

**ANN ARBOR CITY COUNCIL MINUTES  
REGULAR SESSION - JANUARY 20, 1998**

The regular session of the Ann Arbor City Council was called to order at 7:35 p.m. in the City Hall Council Chamber by Mayor Ingrid B. Sheldon.

Council stood for a moment of silence.

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

**ROLL CALL OF COUNCIL**

PRESENT : Councilmembers Tobi Hanna-Davies, Patricia Vereen-Dixon, Jane Lumm, David Kwan, Jean Carlberg, Heidi Cowing Herrell, Stephen C. Hartwell, Christopher Kolb, Elisabeth L. Daley, Mayor Ingrid B. Sheldon, 10.

ABSENT : Councilmember Patrick A. Putman, 1.

**INTRODUCTIONS**

PRESENTATION OF CERTIFICATE OF APPRECIATION FROM BRYANT COMMUNITY CENTER TO THE KROGER COMPANY

**Ron Olson, Associate City Administrator/Superintendent of Parks and Recreation, introduced Mimi Quinzy, Bryant Center Neighborhood Facilities Assistant who presented a plaque of appreciation to Mr. Don Hefler, Manager of the Ann Arbor Kroger Company. Mr. Hefler was honored for spearheading the Ann Arbor Kroger chain wide food drive which resulted in over 200 grocery bags of food being delivered throughout the Ann Arbor community. Ms. Quinzy also acknowledged Madeline Woodard, Carol Schauer, and Ben Williams for their hard work during the holiday food drive.**

**PUBLIC COMMENTARY - RESERVED TIME****MARSHA FEINGOLD - BARTON DRIVE RAMP**

Marsha Feingold, 352 Hilldale, expressed concern about the condition of the Barton Drive ramp. She referred to an Ann Arbor News article and stated that Governor Engler has made funds available to improve this type of situation. Ms. Feingold encouraged City Council to apply for funds in order to fix the ramp or construct an interchange.

**PAT RYAN - EQUAL STANDARDS FOR PAUL GELMAN AND CITY OF ANN ARBOR ON SEWER DISCHARGES**

Pat Ryan, 303 Wildwood, Citizens Review Committee member, expressed concern about the legalities of the Gelman Sciences cleanup. She indicated that any long-term clean-up should use the best technical and economical treatment to reduce the contaminate mass, and that the costs should not be transferred to others. Ms. Ryan urged City Council to look carefully at both, Gelman and the City, when handling their respective dioxane pollution problems.

**KIM VANE - DIOXANE CLEAN-UP**

Kim Vane, 4099 Ramsgate Court, Citizens Review Committee member, expressed gratitude to City Council for saying no to those who do not want to be liable for their pollution. She encouraged the City to stand firm on their decision.

**KERMIT SCHLANSKER - WASTE TO ENERGY**

Kermit Schlansker, 2960 Marshall, expressed concern that urban sprawl is destroying natural resources. He indicated that a power plant facility would combine heat, power and trash disposal, and would eliminate landfill pollution. Mr. Schlansker suggested that Ann Arbor consider a co-generation power plant because it is more cost effective than nuclear or solar energy, and it would have eliminated the recent pollution caused from the burning of Christmas trees on the Brown Farm.

**INDER SINGH - U OF M DANCE MARATHON**

Inder Singh, 428 Cross, spoke on behalf of the University of Michigan Dance Marathon. He explained that this first time event is associated with the Children's Miracle Network which helps raise funds and awareness for pediatric wards at various hospitals. Mr. Singh stated that this year's marathon will support the rehabilitation ward at the William Beaumont Hospital, and encouraged Council and the community to support the event.

**BRYAN ACKERMAN - U OF M DANCE MARATHON**

Bryan Ackerman, 520 Hill Street, #2, spoke on behalf of the University of Michigan Dance Marathon. He stated that on January 24, and January 31, 1998 members of the U of M campus will have buckets at major intersections in Ann Arbor in an effort to raise funds. Mr. Ackerman stated that the Marathon starts on February 7, 1998 at 10:00 a.m. and ends February 8, 1998 at 4:00 p.m., and invited City Council and the community to come and see what the event is all about.

**PATRICIA BENSON - GELMAN SCIENCES CONTAMINATION**

Patricia Benson, 3319 Timberwood, spoke on behalf of responsible clean-up of the Gelman Sciences dioxane groundwater contamination. Ms. Benson refuted Gelman Science=s contention that the City has double-standards in dealing with their company. She explained that the landfill plume is shrinking, while the Gelman plume in continuing to contaminate wells that are used as drinking water sources by area families. Ms. Benson stated that the City=s strong stance in past regulation of Gelman Sciences has meant much to township residents, and they look forward to the City=s application of the same standards during its final landfill clean-up plan.

**VINCE CARUSO - ALLEN CREEK**

Vince Caruso, 556 Glendale Circle, expressed concern about plans to close a section of Allen Creek between Liberty and Glendale Circle. He stated that at least twice a year residents in the area endure flooding of their homes and neighborhood, as well as other health and safety hazards. Mr. Caruso urged City Council to consider storm water upgrades in order to deal with the main problem and its source, and not to ignore the present warning signs.

**PUBLIC HEARINGS**

None.

## APPROVAL OF AGENDA

### AGENDA APPROVED WITH CHANGES

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

#### MOTIONS AND RESOLUTIONS

Revised: Resolution Supporting Increased Federal Funding for Homeless Program Services (Councilmember Hanna-Davies on behalf of Housing Policy Board)

On a voice vote the Mayor declared the motion carried.

## APPROVAL OF COUNCIL MINUTES

None.

## CONSENT AGENDA

### CONSENT AGENDA ITEMS APPROVED

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

R-25-1-98 APPROVED

#### RESOLUTION TO APPROVE PURCHASE OF MICROCOMPUTER WORKSTATIONS - BID NO. 3110

Whereas, The City of Ann Arbor operates a distributed computing system known as the Network Computing System (NCS);

Whereas, A key component of the NCS is the microcomputer workstation;

Whereas, Additional microcomputer workstations are needed to enhance the general computing capacity of City Departments and to provide the resources needed for the implementation of application and system projects=

Whereas, Bid Number 3110: A Microcomputers= was sent to five vendors and four bids were submitted to Administrative Services - Purchasing on Monday January 5, 1998;

Whereas, Micro Source Inc. of Ann Arbor, Michigan at \$74,368.00, Electronic Data

Systems of Lansing Michigan at \$6,218.00 and Inacom Information Systems of Troy, Michigan at \$60,236.87, were determined to be the lowest responsive and responsible bidders for the workstations to be purchased;

Whereas, Micro Source Inc., Electronic Data Systems and Inacom Information Systems received Human Rights approval for a one year period on January 9, 1998; and

Whereas, Funding for this acquisition is included in the FY 97-98 budgets of the Administrative Services, Attorney, Finance, Human Resources, Parks, Planning, Public Services, and Utilities Departments;

RESOLVED, That Bid Number 3110 be awarded and that purchase orders be issued to Micro Source, Inc. in the amount of \$74,368.00, Electronic Data Systems in the amount of \$6,218.00 and Inacom Information Systems in the amount of \$60,236.87 for the purchase of microcomputer workstations.

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R-26-1-98 APPROVED

RESOLUTION TO AWARD PROFESSIONAL SERVICES CONTRACT  
TO MCNAMEE PORTER AND SEELEY FOR WATER TREATMENT PLANT  
BACKUP POWER SYSTEM UPGRADE

Whereas, It is necessary to provide sufficient backup tower for the City of Ann Arbor Treatment Plant to provide reliable operations to meet water demands and water quality requirements; and

Whereas, Of the three firms who submitted proposals to perform this work, McNamee, Porter and Seeley, Inc. was determined to be the most qualified for this work; and

Whereas, On August 24, 1997, the Personnel/Human Rights Department approved McNamee, Portet and Seeley, Inc.

RESOLVED, That the Council accept the proposal and awards a contract to McNamee, Porter and Seeley, Inc. in the amount of \$64,585 to provide engineering services, for the Backup Power Project;

RESOLVED, That a contingency in the amount of \$6,500 is approved to finance change orders to be approved by the City Administrator;

RESOLVED, That the Mayor and the City Clerk are authorized and directed to sign a contract which is approval as to substance by the City Administrator and approved as to

form by the City Attorney; and

RESOLVED, That the funds be available for the life of the project until expended without regard to the fiscal year.

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R-27-1-98 APPROVED

RESOLUTION TO APPROVE THE PURCHASE OF A  
HEAVY DUTY TREE STUMP GRINDER FOR THE FORESTRY DIVISION  
BID NO. 3102

Whereas, The Purchasing Division solicited bids for one (1), heavy duty stump grinder for the Department of Parks and Recreation, Forestry Division, Bid No. 3102;

Whereas, Vermeer Sales and Service as the lowest responsible bidder in the amount of \$28,219.00, and has Human Resources approval as of March 18, 1997; and

Whereas, Funds are available in the 1997-98 General Fund budget;

RESOLVED, That the Mayor and Council approve awarding Bid No. 3102 to Vermeer Sales and Service in the amount of \$28,219.00 for one stump grinder.

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R-28-1-98 APPROVED

RESOLUTION TO APPROVE HAULING OF  
WASTEWATER TREATMENT PLANT DEWATERED BIOSOLIDS  
AND RESIDUALS - BID NO. 3112

Whereas, The Wastewater Treatment Plan (WWTP) requires hauling services in its daily operations and filter press cake hauling during the winter;

Whereas, City Disposal Systems, Inc. submitted the lowest responsible bid of \$10.00 per ton for providing these services in accordance with the requirements of Bid No. 3112; and,

Whereas, On January 7, 1998, the Human Resources Department approved City Disposal Systems, Inc. to provide hauling services for the City;

RESOLVED, That Council for providing hauling services according to the terms of Bid No. 3112; and

RESOLVED, That Council accept the bid from City Disposal Services, Inc. and approve the contract with City Disposal Systems, Inc. to provide these services, and that the Mayor and City Clerk be authorized to sign the contract approved as to substance by the City Administrator and as to form by the City Attorney; and

RESOLVED, That the City Administrator be directed to enter into a purchasing agreement in accordance with this resolution, and that this agreement may be renewed for p to two one-year periods provided both parties agree to an extension; and

RESOLVED, That the City Administrator is authorized to obtain hauling services from the next lowest bidder if City Disposal Systems, Inc. is unable to provide adequate services.

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R-29-1-98 APPROVED

RESOLUTION TO APPROVE REVISION OF BOARD OF REVIEW  
GUIDELINES FOR HARDSHIP EXEMPTIONS

Whereas, The State of Michigan, as part of Public Act 390 of 1994 enacted House Bill No. 5019 amending Section 7y of Act 206 which allows the homesteads of persons who, in the judgement of the supervisor and the Board of Review, by reason of poverty, are unable to contribute toward the public charges be eligible for exemption in whole or in part from taxation under this act;

Whereas, Section 2(e) of House Bill No. 5019 set the income guidelines to meet the Federal poverty income standards or alternative guidelines adopted by the governing body of the local assessing unit provided those guidelines are not less than the Federal guidelines;

Whereas, The City Council previously approved the series of guidelines developed by the Ann Arbor City Assessor and Board of Review over the past 20 years which conformed to House Bill 5019; and

Whereas, The Ann Arbor Board of Review, at their December 9, 1997 meeting, recommended adjusting the adopted income guidelines annually by the Consumer Price Index (C.P.I.) as published annually by the Michigan State Tax Commission or 5%, whichever is less, and establishing additional income levels applicable to four to nine people;

RESOLVED, That City Council approve the revision of the hardship guidelines as set forth by the Ann Arbor Board of Review which establishes income levels applicable to

four to nine people, and allows for an annual increase in the income eligibility for persons applying for hardship exemptions by applying the Consumer Price Index (C.P.I.) or 5% whichever is less to the established Maximum Income levels, with the annual adjustments being cumulative.

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

### **ORDINANCES - SECOND READING**

None.

### **ORDINANCES - FIRST READING**

None.

### **MOTIONS AND RESOLUTIONS**

R-30-1-98 APPROVED

#### **RESOLUTION DECLARING FEBRUARY 1998 AS MARIJUANA AWARENESS MONTH**

Whereas, Marijuana has been proven to adversely affect memory, learning, cognitive functions, decision-making ability, fine motor skills, driving skills, motivation, respiratory organs, central nervous system function, immune system function, reproductive function and DNA; and

Whereas, Marijuana is now recognized by virtually all addiction professionals as an addictive drug; and

Whereas, 1995 Ann Arbor prevalence data indicate drug use here is above national averages, particularly for marijuana, with more than half of our high school seniors having used this drug in the previous year; and

Whereas, The Ann Arbor City Council recently supported the Town Meeting hosted by Community Action on Substance Abuse, whose goal was to increase community awareness of substance abuse and to develop an appropriate and effective community

response to this insidious problem; and

Whereas, It is vital that we partner with parents to let our youth know that we do not encourage or condone the use of marijuana because drugs have the power to destroy them and, with them, the future; and

Whereas, We recognize that the choice to remain or to become drug-free is a courageous one, and we wish to applaud and support those young people and other adults who make that choice.

RESOLVED, That the Ann Arbor City hereby declares February 1998 as "Marijuana Awareness Month" in the City of Ann Arbor, during which we encourage citizens to become better informed about the effects of marijuana and to take part in active dialogue with a person about this important topic.

Councilmember Vereen-Dixon moved that the resolution be adopted.

On a voice vote the Mayor declared the motion carried.

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POSTPONED

RESOLUTION REGARDING TERM OF LEASE BETWEEN  
THE CITY OF ANN ARBOR AND THE MICHIGAN THEATER FOUNDATION, INC.  
FOR THE MICHIGAN THEATER BUILDING

Whereas, The historic Michigan Theater is a treasured asset to the Ann Arbor community, drawing thousands of visitors annually to the State Street area; and

Whereas, The City of Ann Arbor and the Michigan Theater Foundation, Inc. agree that it is necessary 1) to jointly protect and maintain the Michigan Theater building as an historic landmark in perpetuity; 2) to cooperatively assure that the Michigan Theater building be operated as a specialty film exhibition venue and community performing arts center; and 3) to support and assist one another in fulfilling these purposes for the good of our community; and

Whereas, Pursuant to those goals, the City of Ann Arbor agreed to lease the Michigan Theater building to the Michigan Theater Foundation, Inc. beginning in 1982. The terms of that lease included five year renewal options for up to 30 years, and the current option will expire December 31, 1999; and

Whereas, The Michigan Theater Foundation is undertaking a \$4.4 million capital campaign to complete restoration of the Michigan Theater building. The Foundation feels

that a longer lease term would favorably impact the campaign by demonstrating the stability of the relationship between the City and the Foundation and has therefore requested a renegotiation of the lease term, as well as some other lease provisions; and

Whereas, The City Attorney and the City Administrator have recommended a 25 year lease, with two renewal options of 25 years, and have asked for Council=s direction on the term of the lease.

RESOLVED, That the City Council directs the City Administrator and the City Attorney to proceed with renegotiating the lease for the Michigan Theater with the Michigan Theater Foundation, Inc. for a term of 25 years, with two renewal options of 25 years, at which points the terms and conditions of the lease would be subject to review.

Councilmember Kolb moved that the resolution be adopted.

Councilmember Kwan moved that the resolution be postponed for further review of the lease language.

On a voice vote the Mayor declared the motion carried.

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R-31-1-98 APPROVED AS AMENDED

RESOLUTION TO APPROVE ALLOCATION OF  
HOUSING SERVICES CONTINGENCY FUNDS  
TO ANN ARBOR HOUSING COMMISSION

**Whereas, The Ann Arbor Housing Commission has made significant and steady reduction in its vacancies, notwithstanding the addition of 17 new units to fill;**

**Whereas, As of the 6-30-97 PHMAP assessment by HUD, the Commission continues to register a failing mark in vacancies and is required to submit an Improvement Plan to HUD, indicating strategies and resources to remedy the situation.**

**Whereas, The Commission with City funding has been able to reduce the number of units requiring maintenance work to a manageable level, it still requires some supplemental staffing assistance to process applicants fast enough for available apartments; and**

**Whereas, The Council has made Housing Services Contingency Funding available in prior fiscal years, but no allocations to the Commission has been requested or made in the current fiscal year;**

**RESOLVED, That City Council approve the allocation of \$1500 to continue the funding of a temporary, part-time clerical person for 4 weeks to increase the processing of applicants to fill the 14 available and 7 pending units at the Housing Commission.**

Councilmember Carlberg moved that the resolution be adopted.

Council unanimously agreed to amend the title and the fourth paragraph of the resolution as follows:

RESOLUTION TO APPROVE ALLOCATION OF  
HOUSING **AND HUMAN SERVICES** CONTINGENCY FUNDS  
TO ANN ARBOR HOUSING COMMISSION

**Fourth paragraph**

Whereas, The Council has made Housing and Human Services Contingency Funding available in prior fiscal years, but no allocation to the Commission has been requested or made in the current fiscal year;

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

The resolution as adopted reads as follows:

**RESOLUTION TO APPROVE  
ALLOCATION OF HOUSING HUMAN SERVICES CONTINGENCY FUNDS  
TO ANN ARBOR HOUSING COMMISSION**

**Whereas, The Ann Arbor Housing Commission has made significant and steady reduction in its vacancies, notwithstanding the addition of 17 new units to fill;**

**Whereas, As of the 6-30-97 PHMAP assessment by HUD, the Commission continues to register a failing mark in vacancies and is required to submit an Improvement Plan to HUD, indicating strategies and resources to remedy the situation.**

**Whereas, The Commission with City funding has been able to reduce the number of units requiring maintenance work to a manageable level, it still requires some supplemental staffing assistance to process applicants fast enough for available apartments; and**

**Whereas, The Council has made Housing Human Services Contingency Funding available in prior fiscal years, but no allocations to the Commission has been requested or made in the current fiscal year;**

**RESOLVED, That City Council approve the allocation of \$1500 to continue the funding of a temporary, part-time clerical person for 4 weeks to increase the processing of applicants to fill the 14 available and 7 pending units at the Housing Commission.**

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R-32-1-98 APPROVED AS AMENDED

**RESOLUTION TO CREATE AN ANNUAL REPORT CARD  
FROM THE CITY OF ANN ARBOR TO RESIDENTS OF ANN ARBOR**

**Whereas, President Bill Clinton created the National Performance Review (NPR) in March 1993. The NPR=s mission is to create a government that works better and costs less;**

Whereas, The principles of NPR include: putting customers first; cutting red tape; and empowering employees to get results;

Whereas, The Blair House Paper (January 1997) was divided into three sections: the first is about how to deliver great service - treating the public the way top companies treat their customers; the second is about how to foster partnership (internal and external) and community solutions; and the last is about how to reinvent (government) to get the job done with less - unlocking the "enormous, unused, human potential of the...workforce;

Whereas, The key to the NPR is managing by results, creating Performance-Based Organizations (PBO=s) committed to clear objectives, specific measurable goals, customer service standards and targets for improved performance;

Whereas, Focusing on results can help increase public trust; allocate scarce resources; provide a long-range management tool ("where do we want to be and how do we want to get there"); act as a magnet to form partnerships; increase innovations; and increase accountability;

Whereas, The NPR=s mission to create a government that works better and costs less is as important to adopt at the local level as it is at the federal level. It is important for local government to manage by results and create PBO=s establishing clear objectives, specific measurable goals, customer service standards and targets for improved performance;

Whereas, It is important to report honestly, on an annual basis, the results on meeting the established measurable goals, objectives and targets to the customers of local government;

Whereas, The city has initiated customer satisfaction programs and surveys together with departmental service improvement objectives and performance indicators; and

Whereas, The city is beginning to benchmark significant service performance indicators with other cities across the Country;

RESOLVED, That the City of Ann Arbor develop a Local Performance Review based upon President Clinton=s National Performance Review, by adopting the principles of NPR and a performance-based organizational approach to focus on results;

RESOLVED, That the city develop in conjunction with the critical success factors, strategic improvement objectives and performance indicators in the annual budget such clear objectives, specific measurable goals, customer service standards and targets for improved performance in departments that can take advantage of the principles of NPR and PBO=s;

RESOLVED, That the city report annually on its results in meeting these stated goals and objectives, customer service standards and targets for improved performance with the summer tax invoices and elsewhere; and

RESOLVED, That the City Administrator shall present to City Council, as a part of the 1998/99 budget submission, the goals, standards and targets for improvement to be reported back to the citizens of Ann Arbor with the 1998 summer tax invoice.

Councilmember Kolb moved that the resolution be adopted.

Councilmember Kolb moved that the last resolve clause be amended as follows:

RESOLVED, That the City Administrator shall present to City Council, as a part of the 1998/99 budget submission, the goals, standards and targets for improvement to be reported back to the citizens of Ann Arbor with the ~~<1998>~~ **1999** summer tax invoice.

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

The motion as amended reads as follows:

RESOLUTION TO CREATE AN ANNUAL REPORT CARD FROM  
THE CITY OF ANN ARBOR TO THE RESIDENTS OF ANN ARBOR

Whereas, President Bill Clinton created the National Performance Review (NPR) in March 1993. The NPR=s mission is to create a government that works better and costs less;

Whereas, The principles of NPR include: putting customers first; cutting red tape; and empowering employees to get results;

Whereas, The Blair House Paper (January 1997) was divided into three sections: the first is about how to deliver great service - treating the public the way top companies treat their customers; the second is about how to foster partnership (internal and external) and community solutions; and the last is about how to reinvent (government) to get the job done with less - unlocking the "enormous, unused, human potential of the...workforce;

Whereas, The key to the NPR is managing by results, creating Performance-Based Organizations (PBO=s) committed to clear objectives, specific measurable goals, customer service standards and targets for improved performance;

Whereas, Focusing on results can help increase public trust; allocate scarce

resources; provide a long-range management tool ("where do we want to be and how do we want to get there"); act as a magnet to form partnerships; increase innovations; and increase accountability;

Whereas, The NPR=s mission to create a government that works better and costs less is as important to adopt at the local level as it is at the federal level. It is important for local government to manage by results and create PBO=s establishing clear objectives, specific measurable goals, customer service standards and targets for improved performance;

Whereas, It is important to report honestly, on an annual basis, the results on meeting the established measurable goals, objectives and targets to the customers of local government;

Whereas, The city has initiated customer satisfaction programs and surveys together with departmental service improvement objectives and performance indicators; and

Whereas, The city is beginning to benchmark significant service performance indicators with other cities across the Country;

RESOLVED, That the City of Ann Arbor develop a Local Performance Review based upon President Clinton=s National Performance Review, by adopting the principles of NPR and a performance-based organizational approach to focus on results;

RESOLVED, That the city develop in conjunction with the critical success factors, strategic improvement objectives and performance indicators in the annual budget such clear objectives, specific measurable goals, customer service standards and targets for improved performance in departments that can take advantage of the principles of NPR and PBO=s;

RESOLVED, That the city report annually on its results in meeting these stated goals and objectives, customer service standards and targets for improved performance with the summer tax invoices and elsewhere; and

RESOLVED, That the City Administrator shall present to City Council, as a part of the 1998/99 budget submission, the goals, standards and targets for improvement to be reported back to the citizens of Ann Arbor with the 1999 summer tax invoice.

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R-33-1-98 APPROVED

RESOLUTION TO TRANSFER APPROPRIATIONS FROM

### FRINGE ACCOUNTS TO DEPARTMENT BUDGETS

Whereas, The City has budgeted the cost of General Fund Fringes and Insurances within the Non-Department portion of the budget;

Whereas, This has traditionally resulted in the departments budgets being shown at less than true costs for the General Fund which makes comparisons for bargaining and other purposes difficult;

RESOLVED, That the City Council approves the transfer of appropriations from the Fringe and Insurance accounts to the various Departments as listed in the table below.

	Current Revised Budget	Total Fringe & Insurance Costs	New Budget
Mayor & Council	195,832	21,888	217,720
City Administrator	456,379	106,012	562,391
City Attorney	743,560	164,125	907,685
15th District Court	2,126,477	416,561	2,543,038
Administrative Services	4,264,962	374,415	4,639,377
Building	1,525,622	444,508	1,970,130
City Clerk	664,025	101,564	765,589
Community Development	1,174,037	55,572	1,229,609
Finance	1,956,577	432,174	2,388,751
Fire	7,339,247	2,050,905	9,390,152
Human Resources	1,053,596	157,960	1,211,556
Parks & Recreation	4,334,989	741,107	5,076,096
Planning	455,954	102,621	558,575
Police	13,886,261	3,224,850	17,111,111
Public Services	3,911,482	608,528	4,520,010
Solid Waste	6,882,388	448,080	7,330,468
 Non Departmental			
Social Security	1,446,676	(1,446,676)	0
Pension	2,539,530	(2,539,530)	0
Retiree Insurance	1,936,964	(1,936,964)	0
Insurance	3,594,438	(3,527,700)	66,738
Other Non-Department Accounts	<u>15,772,338</u>		<u>15,772,338</u>

Current Revised	Total Fringe & Insurance	New
<u>76,261,334</u>	<u>0</u>	<u>76,261,334</u>

Councilmember Daley moved that the resolution be adopted.

On a voice vote the Mayor declared the motion carried.

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R-34-1-98 APPROVED

RESOLUTION TO APPOINT THE CITY ASSESSOR

RESOLVED, That City Council appoints Durk A. Ashley to the position of City Assessor for the City of Ann Arbor, pursuant to the recommendation of the City Administrator, effective January 26, 1998.

Councilmember Lumm moved that the resolution be adopted.

On a voice vote the Mayor declared the motion carried.

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R-35-1-98 APPROVED

RESOLUTION TO APPROVE FUND TRANSFER FOR WORK  
ASSOCIATED WITH CABLE TELEVISION FRANCHISE RENEWAL PROCESS

Whereas, In Resolution R-288-7-97, the City of Ann Arbor initiated the cable television franchise renewal process stipulated by Section 626(a) of the Cable Consumer Protection and Competition Act of 1992;

Whereas, The cable franchise renewal process will require the City to contract for specialized engineering, legal, financial auditing, and consumer survey/ascertainment services;

Whereas, The estimated cost for the above referenced services during FY 97/98 is approximately \$50,000.00 and is not included in the City Clerk/Cable Division Operating Budget for FY 97/98;

Whereas, The Cable Fund balance can adequately and appropriately finance the franchise renewal process,

RESOLVED, That the City Council approve a fund transfer from the Cable Fund (# 016) balance to the City Clerk/Cable Division FY 97/98 Operating Budget (# 016-015-0120) in the amount of \$50,000.00 to finance cable franchise renewal activity during the remainder of FY 97/98.

Councilmember Kolb moved that the resolution be adopted.

On a voice vote the Mayor declared the motion carried.

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R-36-1-98 APPROVED

RESOLUTION TO APPROVE A PROFESSIONAL SERVICES  
AGREEMENT WITH MCNAMEE, PORTER & SEELEY, INC. AND  
ESTABLISH A DESIGN BUDGET FOR THE SHADY LANE WATER MAIN  
AND SANITARY SEWER PROJECT

Whereas, The City has received a request for water and sanitary sewer services on Shady Lane;

Whereas, It is necessary to retain the services of a professional engineering firm to perform the design and construction staking of the Shady Lane Water Main and Sanitary Sewer Project;

Whereas, McNamee, Porter & Seeley, Inc. has demonstrated the required experience, personnel, and competitive fee to design the water main and sanitary sewer for Shady Lane; and

Whereas, The Human Resources Department, on February 24, 1997, approved said company;

RESOLVED, That the City Council approve a professional services agreement with McNamee, Porter & Seeley, Inc. in the amount of \$24,776 for the design and construction staking of the Shady Lane Water Main and Sanitary Sewer project;

RESOLVED, That the Mayor and City Clerk are authorized and directed to execute said professional services agreement after approval as to form by the City Attorney, and approval as to substance by the City Administrator;

RESOLVED, That the following project budget totalling \$30,000 be adopted and funds appropriated for the life of the project, to be available until expended without regard to fiscal year:

Section I - Revenue

\$ 15,000	Advanced from the Water Supply System Fund (Fund 042) to be reimbursed follow
\$ 15,000	Advanced from the Sewer Supply System Fund (Fund 043) to be reimbursed following the sale of the Sewer Revenue Bond, Series XIX in the spring of 1999.
\$ 30,000	TOTAL

Section II - Expenses

\$ 24,777	Consulting
\$ 5,223	City Design Engineering
\$ 30,000	TOTAL; and

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

Councilmember Herrell moved that the resolution be adopted.

On a voice vote the Mayor declared the motion carried.

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## R-37-1-98 APPROVED

RESOLUTION ACCEPTING UTILITY EASEMENT FROM  
EPA, L.L.C. - TRAVERWOOD DRIVE

Whereas, EPA, L.L.C., is the owner in fee simple of certain property located in the City of Ann Arbor, Washtenaw County, Michigan as described in the Washtenaw County Records at Liber 03405, Pages 0123-0124; and

Whereas, The Board of Directors of EPA, L.L.C., a Michigan limited liability company, on December 23, 1997, authorized the delivery of a perpetual easement to the City for the construction and maintenance of municipally operated public services comprising the public utilities system; and

Whereas, EPA, L.L.C., has delivered an easement to the City for the construction and maintenance of municipally operated public services comprising the public utilities system to run with the land and burden the respective property perpetually, being more particularly described as follows:

## 30 FOOT WIDE EASEMENT FOR UTILITIES

Commencing at the Southwest Corner of Section 15, T2S, R6E, City of Ann Arbor, Washtenaw County, Michigan; thence N88<sup>E</sup>23'50"E 2072.15 feet along the South line of said Section 15; thence N00<sup>E</sup>45'01"W 66.22 feet; thence N84<sup>E</sup>07'06"E 195.79 feet; thence N63<sup>E</sup>08'18"E 12.58 feet; thence N41<sup>E</sup>33'47"W 12.92 feet; thence N48<sup>E</sup>26'13"E 200.24 feet to the Southwesterly right-of-way line of Traverwood Drive; thence N48<sup>E</sup>26'13"E 70.00 feet to the Northeasterly right-of-way line of Traverwood Drive for a **PLACE OF BEGINNING**; thence continuing N48<sup>E</sup>26'13"E 26.39 feet; thence S41<sup>E</sup>33'47"E 30.00 feet; thence S48<sup>E</sup>26'13"W 27.39 feet; thence 30.02 feet along the arc of a 635.00 foot radius non-tangential circular curve to the left, with a central angle of 02<sup>E</sup>42'31" and a chord which bears N39<sup>E</sup>38'36"W 30.02 feet along said Northeasterly right-of-way line of Traverwood Drive to the Place of Beginning, **ALL** being a part of the Southwest 1/4 of said Section 15.

## 40 FOOT WIDE EASEMENT FOR UTILITIES

Commencing at the South 1/4 Corner of Section 15, T2S, R6E, City of Ann Arbor, Washtenaw County, Michigan; thence N01<sup>E</sup>10'27"W 680.57 feet along the North-South 1/4 line of said Section 15 for a **PLACE OF BEGINNING**; thence S88<sup>E</sup>49'33"W 93.00 feet; thence N01<sup>E</sup>10'27"W 40.00 feet; thence N88<sup>E</sup>49'33"E 93.00 feet; thence S01<sup>E</sup>10'27"E 40.00 feet along

said North-South 1/4 line of Section 15 to the Place of Beginning, being a part of the Southwest 1/4 of said Section 15.

RESOLVED, That said easement is hereby accepted.

Councilmember Carlberg moved that the resolution be adopted.

On a voice vote the Mayor declared the motion carried.

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R-38-1-98 APPROVED

RESOLUTION ACCEPTING UTILITY EASEMENT FROM  
TRAVERWOOD PROPERTIES I, L.L.C - TRAVERWOOD DRIVE

Whereas, Traverwood Properties I, L.L.C., is the owner in fee simple of certain property located in the City of Ann Arbor, Washtenaw County, Michigan as described in the Washtenaw County Records at Liber 03405, Pages 0125-0126; and

Whereas, The Board of Directors of Traverwood Properties I, L.L.C., a Michigan limited liability company, on December 23, 1997, authorized the delivery of a perpetual easement to the City for the construction and maintenance of municipally operated public services comprising the public utilities system; and

Whereas, Traverwood Properties I, L.L.C., has delivered an easement to the City for the construction and maintenance of municipally operated public services comprising the public utilities system to run with the land and burden the respective property perpetually, being more particularly described as follows:

**30 FOOT WIDE SANITARY SEWER EASEMENT**

**Commencing at the Southwest Corner of Section 15, T2S, R6E, City of Ann Arbor, Washtenaw County, Michigan; thence N88°23'50"E 2072.15 feet along the South line of said Section 15; thence N00°45'01"W 66.22 feet; thence N84°07'06"E 195.79 feet; thence N63°08'18"E 12.58 feet for a PLACE OF BEGINNING; thence N41°33'47"W 12.92 feet; thence N48°26'13"E 200.24 feet to the Southwesterly right-of-way line of Traverwood Drive; thence 30.02 feet along the arc of a 565.00 foot radius non-tangential circular curve to the right, with a central angle of 03°02'41" and a chord which bears S39°24'19"E 30.02 feet along said Southwesterly right-of-way line of Traverwood Drive; thence non-tangentially S48°26'13"W 199.11 feet; thence N41°33'47"W 17.08 feet to the Place of Beginning, ALL being a part of the Southwest 1/4 of said Section 15.**

RESOLVED, That said easement is hereby accepted.

Councilmember Carlberg moved that the resolution be adopted.

On a voice vote the Mayor declared the motion carried.

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**R-39-1-98 APPROVED**

**RESOLUTION OF SUPPORT FOR THE RETIREE HEALTH CARE COMMITTEE'S CONCEPT OF PRE-FUNDING RETIREE HEALTH CARE**

Whereas, The City Administrator is charged with recommending to City Council such measures as deemed necessary or appropriate for the improvement of the City or its services;

Whereas, The need for the uniform approach to the provision of and funding for retiree health care benefits has been identified.

Whereas, The Retiree Health Care Committee indentified the nature of the benefits and considered available funding options;

Whereas, The Retiree Health Care Committee presented its preliminary findings and recommendations to City Council on January 12, 1998; and

Whereas, The Retiree Health Care Committee requested preliminary approval of City Council to proceed with the preparation of formal recommendations for submission for

Council consideration, including the necessary legal documents to implement the recommendation.

RESOLVED, That the City Council agrees in concept with pre-funding retiree health care benefits;

RESOLVED, That the City Administrator is directed to work with the Retiree Health Care Committee and the Retirement System Board of Trustees to develop a funding plan for pre-funding retiree health care benefits and present it to City Council for approval; and

RESOLVED, That upon approval by City Council of an appropriate funding plan, the City Administrator is further directed to proceed with the preparation of the necessary documents to implement a plan and trust for retiree health care benefits.

Councilmember Daley moved that the resolution be adopted.

On a voice vote the Mayor declared the motion carried.

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R-40-1-98 APPROVED AS AMENDED

RESOLUTION TO APPROVE FY 1998/99 CDBG, HOME AND GENERAL FUND PRIORITIES, GOALS AND OBJECTIVES

Whereas, The City of Ann Arbor is required to submit an Annual Plan to the Department of Housing and Urban Development in order to receive FY 98/99 Community Development Block Grant (CDBG) and HOME Program funds;

Whereas, Priorities have been established based on needs identified in the City's FY 1995-2000 Consolidated Strategy and Plan and reviewed by the CDBG Executive Committee;

Whereas, The City is expected to receive a total of \$2,024,000 in FY1998/99 federal funds including \$1,373,000 in Community Development Block Grant funds and \$651,000 in HOME funds as well as \$1,091,415 in City General Funds for programs and activities;

Whereas, The City strongly supports collaborative efforts which increase services, reduce duplication and maximize cost effectiveness; and

Whereas, The CDBG Executive Committee has reviewed and endorsed the priorities, goals and objectives and target amounts.

RESOLVED, That City Council approve the FY 1998/99 CDBG, HOME and

General Fund Priorities, Goals and Objectives as identified and direct the Community Development Department staff to develop and issue a Request for Proposals for services consistent with the priorities, goals and objectives as identified.

Councilmember Lumm moved that the resolution be adopted.

Councilmember Hanna-Davies moved that the sixth paragraph be amended as follows:

RESOLVED, that City Council approve the FY 1998/99 CDBG, HOME and General Fund Priorities, Goals and Objectives as <identified> **GUIDELINES** and direct the Community Development Department staff to develop and issue a Request for Proposals for services consistent with the priorities, goals and objectives as identified.

The question being the resolution as amended, On a voice vote the Mayor declared the motion carried.

The resolution as adopted reads as follows:

RESOLUTION TO APPROVE FY 1998/99 CDBG, HOME AND  
GENERAL FUND PRIORITIES, GOALS AND OBJECTIVES

Whereas, The City of Ann Arbor is required to submit an Annual Plan to the Department of Housing and Urban Development in order to receive FY 98/99 Community Development Block Grant (CDBG) and HOME Program funds;

Whereas, Priorities have been established based on needs identified in the City's FY 1995-2000 Consolidated Strategy and Plan and reviewed by the CDBG Executive Committee;

Whereas, The City is expected to receive a total of \$2,024,000 in FY1998/99 federal funds including \$1,373,000 in Community Development Block Grant funds and \$651,000 in HOME funds as well as \$1,091,415 in City General Funds for programs and activities;

Whereas, The City strongly supports collaborative efforts which increase services, reduce duplication and maximize cost effectiveness; and

Whereas, The CDBG Executive Committee has reviewed and endorsed the priorities, goals and objectives and target amounts.

RESOLVED, That City Council approve the FY 1998/99 CDBG, HOME and General Fund Priorities, Goals and Objectives as guidelines and direct the Community Development Department staff to develop and issue a Request for Proposals for services consistent with the priorities, goals and objectives as identified.

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R-41-1-98 APPROVED

RESOLUTION TO APPROVE FIRST AMENDMENT TO STANDARD SALES AGREEMENT FOR EXCESS CITY PROPERTY NORTH AND WEST OF FEDERAL BOULEVARD TO BROOKRIDGE DEVELOPMENT

Whereas, On July 21, 1997 City Council approved Resolution R-319-7-97 and the Standard Sales Agreement with Brookridge Development LLC for the sale of excess city property north and west of Federal Boulevard; (Parcel # 09-31-210-008)

Whereas, One of the provisions of the agreement called for a one hundred and eighty (180) day A due diligence ≅ period for the purchaser to complete testing, analysis, prepare site plans and other needed work;

Whereas, The purchaser is asking for an additional ninety (90) days to complete the needed work; and

Whereas, The Real Estate Committee recommends that City Council amend the Standard Sales Contract with Brookridge Development, LLC to allow for the additional time.

RESOLVED, That City Council approve the first amendment to Standard Sale Agreement with Brookridge Development, LLC to allow for an additional ninety (90) day period for due diligence.

RESOLVED, That City Council authorize the Mayor and City Clerk to execute the amendment to the Standard Sales Contract substantially in the form on file in the Office of the City Clerk.

RESOLVED, That the City Administrator is authorized to take any necessary administrative actions to approve additional time extensions to complete this transaction.

Councilmember Kwan moved that the resolution be adopted.

On a voice vote the Mayor declared the motion carried.

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R-42-1-98 APPROVED

**RESOLUTION REGARDING EXCESS CITY PROPERTY  
AT 434 S. MAIN STREET - PACKARD/MAIN PROPERTY**

Whereas, On April 15, 1996, City Council approved Resolution R-176-4-96 declaring certain parcels excess city property, including the parcel at 434 S. Main Street;

Whereas, Several groups, individuals and units of government, including the Planning Commission and the Downtown Development Authority and others, have discussed the potential use of this important downtown location, and their input has been valuable in determining the best course of action for disposal of this site; and

Whereas, The Real Estate Committee has discussed this parcel on several occasions and has endorsed the attached Request for Proposals (RFP);

RESOLVED, That City Council approve the Request for Proposals for the disposal of the Packard/Main property and authorize the City Administrator to publicize the availability of the land;

RESOLVED, That a proposal review subcommittee be formed within 30 days of the passage of this resolution, consisting of the two City Council members of the Real Estate Committee; two city staff members of the Real Estate Committee to be appointed by the City Administrator; and three members to be nominated by the Mayor and confirmed by City Council, one each from the Downtown Development Authority, the Old West Side Association, and the Main Street Merchants Association;

RESOLVED, That the Real Estate Committee's proposal review subcommittee shall review and evaluate any proposals received, conduct public interviews of the finalists, and make a recommendation to City Council regarding the highest ranked proposal; and

RESOLVED, That, as stated in Resolution R-176-4-96, 50 percent of the sale proceeds after expenses be appropriated in the Housing Trust Fund and the remaining proceeds be placed in the Capital Projects Fund until such time as City Council appropriates the funds.

Councilmember Kwan moved that the resolution be adopted.

Councilmember Carlberg moved that page 2 of the RFP be amended as follows:

**Site Development Goals**

1. Residential use, either as the sole use or as a component of a mixed use proposal. ~~<While>~~ Half of the proceeds of the sale of this property will go to the Housing Trust Fund to support affordable housing initiatives throughout the City. ~~<any>~~ **IN** addition~~al support toward~~

~~providing affordable housing units will be reviewed favorably by~~ the city **DESIRES THE PROPOSAL MAKE AN ADDITIONAL CONTRIBUTION TO HOUSING FOR HOUSEHOLDS AT HUD MEDIAN OR BELOW, SUCH AS CASH, ADDITIONAL LAND, UNITS IN THE PROJECT, ETC.**

On roll call the vote was as follows:

Yeas, Councilmembers Carlberg, Herrell, Hartwell, Kolb, Daley, Hanna-Davies, Vereen-Dixon, 7;

Nays, Councilmembers Lumm, Kwan, Mayor Sheldon, 3.

The question being the resolution with the amended RFP, on roll call the vote was as follows:

Yeas, Councilmembers Carlberg, Herrell, Hartwell, Kolb, Daley, Hanna-Davies, Vereen-Dixon, Mayor Sheldon, 8;

Nays, Councilmembers Lumm, Kwan, 2.

The Mayor declared the motion carried.

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The Mayor declared a recess at 10:06 p.m.

The Mayor again called the meeting to order at 10:18 p.m.

## R-43-1-98 APPROVED

RESOLUTION SUPPORTING INCREASED FEDERAL FUNDING  
FOR HOMELESS PROGRAM SERVICES

Whereas, A consortium of applicants from Washtenaw County submitted seven projects totaling \$4,674,404 for three years for 1997 Homeless Program Funding to the Department of Housing & Urban Development (HUD) in August, 1997; and

Whereas, Of the seven projects, six were renewals of existing programs totaling \$3,967,054;

Whereas, These seven projects, including the six renewals, were identified as priority needs in our community=s Continuum of Care Plan;

Whereas, In December, 1997 the Department of Housing & Urban Development announced that only the top two priority projects were being funded totaling \$1,794,881 over three years;

Whereas, The significant loss of funding of programs benefitting homeless families and youth will result in reduced services to vulnerable populations;

Whereas, Service reductions to programs serving homeless individuals will be severe since no funds were awarded for projects assisting individuals;

Whereas, The Ann Arbor Housing Policy Board and the Ann Arbor City Council express their concerns to the Department of Housing & Urban Development regarding the severe impacts of the loss of funding on the current service delivery system;

Whereas, The Ann Arbor Housing Policy Board and the Ann Arbor City Council urge Congress and the President to increase funding for homeless services and programs to permit the needs of homeless families, individuals and youth to be adequately met on a national level.

RESOLVED, That HUD=s criteria for homeless funding allocations be altered to hold harmless and preserve existing funding levels for communities with proven and established Continuum of Care strategies.

RESOLVED, That the Ann Arbor Housing Policy Board and the Ann Arbor City Council strongly request that HUD allocate additional federal funds from its current funding pool to Washtenaw County to insure the continuation of needed services to homeless individuals, families and youth to insure their ability to access housing and other resources.

RESOLVED, That this resolution be sent to our state and federal legislators, the President, HUD, the National Congress of Mayors and the National League of Cities. Councilmember Hanna-Davies moved that the resolution be adopted.

On a voice vote the Mayor declared the motion carried.

### **REPORTS FROM COUNCIL COMMITTEES**

None.

### **COUNCIL PROPOSED BUSINESS**

None.

### **COMMUNICATIONS FROM THE MAYOR**

#### **RECENTLY SIGNED PROCLAMATIONS**

Mayor Sheldon reported that she recently signed the following proclamations:

- X A16th Annual Martin Luther King, Jr. Unity March - January 11, 1998.
- X Jaycees Week
- X 10th Anniversary of Great Lakes Aikikai, 1998

#### **ANNOUNCEMENTS**

Mayor Sheldon made the following announcements:

- X Congratulations and thank you to the Ann Arbor Finance Department for the City's Investment Portfolio which received Fitch's IVCA's highest credit rating of AAA and Hyatts market risk rating of VI
- X Working Session will be held at 7:00 p.m. on January 26, 1998, and a special session will follow

### APPOINTMENTS APPROVED

Mayor Sheldon recommended the following appointments at the January 5, 1998 regular session of Council:

#### ANN ARBOR HOSPITALITY COMMITTEE

Mary Hall-Thiam, Ed.D.  
2755 Arrowwood Hills  
Ann Arbor, MI 48105  
Term: 01/20/98 to 01/01/2000

#### HURON RIVER WATERSHED COUNCIL

William L. Gibson, Ph.D. (reappointment)  
1117 Granger  
Ann Arbor, MI 48104  
Term: 01/20/98 to 10/31/99

#### BUILDING BOARD OF APPEALS

Dennis Darling (replacing Tom Kittle)  
448 Manor  
Ann Arbor, MI 48105  
Term: 01/20/98 to 06/05/99

#### CITY MARKET COMMISSION

Virginia Johansen (reappointment)  
2630 Manchester  
Ann Arbor, MI 48104  
Term: 01/20/98 to 12/31/2001

Tina Beyer Smith (reappointment)  
1606 Shadford Rd.  
Ann Arbor, MI 48104  
Term: 01/20/98 to 12/31/2001

Councilmember Vereen-Dixon 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**

City Administrator Berlin stated that a memorandum was distributed on December 30, 1997 indicating contemplated actions regarding policy recommendations from the Cable Commission, but since that time a presenter has demonstrated that implementation of that recommendation may lead to complications, therefore, action has been postponed.

### **REPORTS SUBMITTED**

City Administrator Neal G. Berlin submitted the following report for information of Council:

1. Investment Portfolio Rating

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

## **COMMUNICATIONS FROM THE CITY ATTORNEY**

None.

## **COMMUNICATIONS FROM COUNCIL**

### **COUNCILMEMBER VEREEN-DIXON**

Councilmember Vereen-Dixon thanked Mayor Sheldon and Councilmembers for their participation in the Martin Luther King, Jr. March.

Ms. Vereen-Dixon stated that this year she will initiate dialogue concerning race issues.

## **CLERK'S REPORT OF COMMUNICATIONS, PETITIONS AND REFERRALS**

The following communication was referred as indicated:

1. Communication from State Representative Liz Brater regarding concerns about transfer of local roads to MDOT - On File in the City Clerk's Office

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

On a voice vote the Mayor declared the motion carried.

**PUBLIC COMMENTARY - GENERAL****CHARLES KIEFFER - CDBG FUNDING PRIORITIES and INCREASED FUNDING FOR HOMELESS INITIATIVES**

Charles Kieffer, SOS Community Services Director, stated that over 55% of the current existing funding in various agencies= budgets will not continue this year. He stated that agencies have recently learned that the community will lose over \$2 million in currently allocated federal funds for homeless initiatives, along with other fund reductions in the county. Mr. Kieffer urged Council to be aware of the changes in policies and procedures, and to do what is necessary to mobilize the communities= talents and resources to prevent any further erosion of programs for the homeless.

**ADJOURNMENT**

There being no further business to come before Council, the Mayor declared the meeting adjourned at 10:45 p.m.

W. Northcross  
Clerk of the Council

Frances M. McMullan  
Recording Secretary