



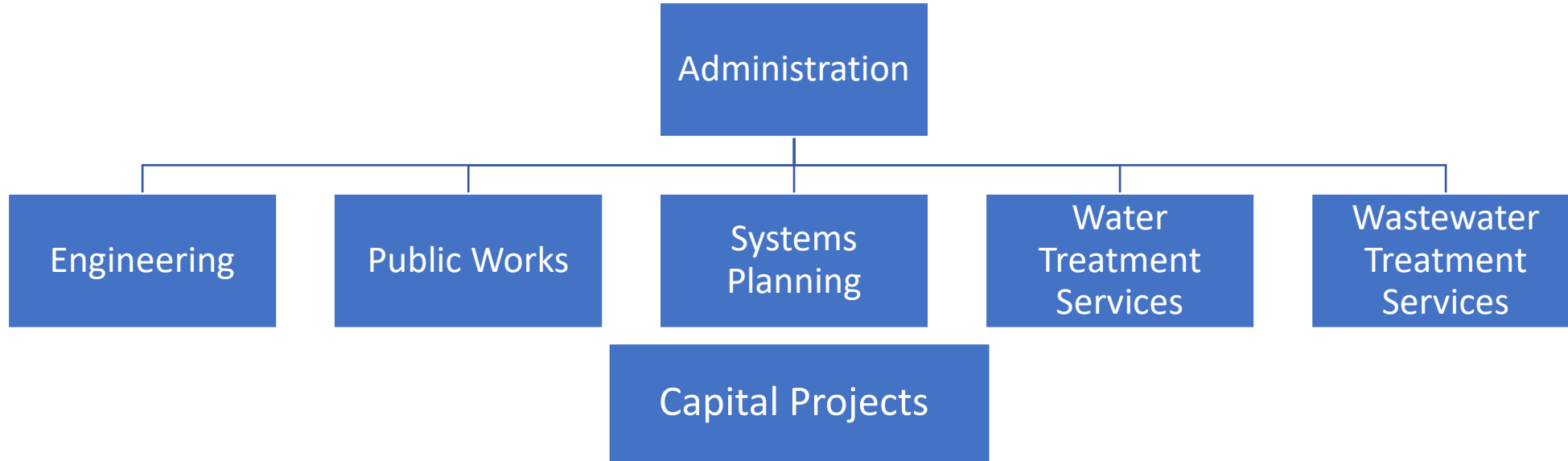
CITY OF ANN ARBOR FY24-5 PUBLIC SERVICES AREA BUDGET OVERVIEW

INTRODUCTION

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

- Service Area Overview
- Utility Overview & Proposed Rates
- Major Initiatives
- Highlighted Requests

PUBLIC SERVICES AREA



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

Built Infrastructure Maintained by the City of Ann Arbor

Water Mains
463.6 miles



Sanitary Mains
365.2 miles



Stormwater Mains
289.9 miles



Streets
306.6 miles



Sidewalks
439.5 miles



Water Utilities Overview

Water

FY24 Capital Needs:
\$32.3M

FY24 Major Projects or Initiatives

- WTP Facility Plan
- Water Distribution Plan
- State Street from William to South U.

Sanitary

FY24 Capital Needs:
\$16.7M

FY24 Major Projects or Initiatives

- Headworks Project Completion
- UV Disinfection Upgrade

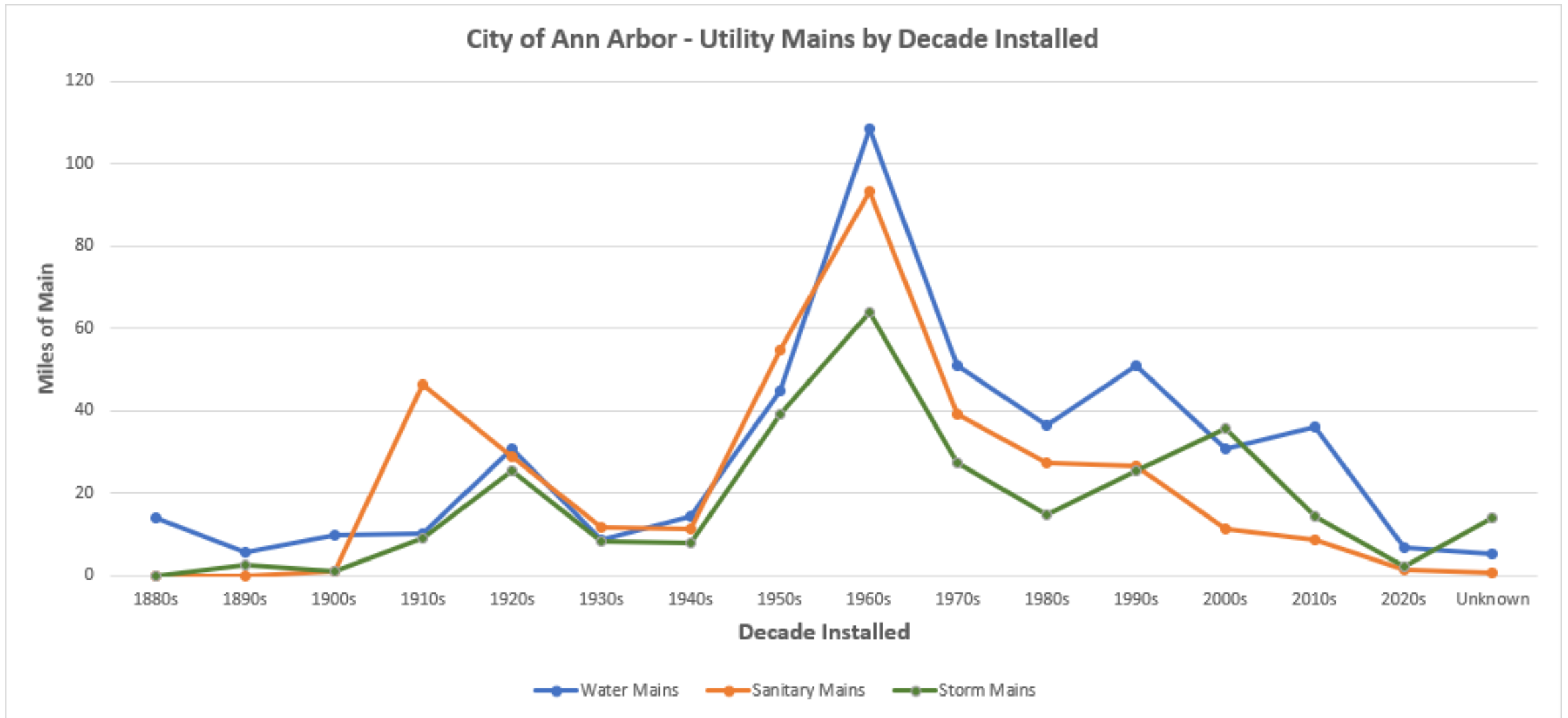
Stormwater

FY24 Capital Needs:
\$8.9M

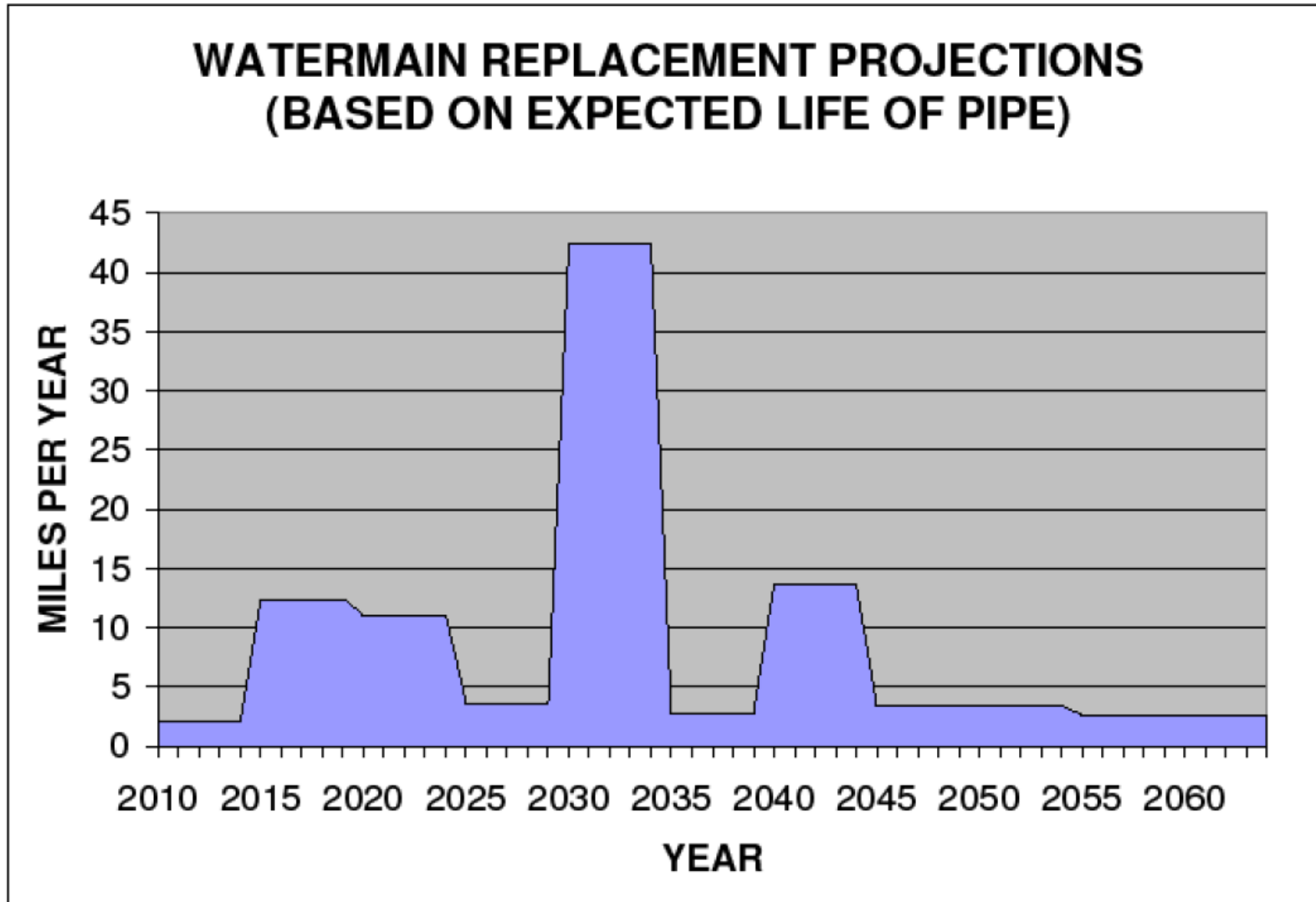
FY24 Major Projects or Initiatives

- Stormwater Comprehensive Planning
- Pittsfield Village Improvements

Water Utilities by Age



Infrastructure Replacement Needs – Water Example



UTILITY RATE PLAN

Current

Average Quarterly Residential Customer Bill
(18 CCF Usage/Storm Tier 2 with on-time discount)

Water: \$79.84
Sewer: \$129.90
Storm: \$64.61

Total: \$246.92

Proposed July 1, 2023

Average Quarterly Residential Customer Bill
(18 CCF Usage/Storm Tier 2 with on-time discount)

Water: \$84.68
Sewer: \$129.90
Storm: 67.11

Total: \$253.52



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

1 gallon of City drinking water = 0.6¢

	FY24	FY25	FY26	FY27	FY28
Water	6%	6%	6%	6%	6%
Sewer	0%	3%	3%	3%	3%
Storm	4%	3%	3%	3%	3%

Streets, Sidewalks, & Non-Motorized Infrastructure



Streets

FY24 Capital Needs: ~\$17.M

Major Projects & Initiatives

- Road Bond Implementation
- Local Road Resurfacing Program

Sidewalks

FY24 Capital Needs: ~\$4.8M

Major Projects & Initiatives

- Sidewalk Gap filling
- Sidewalk repairs

Non-Motorized

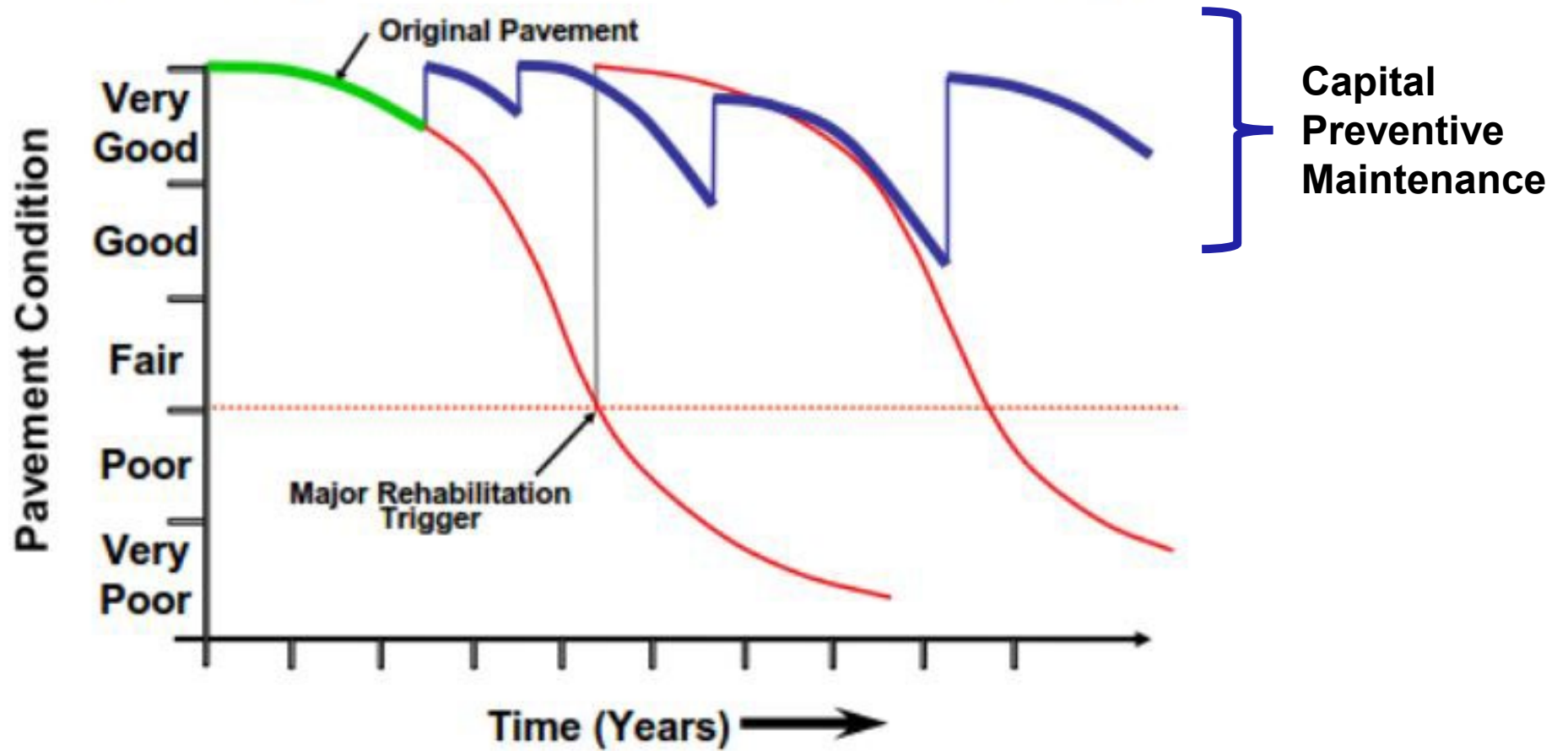
FY24 Capital Needs: ~\$6.8M

Major Projects & Initiatives

- Quick Build projects
- Continue Implementation of Vision Zero Transportation Plan

The Right Fix at the Right Time

The Pavement Preservation Concept

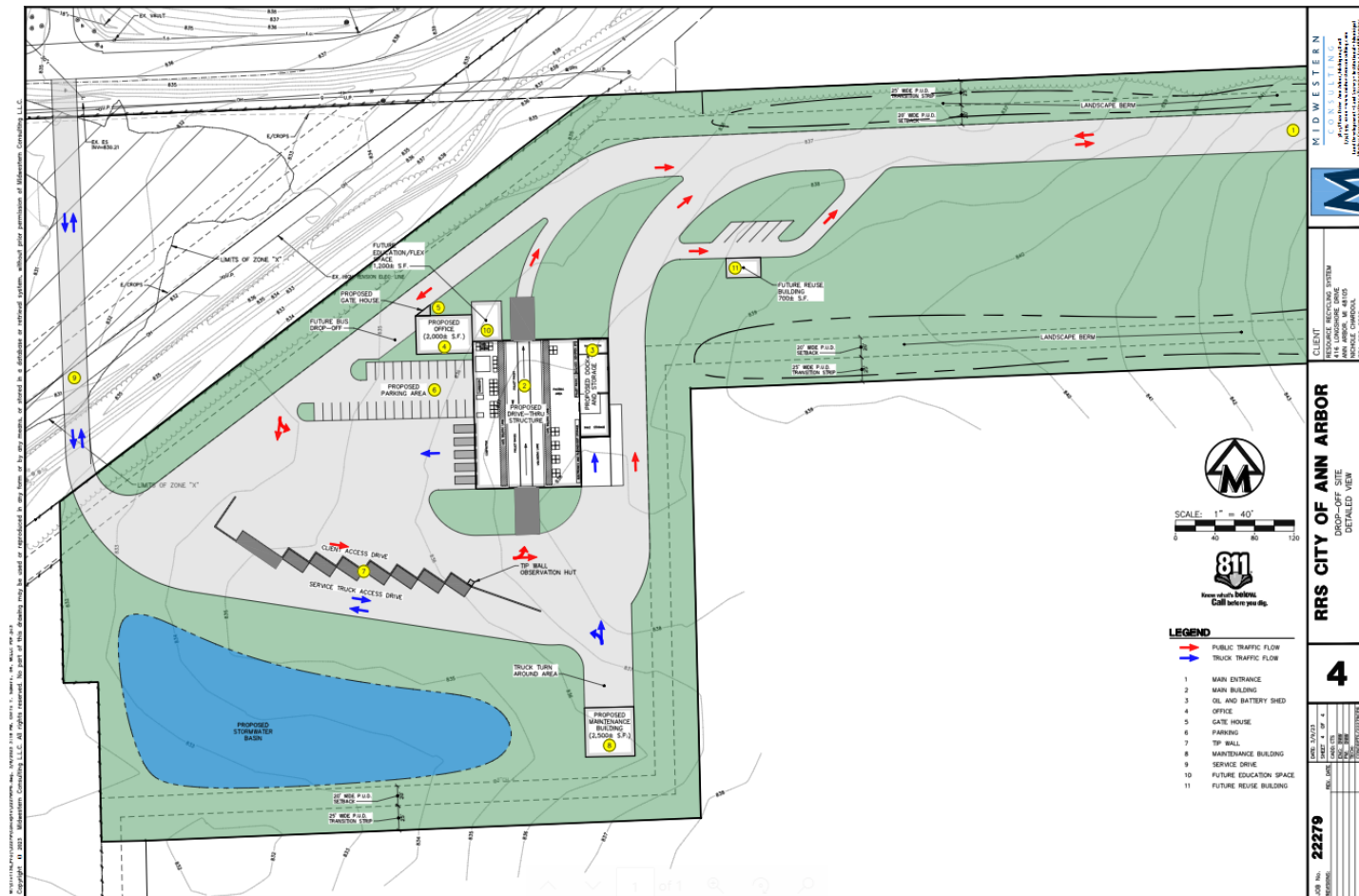


SOLID WASTE

Highlights

- New Contract Structure for Waste Management
 - Changes to Revenue
 - Changes to Service Provision
- RAA Contract Extension – Commercial & Multi-Family Agreement

Major Project – New Drop Off Station planning



PUBLIC SERVICES AREA

Major Focus Areas and Initiatives

Highlights/Focus Areas	Examples	Outcome
Aggressive Capital Investments in Public Infrastructure	<ul style="list-style-type: none">• Drop Off Station• WTP Plant 1 Replacement• Numerous multi-modal transportation improvements in the public rights of way	<ul style="list-style-type: none">• Enhance the circular economy• Ensure safe drinking water• Improve safety for all users of our street and sidewalk network
Advance the Resiliency Planning and Climate Adaptation work	<ul style="list-style-type: none">• Stormwater Comprehensive Plan• Drainage Studies on Gravel Roads• Drinking Water Distribution Plan Update• Industrial Discharge Inspections Program• Environmental Planner	<ul style="list-style-type: none">• Ensure our utilities are able to adapt and respond to the changing climate• Protection of our Natural Resources
Provide responsive customer service and guidance to developers looking to invest in our community	<ul style="list-style-type: none">• Utility Capacity Analysis for Future Needs• Standard Specifications (Orange Book) revision• Evaluating internal process improvements to support economic development goals	<ul style="list-style-type: none">• Facilitate Private Development in the City

PUBLIC SERVICES AREA: Administration

KEY REQUESTS, NEEDS, AND OPPORTUNITIES (Description)	AMOUNT	FUND(S)	TYPE: R/O
Implementing Equitable Engagement Steering Committee Recommendations <ul style="list-style-type: none"> -Community Liaison pilot -Engagement HUB web resource -Translation Services 	TBD	various	R/O
Workforce Development & Succession Planning			
Administering the ARPA Grant Funding for the Arts			
Performance metric development and dashboarding			

R = Recurring Cost O = One-Time Cost

PUBLIC SERVICES: Engineering

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

R = Recurring Cost O = One-Time Cost

PUBLIC SERVICES: Public Works

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

R = Recurring Cost O = One-Time Cost

PUBLIC SERVICES AREA: Systems Planning

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

R = Recurring Cost O = One-Time Cost

PUBLIC SERVICES AREA: Water Treatment

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

R = Recurring Cost O = One-Time Cost

PUBLIC SERVICES AREA: Wastewater Treatment

KEY REQUESTS, NEEDS, AND OPPORTUNITIES (Description)	AMOUNT	FUND(S)	TYPE: R/O
Chemical Cost Increases	\$90,000	Sanitary	R
Residuals Management	TBD	Sanitary	R
Electrical Gear Preventive Maintenance	\$200,000	Sanitary	O

R = Recurring Cost O = One-Time Cost

PUBLIC SERVICES AREA: Major Grants

Major Grants we have received/are implementing:

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

Major Grants we are pursuing:

- EGLE High Water Infrastructure Grant Program for Stormwater Comprehensive Planning

PUBLIC SERVICES AREA: Partnerships

Current Partnership Projects:

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

PUBLIC SERVICES AREA: Public Engagement

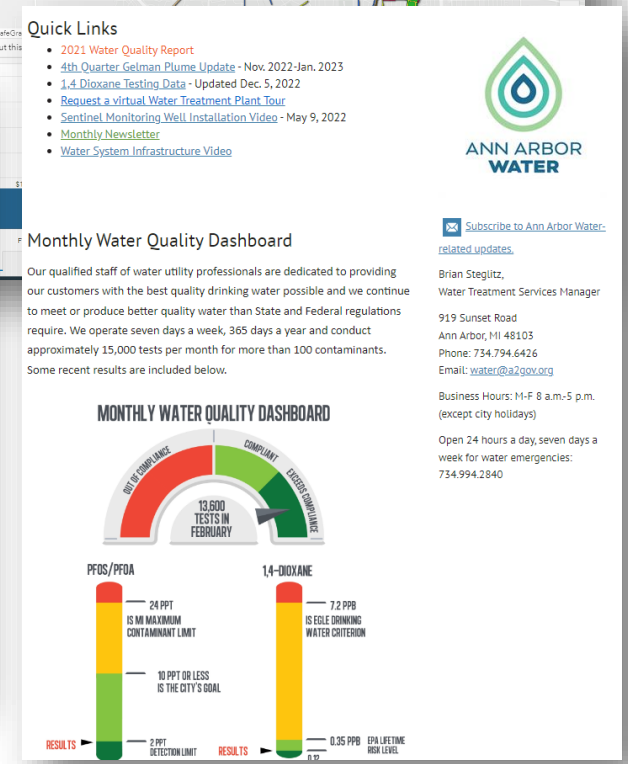
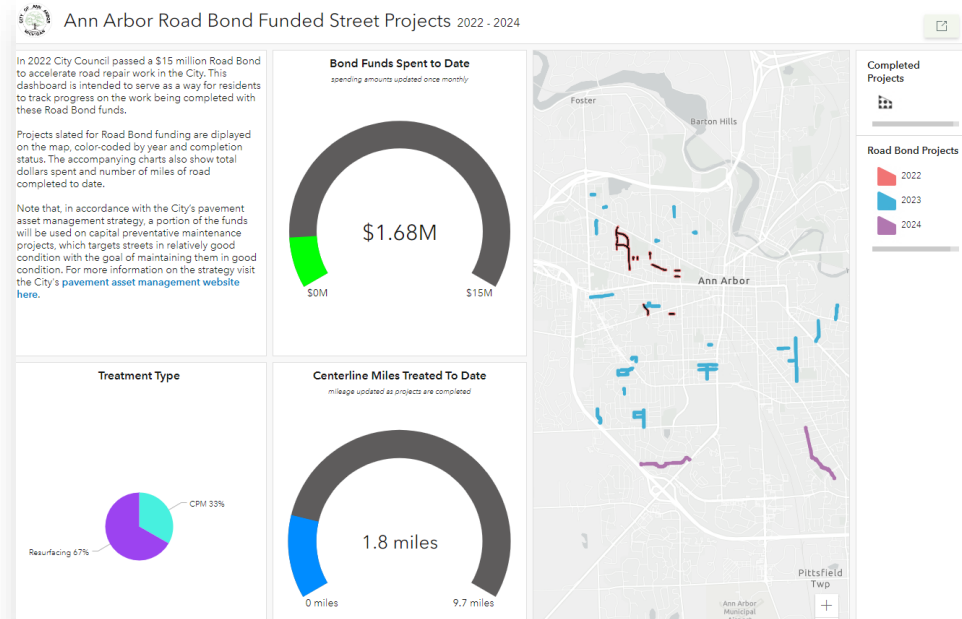
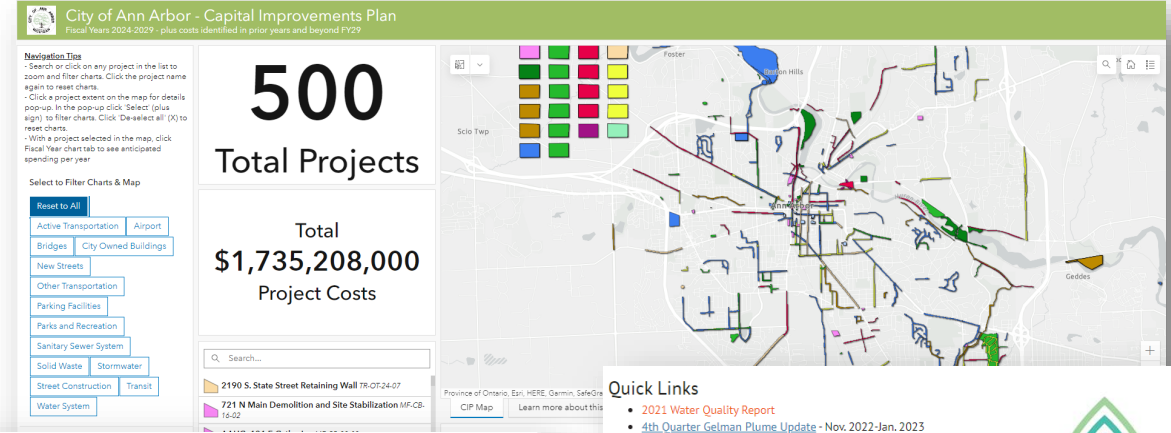
Examples of ongoing and upcoming major initiatives where we will be engaging the public in planning and implementation:

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

PUBLIC SERVICES AREA: Communications

Metrics and Dashboarding

- Dashboards
 - Water Quality
 - CIP
 - Pavement Condition
 - Road Bond
- AAW Monthly Newsletter
- Video Project Updates



FY24-5 CITY COUNCIL BUDGET QUESTIONS PROCESS

Please send any FY24 budget questions to **Sara Higgins**, copying Milton Dohoney Jr., Marti Praschan, and Kim Buselmeier. Responses will be organized by topic and responded to throughout the budget season.

THANK YOU!



Budget Public Process Website:

<https://www.a2gov.org/departments/finance-admin-services/financial-reporting/budget-guide/Pages/BudgetPublicProcess.aspx>