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TO: Mayor and Council

FROM: Sumedh Bahl, Community Services Area Administrator  
Tom Crawford, CFO  
Craig Hupy, Public Services Area Administrator

CC: Steven D. Powers, City Administrator

SUBJECT: 415 W. Washington

DATE: April 10, 2015

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**Question #76:** Can you provide us with information on what is planned and costs for 415 W. Washington including breakdown of costs for roof replacement, retaining wall repair, demo costs, environmental/asbestos abatement costs, etc.? (Councilmember Kunselman)

**Response:** The FY16 \$300,000 budget request covers costs for site stabilization broken down as follows:

Roof Repair/Secure Building:	\$ 23,300
Environmental Related Items:	\$109,000
Asbestos/Lead Paint Removal:	\$167,700

**Question #77:** Can you provide us with the information on what the process is to get the 415 W. Washington demolition project before the Historic District Commission? (Councilmember Kunselman)

**Response:** If the City desires to demolish 415 W. Washington, here are the steps necessary to bring it through the Historic District Commission. Note that this approach assumes that all buildings on the site are to be removed, and that nothing is proposed to replace them at this time. If this is not the case, a different approach would be necessary.

- 1) A City representative would submit an application and supporting documentation to the Historic District Commission for a Notice to Proceed

(Chapter 103, Section 8:416). A Notice to Proceed is the only mechanism available to the Historic District Commission to approve the removal of contributing historic structures. Since the Commission has determined that all of the structures on the site are contributing, they must find that one of four prevailing conditions is present on the site, two of which might apply to 415 West Washington:

- a) The resource constitutes a hazard to the safety of the public or to the structure's occupants.
- d) Retaining the resource is not in the interest of the majority of the community.

Since the building is not occupied, only the safety of the public would be considered under (a). Under (d), the community is generally interpreted as the entire City of Ann Arbor.

The burden of proof is on the City to provide documentation that one of the above conditions prevails.

- 2) Once a complete application is submitted and accepted by staff, the request for a Notice to Proceed would be placed on the Historic District Commission agenda. The Commission must act within 60 days of an application's acceptance, or the request is automatically approved. Planning staff would visit the site, research the application, and write a staff report. The HDC Review Committee, consisting of staff plus two or more Commissioners would visit the site prior to the meeting. At the meeting, staff would give a report, the Review Committee would give a report, a public hearing would be held, and the Commission would discuss the application.
- 3) A Notice to Proceed may be granted with a majority of members present. If a Notice to Proceed is granted, work could commence on the site as soon as applicable building permits are secured. If the Notice to Proceed is not granted, because the Commission did not find that one of four prevailing conditions for a notice to proceed was present, the application could be appealed within 60 days to the State Historic Preservation Review Board.

**Question #78:** Please provide details on what we have spent on 415 W. Washington on what the options are going forward. (Councilmember Lumm)

**Response:** To-date, \$77,094 has been spent on evaluative efforts. Options include site stabilization, moving forward with historical commission to consider building removal from the historic district, demolition or extensive renovations.

**Question #79:** If it helps to move towards demolition of 415 W. Washington, please tell us how. (Councilmember Briere)

**Response:** Other than a Notice to Proceed, the other avenue available to the City to demolish the building would be to remove the site from the Old West Side Historic District by modifying the district boundaries, which would require the following steps under Chapter 103, Section 8:410 of city code:

- 1) City Council must appoint a study committee of at least three members that meet the criteria of Chapter 103, Section 8:408 (i.e., one or more a member of a local historic preservation organization, one or more that live or work in the affected area, etc).
- 2) The study committee would inventory and research the resources of the site, evaluate the significance of the historic resources, and prepare a preliminary report (the minimum required information is in Section 8:408). The report would be distributed to the HDC, Planning Commission, State Historic Preservation Office, Michigan Historical Commission, and the State Historic Preservation Review Board.
- 3) Within 60 days of report distribution, the study committee would hold a public hearing. In addition to the usual Open Meetings Act advertisements, postcard notice of the hearing would be mailed to all owners of property in the Old West Side Historic District.
- 4) Not more than one year from the date of the public hearing, the study committee must submit a final report to City Council with its recommendation. Upon receiving the report, City Council may take action to amend the Old West Side historic district ordinance to revise the boundaries of the district.



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TO: Mayor and Council

FROM: Sumedh Bahl, Community Services Area Administrator  
Tom Crawford, CFO

CC: Steven D. Powers, City Administrator

SUBJECT: Community Services Area

DATE: April 10, 2015

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**Question #10:** Please provide list of Parks fee increases. (Councilmember Lumm)

**Response:** Attached is the fee increase sheet going to Council on May 4.

**Question #11:** Can you provide background information on how the planning \$250K estimates were calculated? Elaborate on plan scope, timeframe, and community engagement estimates. (Councilmember Lumm)

**Response:** Allen Creek Greenway

In August 2011 Council passed a Resolution in Support of the Allen Creek Greenway (R-11-325). Shortly thereafter, staff from Community Services and Public Services developed a draft scope of work for a “framework plan approach” to include the Allen Creek Greenway, North Main Corridor, 415 W. Washington and 721 N. Main Street.

The original scope had four primary tasks:

- Inventory of existing conditions/issues
- Development of planning objectives and option scenarios
- Prioritization of options
- Development of an implementation plan

Public engagement was envisioned to include a working group of staff (8 meetings), an advisory committee (5 meetings), stakeholder group meetings (2-3 rounds) and community-wide meetings (4 meetings). The entire process was anticipated to take 22 months.

The “Green the Way” report, prepared by the University of Michigan students, was well researched and will provide an excellent base for developing the Allen Creek Greenway Master Plan. The next steps will involve 1) building on the community feedback collected last Fall to include additional stakeholders (e.g., property owners along the route, City residents and park users, the Ann Arbor Railroad, Michigan Department of Transportation, the University of Michigan, the Planning Commission, the Park Commission, the Historic District Commission and the Downtown Development Authority); 2) analyzing land use, transportation, historic preservation and economic impacts, particularly in the context of the anticipated floodplain ordinance; 3) developing alternative scenarios for consideration; 4) developing cost estimates for the preferred route and proposing funding options for construction and acquisition, and 4) identifying trail stewardship, operational budgets, and risk management approaches.

University of Michigan student team spent approximately 3,100 hours to complete the “Green the Way” project. We would also like to share that 600 consultant hours were spent on 721 North Main project with a much smaller scope of work than the scope of work for the Allen Creek Greenway Master Plan. While the original scope for “framework plan approach” mentioned above did not assign hours to each task, staff familiar with similar consulting initiatives estimated the Allen Creek Greenway Master Plan would cost in the \$250,000 range. The following table shows some of the consultant contracts the City has entered into in recent years for projects that have items similar in scope (public engagement, conceptual design, use analysis, etc.)

Project	Date	Cost	Scope	Duration
South State Street Transportation Corridor Study	6/2/2014	\$299,911	Evaluate community and transportation needs and provide conceptual plans for redesign of corridor and develop public engagement plan.	12 months
Ann Arbor Station Environmental Review	10/21/2013	\$824,875	Environmental review, public engagement, site selection, and conceptual design	11 months

Downtown Development Strategies Project - Calthorpe	5/2/2005	\$198,000	Develop a vision for the downtown, as well as recommendations to realize this vision. Public engagement and stakeholder meetings.	9 months
721 N. Main	8/17/2012	\$48,087	Prepare a conceptual site plan development and supporting documentation for MDNR grant. Public engagement, stakeholder meetings.	7 months

We would also like to share that the 8-mile Indianapolis Cultural Trail highlighted in the “Green the Way” report cost \$6,000,000 to plan.

#### Master Plan Update

State law requires communities to update their master plan every five years. Planning Commission and City Council regularly amend the city master plan, most recently to add the Sustainability Goals and South State Street Corridor Plan, however there has not been a comprehensive update of the master plan’s land use recommendations in recent history. The land use recommendations for some parts of the City have not been updated since the late 1980’s (South Area) and early 1990’s (Central and West Area). These recommendations do not always align with current community values or expectations, nor do they take into account other planning efforts that have occurred since that time. Hence, the need to undertake a comprehensive master plan update.

Any comprehensive master plan update will require a substantial amount of community engagement. As a comparison, by the time the City of Grand Rapids (pop. 192,000) completed their ambitious “Plan Grand Rapids” master plan update in 2002, they had held over 250 community meetings involving over 3,000 people. This planning effort took two years and had a budget of \$530,000, of which \$400,000 was spent on consultant contracts.

The scope of work for a master plan update has yet to be developed. Based upon the recent City planning efforts, listed in the table above, the experience of cities like Grand Rapids and to meet City Council and Planning Commission expectations for the level of community engagement that would be needed for the Master Plan, update staff estimates the process will take about two years and \$250,000 -\$300,000 in consulting support.

**Question #12:** For long-term planning efforts can you please review the proposed figures for consultants? (Councilmember Eaton)

**Response:** If the requested zoning administration position is approved, it would be the third quarter of FY 2016 before hiring, training and transition of responsibilities would be complete and Planning staff capacity freed up. Currently, only about 5% of Planning staff effort is spent on master planning and code amendments, most notably the downtown zoning amendments, Capital Improvement Plan and several transportation planning projects. At present, the majority of Planning staff time is spent on development review and zoning administration activities, leaving little opportunity for undertaking long-term planning efforts.

If Council desires that Planning staff move forward with projects such as the Allen Creek Greenway Master Plan, the accessory dwelling unit (ADU) and R4C amendments during this transition time, the requested consulting funds will be necessary. If these projects can wait until FY17, and if the downtown and North Main zoning changes are delayed, Planning staff would be able to complete the ADU amendments with a consultant assistance of \$10,000 and reduce the consultant need for the R4C amendments to \$25,000, necessary for assistance in creating overlay district design standards.

Likewise, consultant costs for the Allen Creek Greenway Master Plan could be reduced by revising the scope to involve fewer public engagement activities, conducting a less comprehensive analysis of land use, historic preservation and economics or doing more work in-house. Reduced consultant effort will also result in increased staff effort, which in turn will affect completion of other high priority planning projects.

In FY17, assuming a full transition of zoning administration responsibilities from Planning, the consultant figures would remain the same; the sign ordinance amendments will require outside expertise due to First Amendment issues, and the master plan update, as noted above, is a substantial effort that will require consultant assistance.

**Question #13:** Can you provide more information on the timeline and proposal for the Greenway Master Plan? If the timeframe is 16-18 months, help us by showing the breakdown of the proposal. Can an amount be allocated over more than one fiscal year; show us the breakdown. (Councilmembers Briere and Kailasapathy)

**Response:** In response to CM Lumm's question regarding \$250K for planning efforts, it is mentioned that staff estimated it would take about 22 months to develop the Allen Creek Greenway Master Plan. With the "Green the Way" report available, staff estimates that the Greenway master Plan can be developed in 16-18 months.

Below is a general outline of the tasks and estimated timeframes. The primary work effort is proposed to be conducted by a consultant, with the project managed by Community Services staff and assisted by Public Services staff. Since the anticipated

project duration is more than a year, the total project amount can be funded from two fiscal years however, total funds will have to be committed for the project at the project initiation.

Project Initiation – 3 months. Includes developing an RFP, selecting the preferred consultant, finalizing the contract, establishing a staff project team

Inventory Work – 3 months. Includes documenting existing conditions, reviewing policy documents, conducting stakeholder meetings, identifying issues and opportunities

Option Identification – 4-5 months. Includes forming an advisory committee, defining and confirming community goals, identifying options, analyzing land use, transportation analysis, historic preservation and economic impacts, developing preliminary recommendations

Plan Development – 3-4 months. Includes prioritizing options, refining recommendations, developing implementation steps, including identifying capital and maintenance funding models.

Plan Approval – 3 months. Includes finalizing the draft plan, communicating with stakeholders, obtaining approval from Planning Commission, Park Commission and City Council

**Question #14:** What is the minimum amount we need to get the Greenway Master Plan done? (Councilmember Warpehoski)

**Response?** To create a greenway plan that is implementable, financially sustainable, and contains enough detail to move forward soon after completion, staff recommends that \$250,000 over two years be allocated. This amount is proposed to cover consultant costs; staff effort would represent an additional in-kind commitment.

For comparison, the 8-mile Indianapolis Cultural Trail highlighted in the “Green the Way” report cost \$6,000,000 to plan and \$63,000,000 to construct.

Consultant costs could be reduced by revising the scope to involve fewer public engagement activities or conducting a less comprehensive analysis of land use, historic preservation and economics. Reduced consultant effort will likely result in increased staff effort, which in turn will affect completion of other high priority planning projects.

Total project costs for the City could be reduced by involving a partner organization that can fund partially the development of master plan, which was the model successfully used for planning and constructing the Ann Arbor Skatepark.

**Question #15:** To follow up on the discussion of FTE v. consultants, how you decide which to use, can you provide a list of planning projects? (Councilmember Westphal)

**Response:** The Planning Commission annually adopts a work program to guide staff and Commission effort on master planning efforts and ordinance amendments. The projects on this list reflect a combination of Council and Commission-identified priorities, alignment with staff expertise, in addition to coordination with Systems Planning initiatives. The work program also includes a “future project list” based on feedback the Commission receives from the community and from their own experiences and observations. The current fiscal year work program is attached.

**Question #16:** Why did Planning & Development FTE's increase from 28 to 34? (Councilmember Lumm)

**Response:** In FY 2013, there were 28 FTEs in Planning & Development. In FY 2014, 2 FTEs were reallocated from Community Development and 3 FTEs were added to Planning & Development for a total of five inspectors to meet construction inspection demands. During FY 2015, 1 FTE was added to Planning & Development for rental housing inspection demands.

**Question #17:** Provide an updated OCED impact sheet to show the clarification on the cost of the Affordable Housing Needs Assessment. (Councilmember Lumm)

**Response:** The revised impact sheet is attached.

**Question #18:** Regarding the Allen Creek Master Plan request, it appears in the City's Capital Improvement Plan (MF-CB-16-06). Does that mean it will be in the City Administrator's recommended Capital Budget? (Councilmember Briere)

**Response:** When the CIP was updated in December 2014, staff added Allen Creek Greenway Master Plan in FY2016 as it was identified by City Council as one of the priorities at the December 2014 Council planning session. Potential funding source for this project was identified in the CIP but no funding allocation was made. City Administrator is still reviewing all the funding requests made by City staff which have been shared with City Council at budget work sessions in February – March 2015.

**Question #46:** On the budget impact sheet for Parks & Recreation, there's a line item with projection of increased revenues of about \$200K in FY16 and FY17. The projections reference fee increases and say “first since 2008.” Can you please elaborate on what's planned in terms of parks and recreation fee increases and in the \$200K revenue increase projected, about how much of that increase is accounted for by higher volumes and how much by the fee increases being considered? (Councilmember Lumm)

**Response:** Parks & Recreation Services has not proposed fee increases for neighborhood swim teams at Buhr Park Pool and Veterans Memorial Pool since 2006, at Gallup and Argo Liveries since 2008, and at Huron Hills & Leslie Park Golf Courses

since 2009. Since 2008, numerous improvements, including the Cascades, major renovations at Gallup Livery, and improved rental equipment, have been made at Argo and Gallup liveries. The golf courses have also seen numerous improvements since 2009 and the proposed fee increases do not impede the ability of the courses to offer specials and promotions to remain competitive in a market where fees fluctuate quickly.

All proposed fee increases and any new fees will be accompanied with comparative data that demonstrates the proposed fees are fair and within market parameters.

As part of the annual budget process, Parks & Recreation Services evaluates and updates revenue projections for all our programs, whether fee increases are considered or not. Slight adjustments are made, up or down, to reflect how a certain program has performed historically over the last 3 years. For example, skating instruction at Veterans Memorial Ice Arena is anticipated to generate an additional \$9,000 in revenue, while general swimming at Buhr Pool is anticipating a reduction in revenue by \$6,000 based on recent historical performance.

The \$200,000 revenue projection increase anticipates that fee increases and new fees will generate approximately \$130,000 in revenue and increased usage of parks and programs will generate another \$70,000 based on recent historical performance. Argo and Gallup Liveries is the main contributor to this increase with an anticipated \$86,000 in revenue from fee increases and another \$110,000 from higher use as a result of the Cascades and general popularity of water recreation at this time.

**Question #47:** Also on Parks & Rec, the data sheet provided on the Parks Maint & Capital Improvement millage includes a comment that there is about \$4M in electrical and mechanical investments necessary in the next 5 years or so at the City's four swimming pools. Can you please provide a bit more detail on that and do you anticipate all the funding would come from the millage? (Councilmember Lumm)

**Response:** Parks & Recreation Services had a mechanical and electrical assessment study done on our four pools and two ice arenas: Mack Indoor Pool, Buhr Pool & Ice Arena, Veterans Memorial Pool and Ice Arena, and Fuller Pool. The assessment anticipates \$3,875,000 in infrastructure repairs and upgrades over the next 5 years. Two of the larger price tag items include repairing or replacing corroded piping and replacing sand filters. The mechanical rooms at the pools are older and as such the majority of the piping is steel and corrosion is prevalent and requires replacement. Likewise the sand filters at each pool are nearing the end of their useful life and rust is present on the outside of the vessels. It should be noted that the \$3,875,000 is budgetary estimate and it includes a contingency for unanticipated items of 35%, and engineering costs of 20%.

Funding for these repairs will primarily come from two sources in the Parks Maintenance and Capital Improvements Millage. Larger items, like the piping and sand filters, are capital projects in size and scope that will require design work. Parks & Recreation recognizes projects like these in the CIP under the project heading "recreational facility updates and infrastructure repairs". Beginning in FY2016 a focus on

these pool repairs will commence and somewhere in the region of \$400,000 will be earmarked. Future fiscal years will also see a capital allocation of funds.

The assessment study also highlights many smaller repairs that will be funded from the annual operational maintenance portion of the Parks millage. Each facility, from the Senior Center to Mack Pool, funds most regular maintenance from this portion of the millage. Items such as boiler repairs, electrical upgrades, light fixture replacements, exhaust fan repairs, etc are examples of work that will be funded from the annual millage maintenance operating budget. While it varies from year to year based on the needs of other facilities, it is anticipated that another \$200,000 annually will be expended to address items the assessment has noted for action. This amount is contained within the annual parks millage maintenance operating budget.

Currently, millage is the only source of funding identified for this work as this type of work is typically not grant funded. However, staff will explore any grant opportunities that may exist to assist with these infrastructure improvements.

**Proposed Fee Increases & New Fees – Parks and Recreation Services  
FY 2016**

ACTIVITY	Proposed FY 2016 Fee	Existing Fee	Percent Increase	Total Revenue Impact	Effective Date	Last Fee Increase
<b>Canoe Liveries</b>						
Stand Up Paddleboard 2-hr Rental	\$20.00	NA	11%	\$86,625.00	5/23/2015	New
Twilight Rental Rate <sup>1</sup>	\$10.00	NA	NA	Included Above	5/23/2015	New
Kayak, Canoe, and SUP Instruction Fee/Hour	\$14.00	NA	NA	Included Above	5/23/2015	New
Argo to Gallup 1-Person Kayak Rental	\$20.00	\$18.00	11%	Included Above	5/23/2015	4/1/2008
Argo to Gallup 2-Person Canoe or Kayak Rental	\$25.00	\$22.00	14%	Included Above	5/23/2015	4/1/2008
Barton to Gallup 1-Person Boat Rental	\$25.00	\$24.00	5%	Included Above	5/23/2015	4/1/2008
Barton to Gallup 2-Person Boat Rental	\$30.00	\$28.00	7%	Included Above	5/23/2015	4/1/2008
Delhi to Argo 1-Person Boat Rental	\$35.00	\$30.00	17%	Included Above	5/23/2015	4/1/2008
Delhi to Argo 2-Person Boat Rental	\$40.00	\$34.00	18%	Included Above	5/23/2015	4/1/2008

<sup>1</sup> Twilight will start at 5:30 before Memorial Day and after Labor Day, and at 6:30 in the summer.

<b>Buhr and Veterans Memorial Park Pools</b>						
Summer Swim Team - Resident	\$125.00	\$100.00	25%	\$7,500.00	5/30/2015	5/2006
Summer Swim Team – Non Resident	\$150.00	\$125.00	20%	Included Above	5/30/2015	5/2006
<b>Leslie Park Golf Course</b>						
Golf Cart Rental 9	\$9.00	\$8.00	10%	\$25,000.00	3/01/2016	2/02/2009
Golf Cart Rental 18	\$16.00	\$14.00	14%	Included Above	3/01/2016	2/02/2009
Weekend 18	\$31.00	\$30.00	3%	Included Above	3/01/2016	2/02/2009
Weekend 9	\$22.00	\$20.00	10%	Included Above	3/01/2016	2/02/2009
Weekday 9	\$17.00	\$16.00	6%	Included Above	3/01/2016	2/02/2009
Twilight	\$18.00	\$16.00	12%	Included Above	3/01/2016	2/02/2009
Senior/Junior 18	\$18.00	\$17.00	6%	Included Above	3/01/2016	2/02/2009
Senior/Junior 9	\$14.00	\$13.00	7%	Included Above	3/01/2016	2/02/2009
Junior Pass	\$395.00	\$495.00	-20%	Included Above	3/01/2016	2/02/2009
<b>Huron Hills Golf Course</b>						
Golf Cart Rental 9	\$9.00	\$8.00	10%	\$11,000.00	3/01/2016	2/02/2009

Golf Cart Rental 18	\$16.00	\$14.00	14%	Included Above	3/01/2016	2/02/2009
Weekend 9	\$15.00	\$14.00	7%	Included Above	3/01/2016	2/02/2009
Weekday 9	\$14.00	\$13.00	6%	Included Above	3/01/2016	2/02/2009
Twilight	\$13.00	\$12.00	8%	Included Above	3/01/2016	2/02/2009
Sr/Jr 18	\$15.00	\$14.00	7%	Included Above	3/01/2016	2/02/2009
Sr/Jr 9	\$10.00	\$9.00	10%	Included Above	3/01/2016	2/02/2009
7-Hole Round <sup>2</sup>	\$10.00	NA	NA	Included Above	5/23/2015	New
7-hole Round Sr/Jr	\$7.00	NA	NA	Included Above	5/23/2015	New
Parent/Child 7 hole	\$15.00	NA	NA	Included Above	5/23/2015	New
Family Golf Pass	\$600.00 + \$100.00 each person	NA	NA	Included Above	5/28/2015	New
FootGolf Adult <sup>3</sup>	\$10.00	NA	NA	Included Above	5/23/2015	New

<sup>2</sup> 7-hole rates are the same on weekdays and weekends

<sup>3</sup> FootGolf rates are the same on weekdays and weekends

FootGolf Sr/Jr	\$7.00	NA	NA	Included Above	5/23/2015	New
FootGolf Ball Rental	\$5.00	NA	NA	Included Above	5/23/2015	New

**BUDGET IMPACT ANALYSIS**

City of Ann Arbor

SERVICE AREA:

Community Services

SERVICE UNIT:

Office of Community Development

	FY2016	FY2017
	BUDGET for Ongoing Operations-Both Funds	Targeted Expenditures- Both Funds
	\$ 3,839,077	\$ 4,074,788

**CHANGES FROM EXISTING SERVICE LEVELS**

SERVICE ACTIVITY	FUND	FY2016			FY2017		
		BUDGET for Ongoing Operations-Both Funds	Targeted Expenditures- Both Funds	BUDGET for Ongoing Operations-Both Funds	Targeted Expenditures- Both Funds		
Housing & Human Services	0010	Inflationary increase for contract with Washtenaw County Office of Community & Economic Development		\$ 25,000	\$ 25,000	2	5,6
Housing & Human Services	0070	Development & implementation assistance for Affordable Housing Needs Assessment Analysis		\$ 25,000			5,12

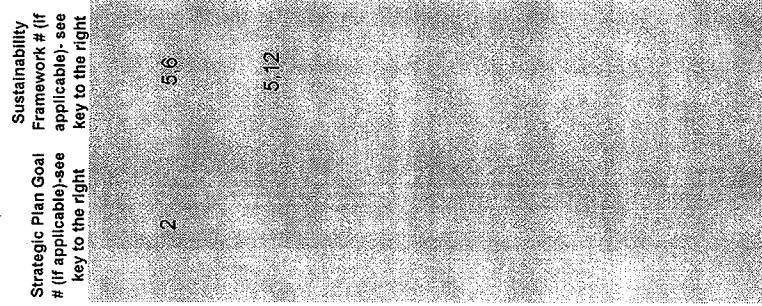
**TOTAL DOLLAR IMPACT IDENTIFIED**

	\$	\$	\$
	50,000	50,000	25,000

\* These numbers for General Fund should come from the General Fund Target sheet.

**NOTE:**

FY17 Expenditure Budget Projections do not assume a flowthrough of items from FY16. If you are making a one-time change in FY16, you would list in FY16. Otherwise, please list the impact in both columns.



Sustainability  
Framework # (if applicable)-see  
key to the right



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TO: Mayor and Council

FROM: Tom Crawford, CFO  
Craig Hupy, Public Services Area Administrator

CC: Steven D. Powers, City Administrator

SUBJECT: Public Services Area

DATE: April 10, 2015

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**Question #35:** What are the assumptions for revenue growth for the utilities?  
(Councilmember Lumm)

**Answer:** Water: 4.3% revenue requirement increase  
Sewer: 6.0% revenue requirement increase  
Stormwater: 6.5% revenue requirement increase

A separate item will be prepared for council's review and approval of improvement/connection charge charges.

**Question #48:** Would the proposed full-time employee be budgeted entirely in the General Fund, or could some of the grant funding this employee will seek help cover the expenditure? (Councilmember Briere)

**Answer:**  
The primary work on the Sustainability Framework has been performed by the Sustainability Associate, formerly a grant funded position. The original funding for the Sustainability Framework came from a \$95,000 grant from the Home Depot foundation. The Home Depot Foundation no longer funds city sustainability work so no additional funds are likely from this source. Subsequent grant funds from Washtenaw County's Sustainable Communities grant (\$256,000 of \$2,000,000) funded the Sustainability Associate for an additional three years to support specific efforts to support energy efficiency in the rental housing sector. These funds expired in December of 2014.

There is no upcoming grant opportunity likely to fund this position after June 30, 2015; therefore, funding is being requested from the General Fund.

**Question #49:** How often does the City expect to replace street light poles - that is, what is the expected life of a street light pole? (Councilmember Briere)

**Answer:** 20 years for a fiberglass pole.

**Question #50:** How many globe/pole/foundation replacements are planned for the Kerrytown area? How much of the cost of this work is included in the proposed DDA streetscape work (brick work, etc.) for the Kerrytown area? And in subsequent years, how much of the cost of the replacement work is from the DDA's major project budgets? (Councilmember Briere)

**Answer:** The City plan calls for 104 replacements that covers replacements from North of Huron down both 4<sup>th</sup> & 5<sup>th</sup> to Kingsley and picks up Detroit Street. Of the 104 replacements, it appears as if 36 of those replacements are included in the DDA's Kerrytown project. The plan has not yet been approved by the DDA Board. Subsequent years do not include any cost estimate for work to be completed by the DDA, as plans are not yet available.

**Question #51:** Please help me understand the 'depreciation' estimate for street lights. If the initial installation costs and ongoing use and maintenance costs equal about \$18K, how is depreciation calculated in order to derive \$25K? (Councilmember Briere)

**Answer:** The chart provided to Council was intended to display an economic picture of the life cycle for new streetlights. The City does not charge depreciation on streetlights, since they reside in the General Fund, nor does it currently have a sinking fund to set aside money for future replacement. Should the City decide to move forward in the process of setting aside money for replacements, a reservation of fund balance would be required.

**Question #52:** Please provide a breakdown of the projected annual recurring costs (staff / equipment / maintenance) and annual variable costs (number of incidents) for plowing the snow at 2 inches and at 4 inches. (Councilmember Briere)

**Answer:** There have been a number of questions asked relating to snow, city clearing of all sidewalks and earlier/more frequent plowing of local streets. It is difficult to definitively answer each question without knowing what action will be taken on the other questions. Both sidewalk clearing and street plowing compete for the same employees and to some degree equipment. Additionally, both activities could and frequently do use resources from other than the parks and street maintenance work areas.

The number and duration of use of resources from other work areas affect what the expenses will be in recovering the “lost productivity” costs for those work areas. This becomes a more complex answer as different policy choices are considered together and requires more analysis than can be accomplished during budget preparation.

For informational purposes, a high level estimate of an “average” per plowing event cost is \$50,000. Given a winter of 7-10 events in the 2-4” range, costs would be estimated to be \$350,000-\$500,000. In addition, additional resources required are estimated to include two additional pieces of snow removal equipment and two additional FTE’s, resulting in \$340,000 in estimated capital costs and \$240,000 in operating costs.

If this service level is a desire, a more detailed analysis would be required.

**Question #53:** Please provide a breakdown of the projected annual recurring costs (staff / equipment / maintenance), one-time costs (initial equipment), and annual variable costs (number of incidents) for plowing the snow on sidewalks at 0.1 inch, 1 inch, 2 inches and 4 inches. (Councilmember Briere)

**Answer:** There have been a number of questions asked relating to snow, city clearing of all sidewalks and earlier/more frequent plowing of local streets. It is difficult to definitively answer each question without knowing what action will be taken on the other questions. Both sidewalk clearing and street plowing compete for the same employees and to some degree equipment. Additionally, both activities could and frequently do use resources from other than the parks and street maintenance work areas.

The number and duration of use of resources from other work areas affect what the expenses will be in recovering the “lost opportunity” costs for those work areas.

This becomes a more complex answer as different policy choices are considered together and is more than an analysis during a budget preparation.

For informational purposes, a high level estimate of annual recurring costs if the City were to provide this service are estimated to be \$2.7M, regardless of the of snow fall. In addition, high level estimates for up-front equipment investment is \$1.02 M. On average the City treats its sidewalks and public paths 70 times each season.

**Question #54:** Please explain why the sidewalk repair millage revenues are expected to decrease (from \$0.6K to \$0.5K) in 2015. (Councilmember Briere)

**Answer:** Sidewalk repair millage revenue is increasing from \$588,775 in FY2015 to \$612,273 in FY2016. There was a rounding issue in the table provided.

**Question #55:** The budget sheets assert that the costs of sidewalk repair exceed the estimated costs significantly, and refer to the 'first pass' costing more. After the City

required property owners to repair the adjacent sidewalks - a program that lasted over 6 years - how much new work was needed? Were all identified replacement/repair projects completed prior to the initiation of the new program - and if not, were all property owners assessed for the cost of the repair/replacement work that should have been done? (Councilmember Briere)

**Answer:** After the previous owner-repair sidewalk system was completed, the entire City had been inspected and repaired by property owners. However, sidewalk continue to shift and settle, and most impactful - continue to be displaced by tree roots. Therefore, a significant amount of work was needed by the new program to continue to maintain the system to acceptable standards. In addition, with the new program a slightly higher standard was used in terms of sidewalk displacement (1/2" instead of 3/4"), which triggered some repairs that were not required under the previous program. In terms of work leftover from the previous program, property owners were billed for the work that was not previously completed, provided that there was documentation on record that the area had been inspected and the property owner notified.

**Question #56:** With reference to page 10 (of 15) and the remark on Street/ROW maintenance, please clarify: are the vacancies noted as 'hampering use of planned resources' actually staff vacancies? If not, what are they? If so, are all funded FTEs filled? I note that there are no requests (other than for a Sustainability coordinator) for more FTEs. (Councilmember Briere)

**Answer:** Yes, the comment refers to staff vacancies. Within the last month all vacancies have been filled for the first time in several years. Each year the resource is planned to be fully utilized; however, ongoing vacancies have decreased the ability to complete the maintenance plan.

**Question #57:** How do the FY 16 and 17 solid waste budgets specifically address the recommendations in the City Council-approved Solid Waste Plan? What is new in the next two-year budget cycle? (Mayor Taylor)

**Answer:** In addition to the following continuing activities, the Move In/Out Spring Program has expanded from 12 to 15 days and the Fall Program from 14 to 21 days.

- (continuing) Zero Waste Events, such as Sonic Lunch
- (continuing) Multi-Family Pilot Study to guide efforts to increase diversion rate in multi-family sites
- (continuing) Master Composter Class, sponsor by providing the Michigan Master Composter Manual

The following new programs are planned for FY16/17:

- Implementation of selected recommendations from student group project examining recycling habits in off-campus student housing

- (expansion) Classroom education programs are being expanded to double the capacity
- Initiating a Custodian/Staff education program for AAPS
- Implement residential food waste collection from pilot to full program during the Compost Season
- Implement recycling collection in City parks as a full program, after pilot deemed successful ("Expanding away from home recycling opportunities)
- Piloting food waste collection at selected AAPS facilities (Angell... on residential street, with 96-gallon cart brought out to street)

**Question #58:** What is the current balance in the Solid Waste Fund? How much of that balance is reserved or committed for landfill cleanup and other regulatory obligations? (Mayor Taylor)

**Answer:** The audited fund balance total as of June 30, 2014 is \$29,361,416. Of that, \$14,168,192 is unrestricted and available for use. \$2.1 million has already set aside for future MDEQ compliance costs so an adequate liability is recorded at this time for known issues. After adjusting for the FY 2016 planned capital projects described in the Solid Waste 2 pager and the minimum fund balance, there is \$7.9 million available for other uses.

**Question #59:** What is considered a healthy fund reserve as a percentage of the total annual solid waste budget: Since it isn't nearly as capitally intensive as other city public works operations (water, sewer, road, etc.) wouldn't that allow that target reserve to be lower? (Mayor Taylor)

**Answer:** The City's fund balance policy state that "Enterprise funds should strive for positive net operating income to provide for necessary operating (25% of operational expenditures) and capital reserves while maintaining sufficient debt service coverage ratios." Working capital and asset replacement are considerations used for the Solid Waste fund. In the fund balance policy recommended changes for this budget, Finance is adding business risk as a consideration to encompass the environmental concerns. At this point in time with the number of uncertainties facing this fund, it is difficult to give an exact amount as a targeted reserve. Staff is working to better quantify the risks for future budgets.

**Question #60:** What studies/analysis has staff completed since the approval of the Plan two years ago toward actual implementation of the Plan's multiple recommendations? Did such studies/analysis prompt action of any kind? (Mayor Taylor)

**Answer:** Please see the responses to question 57, 62, and 65. The City has acted upon recommendations and implemented Action Items made in the Solid Waste Plan. City Staff use the Solid Waste Plan as a guideline to proceed with future recommended

projects. Each new project is analyzed for not only immediate financial impact, but also long term financial sustainability and additional impact of City Staff, including permanent future time that must be allocated and required of the Systems Planning Unit, Customer Service and Field Staff. The City continues to proceed with recommendations based on funding and staff availability to spearhead projects. FY18 projected expenditures exceed revenue stream.

**Question #61:** What are Ann Arbor's recover rates over the past five years-tons and % of the waste stream for waste, recycling and composting. Are we making progress toward our goals? This information should be shared with Council regularly, and also widely shared with the general public. It seems to me that people are interested in and would like to know how their individual actions are making a difference. This seems to be a key "dashboard" measure of our success as a community. (Mayor Taylor)

**Answer:** The City's recovery rates for the waste, recycling and compost for the period of 1991-2012 are available on the public website  
<http://www.a2gov.org/departments/systems-planning/Sustainability/state-environment-07/resource-use/Pages/TotalTonsRecycled.aspx>

Staff is in the process of updating 2013 and 2014 data.

**Question #62:** What impact has the addition of food waste into Ann Arbor's residential composting program had on the overall tonnages and percentages of organics recovery? How many of the counter-top containers were distributed with the promotional blitz on the new program last spring? How did this response match expectations? Will this program be promoted? (Mayor Taylor)

**Answer:** WeCare estimates based on annual tonnage from previous years that an additional 1000 – 1500 tons of foodwaste has been collected (estimated because food scraps are co-collected with yardwaste curbside). The City has purchased 5,300 kitchen catchers, 625 remain in Customer Service. These are provided free of cost to residents who already have compost carts. This program is promoted on the City website and in the WasteWatcher. The City also continues to sell at cost compostable bags for the Kitchen Catchers at the City Hall Customer Service Station.

**Question #63:** What would it cost to provide year-round organics collection? (Mayor Taylor)

**Answer:** Our current composting operation utilizes open windrows. Year-round food waste collection presents operational challenges when utilizing windrows. Dealing with these challenges, would affect both cost and acceptability of the operation. Our estimated annual costs to implement a year-round collection for compost are approximately \$300,000. As we gain experience with a year-round program,

equipments replacement schedules may have to be shorted, which result in higher equipment costs yet to be determined. The majority of the estimated increase in costs is attributable to the fact that moving to year-round collection moves a seasonal program staffed with temporary employs.

**Question #64:** What is the status of the proposed new intergovernmental drop-off station, to be built just south of the Ann Arbor landfill property? What is the City doing to move this project forward in a timely fashion? (Mayor Taylor)

**Answer:** The County is currently leading the project. City staff are active participants in the County led meetings. The County's current estimate for occupation of a new facility is three years.

**Question #65:** How successful was the program to recycle in City parks last year? Are there plans to expand this program to all of our parks in the next year or two? Is this incorporated into the budget over the next two years? (Mayor Taylor)

**Answer:** The 2014 Parks Pilot Program, which piloted 14 parks, ran from July-Nov 2014. The Community response was positive and there was low contamination of the recyclables. In 2015, the City has planned an inclusion of an additional 5 parks and increased the number of recyclable containers in 2 previous piloted parks.

**Question #66:** How is the City proactively reaching out to our residential and commercial customers promoting, educating and informing them on all phases of our programs, services and opportunities? (Mayor Taylor)

**Answer:** The City of Ann Arbor regularly communicates with residents about trash, recycling and compost programs through printed materials, mailed publications, the city website and social media as well as through the press. We have also employed a new tool, A2 Fix It, which allows residents to report missed trash, recycling and compost pickups as well as alert staff to any trash, recycling or compost problems that need to be addressed. If additional means of communication with the Public could be utilized, we are open to evaluating those options.

**Question #68:** Can you clarify the sidewalk snow removal estimate? The estimate says it includes 427 miles of sidewalk, which appears to be the sum of 251 miles of single family residential, 124 miles not-single family residential and 52 miles of City sidewalk. But the City already does 52 miles of sidewalk adjacent to City property. So, am I right that new costs would actually be lower, by 52 miles worth? (Warpehoski)

**Answer:**  
Yes; however, the 52 miles is approximately 12% of the total mileage and the cost estimate was intended to be a planning number and could vary by more than 12%.

**Question #69:** Is the concept of a sinking fund purely notional? I can imagine that seeing the full cost – including replacements costs – for new capital projects is valuable. Is this why the information is included in the budget? (Councilmember Briere)

**Answer:** Yes, currently the concept of a sinking fund is notional. Staff has completed an analysis this year of items that could be funded through this concept and would like to see this implemented in the future.

**Question #70:** If actual, is the establishment of the sinking fund for streetlights new? If so, when was this established? (Councilmember Briere)

**Answer:** A sinking fund is not currently established.

**Question #71:** I ask this because last night we learned that the total replacement of streetlights in the Kertytown area is an allocation what would come (today, before other funding is sought) from the General Fund. If there is already a sinking fund, why is this a General Fund allocation? (Councilmember Briere)

**Answer:** A sinking fund is not currently established.

**Question #72:** Does the City include complete replacement costs for all new capital improvements in every budget? I don't recall this being part of previous discussions. (Councilmember Briere)

**Answer:** Enterprise and Internal Service Funds have depreciation; however, replacement costs are not a budgeted expense. In the General Fund, assets cannot be depreciated and does not account for replacement costs.

**Question #73:** Does the depreciation of street lights go to a sinking fund?  
(Councilmember Kailasapathy)

**Answer:** The City does not charge depreciation on streetlights, nor does it currently have a sinking fund to set aside money for future replacement. The chart provided to Council was intended to be an economic picture of the life cycle for new streetlights.

**Question #74:** Provide background of how requested sustainability FTE role is different from the energy projects that were already approved in last year's budget amendment.  
(Mayor Taylor)

**Answer:** The requested FTE, Sustainability Associate, is an existing position that relied on grant funds. The budget request seeks sustainable funding for the position from city

funds. Future grant funds - if and when they are available - would reduce GF expenses or augment the projects overseen by this position.

Last year's budget amendment provided \$125,000 in funding. These funds were used to fund \$40,000 for 0.5 FTE for the existing Sustainability Associate position that was grant funded but grant funding ended in December 2014. \$85,000 of the funds was allocated to contract support from the Clean Energy Coalition and Ecology Center to support community energy efficiency and the Ann Arbor Climate Partnership.

**Question #80:** What does snow removal cost? (Referencing her attachment worksheet) (Councilmember Briere)

**Answer:** See response to questions #52 & #53.

**Question #81:** What does sidewalk snow removal cost either done directly by the City or done by contractors with City supervision? (referencing her attachment worksheet) (Councilmember Briere)

**Answer:** Please see the response for #53 & #68.

**Question #82:** Please provide information/your thoughts on alternative funding sources and mechanisms for new streetlights, pro's and con's of the sources/mechanisms, and your best assessment of how much a reasonable ongoing funding level would be. (Councilmember Lumm)

**Answer:** Please refer to the attached document (Ann Arbor Streetlights: Past, Present, and Future).

**Question #83:** Can you please share what we have at this point for the criteria, process, scoring, etc. for new streetlights? (Councilmember Lumm)

**Answer:** Currently criteria, process, and scoring is under development.

**Question #84:** What existing resources (city FTE's, consultants, etc. were initially budgeted in FY15 for Sustainability Framework/Climate Action Plan-related work (before Council's \$125K amendment) and what was that intended to pay for? (Councilmember Lumm)

**Answer:** The primary work on the Sustainability Framework has been performed by the Sustainability Associate, formerly a grant funded position. Staff time from the Environmental Coordinator and Planning Manager have also supported this project

along with small amounts of staff time required from the organization to coordinate this effort across service areas. The original funding for the Sustainability Framework came from a \$95,000 grant from the Home Depot foundation. The Home Depot Foundation no longer funds city sustainability work so no additional funds are likely from this source. Subsequent grant funds from Washtenaw County's Sustainable Communities grant (\$256,000 of \$2,000,000) funded the Sustainability Associate for an additional three years to support specific efforts to support energy efficiency in the rental housing sector. These funds expired in December of 2014. There is no upcoming grant opportunity likely to fund this position after June 30, 2015.

**Question #85:** How has the \$125K approved by Council been used (City FTE, consultant, other)? (Councilmember Lumm)

**Answer:** Last year's budget amendment provided \$125,000 in funding. These funds were used to fund \$40,000 for 0.5 FTE for the existing Sustainability Associate position that was grant funded but grant funding ended in December 2014. \$85,000 of the funds were allocated to contract support from the Clean Energy Coalition and Ecology Center to support community energy efficiency and the Ann Arbor Climate Partnership.

This allocation funded staff and community facing energy projects. All of the energy projects also have significant economic development benefit because energy efficiency allows saved dollars to remain in the local economy.

Examples and status of current projects supported by contract dollars is summarized below. These are projects that would not be in place without these contract dollars or a reallocation of existing staff time away from other projects.

**PACE/Financing:** The Clean Energy Coalition (CEC) is currently engaged in outreach to property owners, contractors and architects/engineers through networking with individuals and planned presentations, (see attached for example event this month).

- Two (2) projects (valued at a total of \$400,000+) have completed the pre-application process and CEC is engaged in assisting them during the planning of their project to achieve the greatest energy savings potential and to verify meeting specific requirements for the financing application.
- CEC is evaluating opportunities to streamline the participant application process.
- CEC is working with a pool of other interested parties actively considering a pre-application.
- CEC is evaluating energy use by PACE Phase 1 projects and drafting case studies.

**Solar:** CEC is developing programs to assist residential property owners wishing to install solar on their homes and evaluate all possible community solar models for installs not possible on the site of interested persons/parties.

- Developing solar outreach materials for 2015 Earth Day events and engaged in networking with individuals to offer assistance; developing promotional materials for print and web to answer residents' questions about solar.

Ann Arbor Climate Partnership: Both the Ecology Center and CEC are meeting monthly with the Ann Arbor Climate Partnership to launch a broad approach that leverages local organizations with a committee structure for major topic areas and a dashboard for showcasing metrics.

- Four Priority Teams (Land Use & Access, Resource Management, Energy and Buildings, and Community Engagement) are convening at least monthly with Ecology Center staff facilitating these meetings. Teams are focusing on 3 top Climate Action Plan strategies of focus from within each area.
- The A2 Climate Partnership has engaged Quack Media on branding/identity to assist community-wide launch of efforts. Ecology Center staff has gathered sign-ins/comments at the Sustainable Ann Arbor Forums for 2015 (@150 attendees to date), and will have presence at approaching Earth Day events and other public events in the Spring.
- The Ecology Center is exploring opportunities to engage the community around city initiative ties to the Climate Plan including expanding organics collection awareness and local storm water projects at the neighborhood scale. Tabling materials for community events and organized community meetings are being developed.

Additional update: Commercial Energy Benchmarking Ordinance assistance for a pilot year of entering city facilities into benchmarking software before a full roll-out or draft of a community-wide ordinance proceeds.

**Question #86:** Please confirm that as indicated at the time the \$125K was a one-time expenditure in FY15 and this \$90K is not in addition to the \$125? (Councilmember Lumm)

**Answer:** The \$125,000 as provided by City Council based on the amendment below is a one-time use of fund balance. At the time of the amendment, it was anticipated that additional grant funds could be obtained. No grant funds are currently available from known sources. The \$90,000 request is for an ongoing commitment for city funds to fund a position to support the Sustainability Framework and Community Energy Efficiency projects.

**Question #87:** What is the history of grant funding related to these over the last couple of years – dollars, source, what used for. If grant funding is secured, would it be used to replace/reduce the GF support or to do other things? (Councilmember Lumm)

**Answer:** The recent history of grant funding is below. This does not include \$1.2 million in Department of Energy ARRA funding that expired in 2014. Most urban sustainability grants are one-time opportunities and city staff have been successful at maintaining relationships with Federal and Foundation funders so that the city is prepared to apply

and successfully perform under these contracted dollars. Of the sources listed below, only the first two – Home Depot and HUD – were used to fund staff time at the city. The other grants funded projects in the city supporting community energy efficiency and climate change work, but did not support city staff time.

Funding Source	Project (see highlights below)	Funding Amount
Home Depot Foundation (2011)	Sustainability Framework	\$95,000
Housing and Urban Development (2011-2014)	Rental Housing energy efficiency	\$256,000
Partners for Places and local family foundations (2013)	Community Climate Partnership	\$110,000
Great Lakes Climate Adaptation Assessment – Cities (2014)	Climate Adaptation videos	\$12,500
Dow and Graham Sustainability Institute (2014)	Revolving Loan Fund for Rental Housing	\$40,000
		<b>TOTAL: \$513,500</b>
<i>Annual Average Funding developed over 4 years - \$128,375</i>		

When additional grant funds are obtained – and depending on the terms of the grant – these additional funds could be used to reduce GF support or could be used to support additional projects that support the cities Sustainability Framework and Climate Plan goals. City Council would have the opportunity to have that discussion when grant funds are accepted. Because much of the community energy efficiency work is also economic development, City Council may identify fund sources that are directed toward economic development that could support this position. The Energy and Environmental Commissions also are exploring recommendations to City Council to create a sustainable funding source for this work in the community that furthers the Sustainability Framework and Climate plan goals.

**Question #88:** Larcom/Council Chamber renovations – Can you please provide a detailed summary of all of the Larcom Building capital spending over the last five years – amount, what the spending was for, funding source, as well as what was the driver behind the spending – asbestos removal, ADA compliance, audio/visual improvements, aesthetics, comfort – whatever the driver was. Also, please provide line item detail for the proposed \$140K “Council Chambers Renovations Phase 2” project.  
(Councilmember Lumm)

**Answer:**

PROJECT	FUNDING SOURCE	PROJECT DRIVER	2011	2012	2013	2014	2015	Total:
*Ann Arbor Municipal Center	Various	Required Maint/Space	10,338,055	2,172,843	173,707	113,231	12,093	12,809,929
Larcom Upper Roof Repair	General Fund	Required Maintenance	128,400					128,400
Larcom Unisex Restroom Project	General Fund	ADA Compliance		68,622	42,216			110,838
Larcom Restroom Renovation Project	General Fund	Required Maintenance				208,350		208,350
Larcom Secondary Chiller	General Fund	Required Maintenance				178,032		178,032
Larcom Asbestos Abatement Project -Floors 2-5	General Fund	Asbestos Removal				865,601	265,235	1,130,836
Larcom HVAC Retrofit Upgrades	General Fund	Required Maintenance					34,000	34,000
CTN A/V Council Chambers	CTN/Capital Equip	Required Equipment Update					145,650	145,650
IT Upgrade Network Cabling-FL 3rd, 4th, & 5th	IT Fund	Required Maint/Upgrade				42,500		42,500
Audio/Visual Enhancements to City Hall Conference Rooms	IT Fund	Upgrade					7,000	7,000
Digital Signage & Mtg Room Calendars-1st Fl.	IT Fund	Public Engagement					2,000	2,000
Public/Private Wireless Network (WIFI)	IT Fund	Upgrade		50,000				50,000
Personnel Duress & Altering System	IT Fund	Safety		25,000				25,000
<b>TOTALS:</b>			10,466,455	2,316,465	215,923	1,407,714	465,978	14,872,535

\*Expenses were incurred outside the 5 year window

Total Project Expenditures of \$47,376,645 & are within budget.

<b>Ann Arbor City Council Chambers Renovation – Phase 2 Budget Estimate</b>	
Plan Review/Consultant/Permits	\$ 3,500
Demolition and Asbestos Abatement	\$ 6,500
Air Monitoring/Testing	\$ 2,000
New Construction	\$ 11,000
Moveable Wall Partitions	\$ 22,000
Flooring	\$ 1,000
Lighting/Electrical	\$ 5,000
Council Workstation (custom build – seating for 15)	\$ 33,000
Replace pew seating with freestanding, cushioned individual chairs (80)	\$ 8,000
Podium (ADA accessible with technology)	\$ 5,000
CTN (reconfiguration of A/V rack, cameras, microphones)	\$ 3,000
Technology (materials & equipment)	\$ 25,000
Technology (installation & programming)	\$ 15,000
<b>Total:</b>	<b>\$ 140,000</b>

# Ann Arbor Streetlights: Past, Present, Future

Prepared by the Systems Planning Unit, September 2013

## Introduction

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This paper is intended to describe the efforts to manage streetlight costs for the City of Ann Arbor, including: directions taken; options that have been previously explored; issues looking ahead; a discussion of concerns and requests expressed by some members of the community; and, recommendations moving forward.

Principal among the efforts and directions taken by the City so far, and further described within this paper, are the City's program for conversion of existing conventional streetlight lamps to LED lamps, and the City's moratorium on new streetlight installations that has been in place since July 1, 2005. Since 2005, the estimated daily energy usage for streetlights in the City has been reduced by approximately 32%, from 19,429 kWh (kilowatt-hour) to 13,240 kWh. Despite this tremendous reduction in energy demand and usage, the City's monthly costs for streetlights and signals over the same period have increased by approximately 15%, from \$126,353 to \$144,985.

Recently, some members of the community have raised concerns about streetlighting in the City and are expressing a desire for additional streetlights in their neighborhoods or other areas of the City. The need to maintain the delicate balance between providing the broad range of services requested by the community, particularly that of streetlighting levels in this case, with the limited resources available to not only provide, but also to maintain and sustain that level of service highlights the need for this paper at this time.

## Background

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As of the close of FY2013, there are 7,437 streetlights in the City, that are made up of a combination of Detroit Edison (DTE) owned and operated streetlights as well as streetlights owned by the City. Of this total, 5,234 are DTE-owned, which the City pays DTE for their energy use and maintenance; and, 2,203 are City-owned which the City pays DTE for their energy use, but directly funds their maintenance by City staff. Payment for both DTE-owned and City-owned streetlights comes out of the City's General Fund Budget. Since City-owned fixtures are not maintained by DTE, the rates charged by DTE for these streetlights are significantly less than that for streetlights owned and maintained by DTE. Of the total \$1,776,247 spent by the City on streetlighting in FY2013, the total of streetlight billings from DTE was over \$1,560,000.

With reductions in General Fund revenue during the recent financial crisis, and the desire to maintain key City services provided by the General Fund, such as those in the Safety Services Area, the need to control and even reduce General Fund expenses arose in the mid-2000s. One of the identified areas of opportunity for cost reduction was streetlights.

Ann Arbor is not unique in pursuing streetlight cost control/reduction measures in response to budget challenges. The cities of Muskegon, Flushing, and Jackson examined streetlight shutoffs in their communities, which was actually piloted in Ann Arbor in 2010. Outside of Michigan, Cranston, RI (pop. 79,269) has proceeded with shutting off 3,000 streetlights, while Colorado Springs, CO (pop. 414,658) has shut off approximately 8,000 streetlights. Other communities have proposed a fee to residents in order to keep streetlights on. Fargo, ND (pop. 95,556) is charging residents \$2/month and Harper Woods, MI proposed charging \$6/month via a special assessment, while a similar proposal in Grand Rapids, MI to create a streetlight utility was defeated in May 2010.

## Directions Taken

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### *LED Conversion*

The City's Field Services Unit and Energy Office/Systems Planning Unit have taken proactive measures to reduce the cost of operating streetlights, mainly through reducing energy costs, and to a larger extent reducing maintenance costs within the streetlight inventory for City-owned streetlights. This has primarily been accomplished through the conversion of streetlights from incandescent lamps to light emitting diodes (LED). LEDs contain no mercury, generally require half or less the electricity of conventional lights, and last five to ten times longer than the lights they are replacing. The ability to convert DTE-owned lights to LED has only begun more recently to a more limited extent.

### *LED Traffic Signals*

The move to LEDs began with the City's traffic signals being converted. This effort began in 2000 with the final conversions being completed in 2005. This conversion produced a reduction in wattage from 304,352 watts to 124,470 watts for these signals. As a result of this reduction, DTE's charges for energy usage by the City's traffic signals in June 2013 was \$6,015 per month rather than \$10,445 per month that would have resulted with the former wattage - over \$50,000 of annual savings in energy costs. Operation and Maintenance costs are also reduced because LED lamps are replaced much less frequently (e.g., ten years vs. one year).

Unlike streetlights costs which are paid from the General Fund, the energy costs for traffic signals are paid to DTE by Act 51<sup>1</sup> dollars.

### *LED Streetlights*

With the successful conversion of traffic signal and crosswalk lights, and with the rapid improvements of LED technology for street-lighting purposes, the City began piloting test streetlight fixtures in 2006, mostly through donated lights provided by various LED manufacturers. After overwhelmingly positive feedback on the pilot and test locations focused

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<sup>1</sup> <http://house.michigan.gov/hfa/PDFs/act51.pdf>

on Washington Avenue (which included signage to direct public feedback), the City proceeded with the conversion of downtown ornamental "globe" lights - one of the first large-scale streetlight conversions to LEDs for a major City in the world.

Not surprisingly, as a newer technology without full market saturation and adoption, LEDs still cost more than conventional fixtures. But, the avoided maintenance and energy savings were significant, and the downtown globe project paid back the upfront investment in approximately four and a half years.<sup>2</sup> This work was possible through a \$630,000 grant from the Downtown Development Authority (DDA). Since then, the City has used additional grant dollars, primarily via the American Recovery & Reinvestment Act (ARRA), to complete the LED conversion of the majority of the remaining "cobrahead" and intersection streetlights owned by the City.

LED streetlights in the downtown, arterial streets, and in neighborhoods have reduced energy demand by approximately 700,000 kilowatt hours (kWh) per year, equal to the annual electricity usage of 60 households, or the annual consumption of 1,600 of the most prevalent conventional "cobrahead" streetlights (100 watt High Pressure Sodium) in DTE's current system.

While the savings from reduced energy demand is significant, at least two-thirds of the cost savings realized by the City in converting City-owned lights to LEDs is in the deferred cost to maintain the fixture (work hours to replace the light and components like ballasts and igniters). The long life of LEDs frees up City labor hours and eliminates the need to hire outside support to operate, maintain, and replace fixtures. In April 2013, staff analyzed fiscal year maintenance orders for the Field Services Unit related to streetlighting to further confirm these estimated savings. Work orders from FY06, prior to LED conversions, showed 486 total hours of streetlight maintenance compared with FY12 which had only 287.5 total hours; a 41% reduction in maintenance time for the City-owned streetlight inventory which grew by approximately 10% over this period, clearly demonstrating the benefits gained by LED conversions. Averaged across the various types and wattages, each City-owned LED fixture saves the City approximately \$90 per year in energy and avoided maintenance, or over \$50,000 in energy costs and over \$130,000 in maintenance costs per year.

### *Streetlight Moratorium*

Much of the work to convert City-owned lights to LEDs was a recognition of not only the advancement in technology allowing for significant gains in energy efficiency, but also the recognition that electricity costs are continually increasing with few other options to abate a quickly burgeoning expense. Therefore, in order to contain expenses to the City's General Fund, a streetlight moratorium was put in place in FY2006.

Quoted below is an excerpt from the FY2006 Budget Report:

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<sup>2</sup> WHITE PAPER: ANN ARBOR'S LED STREETLIGHT PROGRAM:

[http://www.a2gov.org/government/publicservices/systems\\_planning/energy/Documents/LED\\_Summary.pdf](http://www.a2gov.org/government/publicservices/systems_planning/energy/Documents/LED_Summary.pdf)

*This budget reduces the projected 2005/2006 General Fund costs by \$2.0 million. In order to achieve the required reductions, some services have been impacted. The following General Fund service reductions (or fee increases for selected services) are implemented with this budget:*

### ***Public Services***

- *Ball field maintenance is reduced to dragging and mowing*
- ***Moratorium on new streetlights is in place.*** (Emphasis added)
- *A millage to remove all Ash trees (due to the Emerald Ash Borer) for safety is planned for the November, 2005 election...*

Questions about the moratorium occasionally emerge and staff has tried to clarify the policy, most recently in this City Administrator response to Councilmember questions on the moratorium, sent via email on July 9, 2013 included the following:

*There have been questions regarding whether there is a street light moratorium. As part of the FY2005/2006 Budget process General Fund costs were reduced by \$2.0 million, and in order to achieve that reduction one of the service impacts was that a moratorium on new streetlights was put into place. Attached is the page from the Council adopted budget document which put this moratorium in place (quoted above).*

*Following this moratorium being put into place, streetlights have only been added to either the City's streetlight system, or to DTE's public streetlight system if there was a net reduction, or at least no net increase, in streetlight costs. A net reduction or no net increase is accomplished through replacing incandescent lamps with lower wattage LED lamps to absorb the cost of the additional light(s) in that system; removing incandescent DTE streetlights, with City-owned and operated LED streetlights, which result in lower annual cost impacts to the General Fund; or in the case of two downtown developments, that contributed funds for the lifetime operation, maintenance and replacement of an additional light/wattage.*

### ***Streetlight De-Energizing***

Lighting guidelines derived from AASHTO (American Association of State Highway and Transportation Officials) for local streets call for streetlights at street intersections. However, the City streetlight specifications go further by requiring a 190-foot spacing between streetlights outside of the downtown, and 40- to 60-foot spacing between streetlights in the downtown. The 190-foot spacing has been the City's standard specification since the late 1970s. In 2010, a preliminary GIS evaluation was performed and it showed that much of City, particularly the downtown, is overlit by the City's own standards with streetlights spaced closer than the specified spacing. Below is another excerpt from the City Administrator in his response to Councilmember questions on the moratorium, sent via email on July 9, 2013

*Even with this moratorium in place, the matter of streetlight cost impacts to the General Fund arose again during the FY11 budget process when further reductions in streetlight costs (\$120,000) were included in the FY11 General Fund budget. In order to achieve this reduction,*

*several options were explored including special assessment districts, shifting to “dusk to midnight” service for all DTE streetlights (which were all higher wattage, incandescent lights), and de-energizing locations of DTE streetlights where the streetlight spacing was in excess (closer) than the current published City standards for streetlight installations. The de-energizing option was selected and based on the City’s GIS data, which identified streetlight ownership and location, a technical pilot was performed in July 2010 in the area generally south of East Stadium Boulevard and east of Packard.*

*This technical pilot was halted and the de-energizing direction was reversed by Council approval of Resolution R-10-354 on October 4, 2010 which:*

- *Directed staff to re-energize the streetlights in the technical pilot area*
- *Suspended any further de-energizing of any additional DTE lights*
- *Appropriated \$120,000 from the General Fund fund balance to the General Fund Streetlighting Budget for FY11*

### *Replacement of DTE Streetlights with City-Owned Streetlights*

Recent road reconstruction projects which are funded with STP (MDOT/Federal) funds, such as the phased Stadium Boulevard Reconstruction projects, have included the replacement of existing DTE lights with City LED streetlights if the STP funds are deemed eligible for this work. In this situation, the STP funds pay for 80% of the installation and the City only has to pay the remaining 20%. By eliminating the higher DTE charges for energy and maintenance of their incandescent streetlights, along with the much reduced operating and maintenance costs with the LED fixtures results in a very short payback period for the City’s portion of the installation cost and then greatly reduced costs following the payback.

### *DTE Auditing of Streetlight Inventory*

Over the calendar years 2011 through 2013, DTE performed a system-wide audit to verify the number and type of all streetlight fixtures within the city. This process resulted in many additional lights that DTE discovered and added to its billing. When comparing a streetlighting bill for June 2005 to the June bill for 2013, an additional 443 lights are now being billed to the City. This is a 6.5 percent increase over the previous streetlight total. Staff is analyzing GIS information provided by DTE to identify any further discrepancies and needed corrections to the current billing and inventory.

With certain street re-construction projects that utilize STP funds (such as the phased Stadium Boulevard Reconstruction projects, where DTE fixtures were removed and replaced with City-owned LED fixtures), personnel turnover, and non-digitized information transfer in intervening years, it has been difficult for DTE to maintain an accurate streetlight inventory for billing purposes, and this resulted in their auditing streetlight systems across their service territory. Staff is now working closely with DTE to make sure lights added or removed from the system are accounted for going forward.

## Options That Have Been Previously Explored

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The following text is taken from draft summaries and proposals written between 2008 and 2010 examining 1) special assessment districts for streetlighting and 2) a lighting bank as a means for new development to contribute to the cost of streetlights. These cost management mechanisms were considered, but were not formally codified or pursued fully due to implementation and other feasibility limitations.

### *Special Assessment Districts (SADs)*

Below is an excerpt of a preliminary staff evaluation of special assessment districting written in early 2010. A number of uncertainties remained with this option as a means to help or entirely pay for the cost of streetlights.

At the time of this writing, the City of Ypsilanti is moving forward with special assessing residents the costs to convert their entire inventory of DTE lights to LED (though not to pay for ongoing bills/maintenance).<sup>3</sup> The description below and the values and estimates discussed are not meant to imply present applicability or as a “ready” option to pursue. Rather, the description demonstrates that thought has gone into evaluating SADs. Ypsilanti’s present decision to move toward special assessing properties for streetlight conversions demonstrates that some municipalities are proceeding and as such are worth monitoring closely.

*Systems Planning staff was asked to evaluate the feasibility of using special assessment districts to (1) distribute costs to neighborhoods according to actual costs of providing streetlighting and (2) provide an incentive to neighborhoods to invest in reducing streetlighting costs. Below are preliminary results for evaluations of three scenarios wherein the special assessment is designed to cover:*

1. All streetlight operations and maintenance (O&M) costs
2. Incremental increase streetlight costs for areas which exceed minimum lighting standards (i.e. the "over-lit increment")
3. Purchase of streetlights from DTE and conversion to LED

*Using City-wide special assessment districts to allocate streetlighting operation and maintenance costs results in an estimated average annual cost per parcel of \$52 at current costs. Separately accounting for the DDA District projects an average \$84/parcel assessment in the DDA and \$50/parcel outside the DDA. Purchasing DTE lights and converting to LED is preliminarily estimated to cost \$95 on average per parcel for ten years. More work will be required to determine the potential revenue from districts based on the "over-lit increment" model.*

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<sup>3</sup> <http://www.annarbor.com/news/ypsilanti/ypsilanti-approves-first-reading-of-street-light-fee-ordinance/>

*Finally, our discussion with the City Assessor highlighted a number of additional special assessment considerations that would need to be addressed before going forward. First among these is the need to develop a special assessment formula with which to assign costs. We have used street frontage as the primary variable in the analysis above, but other attributes may need to be incorporated, such as residential vs. commercial status. More analysis and discussion with the Assessor's Office will be needed before moving ahead with special assessment districts.*

### ***Lighting Bank***

Similar to the special assessment district evaluations, the following is text drafted for a proposed lighting bank concept explored by staff in recent years.

*When developers install new public lighting, they pay for the initial cost of the light fixtures, but it falls on the City to pay the energy and maintenance costs for the life of these lights, which can be up to \$300/year per light. The streetlight moratorium requires an equal amount of lighting be removed before new lighting can be installed. Developers have been required to wait for lighting to be removed before proceeding with their projects. This has caused problems for some newly proposed developments. The City has been asked to come up with a more workable mechanism for allowing new public lighting to be installed and these projects to move forward.*

*The Lighting Bank program was a solution considered for this problem. It would require a developer to pay a set fee per watt of new public lighting installed as part of their development. The funds raised would be deposited into the City's Energy Fund to be used to retrofit existing public lighting with more efficient, less costly to maintain lights. This provides a mechanism for developers to move ahead with new projects, reduces overall public lighting costs and provides an incentive for developers to install more efficient lighting to reduce their Lighting Bank payments.*

*Guidelines would be as follows:*

- *Developers purchase credits before they install new public lighting. The City would not activate new installations unless the appropriate credits have been purchased.*
- *The price for each 100 watt credit is initially set at \$2,238. Each credit pays for the necessary investments to offset 200 watts of public lighting operating and maintenance costs for 10 years. (An additional 100 watts has been added to advance the City goal of reducing public lighting costs over time).*
- *Monies from credit purchases are deposited into the Energy Fund to be used to improve the energy efficiency and reduce maintenance costs for the City's existing public lights.*
- *Appropriate lighting cost reduction projects would be identified and carried out by the department responsible for maintaining public lighting (currently Field Operations).*

*The primary consideration in selecting retrofit projects will be to maximize reductions in lighting load, with the goal of reducing load by at least 200 watts for each credit.*

- *The credit price would be revised as necessary such that each credit pays for the necessary investments to offset 200 watts of street lighting operating and maintenance costs.*
- *50 percent of savings from retrofit projects would be reinvested into new retrofit projects, so that the retrofit fund can become self-sustaining.*
- *At the end of each City fiscal year, a detailed report would be made to the City Administrator by the department responsible for maintaining public lighting (currently Field Operations).*

## Issues Looking Ahead

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### *Costs to Remove DTE Fixtures*

According to Field Services staff that coordinates with DTE, it costs the City approximately \$1,000 per fixture to remove a streetlight, which primarily occurs during road resurfacing projects (e.g., Stadium Blvd), and has been one mechanism for removing DTE lights and later putting in City lights to move from the full DTE rates to energy only rates. DTE has informed the City that for removal requests, planning takes 6 to 8 weeks, and construction an additional 6 to 8 weeks.

### *Surcharge Surges*

Streetlights are also subject to surcharge surges periodically appearing on the City bill, such as a “Restoration Expense Tracker” to deal with the severe storm damage in the spring (April, May, June) of 2013. Below is a table showing the impact of these surges, which in three months added over \$25,000 in unexpected charges to the bill.

Fiscal Year 2013 Surcharges

Jul	Aug	Sep	Oct	Nov	Dec
5.302%	5.302%	5.302%	5.662%	5.662%	5.662%
Jan	Feb	Mar	Apr	May	Jun
4.632%	4.632%	5.392%	9.192%	11.492%	13.092%

### *Potential Rate Increases for 2015*

Indications from DTE are that they will file a rate case that will have implications for all classes of streetlights in the City’s inventory. It is not clear or disclosed from DTE what these changes will mean to light tariffs, but a likely increase (possibly across the board) should be anticipated, which will further impact General Fund expenditures for streetlights.

## Community Concerns and Requests

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Citizens approach City staff or City Councilmembers requesting that new or additional streetlights be installed at specific locations in the city. The reason given for these requests is that there is a concern regarding "safety" at the location. There are various types of safety concerns expressed - - pedestrian safety, bicyclist safety, personal property/home safety and driving safety.

As part of the previously mentioned Streetlight De-Energizing Pilot in 2010, feedback was received from residents in the pilot area, and all of these safety areas were mentioned. The following excerpt is from the staff report on the Streetlight De-energizing Project of 2010 regarding this feedback and these concerns.

### **Pedestrian Safety**

*The most frequent comment from residents was that they felt the absence of one or more streetlights made them feel that an area was less safe to walk at night, either for reasons of personal safety or because of potential pedestrian-vehicle conflicts. The pedestrian-vehicle conflict concern was largely addressed by design in only selecting non-intersection lights to be de-energized. However, there was also a concern raised that residents—and specifically children—may continue to cross mid-block, particularly on streets which lack sidewalks on one or both sides. Staff continues to develop and implement communications and outreach efforts under the broad "Walk, Bike, Drive" Safety Campaign. The City has developed messaging including posters providing information about wearing light-colored and reflective gear to ensure visibility.*

*Staff is also aware of the need to complete the City's sidewalk infrastructure as a way to provide a safer, more comprehensive pedestrian system. The City's Capital Improvements Plan includes line items for new sidewalks. Unfortunately, funding is not presently available to complete these projects.*

*The concern about personal safety is more complicated, as there is a clear public perception that lighting increases nighttime personal safety. In looking at the data, however, there is no correlation between lighting and incidents of crime in Ann Arbor, and lighting levels vary considerably from one street to the next. For instance, while downtown is extraordinarily well-lit, Shadford Rd. and Morton Ave., north of Stadium Blvd., are mostly lit only at the intersections, leaving the mid-block sidewalks darker. Comprehensive studies of street lighting and crime have found that while lighting decreases fear of crime, there is no statistically significant reduction in crime as a result of increased street lighting, and in some cases, studies have actually shown both daytime and nighttime crime to rise with increased lighting levels.*

### **Bicyclist Safety**

*Residents also expressed concern about the safety of bicycling after dark in areas where streetlights have been de-energized. State law largely addresses these concerns by requiring, at the minimum, that cyclists riding after sunset use a white headlight visible from at least 500*

*feet, pedal reflectors, and a red rear reflector visible from at least 600 feet. However, as the Ann Arbor bike map states, "more is better," and bright, retroreflective clothing is also recommended.<sup>4</sup>*

### ***Personal Property / Home Safety***

*Several residents expressed concern that the shutoff of one or more streetlights would increase the likelihood of thefts from homes or other crime on private property as a result of the property being darker. There appear to be differing views regarding the purpose of street lighting. From the City's perspective, street lighting is intended to light the public right-of-way: primarily the roadway, and to a lesser extent, sidewalks. In selecting lights to de-energize, staff mapped two years of nighttime crime data and found no relationship between crime and the presence or absence of streetlights.*

*However, some residents appreciate the spillage of light onto their private property. For those residents concerned about the safety of their private property, the Ann Arbor Police Department offers a document entitled "How Safe is Your Home?"<sup>5</sup> with tips for securing residences (and automobiles), and DTE Energy offers an Outdoor Protective Lighting option for additional area lighting<sup>6,7</sup>.*

### ***Driving Safety***

*A couple of comments were also received regarding the safety of driving in neighborhoods where lights have been de-energized. During the process of selecting lights to de-energize, staff mapped vehicle crash data and found no relationship between existing light levels and the frequency of crashes, though crashes were more common at or near intersections. Not surprisingly, national guidelines for roadway lighting<sup>8</sup> prioritize lighting at intersections. From an automobile safety perspective, the areas of most concern—and the areas where roadway lighting is most recommended—are intersections, and intersection streetlights are being retained. The reason for this is that the potential for conflicts between automobiles and both other vehicles and pedestrian and bicycle traffic is greatest at intersections.*

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<sup>4</sup> City of Ann Arbor Bicycle Map:

<http://www.a2gov.org/government/communityservices/ParksandRecreation/Documents/bike.pdf>

<sup>5</sup> "How Secure is Your Home?"

<http://www.a2gov.org/government/safetyservices/Police/Documents/HowSecureIsYourHome.pdf>

<sup>6</sup> DTE Energy Outdoor Protective Lighting Rate:

<http://www.dteenergy.com/residentialCustomers/billingPayment/electricRate/oplRate.html>

<sup>7</sup> Rate Schedule D9, Third Revised Sheet No. D-44.00:

<http://www.dleg.state.mi.us/mpsc/electric/ratebooks/dte/dte10curd1throughend.pdf>

<sup>8</sup> ANSI/IESNA RP-8-00 Roadway Lighting (Reaffirmed 2005):

<http://webstore.ansi.org/RecordDetail.aspx?sku=ANSI%2FIESNA+RP-8-00>

## Recommendations Moving Forward

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It is recommended that the City continue its efforts to control and even reduce its streetlighting costs and the resulting impact on the General Fund by using the various methods listed below as opportunities arise:

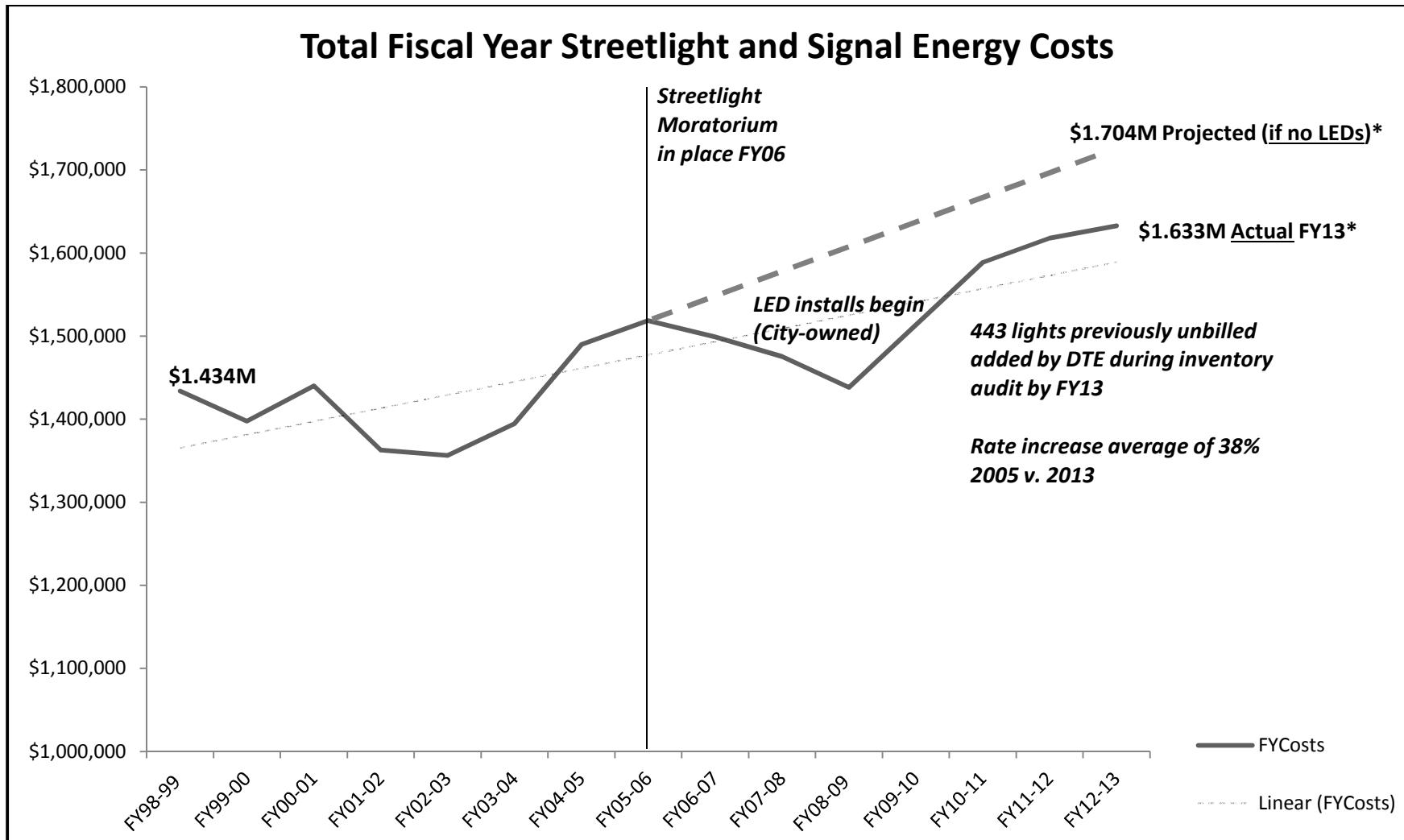
- Remove streetlights in areas where illumination is provided by other means, such as lighting on property adjacent to the right-of-way.
- Only add City-owned lights to the system, and only after there has been a reduction in City costs to the streetlight bill in excess of the costs for the new streetlights, through LED conversion or actual streetlight removals elsewhere in the system
- Continue to utilize STP funds for replacement of existing DTE streetlights with City-owned LED streetlights, and even further leverage those funds by extending project limits beyond the typical focus of the past to the extent allowed by MDOT
- Convert DTE-owned lights to City-owned LED lights through request to purchase if found to be cost effective (past attempts were met with limited cooperation from DTE)
- Utilize existing “cost in aid of construction” terms allowed by DTE whereby the City covers purchase of the fixture only, with cost-offsets coming from state-required Energy Optimization rebate program (used in July 2013 to convert 200 DTE-owned lights to LED)
- Re-examine the establishment of a Lighting Bank Program to allow developments that desire to install new streetlights to do so, while capturing funding for City efforts to reduce streetlight costs
- Engage the Michigan Public Service Commission (MPSC) in any upcoming rate case to seek better rates for both City and DTE-owned streetlights

## Appendix A: Snapshot of Two Streetlight Bills: June 2005, June 2013

- Shows reduction in energy demand with LEDs in inventory
- Increase in “discovered” lights added to inventory with DTE system audit
- Increase in total charges results from additional lights and tariff increases

	Total Daily kWh (June)	Total Lights (June)	Total Charges (June)	Cost/Fixture (Annual)	Cost/Watt (June)
2005	19,429	6,994	\$ 126,353.01	\$213.00	\$1.35
2013	13,240	7,437	\$ 144,985.38	\$219.55	\$2.07
% Change	-32%	7%	15%	3%	54%

## Appendix B: Streetlight Costs



\*Portion of FY13 bill for City-owned streetlights equaled \$71,200. If no LED replacements City-owned portion would have come to approximately \$140,000

## Appendix C: FY2013 Streetlight Inventory

### CITY-OWNED

Type and Wattage	Qty	Rate	Annual Cost	Installed Watts
Mercury Vapor*				
100	15	\$3.60	\$648.00	1500
175	4	\$6.30	\$302.40	700
High Pressure Sodium*				
70				
100	89	\$3.60	\$5,652.00	8900
150	1	\$5.40	\$64.80	150
250	168	\$9.00	\$20,502.00	42000
400	15	\$14.40	\$2,592.00	6000
LED				
56	877	\$1.36	\$14,001.20	49112
67	134	\$1.61	\$2,593.71	8978
77	160	\$1.87	\$3,496.90	12320
87	416	\$2.11	\$9,676.46	36192
121	320	\$3.12	\$11,341.43	38720
267	4	\$6.63	\$318.24	1068
<b>SUBTOTAL</b>	<b>2203</b>		<b>\$71,189.14</b>	<b>205640</b>

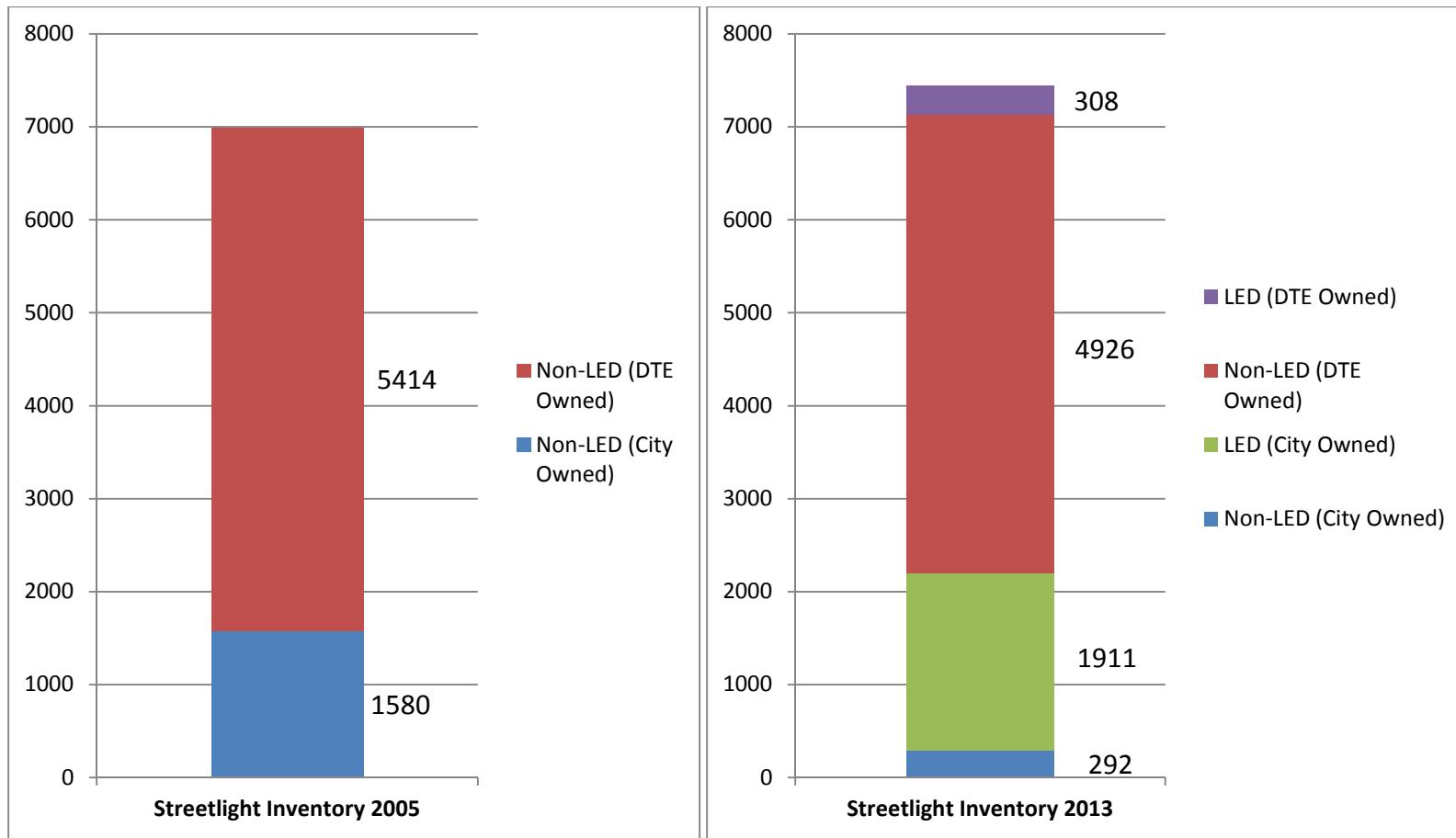
\*Intersection lights and subdivisions with globe style lights which are planned to receive re-used downtown globes in 2014  
 (Earhart, Earhart West, High Orchard and Pine Brae Estates)

## DTE-OWNED

Type and Wattage	Qty	Rate	Annual Cost	Installed Watts
<b>Overheads E1A</b>				
Mercury Vapor				
100	10	\$12.94	\$1,552.80	1000
175	835	\$16.76	\$169,410.08	146125
250	23	\$18.87	\$5,208.12	5750
400	14	\$25.13	\$4,221.84	5600
High Pressure Sodium				
70	6	\$14.57	\$1,046.16	420
100	2067	\$15.33	\$379,555.47	206700
100	1	\$14.27	\$171.24	100
150	2	\$16.76	\$217.88	300
250	232	\$19.55	\$54,133.95	58000
400	7	\$25.51	\$2,142.84	2800
Metal Halide				
70	2	\$21.07	\$505.68	140
LED				
050-059	1	\$8.02	\$104.26	
070-079	1	\$8.73	\$104.76	
95	64	\$9.43	\$7,242.24	6080
120-129	1	\$10.48	\$125.76	
157	28	\$11.53	\$4,219.98	4396

<b>Underground</b>					
Mercury Vapor					
	175	5	\$33.78	\$1,486.32	875
	400	10	\$44.34	\$4,833.06	4000
	1000	1	\$62.27	\$1,432.21	1000
High Pressure Sodium					
	100	957	\$27.51	\$313,971.63	95700
	250	890	\$35.05	\$374,719.55	222500
	400	64	\$42.76	\$32,839.68	25600
LED Rate 303					
	050-059	2	\$22.63	\$543.12	
	95	9	\$24.26	\$3,396.40	855
	120-129	1	\$25.49	\$509.80	
	157	1	\$26.71	\$320.52	157
<b>SUBTOTAL</b>		<b>5,234</b>		<b>\$1,364,015.35</b>	<b>788,098</b>
<b>TRAFFIC SIGNALS</b>				<b>\$68,911</b>	<b>124,470</b>
<b>FY 2013 Avg. Surcharge %</b>				<b>6.78%</b>	
<b>TOTALS</b>		<b>7,437</b>		<b>\$1,632,777.84</b>	<b>912,568</b>

## Graph of Streetlight Inventories: 2005 & 2013



NOTE: 2013 includes 200 lights that DTE is converting to LED in August/September 2013 as part of a discontinuation of mercury vapor lights campaign, though not at present reflected on the (June) streetlight bill appearing in Appendix C



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TO: Mayor and Council

FROM: Tom Crawford, CFO  
Susan Pollay, Executive Director, DDA

CC: Steven D. Powers, City Administrator

SUBJECT: DDA

DATE: April 10, 2015

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**Question #103:** The DDA Board approved a \$33M budget, but the DDA materials provided to the City show a \$27M budget. What is the difference? (Councilmember Briere)

**Response:** The budget numbers are the same, but are in different formats. The \$6.7M difference is \$3.9M of inter-fund transfers that the DDA adjusts out of its numbers to show a true DDA total revenue. This number can be seen on the City's format as Operating Transfers In. The remaining \$2.8M is the use of fund balance which is seen on the City's format as Prior Year Surplus while the DDA shows this as negative Excess of Revenues over Expenses. These adjustments are done so that the DDA board can see the budget in a format that more closely resembles the audit that is prepared at the end of the year.



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TO: Mayor and Council  
FROM: Tom Crawford, CFO  
CC: Steven D. Powers, City Administrator  
SUBJECT: Impact of Rebates by Fund  
DATE: April 10, 2015

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**Question #104:** Can you share how each fund would be impacted from the potential return of \$12 million from the Risk, Fleet & Project Mgmt funds? (Councilmember Lumm)

**Response:** The information is provided on the attached "Impact by Fund of Rebates" document.

	Source of Rebate/Transfer				
	Risk	Proj. Mgmt	Fleet	Total	
	(000s)	(000s)	(000s)	(000s)	
General Fund	\$ 2,878	\$ -	\$ 287	\$ 3,165	
Street Millage	80	2,407	-	2,487	
Water Fund	385	1,160	43	1,588	
Solid Waste	200	-	883	1,083	
Sewer Fund	338	352	31	721	
Major/Local Streets	227	31	414	672	
Storm Water	130	425	112	667	
Parks Maint & Capital	125	-	158	283	
Information Tech.	171	-	-	171	
Alternative Transporation	7	117	-	124	
All Other	524	8	62	594	
Total	\$ 5,065	\$ 4,500	\$ 1,990	\$ 11,555	