Delinquent Board Up, Clean Up, Vacant Property Inspection and Housing Inspection Fees to the July, 2002 City Tax Roll (Building – Larry Pickel, Director))

MOTIONS AND RESOLUTIONS

Delete: Resolution to Appropriate Software for Parks and Recreation (8 Votes Required) (\$98,000.00) (Information Services – Steve Hampton, Director)

Revise: Resolution to Adopt Ann Arbor City Budget and Related Property Tax Millage Rates for Fiscal Year 2002/2003 (\$215,011,801.00) (8 Votes Required) (Administrator – Alan Burns, Budget Director)

On a voice vote the Mayor declared the motion carried.

APPROVAL OF COUNCIL MINUTES

MINUTES OF APRIL 22 AND 29, 2002; MAY 2 AND 6, 2002 APPROVED

Councilmember Robinson moved that the working session and special session minutes of April 22, the working and special session minutes of April 29, the working and special sessions minutes of May 2, 2002 and the regular session minutes of May 6, 2002 be approved as presented.

On a voice vote the Mayor declared the motion carried.

CONSENT AGENDA

CONSENT AGENDA ITEMS APPROVED

Councilmember Carlberg moved that the following Consent Agenda items be approved as presented:

R-202-5-02 APPROVED

RESOLUTION TO APPROVE PURCHASE OF AERIAL TOWER TRUCK FOR SIGNS AND SIGNALS – JORGENSEN FORD – DETROIT, MICHIGAN BID #3542

Whereas, The Fleet Services Division of the Public Services Department needs to purchase a replacement Aerial Tower Truck for the City's fleet;

Whereas, Jorgensen Ford was the lowest responsible bidder, Bid #3542, for a total of \$98,579.00; and

Whereas, Jorgensen Ford received Human Rights approval on April 30, 2002;

RESOLVED, That City Council approve the issuance of a purchase order to Jorgensen Ford for the purchase of an Aerial Tower Truck in the amount of \$98,579.00 from the 2001-02 budgeted Motor Equipment Funds, with the funds to be available without regard to fiscal year.

R-203-5-02 APPROVED

RESOLUTION TO APPROVE THE PURCHASE OF SIGNAL AXLE
REFUSE PACKER FROM BELL EQUIPMENT COMPANY
FOR THE PARKS AND RECREATION DEPARTMENT

Whereas, The Fleet Services Division needs to purchase a replacement single axle refuse packer for the City's fleet;

Whereas, Bell Equipment Company was the lowest responsible bidder with the City of Dearborn, for a total of \$72,100.00; and

Whereas, Bell Equipment Company received Human Rights approval on February 6, 2002;

RESOLVED, That City Council approve the issuance of a purchase order to Bell Equipment Company for the purchase of one single axle refuse packer for the amount of \$72,100.00 from the 2001-02 budgeted Motor Equipment Fund, with the funds to be available without regard to fiscal year.

R-204-5-02 APPROVED

RESOLUTION TO APPROVE INCREASE TO PURCHASE ORDER
TO VESCO OIL CORPORATION FOR LUBRICANTS AND
CHEMICALS – MUNICIPAL GARAGE – BID #3344

Whereas, The Fleet Services Division of the Public Services Department requires oil, grease, and miscellaneous chemicals for the City's equipment fleet;

Whereas, Vesco Oil Corporation was the lowest responsible bidder on bid number 3334;

Whereas, Vesco Oil Corporation supplies miscellaneous shop chemicals and was the lowest responsible bidder using verbal bids;

Whereas, The Public Services Department requests approval of a purchase order increase in the amount of \$15,000.00 for the remainder of fiscal year 2001/02;

Whereas, Vesco Oil Corporation, received Human Rights approval on April 18, 2002; and

Whereas; Funds for these purchases are budgeted and available within Fleet Services Division accounts;

RESOLVED, That City Council approve an increase to the purchase order to Vesco Oil Corporation, in the amount of \$15,000.00, for fiscal year 2001/02.

R-205-5-02 APPROVED

RESOLUTION TO APPROVE THE FIRST AMENDMENT TO THE AFFORDABILITY AGREEMENT WITH MICHIGAN ABILITY PARTNERS FOR DEVELOPMENT OF PROPERTY AT 2815, 2817, 2825, 2827 BURTON ROAD – PHASE I

Whereas, In July 2001 City Council approved a Housing Affordability Agreement with Michigan Ability Partners in the amount of \$57,000.00 to help construct 4 units of affordable housing for extremely low-income individuals with disabilities at 2815-27 Burton Road;

Whereas, Due to unanticipated costs related to the nature of the construction which resulted in additional concrete, site work, excavation, grading and other costs, Michigan Ability Partners requested additional funds from the city in order to complete the project;

Whereas, The Housing Policy Board at its meeting on April 11, 2002 recommended City Council approval of the use of an additional \$36,000.00 of Federal HOME funds for the project; and

Whereas, Human Rights and Living Wage approval was received for the contractor on March 22, 2002;

RESOLVED, That City Council approve the First Amendment to the Housing Affordability Agreement in the amount of \$36,000.00 of HOME funds to Michigan Ability Partners for the completion of the construction of 4 units of affordable housing at 2815, 2817, 2825, 2827 Burton Road as a 0% interest, 30 year loan with payment deferred for the first three years for a total loan of \$93,000.00;

RESOLVED, That City Council authorize the Mayor and City Clerk to execute the Amendment and all other documents necessary to implement this agreement substantially in the form on file in the office of the City Clerk with funds to be available until expended without regard to fiscal year; and

RESOLVED, That the City Administrator be authorized to take necessary administrative actions to implement this resolution.

R-206-5-02 APPROVED

RESOLUTION TO APPROVE HOUSING AFFORDABILITY AGREEMENT
WITH MICHIGAN ABILITY PARTNERS REGARDING PHASE II
OF THE GATEWAY PROJECT AT 2843, 2845, 2847, 2849 BURTON ROAD

Whereas, An application was received in February, 2002 from Michigan Ability Partners for financial assistance to be used for the development of 4 units of new construction to be used as affordable housing for extremely low-income individuals with disabilities;

Whereas, Of the total estimated project cost of \$315,300.00, Michigan Ability Partners will be leveraging funds from the Michigan State Housing Development Authority (MSHDA), and Washtenaw County;

Whereas, This project will provide housing and supportive services to homeless, disabled individuals;

Whereas, The Housing Policy Board at its meeting on April 11, 2002 recommended City Council approval of the use of \$150,000.00 of HOME funds for the project; and

Whereas, Human Rights and Living Wage approval was received for the contractor on March 22, 2002;

RESOLVED, That City Council approve the allocation of \$150,000.00 of HOME funds to Michigan Ability Partners for the construction of 4 units of affordable housing at Phase II at 2843, 2845, 2847, 2849 Burton Road as a 0% interest, 30 year loan, with payment deferred for the first three years;

RESOLVED, That the Mayor and City Clerk be hereby authorized and directed to sign the Housing Affordability Agreement subject to approval as to form by the City Attorney with funds to be available until expended without regard to fiscal year; and

RESOLVED, That the City Administrator be authorized to take necessary administrative actions to implement this resolution.

R-207-5-02 APPROVED

RESOLUTION AUTHORIZING WATER MAIN, SANITARY SEWER, SIDEWALK, CURB AND GUTTER IMPROVEMENT CHARGES TO 2058 S. STATE STREET

Whereas, The City has previously constructed a water main, sanitary sewers, sidewalk, curb and gutter improvements described as follows:

<u>Water:</u>	Job No. 83043-W7,2S, \$46.20/front foot at 158.7 front feet	= \$ 7,331.95
<u>Sewer:</u>	Dist. #405, Job # 3683, \$6,424.45 a connection x 2 connections	= \$12,848.90
<u>Outlet Sewer:</u>	Job No. 83043-W7, 2S, \$243.47/acre X 1.15 acres = \$280.22	= \$ 280.22
<u>Sidewalk, Curb & Gutter:</u>	Job No. 81084, 4" sidewalk at \$8.75/L.F. x 134 L.F.	= \$ 1,172.50
	7" sidewalk \$12.50/L.F. x 25 L.F.	= \$ 312.50

GRAND TOTAL OF IMPROVEMENT CHARGES \$21,946.07; and

Whereas, Pursuant to Section 1:278, Chapter 12, of the Code of the City of Ann Arbor, the fair share of the cost of said improvements is to be levied against certain properties and this fair share has not been previously paid nor contracted for.

RESOLVED,

1. That Council levy an improvement charge against the following newly-annexed property which is specifically benefited by the above improvements:

<u>Annexation Address:</u>	2058 S. State St.
<u>City Assessor Code:</u>	12-05-100-023
<u>Annexation Number :</u>	A01-04
<u>Planning File No. :</u>	12051X21.1,.2 & .5

Part of NE ¼ Section 5, T3S, R6E, described as, commencing at NE corner of Section 5, then west 132.04 feet, then south 20° 50' 30" east 25.58 feet; then south 06 ° 56' 50" E 74.42 feet for a Place of Beginning, then south 06° 56' 50" east 158.70 feet; then north 90° 38' W 372.42 feet; then north 02° 02 east 156.11 feet; then South 89° 47' east 347.71 feet to the Place of Beginning. EXC the following; commencing at the northeast corner of section 5, T3S, R6E; then south 86° 39' 10" west 132.03 feet; then S 24° 11' 20" east 25.60 feet; then south 10° 18' 35" east 74.46 feet to the Place of Beginning, then Cont south 10° 18" 35" east 158.77 feet; then south 87° 01' 10" west 48.30 feet; then northerly along the arc of a curve to the left, Radius 2824.79 feet, central angle of 02° 57' 42" 146.02 feet; then north 13° 08' 45" W 13.22 feet then north 86° 52' 10" east 52.30 feet to the Place of Beginning Now situated in the City of Ann Arbor.

2. That the improvement charge levied be \$21,946.07 and be designated as Utilities Improvement Charge No. 727;
3. That this improvement charge be divided into 15 equal installments; the first to be due on July 1, 2002, and the 14 subsequent installments to be due on June 1 of each and every year thereafter, with the deferred installments of the improvement charge to bear interest at the rate of 7.1% per annum commencing July 1, 2002.

4. That the Water Utilities Department be directed to send a copy of this resolution by first class mail to the owner of the property. This resolution will be recorded in the office of the Register of Deeds of Washtenaw County, Michigan by the Water Utilities Department; and

5. That this levied improvement charge be invoiced to the owners, Amvest Property Management, Inc. of the property known as 2058 S. State Street and to be credited in the amounts of \$7,331.95 to Fund 0042-073-7151, \$13,129.12 to Fund 0043-073-7151 and \$1,485.00 to Fund 0062-019-7151.

R-208-5-02 APPROVED

RESOLUTION AUTHORIZING WATER MAIN, SANITARY SEWER,
AND SIDEWALK IMPROVEMENT CHARGES TO
1720 S. STATE STREET

Whereas, The City has previously constructed a water main and sanitary sewers improvement described as follows:

Water Main: District No. 83043, File No. 83043,
\$46.200065/assessable front foot x 80.35 front feet = \$3,712.18

Sanitary Sewer: District No. 83043, Job No. 836,
File No. 83043, \$6,424.45/ connection x 1 connection = \$6,424.45

Outlet Sewer: \$243.47/acre x 0.188 acre = \$ 45.85

Sidewalk: 4" sidewalk \$8.75/L.F. x 66 L.F. = \$ 577.50
7" sidewalk \$12.50/L.F. x 10 L.F. = \$ 125.00

GRAND TOTAL OF IMPROVEMENT CHARGES \$10,884.98; and

Whereas, Pursuant to Section 1:278, Chapter 12, of the Code of the City of Ann Arbor, the fair share of the cost of said improvements is to be levied against certain properties and this fair share has not been previously paid nor contracted for.

RESOLVED,

1. That Council levy an improvement charge against the following newly-annexed property which is specifically benefited by the above improvements:

<u>Annexation Address:</u>	1720 S. State Street
<u>City Assessor Code:</u>	09-32-400-004
<u>Annexation Number :</u>	A00-07
<u>Planning File No :</u>	9324A23.1 and .2

PRT OF SE ¼ OF SEC 32 AND PRT OF SW ¼ OF SEC 33, T2S, R6E, DESCR AS BEG AT SE COR OF SAID SEC 32; TH W ALONG S/L OF SEC 176.78 FT; TH N 68 DEG 55'19" E 308.47 FT; TH S 21 DEG 04'41" E ALONG W/L OF STATE ST 80.35 FT TO S/L OF SEC; TH W 46.64 FT TO THE POB; EXCEPTING PRT OF SW ¼ OF SEC 33 DECR AS COM AT SW COR OF SEC 33; TH N 86 DEG 39'10" E 46.64 FT TO THE POB; TH S 86 DEG 39'10"W 16.89 FT; TH N 12 DEG 26'40" W 75.93 FT; TH S 24 DEG 25'30" E 80.35 FT TO THE POB. Now situated in the City of Ann Arbor

2. That the improvement charge levied be \$10,884.98 and be designated as Utilities Improvement Charge No. 709;
3. That this improvement charge be divided into 9 equal installments; the first to be due on July 1 2002, and the 10 subsequent installments to be due on June 1 of each and every year thereafter, with the deferred installments of the improvement charge to bear interest at the rate of 7.1 % per annum commencing July 1, 2002;
4. That the Water Utilities Department be directed to send a copy of this resolution by first class mail to the owner of the property. This resolution will be recorded in the office of the Register of Deeds of Washtenaw County, Michigan by the Water Utilities Department; and
5. That this levied improvement charge be invoiced to the owner, Nick Mitchell, of the property known as 1720 S. State Street and to be credited in the amounts of \$3,712.18 to Fund 0042-073-7151, \$6,424.45 to Fund 0043-073-7151 and \$702.50 to Fund 0062-019-7151.

R-209-5-02 APPROVED

RESOLUTION AUTHORIZING SANITARY SEWER IMPROVEMENT
CHARGE TO 340 PINWOOD

Whereas, The City has previously constructed a sanitary sewers improvement described as follows:

Trunkline Charges:

Dist. 359, \$ 69.66/connection, one connection	= \$ 69.66
Dist. 326, \$19.39/conneciotn, one connection	= \$ 19.39
West Park Relief, \$17.42/connection, one connection	= <u>\$ 17.42</u>
	\$106.47

Sanitary Sewer:

Dist. 444, File No. 86035, \$6,059.03/connection, one connection	= \$6,059.03
---	--------------

GRAND TOTAL OF IMPROVEMENT CHARGES = \$6,165.50 ; and

Whereas, Pursuant to Section 1:278, Chapter 12, of the Code of the City of Ann Arbor, the fair share of the cost of said improvements is to be levied against certain properties and this fair share has not been previously paid nor contracted for.

RESOLVED,

1. That Council levy an improvement charge against the following newly-annexed property which is specifically benefited by the above improvements:

<u>Annexation Address:</u>	340 Pinewood
<u>City Assessor Code:</u>	08-24-405-019
<u>Annexation Number :</u>	A97-07
<u>Planning File No .:</u>	8244C2.1 & .2

Lot 25 of the Evergreens Subdivision. Now situated in the City of Ann Arbor.

- 2. That the improvement charge levied be \$6,165.50 and be designated as Utilities Improvement Charge No. 723;
- 3. That this improvement charge be divided into 6 equal installments; the first to be due on July 1, 2002, and the 5 subsequent installments to be due on June 1 of each and every year thereafter, with the deferred installments of the improvement charge to bear interest at the rate of 6.5% per annum commencing July 1, 2002.
- 4. That the Water Utilities Department be directed to send a copy of this resolution by first class mail to the owner of the property. This resolution will be recorded in the office of the Register of Deeds of Washtenaw County, Michigan by the Water Utilities Department; and
- 5. That this levied improvement charge be invoiced to Eagle Holdings, Ltd, 2580 W. Ellsworth, Ann Arbor, MI 48104 owners of the property known as 340 Pinewood St. and to be credited in the amount of \$6,165.50 to Fund 0043-073-7151.

R-210-5-02 APPROVED

RESOLUTION AUTHORIZING SANITARY SEWER IMPROVEMENT
CHARGE TO 342 PINEWOOD

Whereas, In December of 2001 the City approved the levying of improvement charges for the property known as 342 Pinewood St.; and

Whereas, An incorrect address was given and the property owners were invoiced for improvement charges that had been previously paid;

RESOLVED,

- 1. That Council will instruct the Treasurers Office to not levy additional improvement charges against the following annexed property:

<u>Annexation Address:</u>	342 Pinewood St.
<u>City Assessor Code:</u>	09-08-24-405-017
<u>Annexation Number :</u>	A97-07
<u>Planning File No .:</u>	8244C2.1 and .2

Lot 27 the Evergreens. Now situated in the City of Ann Arbor.

- 2. That the improvement charges of \$6,165.50 be rescinded ;

3. That this resolution rescinding the levied improvement charge, be sent to the owners, Thomas & Laurel Golding, of the property known as 342 Pinewood.

R-211-5-02 APPROVED

RESOLUTION AUTHORIZING SANITARY SEWER IMPROVEMENT
CHARGE TO 350 PINEWOOD

Whereas, The City has previously constructed a sanitary sewer improvement described as follows:

Trunkline:

Dist. 359 \$69.66/connection, one connection	= \$	69.66	
Dist. 326 \$19.39/connection, one connection	= \$	19.39	
West Park Relief, \$17.42 connection, one connection	= \$	17.42	
			\$ 106.47

Sanitary Sewer:

Dist No. 444, File No. 86035, \$6,059.03/connection, one connection	= \$6,059.03
--	--------------

GRAND TOTAL OF IMPROVEMENT CHARGES \$6,165.50; and

Whereas, Pursuant to Section 1:278, Chapter 12, of the Code of the City of Ann Arbor, the fair share of the cost of said improvements is to be levied against certain properties and this fair share has not been previously paid nor contracted for.

RESOLVED,

1. That Council levy an improvement charge against the following newly-annexed property which is specifically benefited by the above improvements:

<u>Annexation Address:</u>	350 Pinewood St.
<u>City Assessor Code:</u>	08-24-405-020
<u>Annexation Number :</u>	A97-06
<u>Planning File No :</u>	8244D2.1 &.2

Lot 29 The Evergreens Subdivision, Scio Township, Washtenaw County, MI. Now situated in the City of Ann Arbor.

2. That the improvement charge levied be \$6,165.50 and be designated as Utilities Improvement Charge No. 724;

3. That this improvement charge be divided into 6 equal installments; the first to be due on July 1, 2002 and the 5 subsequent installments to be due on June 1 of each and every year thereafter, with the deferred installments of the improvement charge to bear interest at the rate of 6.5% per annum commencing July 1, 2002.

4. That the Water Utilities Department be directed to send a copy of this resolution by first class mail to the owner of the property. This resolution will be recorded in the office of the Register of Deeds of Washtenaw County, Michigan by the Water Utilities Department; and

5. That this levied improvement charge be invoiced to the owners, Joseph J. Grammatico, of the property known as 350 Pinewood St. and to be credited in the amount of \$6,165.50 to Fund 0043-073-7151.

R-212-5-02 APPROVED

RESOLUTION AUTHORIZING SANITARY SEWER IMPROVEMENT
CHARGE TO 360 BARBER

Whereas, The City has previously constructed a water main, sanitary sewers and storm sewer improvement described as follows:

Sanitary Sewer: File No. 91031 = \$4,322.92/connection, one connection = \$4,322.92

GRAND TOTAL OF IMPROVEMENT CHARGES \$4,322.92; and

Whereas, Pursuant to Section 1:278, Chapter 12, of the Code of the City of Ann Arbor, the fair share of the cost of said improvements is to be levied against certain properties and this fair share has not been previously paid nor contracted for.

RESOLVED,

1. That Council levy an improvement charge against the following newly-annexed property which is specifically benefited by the above improvements:

<u>Annexation Address:</u>	340 Barber Ave.
<u>City Assessor Code:</u>	08-24-310-008
<u>Annexation Number :</u>	A99-07
<u>Planning File No :</u>	8243F18.1 & .2

Lot 119 the Evergreens Subdivision. Now situated in the City of Ann Arbor.

2. That the improvement charge levied be \$4,322.92 and be designated as Utilities Improvement Charge No. 722;

3. That this improvement charge be divided into 4 equal installments; the first to be due on July 1, 2002 and the 3 subsequent installments to be due on June 1 of each and every year thereafter, with the deferred installments of the improvement charge to bear interest at the rate of 7.2% per annum commencing July 1, 2002.

4. That the Water Utilities Department be directed to send a copy of this resolution by first class mail to the owner of the property. This resolution will be recorded in the office of the Register of Deeds of Washtenaw County, Michigan by the Water Utilities Department; and

5. That this levied improvement charge be invoiced to the owner, Gary Siebert, 9648 Huron River Dr., Dexter, MI 48130 of the property known as 360 Barber Ave. and to be credited in the amount of \$4,322.92 to Fund 0043-073-7151.

R-213-5-02 APPROVED

RESOLUTION AUTHORIZING WATER MAIN IMPROVEMENT

CHARGE TO 2045 PONTIAC TRAIL

Whereas, The City has previously constructed a water main improvement described as follows:

Water Main: Pontiac Trail Water Main Project;
No. A-407W, \$6.00 per front of frontage x 75
feet per lot x 1 lot = \$ 450.00

GRAND TOTAL OF IMPROVEMENT CHARGES = \$ 450.00; and

Whereas, Pursuant to Section 1:278, Chapter 12, of the Code of the City of Ann Arbor, the fair share of the cost of said improvement is to be levied against certain properties and this fair share has not been previously paid nor contracted for.

RESOLVED,

1. That Council levy an improvement charge against the following newly-annexed property which is specifically benefited by the above improvement:

Annexation Address: 2055 Pontiac Trail
City Assessor Code: 09-16-305-012
Annexation Number : A01-02
Planning File No : 9163F14.1 & .2

Lot 8 Huron River Hills Subdivision. Now situated in the City of Ann Arbor.

- 2. That the improvement charge levied be \$450.00 and be designated as Utilities Improvement Charge No. 726;
- 3. That the improvement charge be due on July 1, 2002;
- 4. That the Water Utilities Department be directed to send a copy of this resolution by first class mail to the owner of the property. This resolution will be recorded in the office of the Register of Deeds of Washtenaw County, Michigan by the Water Utilities Department; and
- 5. That this levied improvement charge be invoiced to the owner, James Kibbie, 5685 Silo Ridge Rd., Ann Arbor, MI 48108 of the property known as 2045 Pontiac Trail and to be credited in the amount of \$450.00 to Fund 0042-073-7151.

R-214-5-02 APPROVED

RESOLUTION TO INCREASE PURCHASE ORDER FOR JACK DOHNEY SUPPLIES, INC.

Whereas, The Water Utilities Field Service Division purchases supplies used in water distribution and sanitary storm collection;

Whereas, Jack Doheny Supplies, Inc. is a sole source vendor for vactor parts, service repair and gate turning equipment;

Whereas, Approval of this resolution will allow the Field Service Division to continue to purchase supplies for water distribution and sanitary and storm collection from Jack Doheny Supplies, Inc. through June 30, 2002;

Whereas, The Water Utilities Field Service Division needs approval of a purchase order increase in the amount of \$5,000.00 for the remainder of the fiscal year 2001/02; and

Whereas, Jack Doheny Supplies, Inc. received Human Rights and Living Wage Approval on March 28, 2002;

RESOLVED, That City Council approve a purchase order increase to Jack Doheny Supplies, in the amount of \$5,000.00 for the balance of fiscal year 2001/02.

R-215-5-02 APPROVED

RESOLUTION TO APPROVE SOLID WASTE DEPARTMENT
FEE ADJUSTMENTS

Whereas, The Solid Waste Department has reviewed all of its fees and charges as part of its fiscal 2002/03 budget submittal;

Whereas, Fees that the department charges for special (bulk) collections and supplemental (additional) dumpster collection services were found to be inadequate given the costs of these services;

Whereas, Bulk collection fees have not been adjusted since 1996 and supplemental dumpster fees since 1998;

Whereas, The proposed bulk collection fees will provide a cost savings to customers with smaller bulk collections while adjusting the rates for those with larger set-outs; and

Whereas, The proposed supplemental dumpster fee schedule recognizes the increased costs of this service at the same time that it benefits on-going service arrangements;

RESOLVED, That the fee for bulk (special) collections will be \$20.00 for up to two cubic yards of material, \$40.00 for up to four cubic yards of material, \$60.00 for up to six cubic yards of material, and so on;

RESOLVED, That the fee for supplemental (additional) dumpster collection service be \$25.00/dumpster for one-time only supplemental service and \$20.00/dumpster for on-going, weekly supplemental dumpster service; and

RESOLVED, That City Council authorize the City Administrator to take the necessary administrative actions to implement this resolution.

R-216-5-02 APPROVED

RESOLUTION TO TRANSFER DELINQUENT BOARD UP,
 CLEAN UP, VACANT PROPERTY INSPECTION AND HOUSING
 INSPECTION FEES TO THE JULY, 2002 CITY TAX ROLL

Whereas, There were unpaid charges for board up, clean up, vacant property inspection and housing inspections of private properties within the City as of December 31, 2001;

Whereas, In accordance with Section 1:292 of the Ann Arbor City Code, notice has been sent to all property owners with delinquent housing inspection charges advising them of the impending special assessment against their property unless the fees are paid on or before May 7, 2002; and

Whereas, The City Clerk has a list of the unpaid charges on file and incorporated as "Schedule A" (on file in the City Clerk's Office);

RESOLVED, That the unpaid charges be levied as special assessments against such owners and premises according to "Schedule A" together with an additional penalty charge of 10% of the total unpaid, as provided in Section 1:292 of the Ann Arbor City Code, that the City Assessor place the same on the next tax roll of the City, and that such charges be collected in the same manner as general City taxes.

R-217-5-02 APPROVED

RESOLUTION TO ACCEPT BOARD OF INSURANCE ADMINISTRATION
 MINUTES OF MAY 10, 2002 AND TO AUTHORIZE PAYMENTS

RESOLVED, That the attached Board of Insurance Administration Minutes of May 10, 2002, be accepted and that the payments therein be authorized.

MINUTES
May 10, 2002
CITY OF ANN ARBOR BOARD OF INSURANCE ADMINISTRATION

Present: Joe Upton - Councilperson
Chris Easthope - Councilperson
James Armstrong - Risk Manager
Marilyn C. Mack – Claims Specialist
Bob West- Asst. City Attorney
Roger Fraser - City Administrator
Abigail Elias – City Attorney

CLAIMS DENIED:

- CC-010-02 Peggy Rabhi
Discussed by James Armstrong, Risk Manager
Board denied claim
- CC-030-02 James Hamilton
Discussed by James Armstrong, Risk Manager
Board denied claim
- CC-034-02 Bradley Perry
Discussed by James Armstrong, Risk Manager
Board denied claim
- CC-029-02 Julie Johnson
Discussed by James Armstrong, Risk Manager
Board denied claim
- CC-028-02 Country Place Condominium Association
Discussed by James Armstrong, Risk Manager
Board denied claim
- CC-019-02 Cornerstone Contractors
Discussed by James Armstrong, Risk Manager
Board denied claim

CLAIMS APPROVED:

- CC-022-02 Sziu-ly Wu
Discussed by James Armstrong, Risk Manager
Board approved payment of claim
- CC-018-02 John Farah
Discussed by James Armstrong, Risk Manager
Board approved partial payment of claim
- CC-003-01 Mike Wallin
Discussed by James Armstrong, Risk Manager
Board approved payment of claim
- CC-035-02 Kristen Johnson
Discussed by James Armstrong, Risk Manager
Board approved payment of claim
- BI-081-01 Christine Anderson
Discussed by James Armstrong, Risk Manager
Board approved settlement authority
- CC-032-01 Catherine Turnquist
Discussed by James Armstrong, Risk Manager
Board approved payment of claim

CLAIMS TABLED:

- CC-033-02 Blair Dudley
Discussed by James Armstrong, Risk Manager
Board tabled claim until next meeting

OTHER AGENDA ITEMS DISCUSSED:

Footing Drain Disconnect program appeal process
Discussed by Sue McCormick, Water Utilities Director
City Administrator, Roger Fraser, to work with Sue McCormick, Water
Utilities Director, on developing process

Sewer back up class action lawsuit update
Discussed by Abigail Elias, City Attorney
Information only

Proposed Vehicle Accident Policy
Discussed by Marilyn Mack, Claims Specialist
Issue tabled to next meeting

Handling of subrogation claims
Discussed by Marilyn Mack, Claims Specialist
Risk Management handling of claims approved

Transfer of funds from reserve to line item for claim settlements
Discussed by James Armstrong, Risk Manager
Issue tabled to next meeting

Risk Management “Employee Safety” newsletter
Discussed by James Armstrong, Risk Manager
Information only

Revised citizen claim reporting form
Discussed by Marilyn Mack, Claims Specialist
Information only

Extension of WC defense attorney contract and addition of funds
Discussed by Abigail Elias, City Attorney
Issue tabled to next meeting

R-218-5-02 APPROVED

RESOLUTION TO APPROVE A LEASE AGREEMENT WITH
MAIN FRAME EQUIPMENT

Whereas, The Information Technology Services Division of the Administrative Services Department seeks authorization to continue the operating system software lease and hardware maintenance for the Mainframe Computing System for the period of September 1, 2001 through June 30, 2002;

Whereas, Continued and uninterrupted performance is required of the Mainframe Computing System due to the two critical business applications it hosts (Financial and Human Resources);

Whereas, IBM is the sole source provider of upgrades to the operating system software and to the Micro code within the hardware;

Whereas, IBM received Human Rights Approval on April 30,2002;

Whereas, IBM received Living Wage Approval on April 30, 2002; and

Whereas, The source of funds is located in the FY 01-02 operating budget of the Information Technology Services Department and IBM guarantees to hold this price firm for the fiscal year 01-02;

RESOLVED, That the purchase order be issued to International Business Machines in the amount of \$88,922.00.

The question being the foregoing Consent Agenda items as presented, on a voice vote the Mayor declared the motion carried.

ORDINANCES - SECOND READING

17-02 APPROVED AS AMENDED

IMPOUNDED ANIMAL FEE

An Ordinance to Amend Section 9:40 of Chapter 107
Of Title IX of the Code of the City of Ann Arbor

(The complete text of Ordinance 17-02 is on file in the City Clerk's Office).

Councilmember Carlberg moved that the ordinance be adopted at second reading.

Councilmember Reid moved that paragraph A. of Section 9:49 (3) be amended as follows:

- a. Payment to the city of a fee of ~~\$25.00~~ \$65.00....

On a voice vote the Mayor declared the motion carried.

The question being the ordinance as amended, on a voice vote the Mayor declared the motion carried.

18-02 APPROVED AS AMENDED

CONFINED ANIMAL INSPECTION FEE

An Ordinance to Amend Section 9:50 of Chapter 107 of Title IX of the Code of the City of Ann Arbor

(The complete text of Ordinance 18-02 is on file in the City Clerk's Office).

Councilmember Reid moved that the ordinance be adopted at second reading.

Councilmember Reid moved that paragraph (c) of Section 9:50 (1) be amended as follows:

- (c) The owner shall pay the city ~~\$10.00~~ \$30.00 inspection fee...

The question being the ordinance as amended, on a voice vote the Mayor declared the motion carried.

19-02 APPROVED

ALARM CONNECTION PERMIT FEE

An Ordinance to Amend Section 7:33 of Chapter 77 of Title VII of the Code of the City of Ann Arbor

(The complete text of Ordinance 19-02 is on file in the City Clerk's Office).

Councilmember Johnson moved that the ordinance be adopted at second reading.

On a voice vote the Mayor declared the motion carried.

20-02 APPROVED

FALSE ALARM FEE

An Ordinance to Amend Section 7:404 of Chapter 93 of Title VII of the Code of the City of Ann Arbor

(The complete text of Ordinance 20-02 is on file in the City Clerk's Office).

Councilmember Woods moved that the ordinance be adopted at second reading.

On a voice vote the Mayor declared the motion carried.

ORDINANCES - FIRST READING

21-02 APPROVED

UNIVERSITY OF MICHIGAN SCHOOL OF
ART GRADUATE STUDENT ANNEX REZONING

An Ordinance to Amend the Zoning Map Being a Part of
Chapter 55 of Title V of the Code of the City of Ann Arbor

This ordinance would change the zoning of 0.74 acre, located at 1631 South State Street, from TWP (Township District) to C3 (Fringe Commercial District). (The complete text of Ordinance 21-02 is on file in the City Clerk's Office).

Councilmember Carlberg moved that the ordinance be approved at first reading.

On a voice vote the Mayor declared the motion carried.

MOTIONS AND RESOLUTIONS

R-219-5-02 APPROVED

RESOLUTION TO ACCEPT A GRANT FROM THE MICHIGAN ENERGY OFFICE TO ASSIST IN PURCHASING A HEAVY DUTY COMPRESSED NATURAL GAS POWERED DUMP TRUCK

Whereas, The City of Ann Arbor is a member of the US Department of Energy's "Clean Cities Program" to bring alternative fuel vehicles into our community to reduce pollution and reliance on imported oil;

Whereas, The City operates many heavy duty vehicles that use a large amount of diesel fuel;

Whereas, This grant offers the City an opportunity to purchase a compressed natural gas dump truck for the same City outlay as the diesel fueled version in order to demonstrate the potential for displacing conventionally fueled dump trucks;

Whereas, Switching to natural gas fuel is one of the most effective strategies to both reduce vehicle emissions and displace diesel fuel use in these vehicles;

Whereas, Fueling for this vehicle is available at the City Garage's new compressed natural gas fueling facility;

Whereas, A natural gas powered dump truck has an estimated increased purchase price of approximately \$46,645.00 over the standard diesel vehicle;

Whereas, This grant will pay up to 100% of the incremental cost difference;

Whereas, This grant offers an additional \$8,355.00 to monitor and evaluate the performance of the new truck, provide special signage for the truck identifying it as a natural gas powered vehicle and provide publicity for the new truck; and

Whereas, The Energy Office will provide grant management services for this grant;

RESOLVED, That the City accept the Michigan Department of Consumer and Industry Services grant to purchase a natural gas powered dump truck in the amount of \$55,000.00 and authorize the Mayor and City Clerk to sign the grant agreement after approval as to form by the City Attorney and substance by the City Administrator; and

RESOLVED, That the grant funds be appropriated to the Major Grants Fund (Fund 00MG) for the life of the project, regardless of fiscal year.

Councilmember Carlberg moved that the resolution be adopted.

On a voice vote the Mayor declared the motion carried.

R-220-5-02 APPROVED

RESOLUTION TO APPROVE PURCHASE OF THREE DUMP TRUCKS FOR STREET MAINTENANCE – WOLVERINE TRUCK SALES – DEARBORN, MICHIGAN, BID #3544

Whereas, The Fleet Services Division of the Public Services Department needs to purchase replacement dump trucks for the City’s fleet;

Whereas, Wolverine Truck Sales was the lowest responsible bidder, Bid #3544, for a total of \$300,318.00;

Whereas, A grant from the US Department of Energy will provide \$46,645.00 towards the cost of the compressed natural gas powered dump truck, reducing the city’s cost to \$253,673.00; and

Whereas, Wolverine Truck Sales received Human Rights approval on May 24, 2001;

RESOLVED, That City Council approve the issuance of a purchase order to Wolverine Truck Sales for the purchase of three, single axle dump trucks in the amount of \$300,318.00, with \$253,673.00 coming from 2001-02 budgeted Motor Equipment Funds and \$46,645.00 appropriated from the Major Grants Fund (Fund 00MG), with all funds available without regard to fiscal year; and

RESOLVED, That the City Administrator be authorized to take all necessary administrative actions to implement this resolution.

Councilmember Woods moved that the resolution be adopted.

On a voice vote the Mayor declared the motion carried.

R-221-5-02 APPROVED

SPECIAL ASSESSMENT RESOLUTION NO. 1 – PREPARE PLANS AND

SPECIFICATIONS FOR ELDER BOULEVARD-JEFFERSON COURT
WATER MAIN PROJECT

Whereas, Council deems it necessary to acquire and construct the following improvement: Elder Boulevard-Jefferson Court Water Main, DISTRICT NO. 2002027; FILE NO. 2002027; described as:

Replace and loop approximately 850 feet of 8-inch dead end water main on Elder Boulevard and Jefferson Court, and provide for the Fire Hydrant Coverage;

RESOLVED, That

1. The City Administrator be directed to have prepared plans and specifications for said improvement project, and an estimate of the cost thereof;
2. The City Administrator be directed to file a report of same with the City Clerk, including a recommendation as to what proportion of the cost should be paid by special assessment and what part, if any, should be a general obligation of the City, the number of installments in which the assessments may be paid, and the land which should be included in the special assessment district;
3. The City Clerk shall present said report to the Council and make it available for public examination;
4. The sum of \$10,000.00 be appropriated for the planning and design of said project, such sum being advanced from the water operating fund balance to be repaid pending the sale of appropriate water revenue bonds;
5. Any unspent portion of said sum be re-appropriated and re-advanced as above for said project for succeeding fiscal years until bonds are sold and the general fund reimbursed, or until said project is officially closed; and
6. Council declare its intent to issue bonds to pay all or part of the cost of such improvement project, funding reserves, paying for credit enhancement, and the cost of issuance of such bonds (either initially or ultimately), provided that such bonds are issued in conformity with applicable State statutes and all documents, provisions, and details pertaining to such bonds are acceptable to and approved by this Council and provided, further, that such bonds can be sold.

Councilmember Carlberg moved that the resolution be adopted.

On a voice vote the Mayor declared the motion carried.

POSTPONED

RESOLUTION TO AMEND POLICIES RELATING TO THE TRAFFIC CALMING PROGRAM

Whereas, The City’s traffic calming program has been in operation since December, 1999;

Whereas, Several traffic calming projects were undertaken in 2001, of which some are now completed;

Whereas, The administration of past projects has resulted in valuable experience to be used in the future projects; and

Whereas, On May 7, 2001 by resolution R-176-5-01, the City Council determined the need for an annual evaluation of the traffic calming program and its further enhancement;

RESOLVED, That Attachment “A” (On file in the City Clerk's Office), Amendment to the Traffic Calming Program, be approved.

Councilmember Johnson moved that the resolution be adopted.

Councilmember Johnson moved that the resolution be postponed until the June 17, 2002 regular session of Council for further review.

On a voice vote the Mayor declared the motion carried.

R-222-5-02 APPROVED

RESOLUTION TO ACCEPT AND APPROPRIATE FUNDS FOR THE CLEAN CITIES PROGRAM ACTIVITIES

Whereas, The Department of Energy and others periodically offer the Ann Arbor Area Clean Cities Coalition funding to help pay for publicity, public events and training to encourage the use of alternate fuel vehicles;

Whereas, The City of Ann Arbor is the lead agency in the Ann Arbor Area Clean Cities Coalition and serves as the recipient and distributor of funds for the coalition; and

Whereas, The funds will be managed by the Energy Coordinator, David Konkle, in his capacity as Director of the Ann Arbor Area Clean Cities Program;

RESOLVED, That the City of Ann Arbor be authorized to accept up to \$10,000.00 from the US Department of Energy and others to be placed in a special account in Environmental Coordination Services to be used for Clean Cities Program expenses; and

RESOLVED, That the grant funds be appropriated for the life of the grant.

Councilmember Herrell moved that the resolution be adopted.

On a voice vote the Mayor declared the motion carried.

R-223-5-02 APPROVED

RESOLUTION TO ACCEPT AND APPROPRIATE FUNDS FROM THE
US DEPARTMENT OF ENERGY FOR MUNICIPAL ENERGY OFFICE
TRAINING BY THE ANN ARBOR ENERGY OFFICE

Whereas, The City of Ann Arbor Energy Office is recognized by the US Department of Energy as an excellent example of a successful municipal energy office;

Whereas, The US Department of Energy is interested in having Ann Arbor share its expertise with other municipalities;

Whereas, City Council approved the acceptance of a grant from the Michigan Energy Office on November 19, 2001, to prepare and present information about the Energy Office to other Michigan municipalities;

Whereas, City Council approved a contract with the State of Minnesota for \$4,500.00 to give a similar presentation on establishing an Energy Program;

Whereas, The US Department of Energy, Boston Regional Office will pay a speaker’s fee of \$1,000.00 plus travel expenses (estimated at \$1,000.00) for Ann Arbor Energy Coordinator to give a presentation in Boston, Massachusetts on how to create a municipal energy office; and

Whereas, The funds raised will be used to fund graduate interns and supplies to assist in Ann Arbor Energy Office operations and represents City staff finding creative new ways to deliver the same (or better) level of service with a reduced budget;

RESOLVED, That the \$1,000.00 plus reimbursed travel expenses be appropriated for use of the Ann Arbor Energy Office.

Councilmember Herrell moved that the resolution be adopted.

On a voice vote the Mayor declared the motion carried.

R-224-5-02 APPROVED

RESOLUTION TO ACCEPT AND APPROPRIATE FUNDS
RECEIVED FROM MICHIGAN POLICE CORPS

Whereas, The Michigan Police Corps provides reimbursement of \$10,000.00 per year for four years for employees hired who have graduated from the MPC; and

Whereas, The Ann Arbor Police Department hired two employees in December of 1999 and one in October of 2000 who have graduated from the Michigan Police Corps;

RESOLVED, That City Council accept the funds from The Michigan Police Corps as a reimbursement for wages paid to officers who are employed and graduated from the Michigan Police Corps; and

RESOLVED, That funds received from The Michigan Police Corp be appropriated to the Police Department Major Grants account.

Councilmember Herrell moved that the resolution be adopted.

On a voice vote the Mayor declared the motion carried.

R-225-5-02 APPROVED

RESOLUTION TO INCREASE IMPOUNDED VEHICLE FEES
TO \$56.00 PER VEHICLE

Whereas, The City of Ann Arbor currently charges \$20.00 per impounded vehicle as a processing fee per impounded vehicle; and

Whereas, The cost of processing the release of impounded vehicles exceeds the current fee;

RESOLVED, That City Council approve the increase of the Impound Fee to \$56.00 per vehicle; and

RESOLVED, That funds received from said increase shall be used in the General Fund to offset increased personnel costs.

Councilmember Robinson moved that the resolution be adopted.

On a voice vote the Mayor declared the motion carried.

R-226-5-02 APPROVED

RESOLUTION TO APPROVE A PROFESSIONAL SERVICES AGREEMENT WITH MONTGOMERY WATSON HARZA AND SUPPLEMENTAL APPROPRIATION OF FUNDS

Whereas, It is the requirement of Federal Energy Regulatory Commission (“FERC”) that Barton and Superior dams be inspected by a FERC-approved independent engineering consultant and submit inspection reports every five years;

Whereas, Harza Engineering Company was specifically approved by FERC and performed FERC required inspections and prepared inspection reports in 1999;

Whereas, FERC now requires additional engineering analyses that will supplement the 1999 Reports to ensure continued safety of Barton and Superior dams;

Whereas, Harza Engineering Company is now part of Montgomery Watson Harza (MWH);

Whereas, Montgomery Watson Harza has received FERC-approval, is very familiar with both dams and the additional information and analysis which must be submitted to FERC by June 30, 2002;

Whereas, The City requested and MWH submitted a proposal in the amount of \$22,000.00 to perform said engineering analyses and prepare the supplemental reports within the timeline required by FERC;

Whereas, The expense of \$22,000.00 was not anticipated when the budget for the current fiscal year was submitted; and

Whereas, MWH received Human Rights approval on May 9, 2002;

RESOLVED, That a Professional Services Agreement with MWH be approved to perform FERC engineering analyses for Barton and Superior dams in the amount of

\$22,000.00;

RESOLVED, That the City Administrator be authorized to execute the contract with MWH after approval as to form by the City Attorney;

RESOLVED, That a Supplemental Appropriation in the amount of \$22,000.00 be approved from the Hydropower System Fund to finance the engineering services performed by MWH; and

RESOLVED, That the funds be available until expended without regard to fiscal year.

Councilmember Carlberg moved that the resolution be adopted.

On a voice vote the Mayor declared the motion carried.

R-227-5-02 APPROVED

RESOLUTION TO AUTHORIZE SUBMISSION OF A GRANT TO THE AREA AGENCY ON AGING 1-B

Whereas, The Ann Arbor Senior Center currently reaches 6% of the Ann Arbor senior population and is trying to reach a greater number and a greater diversity of Ann Arbor seniors;

Whereas, The Department of Parks and Recreation desires to submit a grant to the Area Agency on Aging 1-B to hire a Program Coordinator at the Ann Arbor Senior Center;

Whereas, The part-time Program Coordinator will focus on providing outreach to Ann Arbor seniors to increase the number and diversity of Ann Arbor seniors that are served by the Senior Center; and

Whereas, The grant is requesting \$22,129.00 and requires a ten percent in-kind match;

RESOLVED, That City Council approve the submission of this grant application and if the grant is approved, appropriates funds for the life of this grant without regard to fiscal year.

Councilmember Robinson moved that the resolution be adopted.

On a voice vote the Mayor declared the motion carried.

R-228-5-02 APPROVED

RESOLUTION ACCEPTING UTILITY EASEMENT FROM D/R GROUP
LIMITED PARTNERSHIP AND VACATING A PORTION OF EXISTING
UTILITY EASEMENT – BOARDWALK OFFICE PHASE II

Whereas, The City acquired a utility easement from Edwards Brothers, Inc., a Michigan corporation, for the construction and maintenance of public utilities, over property known as Boardwalk Office, as recorded in Liber 2507, Pages 798-805, dated June 25, 1991, Washtenaw County Records;

Whereas, The City and D/R Group Limited Partnership, a Michigan limited partnership, the current property owner, now desire to abandon a portion of the above referenced easement;

Whereas, D/R Group Limited Partnership, a Michigan limited partnership, is the fee simple owner of the above described property, as described in Liber 4097, Page 638, recorded on February 19, 2002, has granted the City an easement for public utilities which will replace that portion of the above referenced easement to be vacated; and

Whereas, A Resolution of the Partnership, dated April 22, 2002, has determined that it is in its best interest to grant an easement for public utilities encumbering the property to the City of Ann Arbor;

RESOLVED, That the City hereby relinquish all rights conveyed to it in the easement for the water main portion only as recorded in Liber 2507, Pages 798-805, dated June 5, 1991, Washtenaw County Records and that an appropriate instrument approved by the City Attorney be recorded at the Washtenaw County Register of Deed's Office as soon as practicable following approval of this resolution, and being more particularly described as follows:

WATER MAIN TO BE ABANDONED

A 20 foot wide easement for water main purposes across the above described site, being the area 20 feet north of and measured perpendicular to the following described line, Commencing at the southwest corner of said site; thence the following five courses along the south line of said site: (1) N87° 09' 00" E, 40.00 feet, and (2) N01° 40' 20" W, 140.03 feet, and (3) N87° 09' 00" E 125.00 feet, and (4) S01° 40' 20" E, 140.03 feet, and (5) N87°

09' 00" E, 114.78 feet to the POINT OF BEGINNING; thence continuing along said S line N87° 09' 00" E, 147.52 feet to the POINT OF ENDING, said point being Point "A".

Also,

A 40 foot wide easement for water main purposes across the above described site, with a centerline description being described as: Beginning at the previously mentioned Point "A"; thence the following courses along the centerline of a 40 foot wide easement for water main purposes; N02° 51' 00" W, 138.01 feet to "Point B"; thence continuing N 02° 51' 00" W, 110.99 feet; thence N47° 51' 00" W, 29.70 feet to Point "C"; thence continuing N47° 51' 00" W, 42.43 feet; thence S87° 09' 00" W, 220.00 feet to Point "D"; thence continuing S87° 09' 00" W, 150.13 feet to the POINT OF ENDING, said point being on the west line of said site and being N01° 40' 20" W, 300.06 feet from the southwest corner of said site.

Also,

Beginning at the previously mentioned Point "B"; thence N87° 09' 00" E, 123.28 feet; thence N42° 09' 00" E, 30.71 feet; thence N02° 51' 00" W, 143.28 feet to the POINT OF ENDING.

Also,

Beginning at the previously mentioned Point "C"; thence N02° 51' 00" W, 100.00 feet to the POINT OF ENDING.

Also,

Beginning at the previously mentioned Point "D"; thence S02° 51' 00" E, 55.00 feet to the POINT OF ENDING.

RESOLVED, That the City Clerk be authorized to execute the documents necessary to vacate a portion of the existing easement as described above; and

RESOLVED, That the City accept an easement for public utilities from D/R Group Limited Partnership, a Michigan limited partnership, over property located in the City of Ann Arbor, Washtenaw County, Michigan and described as follows:

WATER MAIN EASEMENT TO BE ACCEPTED

Centerline Description of A Variable Width Water main Easement

A 20 foot wide easement for a water main lying within a part of the NW 1/4 of Section 9, T3S, R6E, City of Ann Arbor, Washtenaw County, Michigan, being the area 20 feet N of and measured perpendicular to the following described line: Commencing at a point distant from the NW corner of said Section 9, S01° 40' 20" E, 660.14 feet; thence N87° 09' 00" E, 1293.11 feet; thence N01° 40' 20" W, 140.03 feet; thence N87° 09' 00" E 125.00 feet; thence S01° 40' 20" E, 140.03 feet; thence N87° 09' 00" E, 114.78 feet to the POINT OF BEGINNING; thence continuing along said S line N87° 09' 00" E, 89.30 feet to the POINT OF ENDING, said point being Point A .

Also,

A 40 foot wide easement for a water main across the above described site, with a centerline description being described as: Beginning at the previously mentioned Point "A"; thence the following courses along the centerline of a 40 foot wide easement for water main N37° 12' 39" E, 90.46 feet; thence N02° 51' 00" W, 68.78 feet to Point "B"; thence continuing N 02° 51' 00" W, 110.99 feet; thence N47° 51' 00" W, 29.70 feet to Point "C"; thence continuing N47° 51' 00" W, 42.43 feet; thence S87° 09' 00" W, 220.00 feet to Point "D"; thence continuing S87° 09' 00" W, 150.13 feet to the POINT OF ENDING.

Also,

Beginning at the previously mentioned Point "B"; thence N87° 09' 00" E, 123.28 feet; thence N42° 09' 00" E, 30.71 feet; thence N02° 51' 00" W, 143.28 feet to the POINT OF ENDING.

Also,

Beginning at the previously mentioned Point "C"; thence N02° 51' 00" W, 100.00 feet to the POINT OF ENDING.

Also,

Beginning at the previously mentioned Point "D"; thence S02° 51' 00" E, 55.00 feet to the POINT OF ENDING.

Councilmember Carlberg moved that the resolution be adopted.

On a voice vote the Mayor declared the motion carried.

The Mayor declared a recess at 8:38 p.m.

The Mayor again called the meeting to order at 8:53 p.m.

R-229-5-02 APPROVED AS AMENDED

RESOLUTION TO ADOPT ANN ARBOR CITY BUDGET AND RELATED PROPERTY TAX MILLAGE RATES FOR FISCAL YEAR 2002/2003

A resolution to adopt the Ann Arbor City Budget and Related Millage Rates for Fiscal Year 2002/2003 was considered.

Councilmember Woods moved that the resolution be adopted.

Councilmember Herrell moved to amend the proposed budget by increasing the Administrator's budget by \$12,000.00 and increasing the use of the fund balance by \$12,000.00 for the purpose of hiring a Council Intern who shall be paid the living wage.

On roll call the vote was as follows:

Yeas, Councilmembers Robinson, Carlberg, Herrell, 3;

Nays, Councilmembers Easthope, Woods, Johnson, Upton, Reid, Higgins, Mayor Hieftje, 7.

The Mayor declared the motion defeated.

Councilmember Herrell moved that the proposed budget be amended by increasing the Parks and Recreation budget by \$30,000.00 and decreasing the Parking Fund by \$30,000.00 for the purpose of providing scholarships to low income City of Ann Arbor youth to participate in the Ann Arbor Public Schools Rec & Ed programs.

On roll call the vote was as follows:

Yeas, Councilmembers Easthope, Woods, Robinson, Johnson, Carlberg, Herrell, Higgins, Mayor Hieftje, 8;

Nays, Councilmembers Upton, Reid, 2.

The Mayor declared the motion carried.

Councilmember Herrell moved that the proposed budget be amended by increasing the Non-Departmental budget by \$75,000.00 and decreasing the Parking Fund by \$75,000.00 for the purpose of establishing a Housing and Human Services Contingency Fund.

On roll call the vote was as follows:

Yeas, Councilmembers, Woods, Robinson, Johnson, Carlberg, Herrell, Higgins, Mayor Hieftje 7;

Nays, Councilmembers Easthope, Upton, Reid, 3.

The Mayor declared the motion carried.

Councilmember Herrell moved that the proposed budget be amended by increasing the Non-Departmental Budget by \$63,571.00 and decreasing the Parking Fund by \$63,571.00 for the purpose of restoring the Youth Challenge Program to its 2000/2001 funding level to provide funding for the SMART Youth Employment Mentoring Program (\$26,400.00), Youth Empowerment (\$5,000.00) and additional programs to support youth in making good life decisions (\$432,000.00), all of which to be administered by the Community Development Department.

Councilmember Upton moved to amend Councilmember Herrell's motion by increasing the Non-Departmental Budget by ~~\$63,571.00~~ 31,400.00 and decreasing the Parking Fund by

~~\$63,571.00~~ 31,400.00 for the purpose of restoring the Youth Challenge Program to its 2000/2001 funding level to provide funding for the SMART Youth Employment Mentoring Program (\$26,400.00), Youth Empowerment (\$5,000.00) and ~~additional programs to support youth in making good life decisions (\$432,000.00)~~, all of which to be administered by the ~~Community Development Department~~.

On roll call the vote was as follows:

Yeas, Councilmembers, Easthope, Woods, Johnson, Upton, Reid, Higgins, Mayor Hieftje, 7;

Nays, Councilmembers Robinson, Carlberg, Herrell, 3.

The Mayor declared the motion carried.

The question being Councilmember Herrell's motion as amended, on roll call the vote was as follows:

Yeas, Councilmembers Easthope, Woods, Robinson, Johnson, Upton, Carlberg, Herrell, Higgins, Mayor Hieftje, 9;

Nays, Councilmember Reid, 1.

Councilmember Herrell moved that the proposed budget be amended by increasing the Administrator's budget by \$48,000.00 and decreasing the Parking Fund by \$48,000.00 for the purpose of employing a Lobbying Firm.

On roll call the vote was as follows:

Yeas, Councilmembers Easthope, Woods, Robinson, Johnson, Carlberg, Herrell, Mayor Hieftje, 7;

Nays, Councilmembers Upton, Reid, Higgins, 3.

The Mayor declared the motion carried.

Councilmember Johnson moved that the proposed budget be amended by increasing the Parks and Recreation budget by \$7,500.00 and decreasing the Parking Fund by \$7,500.00 for the purpose of funding the Commission on Art in Public Places. It is recommended that in the future the Commission include the cost of a project manager in its fund raising efforts.

On roll call the vote was as follows:

Yeas, Councilmembers Easthope, Woods, Robinson, Johnson, Upton, Carlberg, Herrell, Higgins, Mayor Hieftje, 9;

Nays, Councilmember Reid, 1.

The Mayor declared the motion carried.

Councilmember Johnson moved that the resolution be amended by adding the following language:

REMOVE FUNDING FOR POLICE OFFICERS DEDICATED TO TRAFFIC
ENFORCEMENT AND MAKE A TRANSFER FROM THE CITY PARKING FUND
BALANCE WHICH WAS TO BE USED FOR THE
CITY HALL BUILDING FUND

Whereas, It has been proposed to add three police officers and one court clerk to the staffing in the Police Department and 15th District Court for the purposes of increased traffic enforcement;

Whereas, The projected annual and one-time costs of employing those three officers and the court clerk during the next fiscal year is estimated to be \$181,856.00;

Whereas, The justification for three additional officers assigned to traffic enforcement assumes they will, on an annual basis, write tickets resulting in estimated, increased revenues from traffic fines in the amount of \$588,611.00;

Whereas, There is credible evidence that the existing staff of the Police Department has already begun to have an increased and positive impact on Ann Arbor's traffic issues; and

Whereas, This City Council would like to provide the new administration in the Police Department an additional year to demonstrate what the department's true needs are for staffing;

RESOLVED, That the proposed 2002/2003 budget of the Police Department be reduced by \$139,776.00 and the 15th District Court budget be reduced by \$42,080.00; that the authorized number of police officers be reduced by three; that the authorized number of court clerks be reduced by one; and that \$347,940.00 be transferred from the City Parking Fund fund balance to the General Fund and the Maintenance Facilities Transfer non-departmental account be reduced by \$58,815.00, which totals the difference between projected revenues (\$588,611.00) and expenditures (\$181,856.00) for the proposed traffic enforcement team.

On roll call the vote was as follows:

Yeas, Councilmembers Easthope, Woods, Robinson, Johnson, Upton, Reid, Carlberg, Herrell, Higgins, Mayor Hieftje, 10;

Nays, 0.

The Mayor declared the motion carried.

Councilmember Reid moved to amend the resolution by adding the following language:

REMOVE FUNDING FOR ONE NEW PARKING ENFORCEMENT OFFICER

Whereas, The City Administrator's recommended Fiscal Year 2002/2003 budget calls for the addition of one new parking enforcement officer;

Whereas The projected annual and one-time costs of employing an additional parking enforcement officer is estimated to be \$45,200.00;

Whereas, The projected increase in parking related fines is estimated to be \$259,610.00; and

Whereas, City Council believes there exists adequate personnel to address parking enforcement concerns without increasing FTE's;

RESOLVED, That the 2002/2003 General Fund budget be amended by decreasing the Police Department budget by \$45,200.00, and that the \$214,410.00 difference between projected revenue and expenses associated with the position be transferred from the Maintenance Facility Transfer account in the amount of \$193,119.00 and use the General Fund fund balance in the amount of \$21,291.00.

On roll call the vote was as follows:

Yeas, Councilmembers Easthope, Woods, Robinson, Johnson, Upton, Reid, Carlberg, Herrell, Higgins, Mayor Hieftje, 10;

Nays, 0.

The Mayor declared the motion carried.

The Mayor called a recess at 10:25 p.m.

The Mayor reconvened the meeting at 10:40 p.m.

Councilmember Carlberg moved to amend the resolution by adding the following language:

DIRECTING THE PREPARATION OF A FIVE-YEAR FISCAL PLAN

Whereas, The Ann Arbor City Council is concerned about the ongoing fiscal health of the City; and

Whereas, Long range fiscal planning is a helpful tool in managing the fiscal resources of any complex organization;

RESOLVED, That the City Administrator, when preparing the budget for fiscal year 2003/2004, shall also prepare and present to City Council a five-year financial plan, inclusive of fiscal year 2003/2004, that addresses all of the major funds of the City.

On roll call the vote was as follows:

Yeas, Councilmembers Easthope, Woods, Robinson, Johnson, Upton, Reid, Carlberg, Herrell, Higgins, Mayor Hieftje, 10;

Nays, 0.

The Mayor declared the motion carried.

Councilmember Johnson moved to amend the resolution by adding the following language:

REDIRECT ONE POSITION OR OTHER ALTERNATIVES FOR ALTERNATIVE
TRANSPORTATION PLANNING

Whereas, The City of Ann Arbor is, like so many other cities, facing dramatic increases in the number of vehicles using the city's streets;

Whereas, Residential communities both inside and outside the city are expected to grow strongly in the next decade, and Ann Arbor's economic growth, catalyzed by a vibrant downtown and significant large employers, will remain strong, generating an increase in vehicular traffic that is taxing our roads and transportation infrastructure;

Whereas, A transportation system that relies too heavily on automobile transport will not meet the future needs of the City;

Whereas, Planning and infrastructure improvements are needed that foster all the possible modes of travel – public transport, bicycles, walking, as well as automobiles – to reduce the stress on our road structure, and on the commuters who face congestion each morning and evening;

Whereas, The city will benefit from the investment in traffic planning with the intent of identifying and promoting alternatives to our current transportation choice within Ann Arbor;

Whereas, Our community has a long and rich tradition of seeking out and implementing environmentally friendly ways of addressing community issues;

Whereas, Other communities have successfully integrated alternative and non-motorized modes of transportation with the existing transportation infrastructure; and

Whereas, It is the experience of other communities that staff support and responsibility for alternative transportation at a senior level within the planning, construction, and engineering process is required for effective implementation of alternative transportation facilities;

RESOLVED, That City Council affirm its commitment to foster alternative modes of transportation;

RESOLVED, That the City Administrator review the vacancies created by pending retirements and identify, by early September, one senior level position, whose job descriptions and tasks can be redirected to work on alternative transportation planning and implementation; and

RESOLVED, That the City Administrator be encouraged to look at other alternative means of achieving the same.

On roll call the vote was as follows:

Yeas, Councilmembers Easthope, Woods, Robinson, Johnson, Upton, Reid, Carlberg, Herrell, Higgins, Mayor Hieftje, 10;

Nays, 0.

The Mayor declared the motion carried.

Councilmember Upton moved to amend the resolution by adding the following language:

DIRECTING THE CITY ADMINISTRATOR TO DEVELOP A PROCESS FOR
EVALUATING BEST PRACTICE PROCEDURES

Whereas, City staff projected a \$3 million General Fund budget shortfall for FY 2002/2003;

Whereas, It has been recommended to City Council that the City utilize its \$3.6 million Parking Fund Balance to address one-time FY 2001/2002 and FY 2002/2003 costs;

Whereas, City staff originally identified key strategies to address the anticipated budget shortfall resulting in:

- Efficiencies of approximately \$370,000.00
- Program reductions of approximately \$130,000.00
- Cost shifting from General Fund to other departmental budgets of approximately \$645,000.00
- Increase in fees and fines of approximately \$1,100,000

Whereas, The City Administrator's recommended FY 2002/2003 Budget increases net year over year operating expenditures \$3,997,834.00; and

Whereas, In order to address the financial challenges facing the City in the near future, and to uphold our obligation to ensure that the citizens of Ann Arbor receive high-quality services delivered in the most cost-effective manner;

RESOLVED, That the City Administrator prepare and present recommendations for a comprehensive process to evaluate City services/functions and compare them to the best practices and lessons learned from other governments, public/private partnerships, and the private sector;

RESOLVED, That the City Administrator deliver his recommendations for a Best Practices process to City Council for Council approval at its second meeting in September, 2002.

Councilmember Herrell moved to amend Councilmember Upton's motion as follows:

5th Whereas Clause

...and to uphold our obligation to ensure that the citizens of Ann Arbor receive high-quality services delivered in the most ~~cost-effective~~ economically, socially and environmentally responsible manner;...

On roll call the vote was as follows:

Yeas, Councilmembers Easthope, Woods, Robinson, Johnson, Carlberg, Herrell, Higgins, Mayor Hieftje, 8;

Nays, Councilmember Upton, Reid, 2.

The Mayor declared the motion carried.

The question being Councilmember Upton's motion as amended, on roll call the vote was as follows:

Yeas, Councilmembers Easthope, Woods, Robinson, Johnson, Upton, Reid, Carlberg, Herrell, Higgins, Mayor Hieftje, 10;

Nays, 0.

Councilmember Higgins moved to amend the resolution by adding the following language:

EARLY RETIREMENT WINDOW

Whereas, An Early Retirement Window (ERW) was offered to City employees in 2001 as a way for the City to lower operating costs;

Whereas, 136 employees signed up to take advantage of the ERW, providing a unique opportunity to restructure the operation of City government;

Whereas, The proposed City Budget for FY 2002/2003 calls for a net reduction in FTE's compared to the City Budget for FY 2000/2001 of only 59 employees (1004.84 FTE – 945.83 FTE);

Whereas, 51 employees who are part of the ERW have yet to retire;

Whereas, It is in the best financial interest of the City to permanently eliminate as many of the FTE positions vacated by the ERW as can be achieved; and

Whereas, A process is in place to review "critical hires" and update the Budget and Finance Committee on progress in this area;

RESOLVED, That the FY 2002/2003 budget be amended to reduce the staffing level by an additional 51 positions.

Councilmember Reid moved to amend Councilmember Higgins' motion as follows:

Last Resolved Clause

...that the FY 2002/2003 budget be amended to ~~reduce~~ freeze the staffing level by the an ~~additional~~ 51 positions created as a result of the early retirement window until approved by the Budget and Finance Committee as a critical hire.

On roll call the vote was as follows:

Yeas, Councilmembers Upton, Reid, Higgins, 3;

Nays, Councilmembers, Easthope, Woods, Robinson, Johnson, Carlberg, Herrell, Mayor Hieftje, 7.

The Mayor declared the motion defeated.

Councilmember Higgins moved to amend her original motion as follows:

Last Resolved Clause

... That the FY 2002/2003 budget be amended to ~~reduce the staffing level by an additional 51 positions~~ City Administrator will personally review the status of all 51 positions yet to be vacated due to the ERW.

On roll call the vote was as follows:

Yeas, Councilmembers Upton, Reid, Higgins, 3;

Nays, Councilmembers, Easthope, Woods, Robinson, Johnson, Carlberg, Herrell, Mayor Hieftje, 7.

The question being the motion as originally stated by Councilmember Higgins, on roll call the vote was as follows:

Yeas, Councilmembers Upton, Reid, Higgins, 3;

Nays, Councilmembers Easthope, Woods, Robinson, Johnson, Carlberg, Herrell, Mayor Hieftje, 7.

The Mayor declared the motion defeated.

The question being the resolution and budget document as amended, on roll call the vote was as follows:

Yeas, Councilmembers Easthope, Woods, Robinson, Johnson, Carlberg, Herrell, Mayor Hieftje, 7;

Nays, Councilmembers Upton, Reid, Higgins, 3.

The Mayor declared the motion carried.

The resolution as amended reads as follows:

**RESOLUTION TO ADOPT ANN ARBOR CITY BUDGET AND RELATED
PROPERTY TAX MILLAGE RATES FOR FISCAL YEAR 2002/2003**

Whereas, City Council has reviewed the City Administrator's proposed budget for FY 2002-2003 for the City of Ann Arbor; and

Whereas, A public hearing has been held to obtain citizen input on the proposed budget at which 15 citizens addressed City Council; and

RESOLVED, That the following appropriations constitute the General Fund Budget for 2002-2003;

<u>Revenues:</u>	<u>Proposed</u>	<u>Approved</u>
Property Taxes	\$46,719,159	\$46,719,159
Licenses, Permits & Registrations	2,760,130	2,760,130
Intergovernmental Revenues	14,102,596	14,102,596
Charges for Service	8,657,216	8,657,216

Fines & Forfeits	6,545,603	5,697,382
Investment Income	979,000	979,000
Miscellaneous	139,855	139,855
Prior Year Surplus		21,291
Transfers	2,938,196	3,478,036
Contributions	25,000	25,000
Intra Governmental Sales	<u>355,000</u>	<u>355,000</u>
Total	<u>\$83,221,755</u>	<u>\$82,934,665</u>

<u>Expenditures</u>	<u>Proposed</u>	<u>Approved</u>
Mayor & City Council	\$196,506	\$196,506
City Administrator	601,941	649,941
City Attorney	1,185,974	1,185,974
Fifteenth District Court	3,310,129	3,268,049
Administrative Services	2,315,888	2,315,888
Building	2,548,163	2,548,163
City Clerk	551,972	551,972
Community Development	1,636,941	1,636,941
Finance	2,640,120	2,640,120
Fire	11,725,020	11,725,020
Human Resources	1,453,991	1,453,991
Information Technology Services	2,377,501	2,377,501
Parks & Recreation	6,649,795	6,687,295
Planning	801,852	801,852
Police	20,834,071	20,649,095
Public Services	4,582,719	4,582,719
Solid Waste	<u>7,358,664</u>	<u>7,358,664</u>
Total Departmental	<u>\$70,771,247</u>	<u>\$70,629,691</u>

Transfers to Other Funds

AATA Levy	\$7,628,872	\$7,628,872
Insurance	447,003	447,003
Retiree Insurance	1,349,330	1,349,330
Technology Improvements	1,000,000	1,000,000
Maintenance Facility Transfer	251,934	0
City Share Special Assessments	<u>150,468</u>	<u>150,468</u>
Total Transfers to Other Funds	<u>\$10,827,607</u>	<u>\$10,575,673</u>

Non-Departmental

Contingency/Tax Appeals	\$100,000	\$100,000
Contingency/Pay Increases	810,000	810,000
City Wide Memberships	95,000	95,000
Community Events	40,000	40,000
Housing & Human Services Contingency		75,000
Bad Debts	70,000	70,000

Hospitality Committee	5,000	5,000
Youth Program	211,429	242,829
Environmental Coordination Services	286,472	286,472
Discretionary Fund City Administrator	<u>5,000</u>	<u>5,000</u>
Total Non-Departmental	<u>\$ 1,622,901</u>	<u>\$ 1,729,301</u>
Total General Fund Expenses	<u>\$83,221,755</u>	<u>\$82,934,665</u>

RESOLVED, That the following appropriations constitute the 2002-2003 Budget for the other operating funds of the City:

	Proposed Revenues	Proposed Expenditures	Approved Revenues	Approved Expenditures
<u>Intergovernmental Service Funds</u>				
Central Stores & Radio Maint.	\$1,282,301	\$1,282,301	\$1,282,301	\$1,282,301
Fleet Services	3,933,378	3,933,378	3,933,378	3,933,378
Insurance	16,124,607	16,124,607	16,124,607	16,124,607
Parks Service Headquarters	<u>125,500</u>	<u>121,770</u>	<u>125,500</u>	<u>121,770</u>
Total Intergovernmental Services	<u>\$21,465,786</u>	<u>\$21,462,056</u>	<u>\$21,465,786</u>	<u>\$21,462,056</u>
<u>Enterprise Funds</u>				
Airport	\$ 784,608	\$ 784,608	\$ 784,608	\$ 784,608
Golf Enterprise	1,620,000	1,465,879	1,620,000	1,465,879
Hydro Power System	791,193	737,855	791,193	737,855
Market	104,560	104,560	104,560	104,560
Parking System	1,260,000	1,260,000	1,799,840	1,799,840
Sewage Disposal System	16,928,033	15,415,647	16,928,033	15,415,647
Stormwater Sewer System	2,874,708	2,874,708	2,874,708	2,874,708
Water System	<u>17,619,560</u>	<u>16,624,842</u>	<u>17,619,560</u>	<u>16,624,842</u>
Total Enterprise Funds	<u>\$41,982,662</u>	<u>\$39,268,099</u>	<u>\$42,522,502</u>	<u>\$39,807,939</u>

<u>Special Revenue Funds</u>	<u>Proposed Revenues</u>	<u>Proposed Expenditures</u>	<u>Approved Revenues</u>	<u>Approved Expenditures</u>
Affordable Housing	\$489,500	\$489,500	\$489,500	\$489,500
Ann Arbor Assistance	8,200	8,200	8,200	8,200
Bandemer Property	41,000	41,000	41,000	41,000
Community Development Block Grants	2,734,065	2,734,065	2,734,065	2,734,065
Community Television Network	1,405,500	1,405,500	1,405,500	1,405,500
Court Facilities	275,000	275,000	275,000	275,000
Drug Enforcement	51,500	51,500	51,500	51,500
Energy Projects	141,959	137,000	141,959	137,000
HOME Funds	2,517,804	2,517,804	2,517,804	2,517,804
Information Technology	1,584,664	1,584,664	1,584,664	1,584,664
Leslie Homestead	230,000	230,000	230,000	230,000
Local Streets	1,730,974	1,730,974	1,730,974	1,730,974
Major Grant Programs	407,281	407,281	407,281	407,281
Major Streets	5,883,751	5,883,751	5,883,751	5,883,751
Michigan Justice Training	50,000	50,000	50,000	50,000
Parks Acquisition Millage	2,656,418	2,656,418	2,656,418	2,656,418
Parks Maintenance & Repair	1,941,392	1,941,392	1,941,392	1,941,392
Parks Rehab. & Development	2,961,768	2,961,768	2,961,768	2,961,768
Solid Waste Equipment	615,000	615,000	615,000	615,000
Street Repair Millage	<u>8,023,943</u>	<u>7,926,959</u>	<u>8,023,943</u>	<u>7,926,959</u>
Total Special Revenue Funds	<u>\$33,749,719</u>	<u>\$33,647,776</u>	<u>\$33,749,719</u>	<u>\$33,647,776</u>
	<u>Proposed Revenues</u>	<u>Proposed Expenditures</u>	<u>Approved Revenues</u>	<u>Approved Expenditures</u>
<u>Trust & Agency Fund</u>				
Elizabeth R. Dean	\$117,300	\$117,131	\$117,300	\$117,131
Employees Retirement System	7,966,316	7,966,316	7,966,316	7,966,316
VEBA Trust	<u>5,536,967</u>	<u>130,327</u>	<u>5,536,967</u>	<u>130,327</u>
Total Trust & Agency Fund	<u>\$13,620,583</u>	<u>\$8,213,774</u>	<u>\$13,620,583</u>	<u>\$8,213,774</u>
	<u>Proposed Revenues</u>	<u>Proposed Expenditures</u>	<u>Approved Revenues</u>	<u>Approved Expenditures</u>
<u>General Debt Service Funds</u>				
General Debt Service	\$4,437,452	\$4,437,452	\$4,437,452	\$4,437,452
Special Assessment General Debt	<u>521,843</u>	<u>521,843</u>	<u>521,843</u>	<u>521,843</u>
Total General Debt Service Funds	<u>\$4,959,295</u>	<u>\$4,959,295</u>	<u>\$4,959,295</u>	<u>\$4,959,295</u>
	<u>Proposed Revenues</u>	<u>Proposed Expenditures</u>	<u>Approved Revenues</u>	<u>Approved Expenditures</u>
<u>Component Units Funds</u>				
Downtown Development Authority	\$11,049,502	\$11,049,502	\$11,049,502	\$11,049,502
DDA Parking System	13,485,328	13,485,328	13,485,328	13,485,328
DDA Housing	<u>704,216</u>	<u>704,216</u>	<u>704,216</u>	<u>704,216</u>
Total Component Units Funds	<u>\$25,239,046</u>	<u>\$25,239,046</u>	<u>\$25,239,046</u>	<u>\$25,239,046</u>

RESOLVED, That the following be levied for the City of Ann Arbor for Fiscal Year 2002-

2003;

	<u>Proposed</u>	<u>Approved</u>
General Operating	6.0315	6.0315
Employee Benefits	2.1085	2.1085
Refuse Collection	2.5302	2.5302
AATA	2.1085	2.1085
Street Repair	1.9822	1.9822
Parks Maintenance & Repair	.4632	.4632
Parks Rehab and Development	.4632	.4632
Parks Acquisition	.4902	.4902
Debt Service	<u>.6916</u>	<u>.6916</u>
Total	<u>16.8691</u>	<u>16.8691</u>

RESOLVED, That the unexpended grant entitlement for the Community Development Block Grant and the HOME Funds be re-appropriated at the end of the fiscal year until such time as all grant funds have been expended;

RESOLVED, That the City Council concur with the Budget and Finance Committee's recommendation that the City Administrator should continue to encourage departments to work toward cost containment and operational efficiencies;

RESOLVED, That any contributions for the Youth Program be appropriated upon receipt of the funds for the purpose of the Youth Program; and

RESOLVED, That any contributions to the Special Assistance Fund in excess of the budgeted amount shall be appropriated at the time of receipt and for the purpose of the Ann Arbor Assistance Fund;

RESOLVED, That the Municipal Service Charge be recalculated on an annual basis and that the Hydro Power System, Major Streets, Local Streets, Water System, Sewage Disposal System, Parking System, Market, Golf Enterprise and Stormwater Sewer System Funds shall be adjusted to the calculated amount in proportion to the remaining number of years during the next two years starting with the 2002-2003 budget year;

RESOLVED, That the following permanent position totals by department are approved;

	Proposed Positions	Proposed FTE's	Approved Positions	Approved FTE's
Mayor & City Council	1.00	1.00	1.00	1.00
City Administrator	5.00	4.45	5.00	4.45
City Attorney	15.00	14.00	15.00	14.00
Fifteenth District Court	42.00	41.00	41.00	40.00
Administrative Services	9.00	9.00	9.00	9.00
Building	36.00	36.00	36.00	36.00
City Clerk	7.00	5.44	7.00	5.44
Community Development	9.00	8.50	9.00	8.50
Downtown Development Authority	3.00	3.00	3.00	3.00
Finance	40.00	37.75	40.00	37.75
Fire	115.00	115.00	115.00	115.00
Human Resources	17.00	16.80	17.00	16.80
Information Technology Services	32.00	32.00	32.00	32.00
Parks & Recreation	79.00	77.05	79.00	77.05
Planning	11.00	10.75	11.00	10.75
Police	250.00	243.84	246.00	239.84
Public Services	122.00	121.00	122.00	121.00
Solid Waste	35.00	34.50	35.00	34.50
Water Utilities	128.00	128.00	128.00	128.00
Environment Coordination Services	2.00	2.00	2.00	2.00
Non-Departmental	1.00	1.00	1.00	1.00
Retirement System	4.00	3.75	4.00	3.75
Total Departmental	<u>963.00</u>	<u>945.83</u>	<u>958.00</u>	<u>940.83</u>

RESOLVED, That the following language be included in this resolution:

**Remove Funding for Police Officers Dedicated to Traffic Enforcement and Make
a Transfer from the City Parking Fund Balance which was to be used for the
City Hall Building Fund**

Whereas, It has been proposed to add three police officers and one court clerk to the staffing in the Police Department and 15th District Court for the purposes of increased traffic enforcement;

Whereas, The projected annual and one-time costs of employing those three officers and the court clerk during the next fiscal year is estimated to be \$181,856.00;

Whereas, The justification for three additional officers assigned to traffic enforcement assumes they will, on an annual basis, write tickets resulting in estimated, increased revenues from traffic fines in the amount of \$588,611.00;

Whereas, There is credible evidence that the existing staff of the Police Department has already begun to have an increased and positive impact on Ann Arbor's traffic issues; and

Whereas, This City Council would like to provide the new administration in the Police Department an additional year to demonstrate what the department's true needs are for staffing;

RESOLVED, That the proposed 2002/2003 budget of the Police Department be reduced by \$139,776.00 and the 15th District Court budget be reduced by \$42,080.00; that the authorized number of police officers be reduced by three; that the authorized number of court clerks be reduced by one; and that \$347,940.00 be transferred from the City Parking Fund fund balance to the General Fund and the Maintenance Facilities Transfer non-departmental account be reduced by \$58,815.00, which totals the difference between projected revenues (\$588,611.00) and expenditures (\$181,856.00) for the proposed traffic enforcement team.

Remove Funding for One New Parking Enforcement Officer

Whereas, The City Administrator's recommended Fiscal Year 2002/2003 budget calls for the addition of one new parking enforcement officer;

Whereas The projected annual and one-time costs of employing an additional parking enforcement officer is estimated to be \$45,200.00;

Whereas, The projected increase in parking related fines is estimated to be \$259,610.00; and

Whereas, City Council believes there exists adequate personnel to address parking enforcement concerns without increasing FTE's;

RESOLVED, That the 2002/2003 General Fund budget be amended by decreasing the Police Department budget by \$45,200.00, and that the \$214,410.00 difference between projected revenue and expenses associated with the position be transferred from the Maintenance Facility Transfer account in the amount of \$193,119.00 and use the General Fund fund balance in the amount of \$21,291.00.

Directing the Preparation of a Five-Year Fiscal Plan

Whereas, The Ann Arbor City Council is concerned about the ongoing fiscal health of the City; and

Whereas, Long range fiscal planning is a helpful tool in managing the fiscal resources of any complex organization.

RESOLVED, That the City Administrator, when preparing the budget for fiscal year 2003/2004, shall also prepare and present to City Council a five year financial plan, inclusive of fiscal year 2003/2004, that addresses all of the major funds of the City.

Redirect One Position or other alternatives for Alternative Transportation Planning

Whereas, The City of Ann Arbor is, like so many other cities, facing dramatic increases in the number of vehicles using the city's streets;

Whereas, Residential communities both inside and outside the city are expected to grow strongly in the next decade, and Ann Arbor's economic growth, catalyzed by a vibrant downtown and significant large employers, will remain strong, generating an increase in vehicular traffic that is taxing our roads and transportation infrastructure;

Whereas, A transportation system that relies too heavily on automobile transport will not meet the future needs of the City;

Whereas, Planning and infrastructure improvements are needed that foster all the possible modes of travel – public transport, bicycles, walking, as well as automobiles – to reduce the stress on our road structure, and on the commuters who face congestion each morning and evening;

Whereas, The city will benefit from the investment in traffic planning with the intent of identifying and promoting alternatives to our current transportation choice within Ann Arbor;

Whereas, Our community has a long and rich tradition of seeking out and implementing environmentally friendly ways of addressing community issues;

Whereas, Other communities have successfully integrated alternative and non-motorized modes of transportation with the existing transportation infrastructure; and

Whereas, It is the experience of other communities that staff support and responsibility for alternative transportation at a senior level within the planning, construction, and engineering process is required for effective implementation of alternative transportation facilities;

RESOLVED, That City Council affirms its commitment to foster alternative modes of transportation;

RESOLVED, That the City Administrator review the vacancies created by pending retirements and identify, by early September, one senior level position, whose job descriptions and tasks can be redirected to work on alternative transportation planning and implementation; and

RESOLVED, That the City Administrator is encouraged to look at other alternative means of achieving the same.

Directing the City Administrator to Develop a Process for Evaluating Best Practice

Procedures

Whereas, City staff projected a \$3 million General Fund budget shortfall for FY 2002/2003;

Whereas, It has been recommended to City Council that the City Utilize its \$3.6 million Parking Fund Balance to address one-time FY 2001/2002 and FY 2002/2003 costs;

Whereas, City Staff originally identified key strategies to address the anticipated budget shortfall resulting in:

- Efficiencies of approximately \$370,000.00
- Program reductions of approximately \$130,000.00
- Cost shifting from General Fund to other departmental budgets of approximately \$645,000.00
- Increase in fees and fines of approximately \$1,100,000

Whereas, The City Administrator's recommended FY 2002/2003 Budget increases net year over year operating expenditures \$3,997,834.00; and

Whereas, In order to address the financial challenges facing the City in the near future, and to uphold our obligation to ensure that the citizens of Ann Arbor receive high-quality services delivered in the most economically, socially and environmentally responsible manner;

RESOLVED, That the City Administrator prepare and present recommendations for a comprehensive process to evaluate City services/functions and compare them to the best practices and lessons learned from other governments, public/private partnerships, and the private sector; and

RESOLVED, That the City Administrator deliver his recommendations for a Best Practices process to City Council for Council approval at its second meeting in September, 2002.

REPORTS FROM COUNCIL COMMITTEES

None.

COUNCIL PROPOSED BUSINESS

None.

COMMUNICATIONS FROM THE MAYORANNOUNCEMENT

The Mayor thanked all those who joined him for lunch at Liberty Plaza today.

APPOINTMENTS APPROVED

Mayor Hieftje recommended the following appointments at the May 6, 2002 regular session of Council:

Community Development Waiver and Review Board

Michael Martin (Re-appointment to third term)
1719 Green Road
Ann Arbor, MI 48105
Term: May 20, 2002 – May 19, 2005

Lelahni Wessinger (Re-appointment to fourth term)
2216 Melrose Avenue
Ann Arbor, MI 48104
Term: May 20, 2002 – May 19, 2005

Individual Historic Properties Historic District Study Committee

Louisa Pieper (Re-appointment to second term)
409 Awixa Road
Ann Arbor, MI 48104
Term: May 20, 2002 – May 19, 2005

Ann Arbor Transportation Authority Board

James H. Saalberg (Re-appointment)
2711 Provincetown Court
Ann Arbor, MI 48003
Term: May 20, 2002 – May 1, 2007

Historic District Commission

Tracy Koe Wick (To fill a vacancy)
1503 Granger Avenue
Ann Arbor, MI 48004
Term: May 20, 2002 – May 20, 2005

Councilmember Carlberg moved that Council concur with the recommendations of the Mayor.

On a voice vote the Mayor declared the motion carried.

COMMUNICATIONS FROM THE CITY ADMINISTRATOR

REPORTS SUBMITTED

City Administrator Roger Fraser submitted the following reports for information of Council:

1. Status Report on 501ce Development by AAHC – Ann Arbor Housing Commission
2. Third Quarter Budget Review Report – Alan Burns, Budget Director

(Reports on file in the City Clerk's Office)

COMMUNICATIONS FROM THE CITY ATTORNEY

None.

COMMUNICATIONS FROM COUNCIL

COUNCILMEMBER HERRELL

Councilmember Herrell asked if the City Administrator could place a recycle bin for paper in the Fire Hall Conference room.

COUNCILMEMBER CARLBERG

Councilmember Carlberg congratulated Craig Hupy of the Water Utilities department for receiving a reward from the Huron River Watershed Council for his work with that group.

COUNCILMEMBER HIGGINS

Councilmember Higgins requested that presentations not be scheduled prior to budget meetings in the future.

CLERK'S REPORT OF COMMUNICATIONS, PETITIONS AND REFERRALS

The following communications were referred as indicated:

1. Building Board of Appeals – February 13, 2002; March 13, 2002
2. Zoning Board of Appeals – March 11, and 27, 2002
3. Airport Advisory Committee – April 17, 2002
4. Ann Arbor Housing Commission – March 20, 2002; April 9, and 13, 2002
5. Housing Policy Board – April 11, 2002
6. Cable Communications – June 26, 2001; September 25, 2001; October 23, 2001; November 27, 2001; December 18, 2001; January 15, 2002; February 19, 2002; March 13 and 26, 2002

Councilmember Carlberg moved that the Clerk's Report be accepted.

On a voice vote the Mayor declared the motion carried.

PUBLIC COMMENTARY - GENERAL

None.

ADJOURNMENT

There being no further business to come before Council, it was moved by Councilmember Higgins that the meeting be adjourned.

On a voice vote the Mayor declared the motion carried and the meeting adjourned at 12:50 a.m.

Yvonne Carl
Interim Clerk of the Council

Anissa R. King
Recording Secretary