

**ANN ARBOR CITY COUNCIL MINUTES
REGULAR SESSION - JULY 1, 2002**

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 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, Stephen C. Hartwell, Marcia Higgins, Christopher Easthope, Wendy A. Woods, Mayor John Hieftje, 11.

ABSENT : 0.

INTRODUCTIONS

None.

PUBLIC COMMENTARY - RESERVED TIME

UNITED WAY

The following people spoke in opposition to the City contracting with United Way, which would allow City employees to designate donations to the Boy Scouts of America. The speakers expressed concern with the Boy Scouts' discrimination policy against homosexuals.

James Toy, 2097 Mary Catherine, Ypsilanti, MI
Stephen Rassi, 804 Lawrence St.
Matthew Morgan, 721 Northside Ave.
Bob Snyder, 525 Elm St.

HENRY HERSKOVITZ – ISRAEL/PALESTINE

Henry Herskovitz, 404 Mark Hannah Pl., expressed concern with human rights violations against the Palestinians in the Israeli-occupied territories.

BROOKSIDE WATER AND SEWER PROJECT

The following people spoke in opposition to the proposed Brookside Subdivision water and sewer project. They requested that every attempt be made to dramatically reduce the costs, and that individual homeowners have flexibility in the time allowed to annex into the City.

Mike Brown, 3155 Baylis Dr.

John Held, 3145 Baylis Dr., (statement on file in the City Clerk's Office)

Dan Lanuti, 3142 Baylis Dr.

PUBLIC HEARINGS

INCREASE WATER AND SEWER RATES (ORDINANCE NO. 25-02)

A public hearing was conducted on the proposed ordinance to amend Sections 2:63 and 2:64 of Chapter 29 of the Ann Arbor City Code – Increase Water and Sewer Rates. Notice of public hearing was published June 23, 2002.

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

INCREASE STORMWATER RATES (ORDINANCE NO. 26-02)

A public hearing was conducted on the proposed ordinance to amend Sections 2:203 and 2:204 of Chapter 33 of the Ann Arbor City Code – Increase Stormwater Rates. Notice of public hearing was published June 23, 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:

MOTIONS AND RESOLUTIONS

Revise: Resolution [~~to Fund Commercial Recycling Implementation~~] **FOR FOOD COMPOSTING PILOT PROGRAM FOR DOWNTOWN** (Councilmember Easthope)

Delete: Resolution Approving a Development Agreement for the First and Washington Site (Administrator – Susan Pollay, DDA Director)

Add: Resolution for Community Events Fund Disbursements (Community Events Fund Committee – Councilmembers Easthope, Higgins, Upton and Woods)

Add: Resolution to Approve Ann Arbor/Ypsilanti Smart Zone Business Accelerator Grant Application (Administrator – Susan Pollay, DDA Director)

On a voice vote the Mayor declared the motion carried.

APPROVAL OF COUNCIL MINUTES

MINUTES OF JUNE 17 APPROVED

Councilmember Robinson moved that the regular session minutes of June 17, 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-286-7-02 APPROVED**RESOLUTION TO APPROVE AN AGREEMENT WITH
ANN ARBOR WIRELESS/NEXTEL COMMUNICATIONS FOR
CELLULAR TELEPHONE EQUIPMENT AND SERVICE**

Whereas, It is necessary to employ a qualified cellular telephone equipment and service company to provide cellular telephone equipment and service to various City Departments;

Whereas, Proposals to provide said equipment and service were received and evaluated by the Purchasing Division on the basis of qualifications and fees;

Whereas, Ann Arbor Wireless and its carrier Nextel Communications has demonstrated the required experience, personnel and competitive fee schedule to provide said equipment and service;

Whereas, Ann Arbor Wireless, Inc., and Nextel Communications received Human Rights and Living Wage approvals on March 13, 2002; and

Whereas, Funding have been appropriated in the FY02-03 budget to cover the annual costs associated with the provision of equipment and services from individual department accounts and it is anticipated that funding for FY03-04 and any renewal period exercised by the City under the terms of the agreement will be budgeted for in the same manner;

RESOLVED, That Council approve a two-year agreement with Ann Arbor Wireless, Inc. and its carrier, Nextel Communications, for cellular telephone equipment and service at an estimated total cost of \$161,400.00 for the period July 1, 2002 to June 30, 2004 with the option of two one-year renewals;

RESOLVED, That the Mayor and City Clerk be authorized and directed to execute said agreement with Ann Arbor Wireless after approval as to form by the City Attorney and approval as to substance by the City Administrator;

RESOLVED, That a service purchase order for carrier services be issued to Nextel Communications after approval as to form by the City Attorney; and

RESOLVED, That the City Administrator make a determination if renewal of said agreement would be in the best interest of the City, and, if so determined, be authorized and directed to execute renewal of said agreement under the same terms and conditions of the original agreement after approval as to form by the City Attorney.

R-287-7-02 APPROVED

RESOLUTION TO APPROVE A CONSTRUCTION CONTRACT FOR CREAL PARK IMPROVEMENTS – BID NO. 3557

Whereas, Creal Park is scheduled in the Park and Recreation Open Space Plan, 2000-2005 to be renovated;

Whereas, A neighborhood survey and two public meetings were held to obtain input to plan the park improvements;

Whereas, Competitive bids were sought by the Purchasing Division with bids received on June 18, 2002 and Margolis Nursery, Inc. was identified as the lowest responsible bidder;

Whereas, Funds for the project are included in the FY 2002/2003 from the Parks Rehabilitation and Development Millage, the Maintenance and Repair Millage, and Developer Contributions; and

Whereas, The Human Rights approval and compliance with the living wage ordinance was received on June 21, 2002 for Margolis Nursery, Inc.;

RESOLVED, That the Mayor and City Council approve a construction contract, per bid #3557, with Margolis Nursery, Inc. in the amount of \$81,641.00 for Creal Park Improvements, and authorize the Mayor and City Clerk to sign the agreement substantially in the form on file with the City Clerk; and

RESOLVED, That the Mayor and City Council approve a construction contingency in the amount of \$8000.00 (10%) to cover potential contract change orders to be approved by the City Administrator, and approve a total project budget of \$89,641.00 for the life of the project without regard to fiscal year.

R-288-7-02 APPROVED

RESOLUTION TO APPROVE THE CLOSING OF DETROIT STREET FOR THE FARMERS MARKET FOURTH OF JULY CELEBRATION TO BE HELD JULY 3, 2002

Whereas, The Parks and Recreation Department will be hosting the Farmers Market Fourth of July Celebration on Wednesday, July 3, 2002 from 7:00 am until 3:00 pm;

Whereas, The staging of this event will require the closing of Detroit Street between N. Fifth Avenue and Catherine Street; and

Whereas, The Kerrytown Historic Market District Association is supportive of the street closure;

RESOLVED, That the Mayor and City Council authorize the closing of Detroit Street from 7:00 am to 3:00 pm on Wednesday, July 3, 2002.

R-289-7-02 APPROVED

SPECIAL ASSESSMENT RESOLUTION NO. 1 – PREPARE PLANS AND SPECIFICATIONS FOR DESIGN OF THE JENNINGS NEWPORT HEIGHTS WATER MAIN AND SANITARY SEWER PROJECTS

Whereas, Council deems it necessary to acquire and construct the following improvement: Jennings Newport Heights Water Main and Sanitary Sewer, District No. 481; File No. 2000058, described as:

Construct approximately 1000 feet of new water main at Victoria Circle and Alexandra Boulevard, and 2000 feet of sanitary sewer at Victoria Circle, Alexandra Boulevard and Newport Road from Alexandra Boulevard south to M-14.

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 present said report to the Council and make it available for public examination;

4. For the planning and design of the project, the sum of \$15,000.00 from the Water Supply System Operating Fund and the sum of \$25,000.00 from the Sewage Disposal System Fund Balances be appropriated. Such sums are advanced and respectively repaid pending the sale of the appropriate 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.

R-290-7-02 APPROVED

RESOLUTION TO APPROVE AMENDMENT TO THE HOUSING
REHABILITATION AGREEMENT WITH GLADYS HALL FOR
209 E. KINGSLEY ST.

Whereas, On Thursday, February 7, 2002, the Community Development Department Waiver and Review Board approved a waiver of the maximum assistance for housing rehabilitation assistance;

Whereas, An agreement in the amount of \$34,953.00 was approved for Gladys Hall on March 4, 2002 (R-102-3-02) for rehabilitation assistance for her home located at 209 E. Kingsley;

Whereas, The original contractor had to forfeit the job due to the loss of his lead-based paint certified workers;

Whereas, On June 13, 2002 the job was re-bid and the accepted bid amount was \$31,102.00, to which a 10% contingency was added bringing the total amount to \$34,212.00; and

Whereas, Ms. Hall will be executing an new agreement with Sharp Building Company, the lowest responsible bidder, which has Human Rights and Living Wage approval, and is certified to do lead abatement to complete the rehabilitation work;

RESOLVED, That City Council approve the amended Housing Rehabilitation Agreement with Gladys Hall for \$34,212.00 in CDBG funds as a deferred payment loan, with funds to be available until expended without regard to fiscal year;

RESOLVED, That the Mayor and City Clerk be hereby authorized and directed to sign the Agreement subject to approval as to substance by the City Administrator and as to form by the City Attorney; and

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

R-291-7-02 APPROVED

RESOLUTION TO APPROVE TEMPORARY OUTDOOR SALES,
SERVICE AND CONSUMPTION OF ALCOHOLIC BEVERAGES
DURING THE 2002 ANN ARBOR ART FAIR

RESOLVED, That the request of the following liquor licensed establishments for temporary authorization for outdoor sales, service and consumption of alcoholic beverages during the 2002 Ann Arbor Art Fair, July 17-20, 2002, be approved within the defined areas filed with the Ann Arbor Police Department:

<u>BUSINESS NAME</u>	<u>ADDRESS</u>
Ashley's	338 S. State St.
Bab's Liberty Street Piano Bar	112 Liberty St.
Cosi	301 S. State St.
Full Moon Restaurant & Saloon	207 S. Main St.
Michigan Theater	603 E. Liberty St.
Red Hawk Bar and Grill	316 S. State St.

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

ORDINANCES - SECOND READING

25-02 APPROVED

INCREASE WATER AND SEWER RATES

An Ordinance to Amend Sections 2:63 and 2:64 of Chapter 29
of Title II of the Code of the City of Ann Arbor

(The complete text of Ordinance 25-02 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.

26-02 APPROVED

INCREASE STORMWATER RATES

An Ordinance to Amend Sections 2:203 and 2:204 of Chapter 33 of Title II of the Code of the City of Ann Arbor

(The complete text of Ordinance 26-02 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

27-02 APPROVED

**MOMENTUM-ANN ARBOR
REHABILITATION CENTER 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 0.51 acre, located at 3135 Professional Drive, from C3 (Fringe Commercial District) to O (Office District). (The complete text of Ordinance 27-02 is on file in the City Clerk's Office).

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

On a voice vote the Mayor declared the motion carried.

28-02 APPROVED

RIVERWOOD PUD 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 amend the text of the Riverwood PUD (Planned Unit Development) Supplemental Regulations for property located at 1601 Timber Trail (Lot 77). (The complete text of Ordinance 28-02 is on file in the City Clerk’s Office).

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

On a voice vote the Mayor declared the motion carried.

29-02 APPROVED

815 WILDT STREET ZONING

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 0.07 acre, located at 815 Wildt Street, from M1 (Limited Industrial District) to R2A (Two-Family Dwelling District). (The complete text of Ordinance 29-02 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

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", Amendment to the Traffic Calming Program, be approved.

Attachment "A"
Amendment to the Traffic Calming Program by
The Public Services Department – Engineering Division
Effective May 20, 2002

Project Initiation

A traffic calming project may be initiated by any group of residents or property owners adjacent to a local street, equal to or larger than one average City block (300 feet). A petition in favor of a project must be completed by at least thirty percent of the residents or property owners within the specified area.

Study Area

With a qualified petition in place, the City will establish a project study area. It will include all the addresses in the immediate vicinity of the project, as described herein:

- A study area will consist of a section of a local street that begins with an intersection and terminates at one of the following points:
 - i. At an intersection with a street of higher category
 - ii. At a T-intersection
 - iii. At the end of an area zoned residential, or the beginning of an area zoned

commercial.

- All cul-de-sacs that are directly connected to the local street, between the beginning and the ending points of the project.
- The first 250 feet of any side street that is directly connected to the local street, between the beginning and the ending points of the project.

Voting Addresses within a Study Area

The following addresses within a defined study area will be included in the voting process:

- Where the residents and the property owners are the same, one vote per address will be allowed.
- Where the residents are not the owners of the property, two votes per address will be allowed; one vote by the owners of the property and one by the residents of the property.
- Where a single property includes multiple dwelling units, the number of votes allowed will be equivalent to the number of mailing addresses assigned to the property by the United States Post Office, plus one for the property owner.
- Where a property contains multiple units and it is designated both residential and business, it will be entitled to one vote for each residential US Post Office mailing address plus one vote for the owner of the property (if the owner does not reside there).
- Where a property is a place of business only, neither the owners nor the occupants may vote.

Data Collection/Administering the Voting Process

- All correspondence to the study area will be addressed to the “addressee or current resident”.
- All correspondence will be mailed to all the mailing addresses in the study area, and also to the property owners’ addresses per the City assessor’s record, if different.
- The residents’ database will be presented to the neighborhood at the first neighborhood meeting, both as a list and graphically, to confirm the addresses.
- The participants will be asked to confirm the mailing list and report the necessary changes within two weeks. With the exception of new residents or property owners relocating to the study area, no other changes will be made to the completed database for the life of the project.
- For each phase of a project that requires voting by those in the study area, a postcard with a return address will be sent to each address.
- To be included in the final counts, all returned postcards must be postmarked by the United States Post Office no later than the specified deadline. All postcards returned by other means must be delivered to the City Clerk’s Office on or prior to the specified deadline.
- The City Clerk’s Office will administer the tally of all votes received and will present the final results to the City’s Engineering Division, for further action.

Councilmember Johnson moved that the resolution be adopted.

Councilmember Johnson moved that the resolution be postponed until the July 15, 2002 regular session of Council for further input from community groups.

On a voice vote the Mayor declared the motion carried.

R-292-7-02 APPROVED AS AMENDED

RESOLUTION FOR FOOD COMPOSTING PILOT PROGRAM FOR DOWNTOWN

A resolution for a food composting pilot program for downtown was considered.

Councilmember Easthope moved that the resolution be adopted.

Council unanimously agreed to amend the last Resolved clause as follows:

RESOLVED, That any unexpended **MILLAGE** funds in the Solid Waste Department budget at the end of Fiscal Year 2001-02 be transferred to the Solid Waste Department’s budget for Fiscal Year 2002-03.

The Mayor declared a recess at 8:31 p.m.

The Mayor again called the meeting to order at 8:43 p.m.

Council unanimously agreed to delete the following last paragraph of the resolution:

RESOLVED, That any unexpended millage funds in the Solid Waste Department budget at the end of Fiscal year 2001-02 be transferred to the Solid Waste Department's budget for Fiscal Year 2002-03.

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

The resolution as adopted reads as follows:

R-292-7-02

RESOLUTION FOR FOOD COMPOSTING PILOT PROGRAM FOR DOWNTOWN

Whereas, City Council adopted a new 5-year Solid Waste Plan on May 4, 2002;

Whereas, The Solid Waste Plan identifies expanded commercial recycling as one of the most critical initiatives to be undertaken in the next five years;

Whereas, The implementation and use of recycling programs in the commercial sector lags far behind recycling programs for Ann Arbor households;

Whereas, An expansion of the current commercial recycling program has the potential to save money for the City, through avoided landfill disposal costs, reduced solid waste collection costs, and material sales rebates from the City's MRF; and

Whereas, The Solid Waste Department's May report on expanded commercial recycling identifies potential areas for immediate expansion as well as funding needs for long-term program implementation;

RESOLVED, That the Solid Waste Department staff provide City Council with a proposed plan for a food composting pilot program for the downtown no later than August 5, 2002.

Council unanimously agreed to add the following resolution to the agenda:

R-293-7-02

RESOLUTION FOR REPORT ON MILLAGE FUNDS

RESOLVED, That the City Administrator report to City Council on any unexpended millage funds in the Solid Waste Department budget and on any other departments with millages at the end of fiscal year 2001-02 by the first Council meeting in September, 2002.

Councilmember Easthope moved that the resolution be adopted

On a voice vote the Mayor declared the motion carried.

R-294-7-02 APPROVED

RESOLUTION TO APPROVE HILL ANNEXATION

A communication was received from the City Planning Commission transmitting its recommendation of approval of the proposed Hill Annexation, 0.44 acre, 373 Pinewood Street.

Whereas, The territory hereinafter described is located in the Township of Scio and is adjacent to the corporate limits of the City of Ann Arbor;

Whereas, Thomas Hill is the owner of said property; and

Whereas, It is the desire of Thomas Hill to annex said territory to the City of Ann Arbor, pursuant to the provisions of Act 279 of the Public Acts of the State of Michigan for the year 1909, as amended;

RESOLVED, That the following described lands and premises situated and being in the Township of Scio, Washtenaw County, Michigan, be detached from said Township of Scio and annexed to the City of Ann Arbor, to-wit:

Lots 67 and 69 of The Evergreens Subdivision, Scio Township, Washtenaw County, Michigan.

Councilmember Carlberg moved that the resolution be adopted.

On a voice vote the Mayor declared the motion carried.

R-295-7-02 APPROVED

RESOLUTION TO APPROVE RENEWAL CONTRACTS WITH BLUE CROSS BLUE SHIELD, BLUE CARE NETWORK, CARE CHOICES AND M CARE TO PROVIDE HEALTH CARE COVERAGE TO CITY EMPLOYEES AND THEIR DEPENDENTS AND TO RETIREES

Whereas, The City provides Health Care Insurance coverages to City employees, their dependents and retirees in accordance with Personnel Rules and Regulations and various labor contracts at an estimated annual cost of approximately \$11,260,400;

Whereas, The City's contracts with Blue Cross Blue Shield, Blue Care Network, Care Choices and MCare are due for renewal on July 1, 2002;

Whereas, The renewal rate increase for each of the providers is:

Blue Cross Blue Shield of Michigan	15.44%
Blue Care Network	9.02%
Care Choices	13.03%
MCare	17.00%

Whereas, The Human Resources Department recommends renewal of each of the provider's contracts at the monthly rates stated in Attachment A;

Whereas, Funds have been appropriated in the FY02-03 budget to cover the costs associated with the provision of health care at the rates stated in Attachment A;

Whereas, Blue Cross Blue Shield of Michigan received Human Rights approval on June 19, 2002, Blue Care Network received Human Rights approval on June 19, 2002, Care Choices received Human Rights approval on June 19, 2002, and MCARE received Human Rights approval on June 21, 2002; and

Whereas, Each of the health care providers has executed a Declaration of Living Wage;

RESOLVED, That City Council approve renewal contracts for the period July 1, 2002 to June 30, 2003 with Blue Cross Blue Shield, Blue Care Network, Care Choices and MCARE to provide health care coverage to City employees, their dependents and retirees;

RESOLVED, That the Mayor and City Clerk be authorized to execute a renewal contract with each of the providers after approval as to substance by the City Administrator and approval as to form by the City Attorney; and

RESOLVED, That the City Administrator be authorized to take the 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.

R-296-7-02 APPROVED

RESOLUTION TO AUTHORIZE CITY ADMINISTRATOR TO EXECUTE THE RENEWAL OF THE EMPLOYEE DENTAL INSURANCE CONTRACT

Whereas, The City provides dental care insurance to City employees in accordance with Personnel Rules and Regulation and various labor contracts;

Whereas, The 2002-03 estimated annual renewal cost of \$728,417 is a 1.89% decrease when compared to current costs;

Whereas, The contract with Delta Dental of Michigan is due for renewal on July 1, 2002;

Whereas, The Human Resources Department recommends renewal of dental insurance provider's contract at monthly rates stated below;

Whereas, Funds have been appropriated in the fiscal year 2002-03 budget to cover the costs associated with the provision of dental care at the rates stated below;

Whereas, Delta Dental of Michigan received Human Rights approval on June 21, 2002;

Whereas, The dental care provider has executed a Declaration of Living Wage;

Whereas, Passage of this resolution serves as the necessary documentation of the City’s intent to accept the terms of renewal with Delta Dental of Michigan; and

Whereas The Southeast Michigan Council of Governments (SEMCOG), through the Greater Detroit Area Health Council (GDAC), has established a Health Care purchasing alliance that allows the City of purchase dental insurance through Delta Dental at lower rates;

RESOLVED, That City Council approve the renewal contract with Delta Dental of Michigan for a one-year period beginning July 1, 2002 to June 30, 2003 at the following GDAC monthly quoted rates for City employees, their dependents and retirees:

<u>Suffix</u>	<u>2002 Rates</u>	<u>2001 Rates</u>	<u>% Change</u>
0001	\$58.92	\$60.05	-1.88%
0002	\$62.84	\$64.05	-1.89%
0003	\$60.41	\$61.57	-1.88%
0004	\$64.45	\$65.69	-1.89%
0005	\$58.92	\$60.05	-1.88%
0006	\$64.45	\$65.69	-1.89%
0008	\$64.45	\$65.69	-1.89%

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

Councilmember Carlberg moved that the resolution be adopted.

On a voice vote the Mayor declared the motion carried.

R-297-7-02 APPROVED

RESOLUTION TO AUTHORIZE THE CITY ADMINISTRATOR TO EXECUTE
THE RENEWAL OF THE EMPLOYEE OPTICAL INSURANCE CONTRACT

Whereas, The City provides optical care insurance to the City employees in accordance with Personnel Rules and Regulations and various labor contracts at an estimated annual cost of approximately \$143,000.00;

Whereas, The contract with Mutual Eye Claim Audits, Inc., thru a self-insurance program, is due for renewal on July 1, 2002;

Whereas, Mutual Eye Claim Audits, Inc received Human Rights approval on June 19, 2002;

Whereas, Mutual Eye Claim Audits, Inc. has executed a Declaration of Living Wage;
and

Whereas, Passage of this resolution serves as the necessary documentation of the City's intent to accept the terms of renewal contract with Mutual Eye Claim Audits, Inc;

RESOLVED, That the City Council approve the renewal contract with Mutual Eye Claim Audits, Inc for a three-year contract beginning July 1, 2002 through September 1, 2005 at the following quoted composite rates (self insured):

\$15.97	Active employees – one flat rate regardless of family size.
\$ 6.69	Cobra Single rate
\$12.06	Cobra 2 person rate
\$16.48	Cobra Family rate;

and

RESOLVED, That the City Administrator be authorized to take the necessary administrative actions to implement this resolution for renewal with Mutual Eye Claim Audits, Inc.

Councilmember Robinson moved that the resolution be adopted.

On a voice vote the Mayor declared the motion carried.

R-298-7-02 APPROVED

RESOLUTION TO APPROVE A LEASE AGREEMENT WITH
NORFOLK SOUTHERN RAILROAD FOR A PATH WITHIN
THE RAILROAD RIGHT-OF-WAY AT ARGO POND

Whereas, The Department of Parks and Recreation has requested permission to construct a bicycle path within the Norfolk Southern Railroad Right of Way between Lake shore Drive and the Argo Dam;

Whereas, This bicycle path provides a crucial link in Ann Arbor’s greenway system along the Huron River;

Whereas, The lease agreement with Norfolk Southern Railroad to construct this path was reviewed by the Department of Parks and Recreation and City Attorney’s office; and

Whereas, The funding for the lease, in the amount of \$2000.00 for the first year and for three renewal periods of three years each is being funded out of the Park Acquisition Millage budget;

RESOLVED, That the Mayor and City Council approve the lease agreement and authorize the Mayor and City Clerk to sign the agreement substantially in the form on file with the City Clerk.

Councilmember Johnson moved that the resolution be adopted.

On a voice vote the Mayor declared the motion carried.

R-299-7-02 APPROVED

RESOLUTION TO APPROVE A TWO-YEAR CONTRACT WITH
SBC AMERITECH FOR CELLULAR DIGITAL PACKET DATA SERVICES FOR
THE POLICE DEPARTMENT INFORMATION MANAGEMENT SYSTEM

Whereas, City Council Resolution R-318-6-00 authorized the Police Department to implement an information management system containing the ability to communicate via wireless communications technology;

Whereas, City Council Resolution R-486-10-00 approved the award of Bid No 3362 to SBC Ameritech for cellular digital packet data services to meet the needs of the Police Department's information management system for one year;

Whereas, A contract for services with SBC was negotiated for three years, which requires Council approval of years 2 and 3 of its term and the option of automatic renewal on a month-to-month basis at the expiration of year 3;

Whereas, Funding for year 2 has been appropriated as part of the Police Department FY02-03 budget for cellular digital packet data services and funding for year 3 and any renewal period thereafter will be budgeted by the Police Department on an annual basis to address the continuing need for cellular digital packet data services by the Police Department; and

Whereas, SBC Ameritech received Human Rights Approval on August 23, 2001, and has executed a Declaration of Living Wage;

RESOLVED, That City Council approve the remaining two-year contract term with the option of automatic renewal on a month-to-month basis with SBC Ameritech;

RESOLVED, That a contingency amount of \$6,000.00 be approved for payment for amended services as may be needed when authorized by the City Administrator; and

RESOLVED, That City Council authorize the City Administrator to take the 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-300-7-02 APPROVED

RESOLUTION TO APPROVE A SUBLEASE AGREEMENT BETWEEN THE CITY OF ANN ARBOR AND THE CENTER FOR OCCUPATIONAL AND PERSONALIZED EDUCATION (COPE) FOR THE PROPERTY LEASED BY THE CITY OF ANN ARBOR FROM EDWARD D. SUROVELL TRUST AT 3014 PACKARD ROAD

Whereas, In 1988 the City entered into a 5-year lease with Edward D. Surovell Trust for property located at 3014 Packard Road for the occupation and use o the Ann Arbor Police Department;

Whereas, The Ann Arbor Police Department no longer has a need for the space at 3014 Packard Road;

Whereas, The terms of the lease with Edward D. Surovell Trust do not provide for early termination of the lease;

Whereas, The terms of the lease do not prohibit the sublease of the property and the Edward D. Surovell Trust has no objection to the sublease of the property by City;

Whereas, The Center for Occupational and Personalized Education (COPE), a Michigan non-profit organization, is in immediate need of space for its operations and has agreed to sublease the property at 3014 Packard Road; and

Whereas, The Ann Arbor Police Department recommends sublease of the property to COPE based on the terms of the negotiated sublease prepared by the City Attorney's Office;

RESOLVED, That the City Council approve the sublease of the property at 3014 Packard Road to the Center for Occupational and Personalized Education (COPE); and

RESOLVED, That the Mayor and City Clerk be directed and authorized to execute a sublease between the City and COPE after approval as to substance by the City Administrator and approval as to form by the City Attorney.

Councilmember Robinson moved that the resolution be adopted.

On a voice vote the Mayor declared the motion carried.

R-301-7-02 APPROVED

RESOLUTION ACCEPTING EASEMENT FOR PUBLIC UTILITIES FROM NORFOLK DEVELOPMENT CORPORATION (NORTHSIDE COMMONS)

Whereas, Norfolk Development Corporation, a Michigan corporation, is the fee simple owner of property located in the City of Ann Arbor, Washtenaw County, Michigan, as described in the Washtenaw County Records at Liber 4029, Page 431, recorded June 29, 2001;

Whereas, A Corporate Resolution, dated March 11, 2002, 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, Norfolk Development Corporation, a Michigan corporation, has delivered an easement to the City for the construction and maintenance of municipally operated public services to run with the land and burden the respective property perpetually, being more particularly described as follows:

PHASE I SANITARY SEWER EASEMENT

Commencing at the North 1/4 corner of Section 16, T2S, R6E, City of Ann Arbor, Washtenaw County, Michigan; thence S 86°29'10" W 584.84 feet along the North line of said Section 16 and the centerline of Dhu Varren Road (66' wide); thence S 06°19'30" W 539.15 feet along the centerline of Pontiac Trail, as monumented; thence S 83°40'30" E 50.00 feet to the POINT OF BEGINNING; thence S 80°18'17" E 136.85 feet; thence N 29°55'12" E 151.40 feet; thence S 66°38'44" E 305.44 feet; thence S 67°33'14" E 39.83 feet; thence S 22°26'46" W 34.00 feet; thence N 67°33'14" W 40.10 feet; thence N 66°38'44" W 275.40 feet; thence S 29°55'12" W 103.58; thence S 11°52'36" E 148.62 feet; thence S 66°59'19" E 182.05 feet; thence S 50°59'39" E 139.94 feet; thence S 01°06'40" E 177.26 feet; thence N 88°53'20" E 131.00 feet; thence S 01°06'40" E 208.51 feet along the N-S 1/4

line of said section 16; thence S 68°43'55" W 161.05 feet; thence S 03°53'10" E 21.15 feet; thence S 86° 06'50" W 38.00 feet; thence N 03°53'10" W 57.45 feet; thence N 68°43'55" E 188.44 feet; thence N 01°06'40" W 129.65 feet; thence S 88°53'20" W 115.84 feet; thence S 52°46'30" W 152.91 feet; thence S 87°25'48" W 185.85 feet; thence N 37°16'46" W 140.01 feet; thence N 06°19'30" E 144.05 feet; thence S 83°40'30" E 34.00 feet; thence S 06°19'30" W 130.45 feet; thence S 37°16'46" E 108.60 feet; thence N 87°25'48" E 150.40 feet; thence N 52°46'30" E 114.96 feet; thence N 01°06'40" W 181.38 feet; thence N 50°59'39" W 116.73 feet; thence N 66°59'19" W 194.01 feet; thence N 11°52'36" W 133.88 feet; thence N 80°18'17" W 142.67 feet; thence N 06°19'30" E 46.08 feet along the easterly proposed 50.00 foot wide right-of-way line of said Pontiac Trail to the POINT OF BEGINNING; being a part of the NW 1/4 of Section 16, T2S, R6E, City of Ann Arbor, Washtenaw County, Michigan, being subject to easements and restrictions of record, if any.

PHASE I WATER MAIN EASEMENT

Commencing at the North 1/4 corner of Section 16, T2S, R6E, City of Ann Arbor, Washtenaw County, Michigan; thence S 86°29'10" W 584.84 feet along the North line of said Section 16 and the centerline of Dhu Varren Road (66' wide); thence S 06°19'30" W 605.33 feet along the centerline of Pontiac Trail, as monumented; thence S 83°40'30" E 50.00 feet to the POINT OF BEGINNING; thence S 83°40'30" E 181.84 feet; thence N 10°08'20" E 123.07 feet; thence N 68°00'41" E 113.93 feet; thence S 66°59'19" E 200.67 feet; thence N 23°00'41" E 11.00 feet; thence S 66°59'19" E 40.00 feet; thence S 23°00'41" W 11.00 feet; thence S 66°59'19" E 10.00 feet; thence S 23°00'41" W 40.00 feet; thence N 66°59'19" W 234.11 feet; thence S 68°00'41" W 75.25 feet; thence S 10°08'20" W 149.28 feet; thence S 12°21'40" E 57.24 feet; thence S 57°21'40" E 297.18 feet; thence S 01°06'40" E 34.41 feet; thence N 88°53'20" E 10.71 feet; thence S 01°06'40" E 40.00 feet; thence S 88°53'20" W 10.71 feet; thence S 01°06'40" E 21.00 feet; thence N 88°53'20" E 40.71 feet; thence S 01°06'40" E 3.00 feet; thence N 88°53'20" E 46.00 feet; thence N 01°06'40" W 3.00 feet; thence N 88°53'20" E 58.00 feet; thence S 01°06'40" E 40.00 feet along the N-S 1/4 line of said section 16; thence S 88°53'20" W 37.00 feet; thence N 01°06'40" W 5.00 feet; thence S 88°53'20" W 88.00 feet; thence S 01°06'40" E 5.00 feet; thence S 88°53'20" W 19.71 feet; thence S 01°06'40" E 29.14 feet; thence S 46°06'40" E 13.51 feet; thence S 01°06'40" E 78.69 feet; thence S 86°06'50" W 188.59 feet; thence S 03°53'10" E 8.00 feet; thence S 86°06'50" W 40.00 feet; thence N 03°53'10" W 8.00 feet; thence S 86°06'50" W 22.29 feet; thence S 03°53'10" E 147.00 feet; thence S 86°06'50" W 40.00 feet; thence N

03°53'10" W 86.51 feet; thence N 86°06'50" E 9.00 feet; thence N
 03°53'10" W 29.12 feet; thence S 86°06'50" W 9.00 feet; thence N
 03°53'10" W 31.36 feet; thence S 86°06'50" W 32.73 feet; thence N
 46°02'31" W 72.52 feet; thence N 34°04'36" W 36.86 feet; thence N
 83°51'39" W 15.64 feet; thence N 06°19'30" E 10.33 feet; thence N
 83°40'30" W 88.00 feet; thence S 06°19'30" W 10.62 feet; thence N
 83°51'39" W 42.00 feet; thence N 06°19'30" E 40.00 feet along the easterly
 proposed 50.00 foot wide right-of-way line of said Pontiac Trail; thence S
 83°51'39" E 163.83 feet; thence N 55°55'24" E 6.19 feet; thence S
 34°04'36" E 40.00 feet; thence S 55°55'24" W 6.00 feet; thence S
 34°04'36" E 10.94 feet; thence S 48°35'31" E 53.31 feet; thence N
 86°06'50" E 264.42 feet; thence N 01°06'40" W 24.01 feet; thence N
 46°06'40" W 13.51 feet; thence N 01°06'40" W 159.73 feet; thence N
 57°21'40" W 292.37 feet; thence N 12°21'40" W 29.16 feet; thence S
 77°38'20" W 6.00 feet; thence N 12°21'40" W 40.00 feet; thence N
 77°38'20" E 6.00 feet; thence N 12°21'40" W 12.61 feet; thence N
 10°08'20" E 16.20 feet; thence N 83°40'30" W 179.17 feet; thence N
 06°19'30" E 40.00 feet along the easterly proposed 50.00 foot wide right-of-
 way line of said Pontiac Trail to the POINT OF BEGINNING; being a part of
 the NW 1/4 of Section 16, T2S, R6E, City of Ann Arbor, Washtenaw County,
 Michigan, being subject to easements and restrictions of record, if any.

RESOLVED, That the City hereby accept said easement.

Councilmember Carlberg moved that the resolution be adopted.

On a voice vote the Mayor declared the motion carried.

R-302-7-02 APPROVED

RESOLUTION FOR COMMUNITY EVENTS FUND DISBURSEMENTS

Whereas, The Council Community Events Fund Committee met and reviewed funding requests from community groups; and

Whereas, The Ann Arbor City Council wishes to support activities that promote or bring the community together to celebrate its richness;

RESOLVED, That the Ann Arbor City Council approve the following allocation from the 2002-2003 Community Events Fund:

\$2,000.00 for the Ann Arbor Jaycees 4th of July Parade 2002, to be used to pay for the police costs associated with the parade; and

RESOLVED, That the City Administrator initiate the necessary paperwork to disburse this funding allocation.

Councilmember Higgins moved that the resolution be adopted.

On a voice vote the Mayor declared the motion carried.

R-303-7-02 APPROVED AS AMENDED

RESOLUTION TO APPROVE ANN ARBOR/YPSILANTI SMART ZONE
BUSINESS ACCELERATOR GRANT APPLICATION

A resolution to approve the Ann Arbor/Ypsilanti Smart Zone Business Accelerator Grant Application was considered.

Councilmember Higgins moved that the resolution be adopted.

Council unanimously agreed with Councilmember Hartwell's request that he be allowed to abstain from the vote.

Council unanimously agreed to delete the last paragraph and add the following language:

~~[RESOLVED, That the City of Ann Arbor resolves to approve an application to the Michigan Economic Development Council (MEDC), which has created a Business Accelerator program for the State's SmartZones.]~~

RESOLVED, THAT THE CITY OF ANN ARBOR RESOLVES TO SUBMIT A BUSINESS ACCELERATOR GRANT APPLICATION TO THE MICHIGAN ECONOMIC DEVELOPMENT COUNCIL (MEDC) FOR THE ANN ARBOR/YPSILANTI SMARTZONE.

With unanimous consent, Chuck Salley, representative of the I.T. Zone, answered questions from Council.

Council unanimously agreed that the ninth paragraph of the resolution be amended as follows:

Whereas, The Cities of Ann Arbor and Ypsilanti have established a Local Development Finance Authority (LDFA)~~[-which will capture revenues to match state grant funds];~~

The question being the resolution as amended, on a voice vote the Mayor declare the motion carried, with Councilmember Hartwell abstaining.

The resolution as adopted reads as follows:

R-303-7-02

**RESOLUTION TO APPROVE ANN ARBOR/YPSILANTI SMART ZONE
BUSINESS ACCELERATOR GRANT APPLICATION**

Whereas, The Michigan Economic Development Council (MEDC) has created a Business Accelerator program for the State's SmartZones;

Whereas, The City of Ann Arbor and City of Ypsilanti were selected as one of the eleven Michigan SmartZones and a SmartZone agreement between these communities has been approved;

Whereas, Even before the launch of the SmartZone, a group of nationally-recognized academics, government officials, and business leaders came together in 1999 with the aim of creating a hub for Ann Arbor-area technology companies, a place where innovative ideas could emerge, find support, and grow, which became known as the Ann Arbor IT Zone;

Whereas, Since its inception three years ago, the IT Zone has helped stimulate business development in the area through professional networking events, educational programs, and business accelerator activities, and has delivered more educational and networking programs to its constituents in the last two years than any other entrepreneurial-focused organization in the State of Michigan;

Whereas, A number of IT Zone volunteers have spent a great deal of time drafting a grant application to the MEDC for its Business Accelerator program which needs approval from the City of Ann Arbor;

Whereas, With MEDC grant funding, the Ann Arbor/Ypsilanti SmartZone will create an area Business Accelerator program that expands upon strategic programs currently offered through the Ann Arbor IT Zone, including mentoring, business and strategic planning, market and produce development and access to service providers to support young businesses;

Whereas, With MEDC grant funding the SmartZone will also work to build even stronger relationships with Michigan-based venture capital firms and encourage later stage investors to consider financing companies sooner;

Whereas, The overarching purpose of the Ann Arbor/Ypsilanti SmartZone Business Accelerator will be to help guide entrepreneurs and startup teams through early stage development, and to assist existing small businesses in positioning themselves for growth; and

Whereas, The City of Ann Arbor and Ypsilanti have established a Local Development Finance Authority (LDFA);

RESOLVED, That the City of Ann Arbor resolves to submit a Business Accelerator Grant Application to the Michigan Economic Development Council (MEDC) for the Ann Arbor/Ypsilanti SmartZone.

REPORTS FROM COUNCIL COMMITTEES

None.

COUNCIL PROPOSED BUSINESS

None.

COMMUNICATIONS FROM THE MAYOR**NOMINATION PLACED ON TABLE**

Mayor Hieftje placed the following nomination on the table for approval at a later date:

Downtown Development Authority Board

Ronald K. Dankert (reappointment)
208 E. Washington St. 48104
Term: 7/15/02 – 7/31/06

APPOINTMENT APPROVED

Mayor Hieftje recommended the following appointment at the June 17, 2002 regular session of Council:

Human Rights Commission

Sherry E. Woods (filling the vacancy of A.C. Alrey)
2493 Dundee Dr. 48103
Term: 7/1/02 – 10/31/03

Councilmember Higgins moved that Council concur with the recommendation of the Mayor.

On a voice vote the Mayor declared the motion carried.

ANNOUNCEMENTS

- X The Mayor thanked all Green Fair participants for a successful event on June 28 on Main Street.
- X The Mayor announced that he is continuing to have lunch in Liberty Plaza on Mondays from 12:00-1:00 p.m., and invited Councilmembers and members of the public to join him.

COMMUNICATIONS FROM THE CITY ADMINISTRATOR

REPORTS SUBMITTED

City Administrator Roger Fraser submitted the following reports:

1. Easy Street Road Improvements
2. May 2002 Investment Portfolio Report
3. Living Wage Annual Increase 1.

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

COMMUNICATIONS FROM THE CITY ATTORNEY

None.

COMMUNICATIONS FROM COUNCIL

COUNCILMEMBER EASTHOPE

Councilmember Easthope reported on a newspaper article, brought back by Councilmember Johnson from his travels in Italy, concerning the street vendor “wars” in Venice.

COUNCILMEMBER JOHNSON

Councilmember Johnson requested a report from the Water Utilities Department on the Brookside Subdivision water and sewer project issues.

COUNCILMEMBER CARLBERG

Councilmember Carlberg announced that a meeting with County, City and Pittsfield Township officials concerning the Brookside water/sewer project issues will be held July 2.

COUNCILMEMBER HIGGINS

Councilmember Higgins thanked Councilmember Carlberg for her work on the SmartZone Business Accelerator Grant Application.

Ms. Higgins inquired about the challengers for this year's Mayor's Cup Canoe Race.

The Mayor responded that invitations went out to the communities of the Huron River Watershed Council. The Mayor's Cup Canoe Race will be held at 10:00 a.m. on July 14 during Huron River Day, and will be followed by the Corporate Challenge Canoe Race.

MAYOR HIEFTJE

Mayor Hieftje called a special session of the Ann Arbor City Council to be held at 5:30 p.m., Tuesday, July 9, 2002, in the Community Room of the Detroit Edison Building, for the purpose of holding a closed session to discuss labor and legal matters.

CLERK'S REPORT OF COMMUNICATIONS, PETITIONS AND REFERRALS

The following minutes were received for file:

1. Planning Commission – May 7 and May 21, 2002
2. Downtown Development Authority Board – May 1, 2002
3. Ann Arbor Transportation Authority Board – May 22, 2002
4. Cable Communications Commission – April 30, 2002
5. Farmers Market Commission – May 16, 2002
6. Building Board of Appeals – May 8, 2002

7. Employees' Retirement System Board – May 16, 2002
8. Retiree Health Care Board – May 16, 2002

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

On a voice vote the Mayor declared the motion carried.

PUBLIC COMMENTARY - GENERAL

MATT PETERING - PFIZER

Matt Petering, Second Ward resident, asked Council to reflect on its decision last year which gave Pfizer a large tax break, especially in light of an article in the Ann Arbor News reporting on Pfizer's concealment of the dangers of one of its drugs.

ADJOURNMENT

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

On a voice vote the Mayor declared the motion carried and the meeting adjourned at 9:35 p.m.

Yvonne Carl
Interim Clerk of the Council