



The City of Auburn Hills

City Council Meeting

Minutes

October 6, 2014

CALL TO ORDER: by 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 Kittle, Council Members Burmeister, Hammond, Knight, Mitchell, Verbeke
Absent: None
Also Present: City Manager Tanghe, Assistant City Manager Grice, Director Olko, Deputy Director/Fire Manning, City Clerk Kowal, Finance Director Barnes, Deputy Finance Director Schulz, Community Development Director Cohen, DPW Director Melchert, Manager of Business Development & Community Relations Coordinator Carroll, Recreation Director Marzolf, IT Director Cagle, Roads & Fleet Manager Brisson, City Attorney Beckerleg, and City Engineer Juidici.
63 Guests

4. APPROVAL OF MINUTES

4a. Regular City Council – September 22, 2014

Moved by Kittle; Seconded by Mitchell.

RESOLVED: To approve the September 22, 2014 City Council meeting minutes.

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

No: None

Motion Carried (7-0)

Resolution No. 14.10.191

4b. City Council Workshop – September 22, 2014

Moved by Mitchell; Seconded by Hammond.

RESOLVED: To approve the September 22, 2014 City Council Workshop minutes.

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

No: None

Motion Carried (7-0)

Resolution No. 14.10.192

4c. City Council Workshop – September 29, 2014

Moved by Knight; Seconded by Kittle.

RESOLVED: To approve the City Council Workshop Minutes – September 29, 2014.

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

No: None

Motion Carried (7-0)

Resolution No. 14.10.193

5. APPOINTMENTS AND PRESENTATIONS

5a. Oath of Office for Firefighters David Burnett, Christian Penn, Cameron Selden and Anthony Summers

Deputy Director/Fire Manning recognized Firefighters David Burnett, Christian Penn, Cameron Selden, and Anthony Summers who have successfully completed the training requirements of their probationary period. The probationary period training requirements include successful completion of the Fire Academy, national certification as an Emergency Medical Technician (EMT), and an in house field training program. The Fire Academy and EMT course requires approximately 500 hours of training time and in-house field training program consists of 21 job related tasks. These four individuals have completed all of the training requirements within one year of their hire date, which is very unusual due to the time commitment.

City Clerk Kowal swore in the new Firefighters.

Deputy Director/Fire Manning noted all four firefighters are also enrolled in the paramedic program.

Mayor McDaniel stated the City is extremely proud and grateful for the new firefighter's dedication to serve the City.

5b. Introduction of Mandy Mullins, Youth Coordinator

Mr. Marzolf introduced Mandy Mullins, the new Youth Coordinator. She has extensive experience in many areas and is working part-time. Ms. Mullins began working with the City this summer, by leading the teen volunteer program.

Ms. Mullins noted there is an upcoming teen self-defense class on October 18th and a zombie laser tag event as part of the Spooktacular at Riverside Park on October 25th. A youth teen council is currently in the works, which will include leadership development training.

Mayor McDaniel welcomed Ms. Mullins.

6. PUBLIC COMMENT

Randy Wyatt, 3788 Auburn Road, stated on September 23, 2014, a breaking and entering crime was committed at his next door neighbor's home. At the time the call was made to the Police Department, the caller stated a gate was open, the front door was open, and the residents were not at home.

Mr. Wyatt noted this is not the first time a response from the Police Department has taken a long time. He has done research on response times of the Police Department and has found none; the only recorded response times are for the Fire Department. He was disappointed to find no benchmark response times are established in the City for police response times, only fire.

Jim Endres, Sylvan Lake resident, congratulated the new firefighters. Continuing, Mr. Endres stated he is running for the Pontiac School Board, and today was endorsed by the Michigan Education Association, as was April Hernandez. He asked that all voters get out and vote in November.

April Hernandez, 2305 Allerton, acknowledged being endorsed by the Michigan Education Association, along with Jim Endres. During her campaigning she has met with many residents who are ready for a change.

She would like the City to consider installing lights on Allerton, noting the lighting would help residents who are out walking as well as being alerted to the many deer in the neighborhood.

Mr. Grice asked Ms. Hernandez to leave her name and phone number with him and he will contact her and explain the process.

7. CONSENT AGENDA

All items listed are considered to be routine by the City Council and will be enacted by one motion. There will be no separate discussion of these items unless a Council member so requests, in which event the item will be removed from the Consent Agenda and considered in its normal sequence on the agenda.

7a. Board and Commission Minutes

- 7a.1. Tax Incentive Review Committee – September 8, 2014
- 7a.2. Public Safety Advisory Committee – September 16, 2014
- 7a.3. Planning Commission – September 18, 2014
- 7a.4. Tax Increment Finance Authority – September 29, 2014

Moved by Knight; Seconded by Kittle.

RESOLVED: To approve the Consent Agenda.

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

No: None

Motion Carried (7-0)

Resolution No. 14.10.194

8. OLD BUSINESS

8a. Public Hearing/Motion – Accepting Ordinance 14-861 to Amend City Ordinance Chapter 10, Article III, Smoking Lounges of the Auburn Hills City Code for a Public Hearing, Second Reading and Final Adoption

Director Olko explained this ordinance amendment extends hours of operation for smoking lounges; the lounges will be closed from 2:00 a.m. to 8:00 a.m., for a probation period from October 8th, 2014 to October 7th, 2015 at 11:59 p.m. If there is an increase in problems and/or incidents at these establishments, consideration will be brought back to Council, with a possible recommendation of reverting the closing time back to 12:00 a.m. to 8:00 a.m. at the end of the probationary year.

Mayor McDaniel opened the public hearing at 7:19 p.m. Hearing no comments, Mayor McDaniel closed the public hearing at 7:20 p.m.

Moved by Hammond; Seconded by Burmeister.

RESOLVED: To adopt Ordinance 14-861 to amend City Ordinance Chapter 10, Article III, Smoking Lounges of the Auburn Hills City Code.

Responding to Ms. Verbeke, Director Olko stated the Department will submit a report to Council on a quarterly basis regarding the smoking lounges.

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

No: None

Motion Carried (7-0)

Resolution No. 14.10.195

8b. Motion – Approval of Prepay Oakland-Macomb Interceptor Drain (OMID) Segment 4

Mr. Barnes explained at the August 25th City Council meeting, the Council approved a recommendation to make a prepayment of the City's pro-rata share of the OMID Segment 4 Contract 5. Originally, the expected total cost was \$18.0 million, however, the cost is much higher, the bids came in at \$21.4 million.

There are three parts to OMID Segment 4, and a contractor has been selected for two of the three parts; there are current price negotiations taking place with the third contractor.

It is necessary to revise the City's pro-rata share from \$264,772 to \$330,590. The cost increase is due to a premium for contractors, environmental concerns, and complexities of the job.

Ms. Hammond asked if the bid comes in lower, will the City be reimbursed the difference.

Mr. Barnes explained the pre-pay is the amount of the first two contractors that are locked in. The third contractor is still out to bid and is not part of this amount.

Responding to Mr. Kittle, Mr. Barnes noted the October 14 due date was amended, because of the price increase, but will still be due this year. The first amount was included in the 2014 budget, but will now be approximately \$65,000 short.

Mr. Knight noted paying up front saves a significant amount of money, more than could be earned in interest from a bank.

Moved by Knight; Seconded by Verbeke.

RESOLVED: To approve a resolution to prepay the OMID Bond Series 2014A Segment 4 Contract 5 in the amount of \$330,590 and to authorize the City Manager to satisfy the prepay filing requirements set forth by the Water Resource Commission.

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

No: None

Motion Carried (7-0)

Resolution No. 14.10.196

9. NEW BUSINESS

9a. Motion – Approval of Combined PUD Step One - Qualification / Step Two – Site Plan Approval, Along with Tree Removal Permit / Primary Place

Mr. Cohen explained this is a request from Steuer & Associates, Inc., to build an 18 unit residential community on 1.1 acre parcel of land currently owned by the City of Auburn Hills; the buildings will be townhouse style rental properties. As part of the project, the City will retain a small portion of the land for the Clinton River Trail. To the north of this site is the City parking structure and Auburn Square Apartments, to the west is Rushmore Printing, to the south is Church's Lumber, and to the east is residential. The site is within the Downtown district zoning, so the PUD option was suggested to obtain residential units which will help support the downtown businesses.

This site is awkward - it is located between the ITC transmission lines and local power lines, is triangular in shape, the parking structure façade is to the north, and outside storage at Church's Lumber to the south. The buildings will be brick with two-car garages, and 1,500 sq. ft. of living space per unit.

Ms. Mitchell asked if the Clinton River Trail will be accessible and useable during construction.

Mr. Cohen will talk with Mr. Grice, and it may be necessary to close that portion of the Trail and reroute pedestrians to Primary Street. As part of the construction, Mr. Steuer will relocate that portion of the Trail as necessary to support the construction.

Mr. Knight noted six of the garages face Primary Street, which already has an increased amount of traffic and asked if it would be possible to move the buildings back a bit to increase the driveway aprons. This would result in more parking in the driveway without blocking the sidewalk. He is very pleased with the plan, the driveways are his only concern.

Mr. Cohen explained ITC has an easement and the buildings have been pushed back as far as they can without being in the easement. The driveway apron is 17 feet to the property line, and an additional foot to the pathway, the 18 foot parking space meets the intent. City staff thought with only six units, it would be acceptable.

Mr. Kittle would prefer to see a masonite siding as opposed to a vinyl siding. He believes many cars are longer than 18 feet, and questioned the City's policy on cars blocking sidewalks.

Mr. Cohen stated the City generally requires parking spaces to be 18 feet, with the typical car being 16 feet long, though some may be longer. If cars block the sidewalks, then the issue will be addressed.

David Steuer, thanked the City and noted what a great team he worked with.

Moved by Mitchell; Seconded by Hammond.

RESOLVED: To accept the Planning Commission's recommendation and approve the combined PUD Step One – Qualification / Step Two – Site Plan and Tree Removal Permit for the Primary Place PUD, subject to staff and consultants' conditions.

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

No: None

Motion Carried (7-0)

Resolution No. 14.10.197

9b. Motion – Approve Parkways Boulevard Construction Bid

Mr. Melchert explained the Parkways Boulevard will be constructed, south of Forester Square and north of the existing rail trail, and extend west from Adams Road, close to the southeast corner of College Heights Mobile Home Park. This portion of the project does not include street lights, irrigation, or tree planting; these items will require separate Council approval.

Mr. Melchert noted there is a typographical error in the OHM Scope of Construction Services Letter; it states \$140,000, but the revised amount is \$129,500.

Mr. Knight asked where the road will end.

Mr. Juidici explained the road will extend beyond the curve, with signage alerting drivers the road ends.

Moved by Knight; Seconded by Verbeke.

RESOLVED: To approve the bid submitted by DiPonio Contracting, Inc., 51173 Simone Industrial Dr., Shelby Twp., MI 48316, in the amount of \$1,200,345.50, for the construction of the Parkways Boulevard to be funded from the Street Improvement Fund, 101-446-973.203PARKWAYSBLVD, and approve OHM's Scope of Construction Services for an amount not to exceed \$129,500 with materials testing estimated at \$12,500, and further authorize the City Manager to approve change orders necessary to bring about a successful conclusion to the project.

Mr. Knight asked if the OHM amounts, \$129,500 and \$12,500 are two different amounts.

Mr. Melchert stated yes, two separate amounts.

Mr. Kittle, asked where the road ends, heading towards Mound Steel, if a development is still being pursued, and if the road will continue along leading into the new DDA district.

Mr. Tanghe stated the road is stubbed at a point where it would continue west and interact with the proposed residential areas for the Mound Steel and Superior Concrete sites, then south to Auburn Road with long range plans of connecting to northbound Squirrel Road.

Mr. Knight asked if the proposed road was within property controlled by the City.

Mr. Tanghe stated it is all City owned property.

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

No: None

Motion Carried (7-0)

Resolution No. 14.10.198

9c. Public Hearing/Motion – Adoption of 2015 Budget and Millage Rates

Ms. Schulz explained the City's \$60.5 million budget has allowed for the needed investment of \$4.7 million in City roads, including N. Squirrel Road, Paldan, Parkways Boulevard, and the University Drive Bridge. There is \$3.5 million in water main and sewer projects, including the Bloomfield Orchards water main and the Elstead / Birchfield sewer and water main. The Fleet fund has plans for \$1.5 million in equipment and vehicle purchases to replace an aging fleet in DPW, Police and Fire.

The City's total revenue for the 2015 budget is \$52.5 million, reflecting \$18.2 million in tax revenue, which is 1.75% higher, compared with 2014 projections. Tax revenues are predicted to slowly increase as tax evaluations continue to stabilize.

The City's financial stability remains strong as the City strategically focuses on fiscal sustainability by controlling operational costs, including wages and benefits. Although 2015 expenditures are expected to exceed revenues, this plan conservatively utilizes reserves allowing for investment in infrastructure, maintenance and improvements of City buildings, facilities and grounds, and continuance expected service to residents without compromising the financial health of the City.

Mr. Knight noted in 2015, the taxable value is decreasing by 1.89%; how does the revenue go up?

Ms. Schulz explained the tax valuations is a negative increase, the value is better than the year before, so the revenue is increasing.

Mr. Knight explained his notes state the taxable value is \$1,619,000,000 this year and down to \$1,588,000,000 for next year. He thought the taxable values were rising a percentage point as discussed during a budget workshop.

Mr. Barnes noted the assumptions schedule is taken from the Oakland County Tax Equalization Reports, which is projected, so the values will change. The percent increase that was included in the City's budget was based on specific analysis done in the City Assessor's Office and is more up-to-date.

Mr. Knight was happy with the explanation and knowing the City is looking more closely at Auburn Hills' numbers than is the County.

Mr. Kittle asked if the budget shouldn't reflect the numbers provided by the Assessor's Office.

Mr. Barnes stated that can be done; the County's number are used as a benchmark or starting point for the City's budget process.

Mr. Kittle asked Ms. Schulz if there anything she would do differently and her likes and dislikes about the process and about contingencies.

Ms. Schulz explained there is always room for improvement and that is taken into consideration each year, and the contingencies should be discussed during budget meetings.

Mr. Kittle stated he believes there is still room to save from an operations standpoint and continue to do so on a day-to-day basis. He would like to challenge the organization, to try to find ways on year-over-year saving ideas; not deferrals of projects or equipment, but actual savings.

Mr. Knight asked where the Oakland Heights tipping fees are allocated. In the past it has been budgeted for infrastructure projects and asked if there are any current plans.

Ms. Schulz noted that is the Wayne Disposal Fund; \$250,000 is being transferred to local roads.

Mayor McDaniel commended City Manager Tanghe, Finance Director Barnes and Deputy Finance Director Schulz for an excellent job on the budget.

Mayor McDaniel opened the public hearing at 7:54 p.m. and hearing no comments, closed the public hearing at 7:55 p.m.

Moved by Burmeister; Seconded by Knight.

RESOLVED: To accept and adopt the proposed 2015 budget for the City and to approve the proposed millages for the City and Library for the 2014 tax year.

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

No: None

Motion Carried (7-0)

Resolution No. 14.10.199

9d. Motion – Approve DPW Pickup Truck Purchase

Mr. Brisson explained one of the City's truck that is equipped for a snow plow was in an accident. From appearances, there doesn't seem to be a lot of damage, most of the damage is under body, including a bent frame. The frame would have to be replaced, which is one of the most major repairs that can be done to a pickup truck. Currently there is a truck in the fleet that has gone through that process, and continues to have problems. The cost of repairing the truck and the blue book value are close to the same.

This pickup is one of three pickup trucks used for snow plowing parking lots, the truck is outfitted with a v-plow. It is recommended to replace the truck with a new one. The truck current can be sold as salvage, and the City will be collecting funds from the mini-tort claim for the accident.

Responding to Ms. Verbeke, Mr. Brisson explained this particular v-plow isn't generally used for street plowing, mainly parking lots. The v-plow allows for scooping the snow and moving to the outer edges of a parking lot or a specific dumping location.

Mr. Knight appreciated the detailed information in the memo and agreed a new truck is the right way to go.

Moved by Kittle; Seconded by Verbeke.

RESOLVED: To approve the purchase of a 2015 Ram 2500 Pickup with Snow Plow from Bill Snethkamp Lansing Dodge, Inc., 6131 S. Pennsylvania, Ave., Lansing, Michigan 48911 for \$32,054.70. Funding is provided from the Fleet Machinery & Equipment account (661-442-977.000).

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

No: None

Motion Carried (7-0)

Resolution No. 14.10.200

10. COMMENTS AND MOTIONS FROM COUNCIL

Ms. Verbeke:

- Asked drivers to bring their patience on Joslyn Road and Baldwin Road near Great Lakes Crossing Mall, there has been quite a bit of traffic and construction is taking place on both roads. She also thanked the Police for their efforts in helping with the traffic congestion.

Mr. Burmeister:

- Has received complaints from residents along Grey Road and Havens Lane of semi-trucks, at least two a day, traveling the neighborhood. He asked if the residential roads are designed for the heavy trucks.

Mr. Knight agreed the trucks regularly use Grey Road, at least two a day.

Mr. Melchert stated Grey Road is capable of supporting heavy trucks because it is considered a major road.

Ms. Hammond:

- Continues to hear from residents, through phone calls, e-mails, or stopping her, about the sight obstruction when turning at the clock tower, especially for those drivers of regular cars that sit lower to the ground. She believes some of the bushes should be removed.

Mr. Knight:

- Asked for any progress on the road turnaround from the road meeting.
- Noted the microphones at the City Council seats aren't very good, and requested new microphones be researched.

- Noted Opdyke Road is a terribly dark major road, and suggested petitioning the County, along with Pontiac and Auburn Hills to install some lighting.
- Asked if Superior Construction business is remaining; he thought a property trade was made with the City. There appears to be a lot of junk being stored as well as business trucks, but is quite an eyesore.
Mr. Tanghe stated there has been no transaction negotiated with the City.
- Asked Director Olko if three police cars are out of commission, are there enough cars to cover the daily needs.
Director Olko stated there hasn't been three cars out lately, but the fleet is a decent size and there doesn't seem to be a need for spare vehicles.
- Asked if there has been any progress on the testing of the Mound Steel site.
Mr. Tanghe explained the testing has begun; there was some delineation work done, but the results have not yet been received. There is a known area that is problematic, and a report should be forthcoming in the next 30 days or so.
- Commended all of staff for the budget process.

Mr. Kittle:

- This Thursday is the Taste of Auburn Hills event, at the Walter P. Chrysler Museum.

Mayor McDaniel:

- Extended his appreciation to all City staff who have been working diligently to help keep the traffic at Great Lakes Crossing, moving. He thanked Mr. Grice and Director Olko for keeping the communication open between the City and the mall personnel.
- This Thursday, October 9, at 5:00 p.m., is the Taste of Auburn Hills, with the Chamber of Commerce at the Walter P. Chrysler Museum. He extended invitations to previous City Council Members, since they too, have helped shape the City.

11. CITY ATTORNEY'S REPORT – none

12. CITY MANAGER'S REPORT

- Mentioned there has been a lot of conversation with the mall personnel regarding all of the construction around the mall. Director Olko will be setting up a meeting with mall management this week. This weekend is Canada's thanksgiving weekend, which is a huge shopping weekend for Great Lakes Crossing mall.
- Attended a Meet and Great, as the new City Manager, with approximately 40 business owners last week at the Community Center. He enjoyed interacting with the business community, including the new Avondale School Superintendent, whom he will be meeting with in the near future.
- The Elf Magic Holiday Extravaganza benefit, is being held Tuesday, October 14, from 6:00 p.m. until 9:00 p.m., at Fieldstone Golf Club. The proceeds go to help fund the Holiday Extravaganza, the parade that is held in Pontiac, with partner communities - White Lake, Auburn Hills and Waterford. Tickets are available, \$30 for an individual or \$50 for a pair. If more information is needed, the contact phone number is 248.858.8347 x5180.
Mr. Knight stated he attended the benefit last year and it is a very nice event.
- Mayor McDaniel noted this weekend is also the Festival in the Woods at Hawk Woods Park, and Avondale's homecoming is Friday night.

13. EXECUTIVE SESSION – Employee Status

Mr. Tanghe confirmed for Mayor McDaniel an employee requested the employee status discussion take place in an executive session.

Moved by Verbeke; Seconded by Hammond.

RESOLVED: To adjourn to Executive Session.

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

No: None

Motion Carried (7-0)

Resolution No. 14.10.201

City Council adjourned to Executive Session at 8:14 p.m. and reconvened the meeting at 9:15 p.m.

Moved by Verbeke; Seconded by Kittle.

RESOLVED: To authorize the City Manager to execute the Agreement by and between the City of Auburn Hills and Thomas Hardesty, with a date of execution of October 7, 2014.

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

No: None

Motion Carried (7-0)

Resolution No. 14.10.201

14. ADJOURNMENT

Hearing no objection the meeting adjourned at 9:16 p.m.

Kevin R. McDaniel, Mayor

Terri Kowal, City Clerk