



CITY OF AUBURN HILLS CITY COUNCIL AGENDA

MEETING DATE: MARCH 26, 2018

AGENDA ITEM NO. .

CITY OF AUBURN HILLS TAX INCREMENT FINANCE AUTHORITY MEETING

March 6, 2018

CALL TO ORDER: Chairman Hassett called the meeting to order at 4:01 PM.

ROLL CALL: Present: Dolly, Hassett, Kneffel, Molnar, Price, Roberts, Thornton, Waltenspiel (4:42 PM)
Absent: Goodhall
Also Present: Samantha Seimer, Director of Authorities; Steve Cohen, Director of Community Development, Tim Juidici, OHM Advisors; Ron Melchert, DPW Director; Aaron Stahly, Deputy DPW Director; Eric King, Manager of Municipal Properties; Brian Marzolf, Parks and Recreation Director
Guests: None.

LOCATION: City Hall Administrative Conference Room, 1827 N. Squirrel Road, Auburn Hills, Michigan 48326

PERSONS WISHING TO BE HEARD

None.

CORRESPONDENCE AND PRESENTATIONS

A. Introduction of Deputy DPW Director Aaron Stahly

Ms. Seimer introduced Mr. Aaron Stahly to the TIFA Board. She mentioned that he will be the new Deputy Director of the Department of Public Works and it was his second day at Auburn Hills. Mr. Stahly introduced himself mentioning that he comes to Michigan from Ft. Lauderdale, Florida. He thanked the TIFA Board for allowing him to join this evening. He stated that he is looking forward to joining the Auburn Hills team and excited to work on projects with the TIFA Board. The TIFA Board welcomed him.

APPROVAL OF MINUTES

A. Regular Meeting Minutes – February 13, 2018

There was no additional discussion about the meeting minutes.

Moved by Mr. Molnar to approve the Regular TIFA Minutes from February 13, 2018 as presented.

Supported by Ms. Price.

Yes: Dolly, Hassett, Kneffel, Molnar, Price, Roberts, Thornton

No: none

Motion carried

FINANCIAL REPORT

A. Period ending February 28, 2018

Ms. Seimer presented the financial report for period ending February 28, 2018. She reviewed the investment accounts stating that district A has \$1.2 million invested between pooling, Cutwater and MiClass, District B has \$7.82 million invested with Cutwater and District D has \$1.28 million invested with cutwater. She added that in the emailed packet an investment report was included based on discussions at the February 13 TIFA Meeting. She stated that our investment consultant attends city council meetings for an investment review presentation each quarter.

TIF A has received 21% of its budgeted property tax revenue and utilized 16% of its costs. The major increase over the last month is due to the purchase of 27 S. Squirrel. TIF B has received 17% of its budgeted property tax revenue and experienced extremely minimal expenditures of only .45% of what has been budgeted. Ms. Seimer added that expenditures

will increase dramatically as expenses begin for Opdyke Road. TIF D has no budgeted property tax revenue due to the loss of personal property tax. Over the last month 6% of budgeted expenditures have been utilized, majority of these expenditures have been for utilities and administrative charges.

There was no additional discussion about the financial report.

TIFA 85-A	\$ 27,534,351	Available Cash (TIF-A)	\$ 2,677,360
TIFA 85-B	\$ 18,407,083	Available Cash (TIF-B)	\$ 9,524,454
TIFA 86-D	<u>\$ 28,061,776</u>	Available Cash (TIF-D)	<u>\$ 2,225,283</u>
	\$ 74012,210		\$ 14,427,097

**Moved by Ms. Price to approve the Financial Report of February 28, 2018 as submitted.
Supported by Ms. Roberts.**

**Yes: Goodhall, Hassett, Kneffel, Molnar, Price, Roberts, Thornton
No: none**

Motion carried

OLD BUSINESS

A. Municipal Parking Structure Surface Maintenance Bid Award

Mr. King Reviewed a memo dated March 1, 2018 for municipal parking structure surface maintenance. He reviewed that in the spring of 2016, DPW began receiving complaints about water leaking through the upper floor of the parking structure. Upon inspection of the structure and consultation with OHM Advisors, it was determined that joint and surface maintenance was in order.

Ram Construction Services was contracted to perform tee joint, wash joint, cove and random crack seal replacement. The maintenance performed corrected the leak issues. RAM Construction Services inspected the remaining three floors and recommended the same corrective measures on all three. Staff budgeted \$25,000.00 per year over the next three years (2017-2019) for the prescribed maintenance to be completed one floor per year.

An invitation to bid was submitted through the Michigan Inter-governmental Trade Network (MITN) where 319 vendors received the invitation. On Wednesday, September 20, 2017, five vendors attended a mandatory pre-bid meeting held at 3381 Primary Road. On Friday, September 29, 2017, a public bid opening was conducted in the City Clerk's office to consider bids. BNE Services was the low bidder at \$22,287.00. When presented to the TIFA Board of Directors at the October 10, 2017 meeting, it was decided to forgo the bid-award for 2017 and re-bid in 2018 to include all three remaining floors.

On Wednesday, February 14, 2018, an invitation to bid was submitted through MITN where 335 vendors received the invitation. On Wednesday, February 21, 2018, six vendors attended a mandatory pre-bid meeting held at 3381 Primary. On Wednesday, February 28, 2018, a public bid opening was conducted in the City Clerk's office to consider bids. RAM Construction Services was the low bidder. Mr. King added that RAM Construction Services is a reputable local company with more than 100 years of experience in similar construction projects and have completed numerous projects in the region including the previous project mentioned above for the City of Auburn Hills. The results are below for your review.

Staff recommends award of the Municipal Parking Structure Surface Maintenance Contract to RAM Construction Services. There is adequate funding available for this project in the approved 2018 TIFA A Budget.

Mr. Molnar asked if bidding the whole project instead of floor by floor allowed for some cost savings. Mr. King concurred stating that completing the whole project and not just each floor separately did indeed have some cost savings to the TIFA Board. Mr. King added that the project would take about a week per floor and staff would work with the property manager to be sure everyone is notified properly.

**Moved by Mr. Kneffel to approve the Municipal Parking Structure Surface maintenance contract to RAM Construction Services, 13800 Eckles Rd. Livonia, MI 48150, to be paid from TIFA A Building Maintenance account number 251-735-931-000 in the amount of \$74,624.00.
Supported by Ms. Thornton.**

Yes: Goodhall, Hassett, Kneffel, Molnar, Price, Roberts, Thornton
No: none

Motion carried

NEW BUSINESS

A. Riverside Park Amphitheater Project

Mr. Melchert reviewed that the idea of an Amphitheater, water play area and plaza in Riverside Park has been considered for many years. Due to rigorous fund raising from the AH Foundation and cooperation from the TIFA Board of Directors, this dream has become a reality. Many variations of design were considered and the current design was agreed upon by the project team. The project scope consists of constructing a new amphitheater, water play area, and plaza in Riverside Park on Squirrel Court.

Ms. Juidici reviewed the plans and picture renderings of the project as Ms. Seimer displayed them on the screen for the Board to see.

Mr. Melchert added On February 16, 2018, a public bid opening was conducted in the City Clerk's office to consider bids for the above mentioned project. A total of seven bids were received. Warren Contractors and Development, Inc., 14979 Technology Dr., Shelby Charter Township, MI 48315, was the low bidder for this project. He added that they have over 24 years of experience in similar construction and have completed many other projects throughout the region, including some for the City of Auburn Hills.

Mr. Melchert reviewed the three funding sources of the project and stated that the cost of the project and associated funding sources does not include any contingency. However in addition to the funding sources, there is an opportunity for contingency available in the River Bank Stabilization (Boat Launch) project of \$170,000.00. Therefore, if the Amphitheater project construction experiences some unforeseen cost overruns, we can draw from that funding source if the TIFA Board approves. There are also opportunities for savings with DPW in-house staff performing parts of the project to include, hillside tree removals and electrical and lighting construction associated with the Amphitheater.

Mr. Melchert added that staff recommends award of the Riverside Park Amphitheater Project contract to Warren Contractors and Development, Inc. There is funding available for this project in the approved 2018 TIFA A Budget, Land and Improvements.

Mr. Molnar confirmed that this project is something that is important to both the TIFA Board and City Council. Mr. Cohen added that it is very important to City Council, noting that the Mayor mentioned it in his state of the community address in January.

Moved by Mr. Molnar to recommend to City Council approval of the Riverside Park Amphitheater Project contract to Warren Contractors and Development, Inc., 14979 Technology Dr., Shelby Charter Township, MI 48315, for \$970,469.00, along with the Scope of Construction Services cost of \$173,600.00 as provided by OHM Advisors and the Materials Testing Services estimate for \$20,000.00. Also, approve the TIFA – A funding portion for the Riverside Park Amphitheater Project construction in the amount of \$500,000.00 to be paid from account number 251-735-970.000.

Supported by Ms. Thornton.

Yes: Goodhall, Hassett, Kneffel, Molnar, Price, Roberts, Thornton
No: none

Motion carried

B. Auburn Road Reconstruction

Mr. Melchert and Mr. Juidici presented a memo for the improvements to the Downtown portion of Auburn Road. Mr. Melchert described that the improvements include water main replacement, road pavement resurfacing, curb bump outs to better identify on street parking, and tree planter box rehabilitation. The project also includes reconstruction of N. Squirrel Road from Auburn Road to the traffic circle which will be replaced by a round-a-bout. S. Squirrel Road from Auburn Road to Primary Road will be will include water main replacement as well as road resurfacing. The project construction will coincide

with the Riverside Park Amphitheater Project. Mr. Juidici reviewed configurations for construction as well as the anticipated phasing.

It was stated that on February 16, 2018 a public bid opening was conducted in the City Clerk's office, to consider bids for the above mentioned project. A total of six bids were received. Pamar Enterprises, Inc., New Haven, MI, was the low bidder for this project. They have over 40 years of experience in similar construction and have completed many other projects throughout the region, including some for the City of Auburn Hills. Staff recommended award of this contract to Pamar Enterprises, Inc.

Mr. Melchert reviewed the variety of funding sources for this project. He stated that there are currently three TIFA accounts with funding for the project. He recommended combining the monies available into TIFA Account 251-735-935.000 for a total of \$273,000. Contingency is available in the Major Roads general maintenance line item.

The Board commented that they were unaware the City had bonded for upcoming construction projects. Ms. Seimer stated that the bonds were bought and sold back in the fall. These were done during a series of City Council meetings and Public Hearings. Three million of the bond is for the Auburn Road project. Board members were concerned that voting for this project was voting for an increase in taxes. Staff stated that the bond does not equate to a tax increase. It was mentioned that the general fund balance is declining and a tax increase in the future is not out of the question, but reassured the board that any tax increases would go before the public for a full vote per the City's Charter. Mr. Waltenspiel added that it is the responsibility of the TIFA is approving the budgeted amount of \$273,000 and recommending the project to Council, the bonding was a separate decision made by Council.

Moved by Ms. Price to recommend to City Council approval of the 2018 Downtown Road and Watermain Rehabilitation Project contract to Pamar Enterprises, Inc., New Haven, MI, for \$3,603,533.00, along with the Scope of Construction Services cost of \$387,900.00 as provided by OHM Advisors and the Materials Testing Services estimate for \$85,000.00. Also, approve the TIFA A funding portion for the 2018 Downtown Road and Watermain Rehabilitation construction in the amount of \$273,000.00 to be paid from account number 251-735-935.000. Supported by Dr. Dolly.

Yes: Goodhall, Hassett, Kneffel, Molnar, Price, Roberts, Thornton, Waltenspiel
No: none

Motion carried

C. Downtown Promotion Sweepstakes

Ms. Seimer introduced the topic of promotional downtown sweepstakes to encourage and promote foot traffic throughout the downtown through the construction season. Chairman Hassett spoke to the different things the sweepstakes could potentially giveaway from money, to a vacation or a 12 month lease on a car. Ms. Seimer stated that the City's insurance agent warned against a lease on a car due to the difficulty to release the TIFA from liability should anything happen. Mr. Kneffel stated that he has some prior knowledge of sweepstakes and would be willing to assist on the project. The Board was tasked with generating ideas to discuss for the April meeting.

No motion required

BOARD MEMBER COMMENTS

None.

ANNOUNCEMENT OF NEXT MEETING

The next regularly scheduled TIFA Board of Directors meeting is Tuesday, April 10, 2018 at 4:00 PM at Auburn Hills City Hall Administrative Conference Room 1827 N. Squirrel Road, Auburn Hills, MI 48326.

ADJOURNMENT

There being no objections, the TIFA Board of Directors meeting adjourned at 5:27PM.

Respectfully submitted,
Steve Goodhall
Secretary of the Board

Samantha Seimer
Executive Director

