



The City of Auburn Hills
City Council Meeting
Minutes

March 28, 2016

CALL TO ORDER: Mayor McDaniel at 7:00 p.m.
LOCATION: City Council Chamber, 1827 N. Squirrel Road, Auburn Hills, MI 48326
Present: Mayor McDaniel, Mayor Pro Tem Mitchell, Council Members Burmeister, Knight, Verbeke
Absent: Council Member Hammond
Also Present: City Manager Tanghe, Assistant City Manager Grice, Police Chief Olko, Fire Chief Manning, City Clerk Kowal, DPW Director Melchert, Deputy DPW Director Herczeg; Manager of Roads & Fleet Brisson, Community Development Director Cohen, City Engineer Juidici, City Attorney Beckerleg
14 Guests

4. APPROVAL OF MINUTES

4a. Regular City Council – March 7, 2016

Moved by Verbeke; Seconded by Mitchell.

RESOLVED: To approve the March 7, 2016 City Council meeting minutes.

VOTE: Yes: Burmeister, Kittle, Knight, McDaniel, Mitchell, Verbeke

No: None

Resolution No. 16.03.038

Motion Carried (6–0)

5. APPOINTMENTS AND PRESENTATIONS - none

6. PUBLIC COMMENT

Mike Green, representing VFW Post 143, asked if City Council will again be sponsoring the Memorial Day picnic with the purchase of hot dogs and hamburgers. He also noted he will be meeting and discussing with the Police Department the parade route.

Mayor McDaniel stated the American Legion Post can again, count on the support of City Council.

Mr. Knight suggested having bounce houses or something similar be available for the smaller children, which would keep families wanting to stay longer at the picnic; he would like this to be the biggest event for the community.

Mr. Green stated he would investigate.

Ms. Verbeke noted Oakland County Parks has bounce houses and may offer them at discounted rates for such an event. She also asked if the anniversary party has already taken place.

Mr. Green explained the main event will take place June 11, 2016. June 11th will also be the date they will be properly disposing of U.S. flags, which can be dropped off any time after 4:00 p.m. at the northwest door of the hall, from now until June 11th.

Michael Kazyak, Avondale Youth Assistance, thanked City Council for their support. As referenced in the 2015 annual report, over 500 families have been helped; better than 1,500 volunteer hours; and more than \$12,000 has been donated. Last week was the 49th Annual Youth Recognition, where 114 youth were recognized.

7. CONSENT AGENDA

Mr. Kittle requested Item 7f. be removed from the Consent Agenda.

7a. Board and Commission Minutes

- 7a.1. Public Safety Advisory Committee – January 26, 2016
- 7a.2. Pension Board – February 10, 2016
- 7a.3. Retiree Health Care – February 10, 2016
- 7a.4. Planning Commission – February 16, 2016
- 7a.5. Beautification Advisory Commission – February 17, 2016
- 7a.6. Tax Increment Finance Authority – March 8, 2016
- 7a.7. Beautification Advisory Commission – March 16, 2016

7b. Motion – Approve Resolution to Vacate the City's Portion of Lonedale Drive

RESOLVED: To approve the revised resolution to vacate Lonedale Drive as a City-owned public roadway.

7c. Motion – Approve Resolution to Accept Parkways Boulevard as a Public Roadway

RESOLVED: To approve the resolution to accept Parkway Boulevard as a city-owned public roadway.

7d. Motion – Approve North Oakland County Water Authority Engineering Services Blanket Contract

RESOLVED: To approve award of a blanket purchase order for Orchard, Hiltz and McCliment (OHM), Livonia, Michigan engineering services to NOCWA in an amount not-to-exceed \$68,750.00 for the remainder of a three year period to expire on March 31, 2018. Funding is available in the 2015 Approved Budget, as well as the projected budgets for 2016-2019, Water Fund GL# 592-536-817.000 for consultant services.

7e. Motion – Approve Fieldstone Golf Club Concrete Maintenance

RESOLVED: To approve the award of the Fieldstone Golf Club Concrete Maintenance to Fiore Enterprises, Inc. in the amount of \$23, 472.00 to be funded from Facilities account number 101-265-93.000.

Moved by Verbeke: Seconded by Mitchell.

RESOLVED: To approve the Consent Agenda with the removal of item 7f.

VOTE: Yes: Burmeister, Kittle, Knight, McDaniel, Mitchell, Verbeke

No: None

Resolution No. 16.03.039

Motion Carried (6–0)

7f. Motion – Accept MDOT Contract Amendment # 15-5568, I-75 / University Drive DDI

Mr. Kittle asked when to expect the finishing touches of the bridge.

Mr. Melchert stated the finishing touches and restoration should begin in April.

Moved by Kittle: Seconded by Knight.

RESOLVED: To accept the MDOT Contract Amendment # 15-5568, I-75 / University Drive Diverging Diamond Interchange Project.

VOTE: Yes: Burmeister, Kittle, Knight, McDaniel, Mitchell, Verbeke

No: None

Resolution No. 16.03.040

Motion Carried (6–0)

8. OLD BUSINESS

8a. Motion – Approve Liquor License Renewals 2016/2017

Mayor McDaniel noted there isn't a need for a public hearing since all businesses who had outstanding obligations to the City have now been resolved.

Moved by Kittle; Seconded by Verbeke.

RESOLVED: To to recommend approval of the annual liquor licenses of those establishments who have now met the licensing requirements of the City: Ciccarelli's, Duffy's, Parkside Tavern and TGI Friday's.

VOTE: Yes: Burmeister, Kittle, Knight, McDaniel, Mitchell, Verbeke

No: None

Resolution No. 16.03.041

Motion Carried (6–0)

8b. Motion – Approve Bid Award for Parkways Boulevard Landscape Project

Mr. Herczeg explained Parkways Boulevard is complete and ready for the landscaping. The project includes tree and plant installation along the road and park, irrigation, lighting, and park restoration and seeding. Bids were received and the lowest qualifying proposal was \$125,167.87, from Progressive Irrigation, Inc.

Moved by Burmeister; Seconded by Verbeke.

RESOLVED: To approve the bid award for the Parkways Boulevard Landscape Project to Progressive Irrigation, Inc. in the amount of \$125,167.00 to be paid from Local Roads account number 203-453-973.000 **PARKWAYSBLVD.**

Mr. Knight stated he supports this project, however, he believes there is too much irrigation especially with the cost of water and need of water conservation. He'd like to see less watering the future. Cutting the grass also approves the appearance, and would like the grass cut further back from the road sides.

Mr. Kittle asked if Parkways Boulevard will fall within the DDA and if this cost can be reimbursed from the DDA to the Local Roads account.

Mr. Tanghe stated the ongoing landscape maintenance may fall under the DDA, but not actual road maintenance or road replacement. It will be quite some time before the DDA produces enough revenue to support anything.

VOTE: Yes: Burmeister, Kittle, Knight, McDaniel, Mitchell, Verbeke

No: None

Resolution No. 16.03.042

Motion Carried (6–0)

8c. Motion – Approve Millage Increase Ballot Language for August 2, 2016 Election

Mr. Tanghe explained as previously discussed with Council, this is the request for a millage ballot question for the Fire Department. The Fire Department's maximum millage rate, as set by the City Charter, is 2.5 mills. Over the years, the Headlee rollback has reduced the millage rate to 1.7604. This millage has not been able to support the Fire Department and the General Operating millage has been relied on to subsidize the Fire operations. The need is great to increase the number of staff to meet the needs of the growing community.

The request is for the August 2, 2016 ballot, to increase the millage rate by .7396 mills, meeting the maximum allowed by City Charter of 2.5 mills. The increase would become effective with the collection of the 2017 property taxes. This 2.5 mills would generate a just over \$3.6 million annually for Fire operations; this would be an additional \$1 million annually. He noted a few examples of what it would cost a homeowner:

- A home with a market value of \$300,000 and a taxable value of \$150,000 would pay an additional \$111 annually
- A home with a market value of \$200,000 and a taxable value of \$100,000 would pay an additional \$74 annually
- A home with a market value of \$100,000 and a taxable value of \$50,000 would pay an additional \$37 annually

The average price of a home in Auburn Hills is \$140,000; approximately an additional \$55 tax cost annually.

Mr. Kittle supports the millage increase and believes it should have been done years ago, however, he believes the proposed ballot language is horrible. He would like the language be written so anyone can easily understand it.

Mr. Tanghe explained there is very little wiggle room on how the language can be written. He also noted, as allowed by law, descriptive language for the ballot question will be added just before the ballot question to better clarify the ballot question.

Mr. Beckerleg stated there is very little language flexibility for Headlee override ballot language, as stipulated by law.

Mr. Knight suggested including comparative amounts of property values and taxes paid, possibly 2008 and 2016 to show the decrease in taxable value, yet expecting the same fire services.

Mr. Tanghe stated what Mr. Knight suggested is included in an educational segment being made available for residents to review.

The ballot language must be submitted to the City Clerk by May 10th, and to the County Clerk by May 12th. The finalized descriptive language will come before Council next month.

Mr. Beckerleg understands some hesitation with the actual ballot language, but explained the law is very specific in how Headlee Override language can be written. He suggests Council approve the ballot language this evening and descriptive language can be drafted and brought back to Council for approval next month.

Mr. Kittle is hesitant in approving both the ballot language and descriptive language this evening, hoping the ballot language can be altered to be more easily understood.

Ms. Verbeke agrees the language can be confusing, noting the portion stating ‘previously approved by voters’. Voters may think since this has already been approved, so why approve it again.

Mr. Kittle agreed, stating many people find the whole Headlee amendment confusing.

Mr. Tanghe explained the educational piece being assembled will answer many of the voter’s questions. The ballot explanation will be straight-forward and simple, with more detail in the educational piece.

Mr. Knight noted it must be conveyed to the residents that this millage increase isn’t being sought to balance the budget, but to make sure emergency fire services are continued, maintained and improved to the best of the Department’s ability.

Mr. Beckerleg stated the City is not permitted to advocate to approve or not approve the ballot question. Only facts can be included in the ballot explanation and the educational materials.

Mr. Kittle believes the ballot language should be altered, to make the first sentence a powerful, positive statement, by removing ‘*the increased as follows*’ and switched around to having the first sentence read ‘*be increased to allow the rate to be returned to previously levels allowed by the City Charter*’. He believes by repositioning the language, it will have a positive impact.

Mr. Beckerleg stated the ballot language presented has been approved by the County for other communities, and is likely to be approved and ready for the August election. There is the possibility if using other language, that it will not be approved by the County and onto the August ballot.

Mr. Knight would like the proposal to read fire and emergency services, not just fire purposes.

Mr. Beckerleg stated fire purposes is used because it mirrors the specific language of the City’s Charter; the explanation can allow for emergency medical services.

Mayor McDaniel believes Mr. Beckerleg has drafted ballot language that will be approved by the County, and he should be trusted as the expert. He too, looks forward to discussing the explanation that will accompany the ballot language.

Moved by Mitchell; Seconded by Knight.

RESOLVED: To approve the ballot language for the Fire Department Headlee override as submitted, and authorize the City Clerk to place the ballot question before the citizens on Tuesday, August 2, 2016 after completing her own review and receiving review and authorization by the County Clerk’s office.

Ms. Mitchell believes the education piece of this will be key, needing to include the important points Mr. Knight made regarding medical emergency services. The descriptive language must be as clear as possible, there should be only one attempt to getting the millage increase passed.

Continuing, Ms. Mitchell explained she and Fire Chief Manning reviewed the summary he put together and suggested other Council Members do the same, to be better equipped to answer any questions residents may have.

VOTE: Yes: Burmeister, Kittle, Knight, McDaniel, Mitchell, Verbeke

No: None

Resolution No. 16.03.043

Motion Carried (6–0)

9. NEW BUSINESS

9a. Motion - Approve Special Land Use Permit, Site Plan and Tree Removal Permit / 3300 University Drive

Mr. Cohen explained this is a request from Burton Katzman, to renovate the former GKN building, just west of the Public Safety building. The renovation consists of splitting the building into two separate uses. The first, will be a multi-tenant office building and second, a light industrial company. A Special Land Use permit is needed to allow light industrial in a T&R, Technology and Research district. Additional parking will be added to the east side and northwest side of the building as well as renovating the building.

Conrad Schewe, Senior Vice-President, Burton Katzman, explained the purchase agreement for the building is contingent upon getting approval from the City to allow the multi-uses for the building. The building was originally built for GKN Automotive, with the 50,000 square feet of office space and 78,000 square feet of technology and research. There isn't a market for this, so the plan is to split the building with 49,000 square feet to be used as a two story, multi-tenant office and the remaining 78,000 square feet to be used as light industrial. The office space could be used by up to three separate tenants, and the light industrial will be a single tenant.

Mr. Schewe stated all of the white trim will be painted a charcoal gray color and a hip roof will replace the portico. The brick will remain as it is. The building has been well maintained, so there is no reason to change the brick.

Responding to Mr. Kittle, Mr. Schewe stated there have been many walk-throughs and interested parties, but the building is quite large as is. The intent is to close on the building and begin renovations immediately.

Moved by Burmeister; Seconded by Mitchell.

RESOLVED: To accept the Planning Commission's recommendation and approve the Special Land Use Permit, Site Plan and Tree Removal Permit to redevelop the building at 3300 University Drive for office and light industrial use, subject to staff and consultants' conditions.

VOTE: Yes: Burmeister, Kittle, Knight, McDaniel, Mitchell, Verbeke

No: None

Resolution No. 16.03.044

Motion Carried (6–0)

9b. Motion - Approve Special Land Use Permit, Site Plan, and Tree Removal Permit / Staybridge Suites and Holiday Inn Express & Suites

Mr. Cohen explained this is a request to construct two four-story hotels at 907 N. Opdyke Road, by brothers Mike and Basil Bacall. Special Land Use Permits are required to allow the hotel use and for buildings taller than two-stories/30 feet. The 92 room Holiday Inn Express sits closer to Opdyke Road and the Staybridge Suites will sit behind the Holiday Inn Express, with both buildings being 45 to 46 feet tall.

At the City's request, the Bacall's were asked for extra consideration for the residential property to the rear. The brothers agreed to provide additional screening with the installation of a six foot high vinyl fence along the rear property line. To help ensure the adjacent residential properties to the west are not negatively impacted by the proposed development a 24 to 24.9 foot wide landscape buffer will be established between the west property line and the parking area. The proposed landscape buffer is wider than the ordinance requires. The buffer will be heavily landscaped with evergreen trees.

Construction will begin as soon as possible and will take one year to complete, with the overall investment of \$14 million.

Basil Bacall, thanked the professional team at Auburn Hills for the professionalism and helping them to getting to this point. This is the fifth project for them in the City and the sixth hotel.

Mr. Knight asked what drives the market for so many hotels.

Mr. Bacall explained the supply in demand continues, the demand is increasing. Auburn Hills has been a leader in attracting many international companies and corporations and those international travelers need hotel rooms. The market diversity in Auburn Hills is phenomenal, and the stability of the market in Auburn Hills has continues. Because of this, more businesses are attracted to Auburn Hills, thus requiring hotel rooms. Technology is also always changing and a 20 year old hotel is not as relevant today as it was. The culture is also changing, including more communal space as well as extended stays needing kitchenettes and laundry within the room.

Continuing, he also noted the average traveler has become committed to a brand. There are very few mom and pop kind of hotels, so you need to make the brand named hotels available in different areas.

Mr. Kittle asked what becomes of the obsolete hotel.

Mr. Bacall explained if the property is not updated and maintained, people will not support that business and the company will go bankrupt or find another use for the building. Regarding a downturn in the economy, Mr. Bacall believes the product will always be relevant to the market place. Their approach and direction has always been focusing on the guests more

than maximizing their profits. The third and fourth hotels are doing well, focusing on being number one and spending money where it needs to be spent. They spend more money trying to get the market share, noting the loyalty of customers who will go to another community where their preference is available.

Mayor McDaniel stated it always speaks volumes when an investor continually comes back and invests in Auburn Hills showing the confidence of supporting the community. He spoke on behalf of himself and Council thanking Mr. Bacall for his investment in Auburn Hills.

Moved by Verbeke; Seconded by Mitchell.

RESOLVED: To accept the Planning Commission’s recommendation and approve the Special Land Use Permit, Site Plan and Tree Removal Permit for Staybridge Suites Hotel and Holiday Inn Express & Suites Hotel subject to staff and consultants’ conditions.

VOTE: Yes: Burmeister, Kittle, Knight, McDaniel, Mitchell, Verbeke

No: None

Resolution No. 16.03.045

Motion Carried (6–0)

9c. Motion – Accept Traffic Control Order - Big Buck Brewery TCO 2015-02

Police Chief Olko explained in last fall, the Community Development Department initiated an investigation of conditions at the former Big Buck Brewery property located at 2550 Takata Drive. As a result of the long term vacancy, several problems occurred including cars and large trucks parking long term.

Community Development contacted the property owner and gave permission for enforcement. In December 2015 she signed a temporary order, good for 90 days, prohibiting parking on the site. Through the Police Department, the vehicle owners were contacted and the vehicles were removed. This is a request to make the traffic control order permanent, ensuring there will be no parking on that site until the site is redeveloped.

Mr. Kittle asked when the last time the inside of the building was investigated and what type of condition is it in.

Mr. Cohen stated he doesn’t believe anyone from the City has been in the building in at least five or six years. He understands the owner is planning some renovations, though he hasn’t seen any plans and the building is not in very good shape.

Responding to Mr. Kittle, Mr. Cohen stated Building Official Jeff Spencer has confirmed the building is not a health issue, there are not broken windows and no one can get inside the building. The building is structurally sound, it is the amount of damage on the inside that will result in extensive renovations or to be demolished.

Mr. Knight asked if the site had a restrictive zoning if the building were to be demolished, due to a large portion of the parking area covering an area for the runoff.

Mr. Cohen stated that is correct, most of the parking lot has underground retention. When the site is used, the underground retention will be inspected making sure it is still working correctly. It will be a major undertaking if there is a land use change from what currently exists.

Moved by Kittle; Seconded by Burmeister.

RESOLVED: To approve Traffic Control Order 2015-02, which prohibits parking at the former Big Buck Brewery building site located at 2550 Takata Drive until the property is redeveloped.

VOTE: Yes: Burmeister, Kittle, Knight, McDaniel, Mitchell, Verbeke

No: None

Resolution No. 16.03.046

Motion Carried (6–0)

10. COMMENTS AND MOTIONS FROM COUNCIL

Mayor McDaniel announced Mr. Knight celebrated his 85th birthday this past week and wished him a very happy birthday. He noted how lucky they are to have him on City Council and thanked him for his many years of service to the community.

Mayor McDaniel asked Mr. Knight how long he has been serving the community.

Mr. Knight stated so far, 42 years of service to Auburn Hills; including 22 years on the Planning Commission before becoming a City Council Member.

Mr. Knight:

- He attended the MML conference and learned Sterling Heights transferred their dispatch services; the community is home to 130,000 residents, 36 square miles large and have been happy with the change.
- Announced Mayor Pro Tem Mitchell recently received a promotion at her job and asked her to explain her new position.
Ms. Mitchell explained her new position at GM is Innovation Insertion/Modernization Manager, which is working on advanced technology and putting more innovation into vehicles.
- He believes the only way the downtown can develop is with the millennials, the 18 to 35 years olds. It is worth looking into to see what would draw this group of people downtown.
- Appreciates Mr. Kittle’s presentation and would like to learn more of how he can use the information.

Mr. Kittle:

- Is pleased to see progress being made on Squirrel Road. There is a new pothole, heading west on Ticken Road and turning north on Squirrel Road. The sidewalks are being prepped for completion and he is looking forward to the completion projected to be April 28th, per the contractor's timeline.

Mr. Burmeister:

- The landscaping on University Drive is looking very nice and fresh.
- Received a letter from a Rochester Hills resident asking Auburn Hills to fix Dutton Road, between Auburn Hills and Rochester Hills. He believes the Auburn Hills portion is fine, and suggested alerting Rochester Hills of their portion that is in rough shape.

Ms. Verbeke:

- Thanked DPW for finding a leak at her neighbor's house who has been having excessive reoccurring water bills.

Ms. Mitchell:

- Noted March is Reading Month, which she was able to participate in with a third grade class.
- Congratulated Pastor Corey James and Community Impact Church on the success of their water relief drives for the Flint residents.
- Thanked the residents that participated in her coffee chat on March 11th.
- Appreciates local business Vanguard Title, who has paid for a large percentage of their staff to participate in one of the City's recreation programs.

11. CITY ATTORNEY'S REPORT - none

12. CITY MANAGER'S REPORT

- Acknowledged and commended the perseverance of the Auburn Hills Police Department in helping to find the missing elderly gentleman from Pontiac. The Police found the gentleman safe and took him to the hospital.
- Announced the City has a corporate Kick Ball League, and has openings for other teams.
- Congratulated Great Lakes Crossing Outlets on the grand opening of Legoland. Auburn Hills is becoming a tourist destination having Legoland and Sea Aquarium, both owned by Merlin Entertainments.
- Recognized and congratulated Faurceia, who has been named a top employer in the U.S. by an independent organization, who certifies employers around the world for excellence in work environment.

13. EXECUTIVE SESSION – Labor Negotiations and Land Sale

Moved by Verbeke: Seconded by Knight.

RESOLVED: To adjourn to Executive Session.

VOTE: Yes: Burmeister, Kittle, Knight, McDaniel, Verbeke

No: None

Resolution No. 16.03.047

Motion Carried (6–0)

Adjourned to Executive Session at 8:21 p.m. Resumed regular session at 9:41pm.

13a. Motion – Transfer 911 Emergency Calls to Oakland County Dispatch.

Moved by Kittle, Seconded by Mitchell.

RESOLVED: To approve the Memorandum of Understanding executed by the Police Officer's Labor Council on March 15, 2016; and authorize the City Manager to execute the same on behalf of the City with an agreement date of March 28, 2016.

VOTE: Yes: Burmeister, Kittle, Knight, McDaniel, Mitchell, Verbeke

No: None

Resolution No. 16.03.048

Motion Carried (6–0)

14. ADJOURNMENT

Hearing no objections, the meeting adjourned at 9:42 p.m.