INTRODUCTION

This presentation provides an overview of the Public Services Area and related budget considerations for FY24-5 including the following:

• Service Area Overview
• Utility Overview & Proposed Rates
• Major Initiatives
• Highlighted Requests
The Public Services Area is comprised of six Service Area Units: Administration, Engineering, Systems Planning, Public Works, Water Treatment Services and Wastewater Treatment Services. Capital Projects represent the partial FTE allocations to support the design, management, and implementation of capital projects.
Built Infrastructure Maintained by the City of Ann Arbor

Water Mains 463.6 miles
Sanitary Mains 365.2 miles
Stormwater Mains 289.9 miles
Streets 306.6 miles
Sidewalks 439.5 miles

1,865+ miles of infrastructure to maintain beneath your feet

That’s A2 to Reno, NV as the crow flies!
Water Utilities Overview

**Water**

FY24 Capital Needs: $32.3M

FY24 Major Projects or Initiatives
- WTP Facility Plan
- Water Distribution Plan
- State Street from William to South U.

**Sanitary**

FY24 Capital Needs: $16.7M

FY24 Major Projects or Initiatives
- Headworks Project Completion
- UV Disinfection Upgrade

**Stormwater**

FY24 Capital Needs: $8.9M

FY24 Major Projects or Initiatives
- Stormwater Comprehensive Planning
- Pittsfield Village Improvements
Water Utilities by Age

City of Ann Arbor - Utility Mains by Decade Installed

Decade Installed

- Water Mains
- Sanitary Mains
- Storm Mains

Miles of Main

1880s 1890s 1900s 1910s 1920s 1930s 1940s 1950s 1960s 1970s 1980s 1990s 2000s 2010s 2020s Unknown
Infrastructure Replacement Needs – Water Example

WATERMAIN REPLACEMENT PROJECTIONS
(BASED ON EXPECTED LIFE OF PIPE)

MILES PER YEAR

YEAR

2010 2015 2020 2025 2030 2035 2040 2045 2050 2055 2060
### Average Quarterly Residential Customer Bill

(18 CCF Usage/Storm Tier 2 with on-time discount)

<table>
<thead>
<tr>
<th></th>
<th>FY24</th>
<th>FY25</th>
<th>FY26</th>
<th>FY27</th>
<th>FY28</th>
</tr>
</thead>
<tbody>
<tr>
<td>Water</td>
<td>6%</td>
<td>6%</td>
<td>6%</td>
<td>6%</td>
<td>6%</td>
</tr>
<tr>
<td>Sewer</td>
<td>0%</td>
<td>3%</td>
<td>3%</td>
<td>3%</td>
<td>3%</td>
</tr>
<tr>
<td>Storm</td>
<td>4%</td>
<td>3%</td>
<td>3%</td>
<td>3%</td>
<td>3%</td>
</tr>
</tbody>
</table>

### Current
- Water: $79.84
- Sewer: $129.90
- Storm: $64.61
- Total: $246.92

### Proposed July 1, 2023
- Water: $84.68
- Sewer: $129.90
- Storm: $67.11
- Total: $253.52

City drinking water is 200x cheaper than bottled drinking water.

1 gallon of City drinking water = 0.6¢
Streets, Sidewalks, & Non-Motorized Infrastructure

Streets
FY24 Capital Needs: ~$17.1M
Major Projects & Initiatives
• Road Bond Implementation
• Local Road Resurfacing Program

Sidewalks
FY24 Capital Needs: ~$4.8M
Major Projects & Initiatives
• Sidewalk Gap filling
• Sidewalk repairs

Non-Motorized
FY24 Capital Needs: ~$6.8M
Major Projects & Initiatives
• Quick Build projects
• Continue Implementation of Vision Zero Transportation Plan
The Right Fix at the Right Time

The Pavement Preservation Concept

- Capital Preventive Maintenance
Highlights

• New Contract Structure for Waste Management
  • Changes to Revenue
  • Changes to Service Provision

• RAA Contract Extension – Commercial & Multi-Family Agreement

Major Project – New Drop Off Station planning
## PUBLIC SERVICES AREA

### Major Focus Areas and Initiatives

<table>
<thead>
<tr>
<th>Highlights/Focus Areas</th>
<th>Examples</th>
<th>Outcome</th>
</tr>
</thead>
</table>
| **Aggressive Capital Investments in Public Infrastructure** | • Drop Off Station  
• WTP Plant 1 Replacement  
• Numerous multi-modal transportation improvements in the public rights of way | • Enhance the circular economy  
• Ensure safe drinking water  
• Improve safety for all users of our street and sidewalk network |
| **Advance the Resiliency Planning and Climate Adaptation work** | • Stormwater Comprehensive Plan  
• Drainage Studies on Gravel Roads  
• Drinking Water Distribution Plan Update  
• Industrial Discharge Inspections Program  
• Environmental Planner | • Ensure our utilities are able to adapt and respond to the changing climate  
• Protection of our Natural Resources |
| **Provide responsive customer service and guidance to developers looking to invest in our community** | • Utility Capacity Analysis for Future Needs  
• Standard Specifications (Orange Book) revision  
• Evaluating internal process improvements to support economic development goals | • Facilitate Private Development in the City |
## PUBLIC SERVICES AREA: Administration

### KEY REQUESTS, NEEDS, AND OPPORTUNITIES

<table>
<thead>
<tr>
<th>Description</th>
<th>AMOUNT</th>
<th>FUND(S)</th>
<th>TYPE: R/O</th>
</tr>
</thead>
<tbody>
<tr>
<td>Implementing Equitable Engagement Steering Committee Recommendations</td>
<td></td>
<td></td>
<td>R/O</td>
</tr>
<tr>
<td>- Community Liaison pilot</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Engagement HUB web resource</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Translation Services</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Workforce Development &amp; Succession Planning</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Administering the ARPA Grant Funding for the Arts</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Performance metric development and dashboarding</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

R = Recurring Cost  O = One-Time Cost
## PUBLIC SERVICES: Engineering

### KEY REQUESTS, NEEDS, AND OPPORTUNITIES

<table>
<thead>
<tr>
<th>Description</th>
<th>AMOUNT</th>
<th>FUND(S)</th>
<th>TYPE: R/O</th>
</tr>
</thead>
<tbody>
<tr>
<td>Traffic Calming</td>
<td>$250,000</td>
<td>Existing Local Streets</td>
<td>R for FY25</td>
</tr>
<tr>
<td>Circulation Study (cost share with DDA)</td>
<td>$210,000</td>
<td>Existing Major Streets</td>
<td>O</td>
</tr>
<tr>
<td>NEW FTE – Private Development Specialist - inspector</td>
<td>$100,000</td>
<td>Project Mgmt.</td>
<td>R</td>
</tr>
<tr>
<td>NEW FTE – Civil Engineer III – Capital Projects</td>
<td>$125,000</td>
<td>various</td>
<td>R</td>
</tr>
<tr>
<td>Hollywood (Maple to Allison) Paving – revised cost estimates and public engagement</td>
<td>$100,000</td>
<td>GF</td>
<td>O</td>
</tr>
<tr>
<td>Signal/Cabinet Wiring Upgrades</td>
<td>$100,000</td>
<td>Major Streets</td>
<td>O</td>
</tr>
</tbody>
</table>

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# PUBLIC SERVICES: Public Works

<table>
<thead>
<tr>
<th>KEY REQUESTS, NEEDS, AND OPPORTUNITIES (Description)</th>
<th>AMOUNT</th>
<th>FUND(S)</th>
<th>TYPE: R/O</th>
</tr>
</thead>
<tbody>
<tr>
<td>Front Loading Recycling Dumpster Truck</td>
<td>$450,000</td>
<td>Climate Millage</td>
<td>O</td>
</tr>
<tr>
<td>Create, Implement, and Manage Commercial Compost Program including temp FTE</td>
<td>$450,000</td>
<td>Climate Millage</td>
<td>R</td>
</tr>
<tr>
<td>New Tree Watering Program – Expanding from 1 to 3 years</td>
<td>$200,000</td>
<td>Stormwater</td>
<td>R</td>
</tr>
<tr>
<td>NEW FTE – Applications Specialist Cross Connections &amp; PW Support</td>
<td>$150,000</td>
<td>various</td>
<td>R</td>
</tr>
<tr>
<td>Solid Waste Cost of Service Study</td>
<td>TBD</td>
<td>Solid Waste Fund</td>
<td>O</td>
</tr>
<tr>
<td>Support for RAA Drop Off Station Operations (First of 2 years)</td>
<td>$60,000</td>
<td>Solid Waste Fund</td>
<td>O</td>
</tr>
<tr>
<td>Street Cut and Pavement Repair</td>
<td>$400,000</td>
<td>Water/Stormwater</td>
<td>R</td>
</tr>
<tr>
<td>Public Works Apprenticeship Program /CDL training pilot</td>
<td>~100,000</td>
<td>TBD</td>
<td>R?</td>
</tr>
</tbody>
</table>

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## PUBLIC SERVICES AREA: Systems Planning

<table>
<thead>
<tr>
<th>KEY REQUESTS, NEEDS, AND OPPORTUNITIES (Description)</th>
<th>AMOUNT</th>
<th>FUNDS(S)</th>
<th>TYPE: R/O</th>
</tr>
</thead>
<tbody>
<tr>
<td>NEW FTE – Stormwater Planner to support MS4 Compliance Requirements including Industrial Discharge Inspections</td>
<td>$120,000</td>
<td>Stormwater</td>
<td>R</td>
</tr>
<tr>
<td>Stormwater Comprehensive Plan</td>
<td>$250,000</td>
<td>Stormwater</td>
<td>O</td>
</tr>
<tr>
<td>Drainage Studies on Gravel Roads (Year 1 of a 4-year plan)</td>
<td>$250,000</td>
<td>GF</td>
<td>R</td>
</tr>
<tr>
<td>NEW FTE – Environmental Planner</td>
<td>$150,000</td>
<td>various</td>
<td>O</td>
</tr>
<tr>
<td>Swift Run Drainage Study</td>
<td>$250,000</td>
<td>Stormwater</td>
<td>O</td>
</tr>
</tbody>
</table>

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# PUBLIC SERVICES AREA: Water Treatment

<table>
<thead>
<tr>
<th>KEY REQUESTS, NEEDS, AND OPPORTUNITIES (Description)</th>
<th>AMOUNT</th>
<th>FUND(S)</th>
<th>TYPE: R/O</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dam safety compliance at Barton and Superior Dams</td>
<td>$513,250</td>
<td>Water, GF</td>
<td>R/O</td>
</tr>
<tr>
<td>Water quality research on emerging contaminants (50% match)</td>
<td>$150,000</td>
<td>Water</td>
<td>O</td>
</tr>
<tr>
<td>Asset Management investments to extend the life of existing equipment</td>
<td>$340,000</td>
<td>Water</td>
<td>O</td>
</tr>
<tr>
<td>New FTE – Utilities Engineer – Capital Projects</td>
<td>$125,000</td>
<td>Water</td>
<td>R</td>
</tr>
<tr>
<td>Chemicals &amp; Residuals Management Cost Increases</td>
<td>$150,000</td>
<td>Water</td>
<td>R</td>
</tr>
</tbody>
</table>

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## PUBLIC SERVICES AREA: Wastewater Treatment

<table>
<thead>
<tr>
<th>KEY REQUESTS, NEEDS, AND OPPORTUNITIES (Description)</th>
<th>AMOUNT</th>
<th>FUND(S)</th>
<th>TYPE: R/O</th>
</tr>
</thead>
<tbody>
<tr>
<td>Chemical Cost Increases</td>
<td>$90,000</td>
<td>Sanitary</td>
<td>R</td>
</tr>
<tr>
<td>Residuals Management</td>
<td>TBD</td>
<td>Sanitary</td>
<td>R</td>
</tr>
<tr>
<td>Electrical Gear Preventive Maintenance</td>
<td>$200,000</td>
<td>Sanitary</td>
<td>O</td>
</tr>
</tbody>
</table>

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PUBLIC SERVICES AREA: Major Grants

Major Grants we have received/are implementing:

- Safe Streets for All ($3.8M)
- EGLE Grant for Drop Off Station ($850K)
- EGLE Consolidation & Contamination Risk Reduction ($491K)
- EGLE Drinking Water Asset Management ($61K)
- SEMCOG LED Streetlights Upgrades ($980K)
- Transportation Economic Development (TEDF) Grant for Research Park Drive ($1.65M)

Major Grants we are pursuing:

- EGLE High Water Infrastructure Grant Program for Stormwater Comprehensive Planning
PUBLIC SERVICES AREA: Partnerships

Current Partnership Projects:
1. WTP/U-M Pilot Plant project
2. WWTP/U-M treatment pilot project & COVID sampling partnership
3. EMU Management Fellows
4. U-M - East Medical Center Drive Bridge
5. U-M - S. Main Street Sidewalk to address the highest priority sidewalk gap in the network
6. AAATA/U-M/Transportation - transit signal priority pilots
7. WCWRC - stormwater management initiatives
PUBLIC SERVICES AREA: Public Engagement

Examples of ongoing and upcoming major initiatives where we will be engaging the public in planning and implementation:

- WTP Facility Plan
- Source Water Protection Plan
- Drop Off Station
- Implementation of Equitable Engagement Steering Committee Recommendations
- Drainage Studies on Gravel Roads
- Solid Waste Cost of Service Study & Waste Audits
- ARPA Funded efforts including
  - Lead Service Line Replacement Work
  - Grants for Artists and Arts Organizations
- Engagement Hub
PUBLIC SERVICES AREA: Communications

Metrics and Dashboarding
• Dashboards
  • Water Quality
  • CIP
  • Pavement Condition
• Road Bond
• AAW Monthly Newsletter
• Video Project Updates
Please send any FY24 budget questions to Sara Higgins, copying Milton Dohoney Jr., Marti Praschan, and Kim Buselmeier. Responses will be organized by topic and responded to throughout the budget season.
THANK YOU!

Budget Public Process Website: