



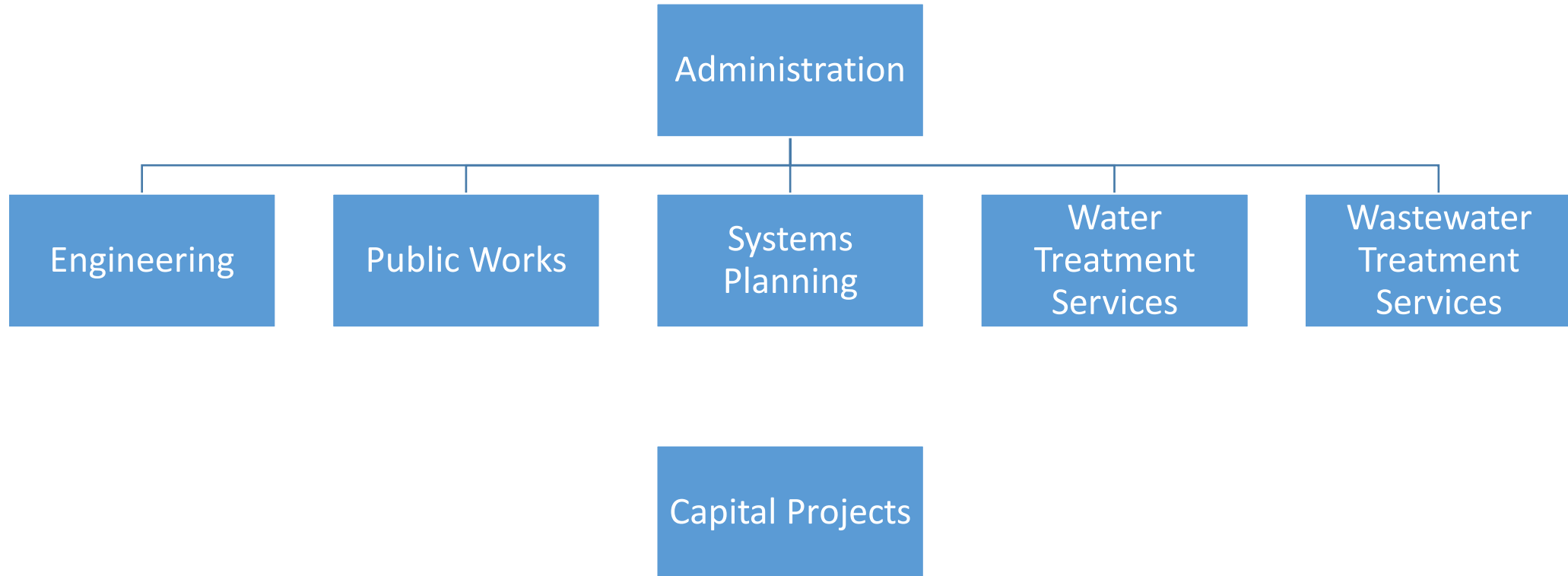
PUBLIC SERVICES AREA FY23 BUDGET OVERVIEW

INTRODUCTION

This presentation provides an overview of the Public Service Area FY 23 Budget, including the following:

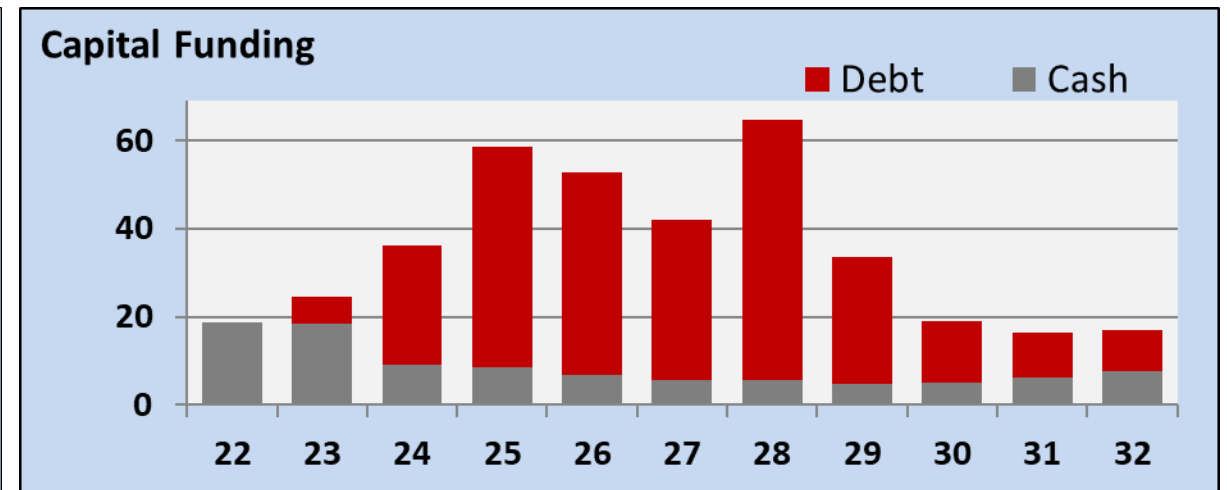
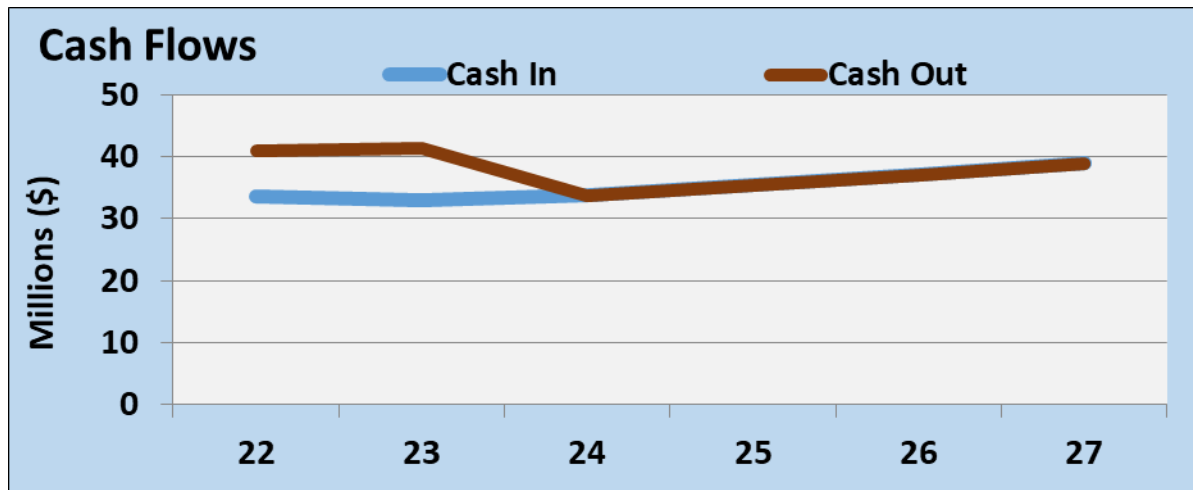
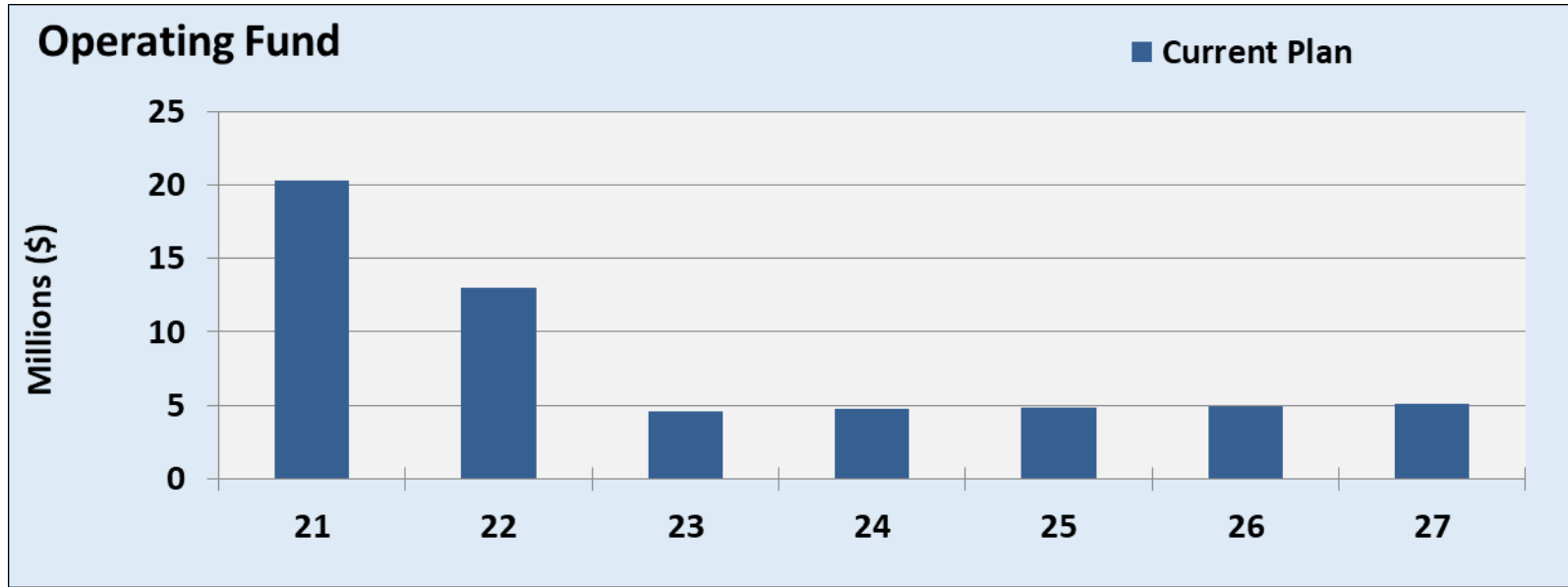
- Service Area Overview
- Financial overview
 - Fund summaries
 - Utility rates
- Service Unit Highlights
- Service Area Horizon Issues

PUBLIC SERVICES AREA

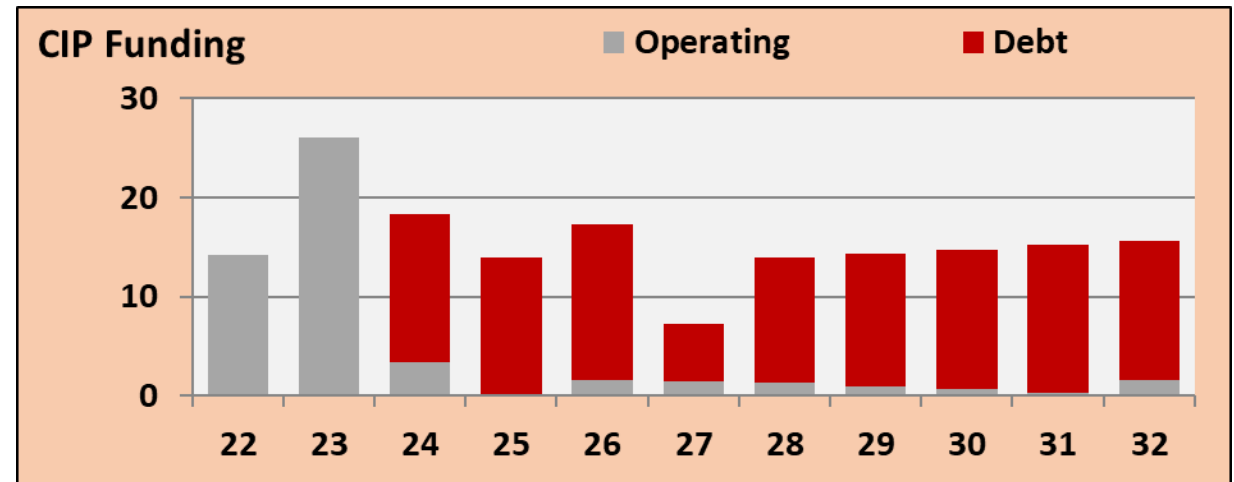
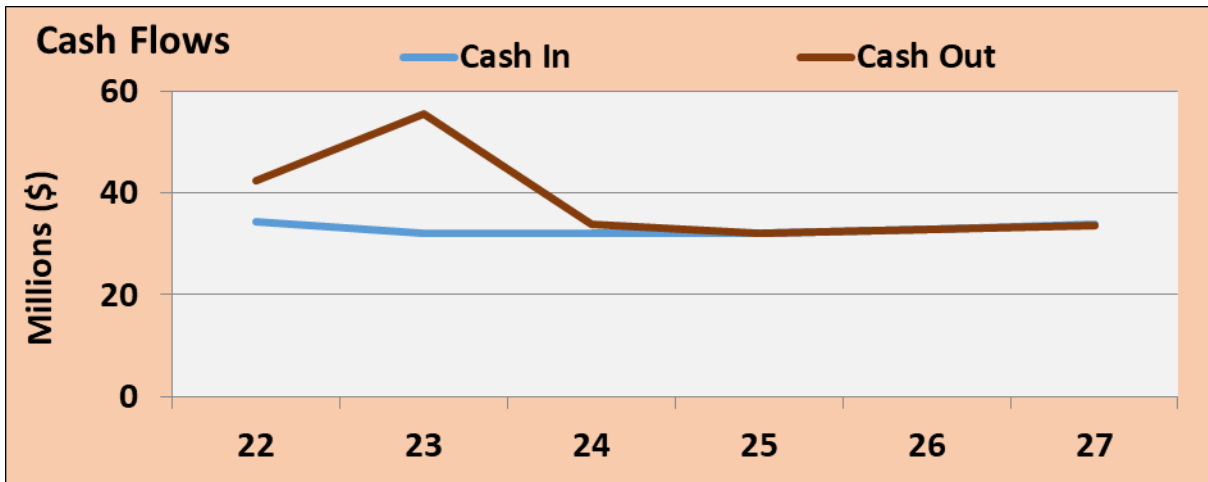
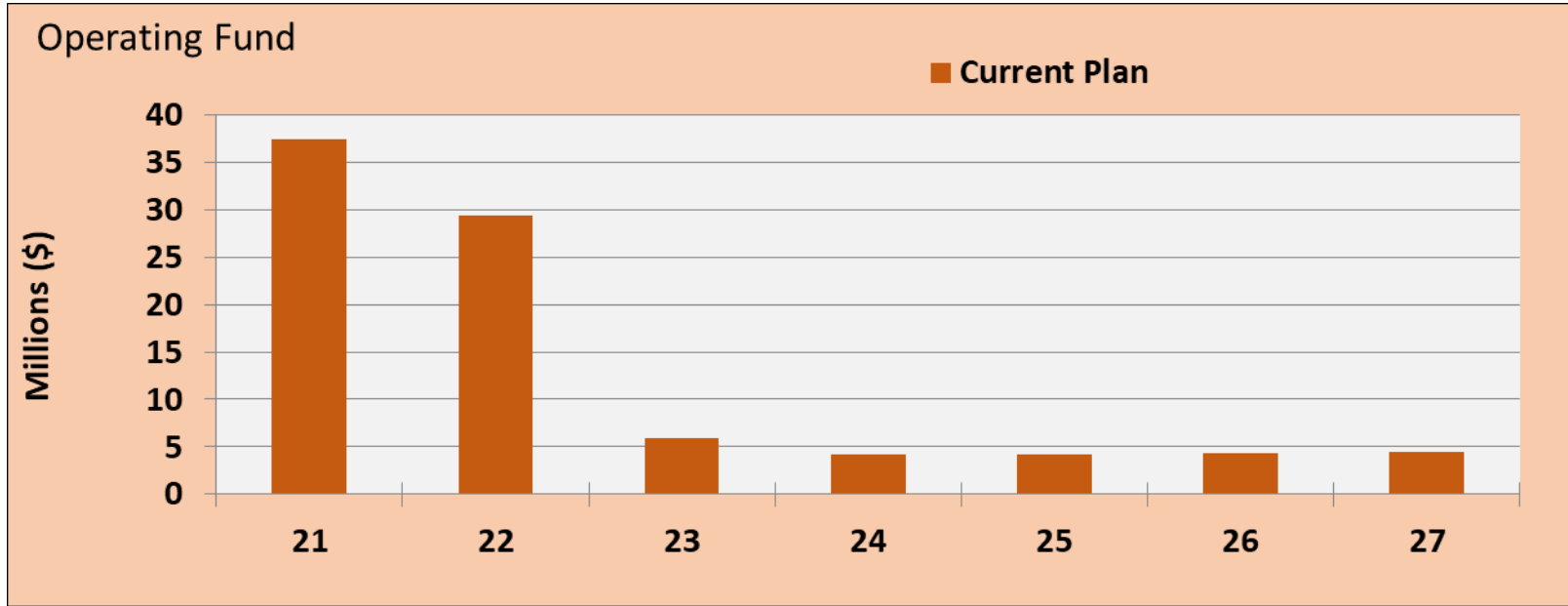


The Public Services Area is comprised of six Service Area Units: Administration, Engineering, Systems Planning, Public Works, Water Treatment Services and Wastewater Treatment Services. Capital Projects represent the partial FTE allocations to support the design, management, and implementation of capital projects.

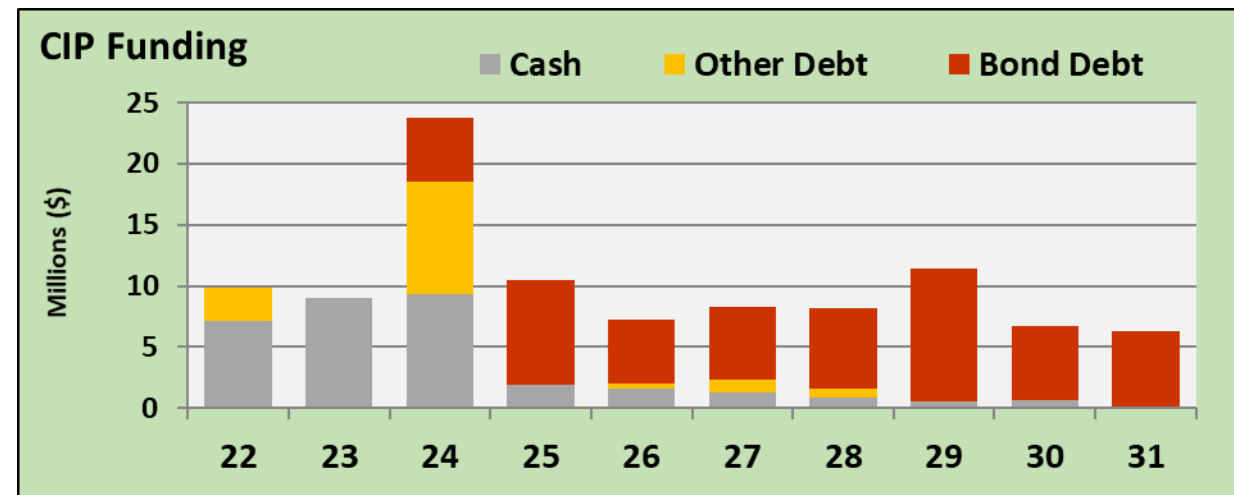
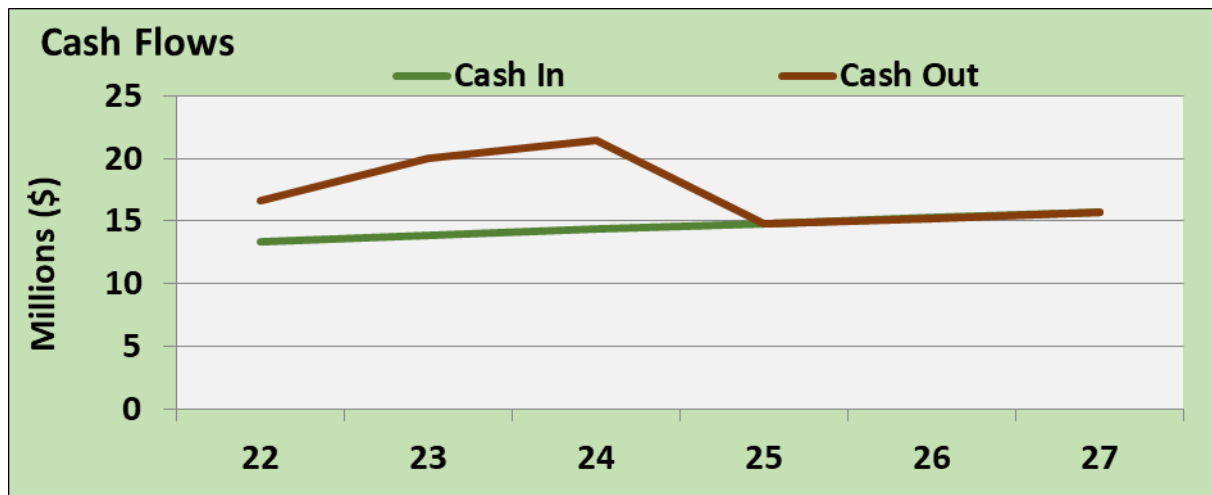
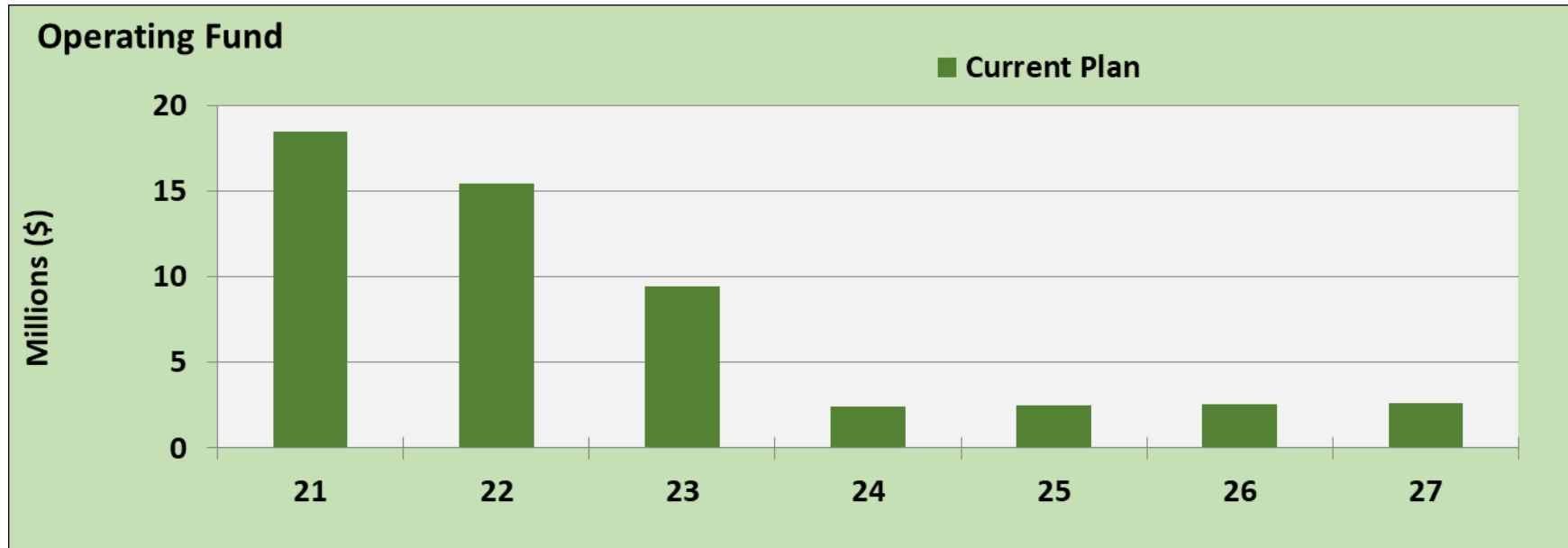
WATER SUPPLY FUND FINANCIAL SUMMARY



SEWAGE DISPOSAL FUND FINANCIAL SUMMARY



STORMWATER FUND FINANCIAL SUMMARY



RATE PLAN

Current

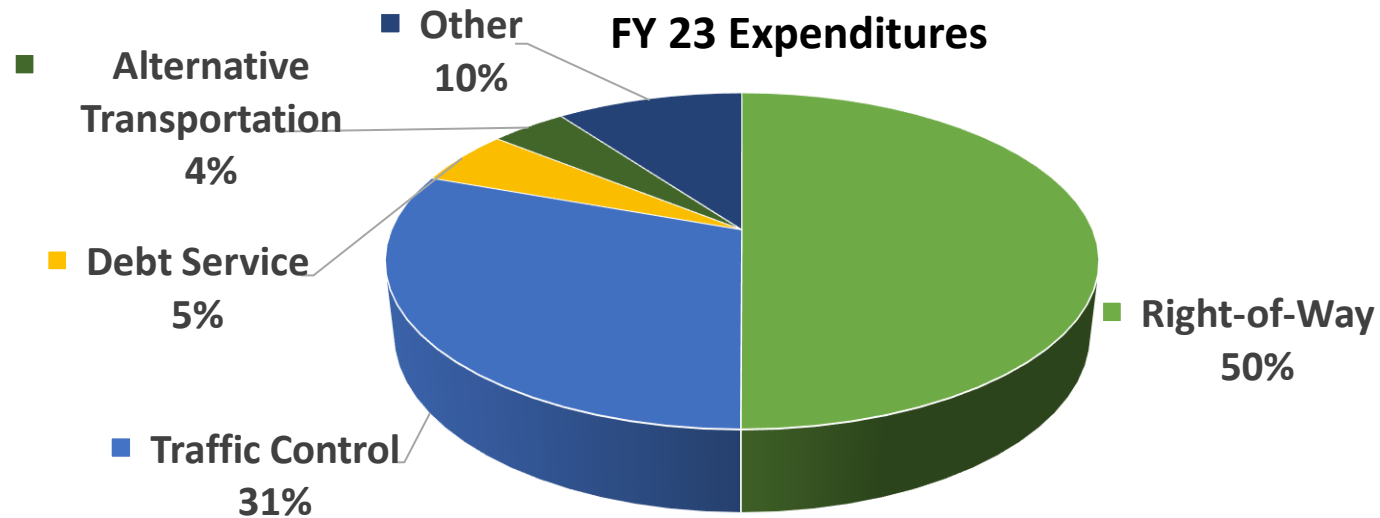
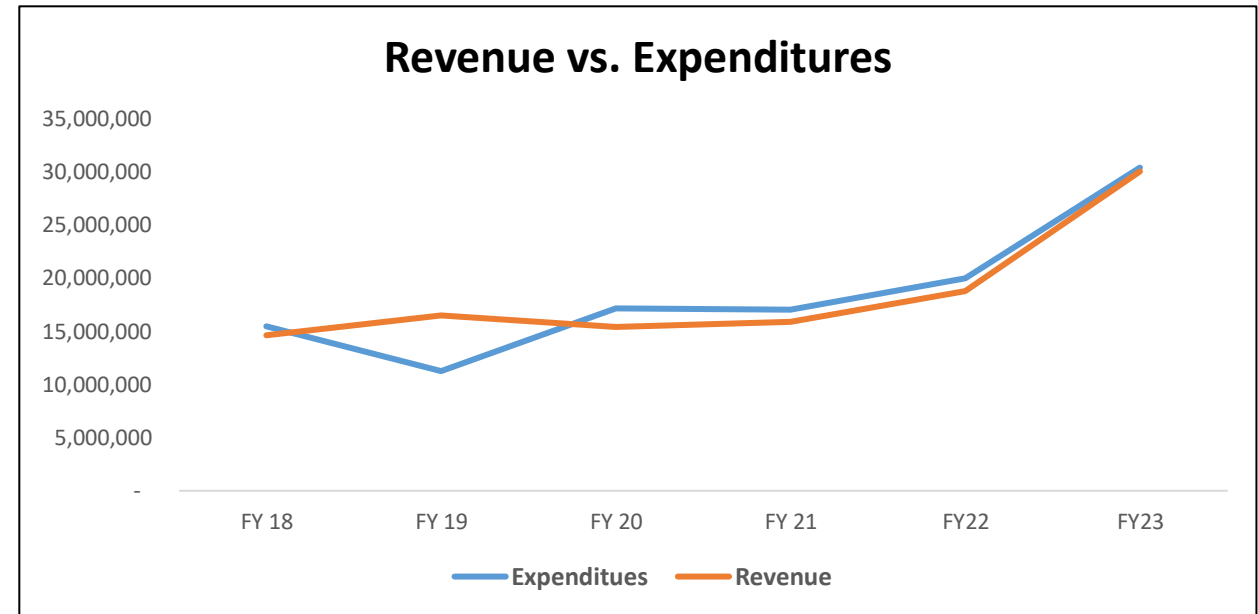
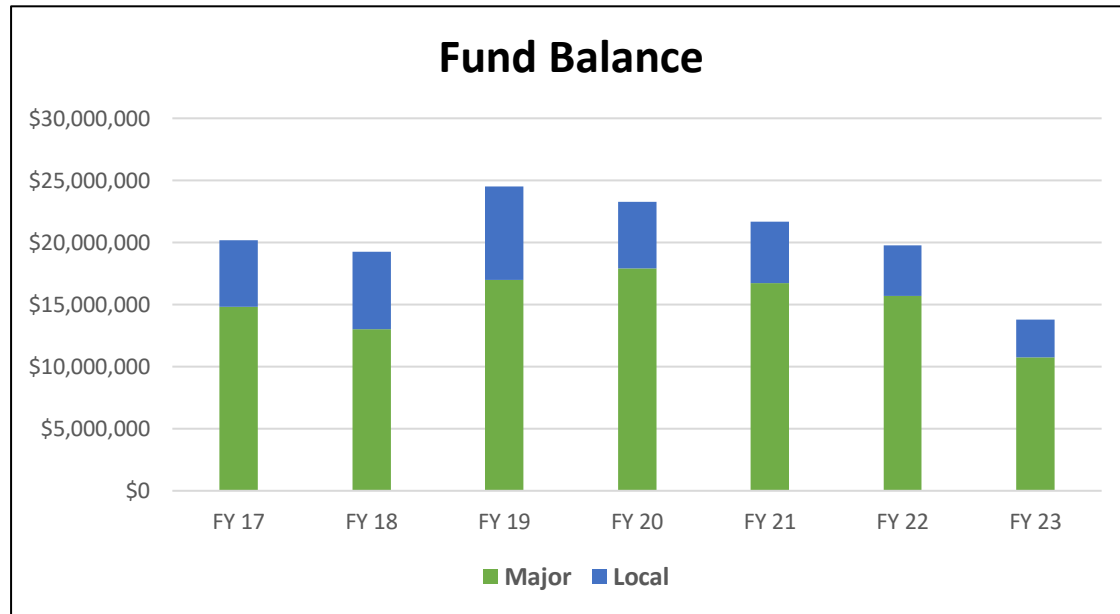
Proposed July 1, 2022

Average Quarterly Residential Customer Bill
 (18 CCF Usage/Storm Tier 2 with on-time discount)
 Water: \$75.27
 Sewer: \$129.90
 Storm: \$62.21
Total: \$240.64

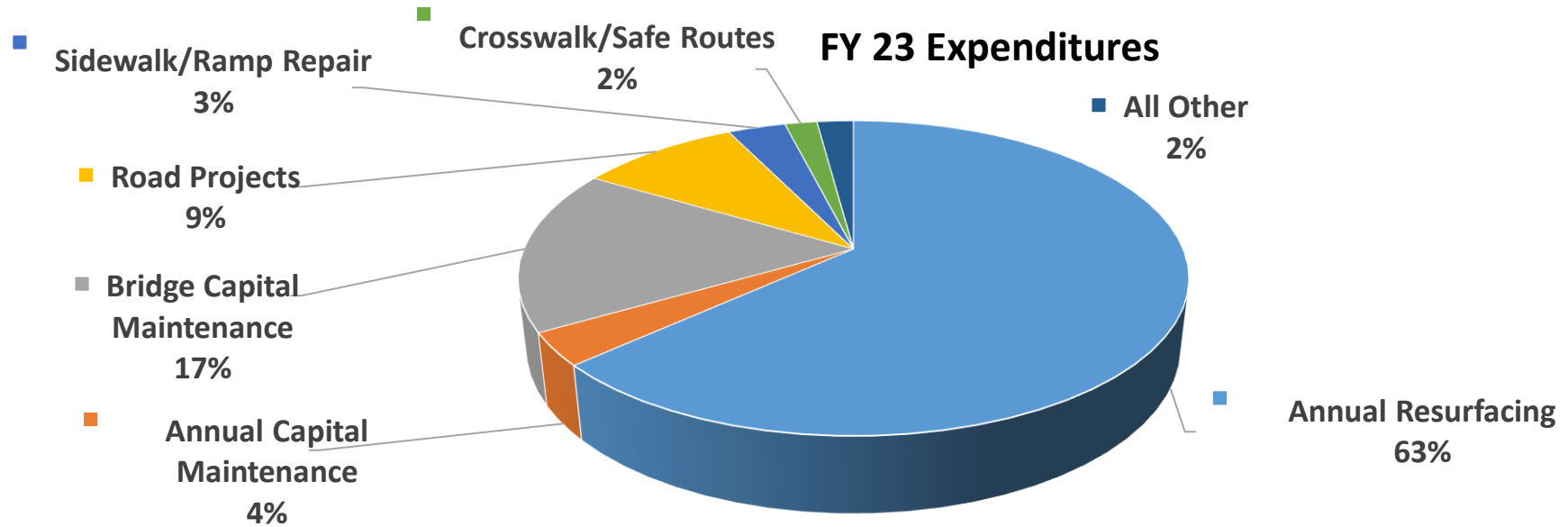
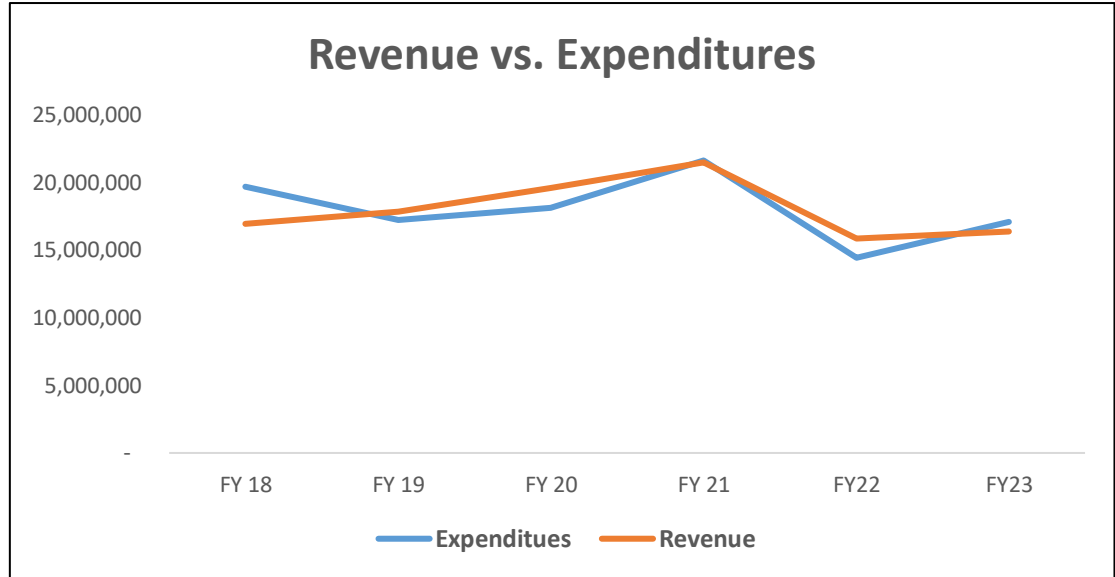
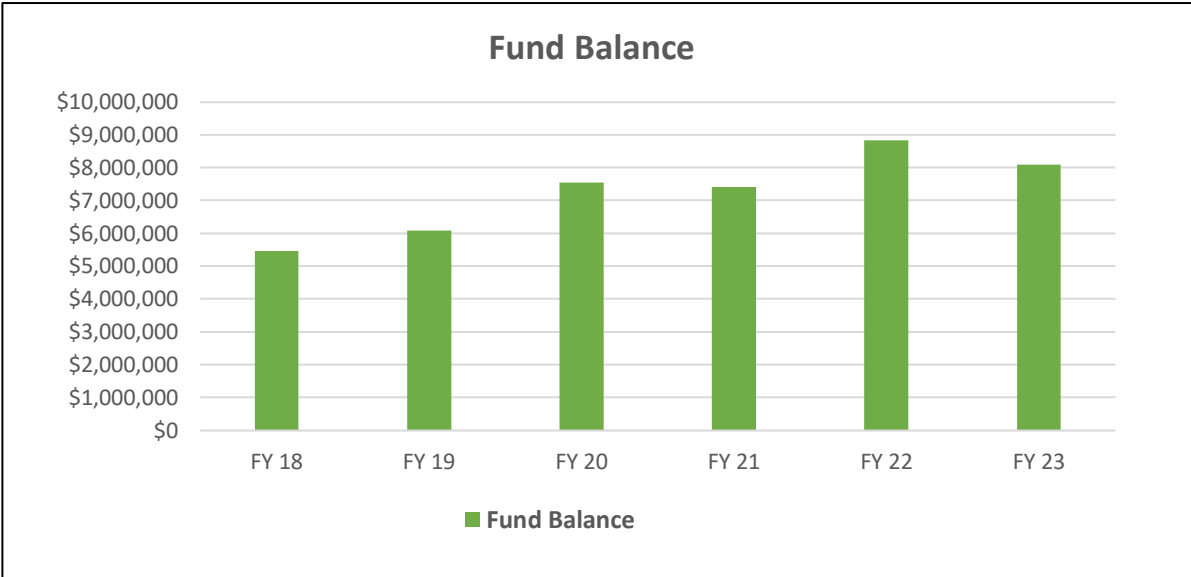
Average Quarterly Residential Customer Bill
 (18 CCF Usage/Storm Tier 2 with on-time discount)
 Water: \$79.84
 Sewer: \$129.90
 Storm: \$64.61
Total: \$246.92

	FY23	FY24	FY25	FY26	FY27
Water	6%	6%	6%	6%	6%
Sewer	0%	0%	3%	3%	3%
Storm	4%	4%	3%	3%	3%

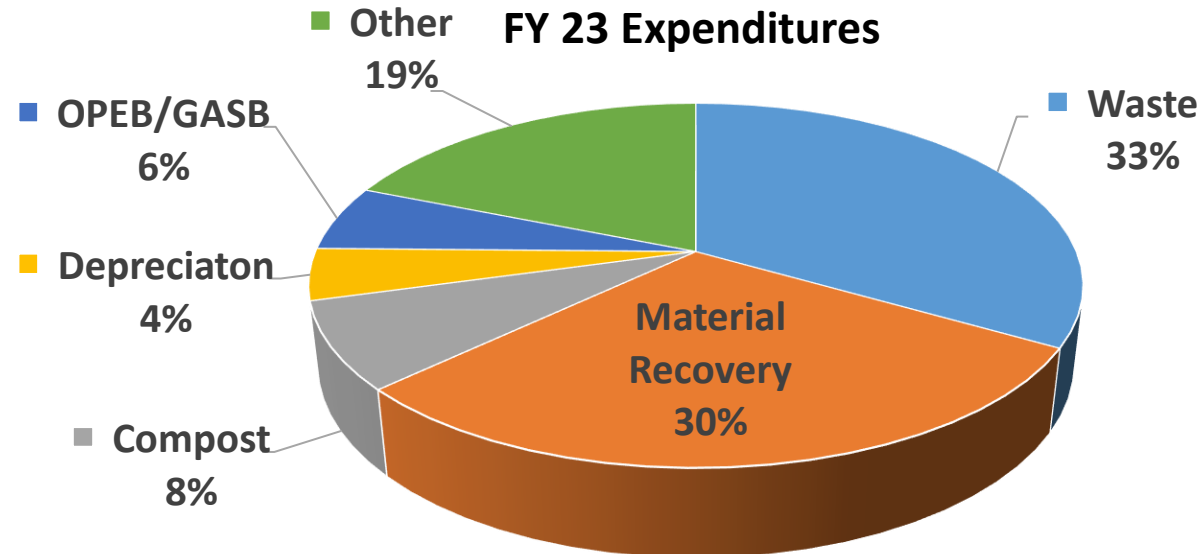
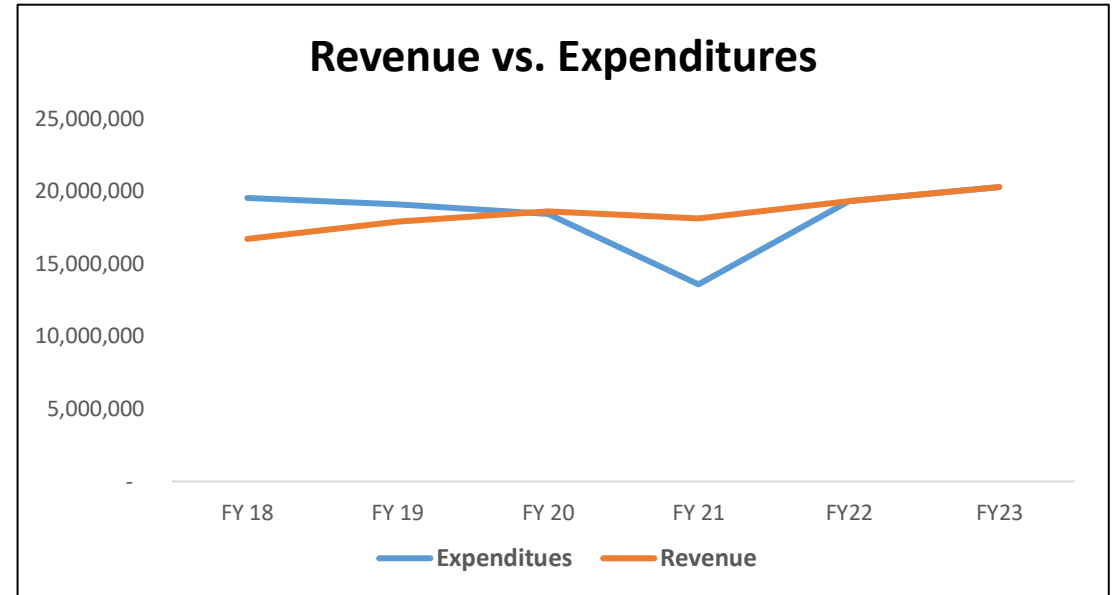
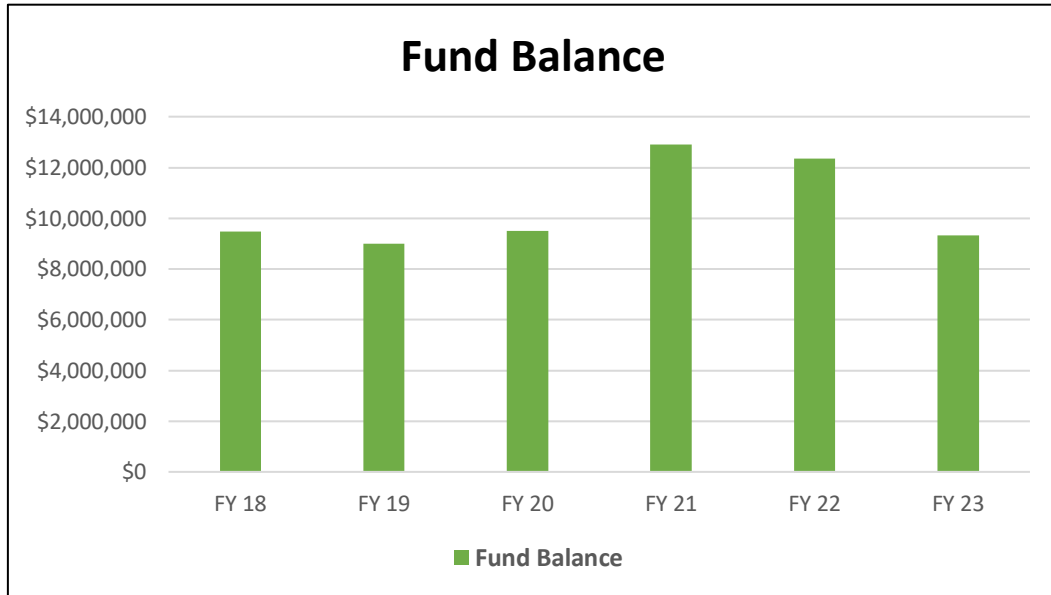
MAJOR AND LOCAL STREET FUNDS FINANCIAL SUMMARY



STREET, BRIDGE, SIDEWALK MILLAGE FINANCIAL SUMMARY



SOLID WASTE FUND FINANCIAL SUMMARY



FY 23 Budget

City of Ann Arbor

Sustainability



Quality
of
Life



Positioning
for
Investment



Infrastructure



PUBLIC SERVICES AREA

PILLAR 1 – SUSTAINABILITY HIGHLIGHTS		AMOUNT	TYPE
Engineering:			
★ Modification of specs to include low carbon embodied concrete		TBD	R
Green Fleet – Electric Vehicle Conversion		116,000	O
Public Works:			
Green Fleet – Electric Vehicle Conversion		234,000	O
Electric Charging Station at Wheeler		30,000	O
Solid Waste Education, Outreach, & Marketing to advance solid waste diversion goals		250,000	R
★ Improving Commercial and Downtown Solid Waste Service including new Solid Waste Project Management Assistance		100,000	R
★ Construction of Regional Drop Off Station		4,000,000	O



PUBLIC SERVICES AREA

PILLAR 1 – SUSTAINABILITY HIGHLIGHTS		AMOUNT	TYPE
<i>Systems Planning:</i>			
★ Resiliency and Adaption planning for Utilities		TBD	O
Continued Implementation of the Asset Management strategies for all utilities <ul style="list-style-type: none"> • includes a Water Model Update in FY23 • Water data migration to Assetic Asset Management software in FY23 	250,000	O	
<i>Wastewater Treatment:</i>			
★ Land application of biosolids (beneficial reuse, waste diversion)		~600,000	R
★ Completion of Biodigester feasibility study		50,000	O

PUBLIC SERVICES AREA

PILLAR 2 – QUALITY OF LIFE HIGHLIGHTS		AMOUNT	TYPE
Engineering:			
★ Vision Zero Transportation Plan	<ul style="list-style-type: none"> Complete the action plan for the Moving Together Towards Vision Zero Master Transportation Plan Develop a major streets traffic calming program Communication and outreach on pedestrian safety 	*363,000	O
Traffic Calming on Local Streets		265,000	R/O
Public Works:			
★ Increased maintenance on non-motorized assets due to the increased mileage of protected bike lanes		290,000	R
★ Inspection and maintenance of our sanitary sewer system to comply with Administrative Consent Order and minimize potential for backups and overflows		625,000	R/O
<i>*already approved by Council in FY22 budget</i>			



PUBLIC SERVICES AREA

PILLAR 2 – QUALITY OF LIFE HIGHLIGHTS		AMOUNT	TYPE
<i>Systems Planning:</i>			
 <p>Ongoing investment in Flood Mitigation Activities</p> <ul style="list-style-type: none"> • Stormwater Storage and Outlet Modifications (including Briarwood Mall Ponds, Churchill Pond, City-owned detention pond restoration) • Flood Mitigation Grant Matching – allow City to remove structures in the floodplain/floodway 	4,900,000	O/R	
 <p>Public Education & Community Engagement Efforts</p> <ul style="list-style-type: none"> • Includes retaining on-call public engagement services to augment staff capacity to meet increasing project demand for high quality public engagement for a various projects and initiatives. 	TBD	R	

PUBLIC SERVICES AREA

PILLAR 3 – POSITONING FOR INVESTMENT HIGHLIGHTS	AMOUNT	TYPE
<i>Engineering:</i>		
Seeking out grant and funding partnership opportunities. <ul style="list-style-type: none"> • Transportation Economic Development Fund (TEDF) grant application for Research Park Dr. • Cost sharing with UM on other projects 	TBD	O/R
<i>Systems Planning:</i>		
★ Seeking out opportunities to access State and Federal Grants (IIJA, WIFIA)	\$30,000	O
<i>Water Treatment:</i>		
★ Barton Pump Station Valve Replacement	*2,700,000	O
★ WTP – Plant 1 Replacement pilot plant	3,000,000	O
<i>*includes grant funding</i>		

PUBLIC SERVICES AREA

PILLAR 4 – INFRASTRUCTURE HIGHLIGHTS		AMOUNT	TYPE
Engineering:			
 Implementation of the public infrastructure projects in the Capital Improvements Plan including: <ul style="list-style-type: none"> • Pavement Condition improvements, including resurfacing, crack sealing, capital preventative maintenance (~\$20M*) • Bridge maintenance and repair (\$5M*) • Sidewalk repair and sidewalk gaps (\$3M) • Ongoing Sanitary Sewer & Storm Sewer lining (~\$4.8M) • Ongoing Water, Sanitary, and Storm pipe replacement and upsizing (~\$14.6M) 	~47,400,000	O/R	
Public Works:			
 Ongoing Repair and Capital Maintenance Activities of City’s infrastructure, Including utilities televising, cleaning, main repair; street base and pothole repair	~5,625,000	R	
* includes external funds from UM and State/Federal Sources			

PUBLIC SERVICES AREA

PILLAR 4 – INFRASTRUCTURE HIGHLIGHTS		AMOUNT	TYPE
<i>Public Works/Systems Planning:</i>			
★	Water Meter Replacement Program (large meters)	1,100,000	O
<i>Water Treatment:</i>			
	Barton Dam Embankment Repairs	650,000	O
<i>Wastewater Treatment:</i>			
★	Headworks Screening & Grit Replacement System	15,100,000	O

PUBLIC SERVICES AREA

HORIZON ISSUES

Human Resources

- Succession planning
- Workforce development

Financial & Infrastructure

- Economy impacts on Capital Project costs
- Funding for rehab and replacement of aging infrastructure
- Funding for maintenance of increased non-motorized assets
- Dam Rehabilitation Costs at all four dams

Community

- Restructuring commercial solid waste fees
- Regional Drop off Station – establishing operational funding structure
- Urban Forest Management Plan – recommendations could have future budget impact
- Increasing need and demand for Community Engagement support

Utilities

- Water treatment plant rehabilitation
- Gelman Plume
- Environmental/Legislative Changes

FY23 CITY COUNCIL BUDGET QUESTIONS PROCESS

Please send any FY23 budget questions to **Sara Higgins**, copying Milton Dohoney, Marti Praschan, and Kim Buselmeier. Responses will be organized by topic and responded to throughout the budget season.