



*The City of Auburn Hills*  
City Council Meeting  
Minutes

March 27, 2017

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**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, Council Members Burmeister, Hammond, Kittle, Knight, Mitchell and Verbeke  
Absent: None  
Also Present: City Manager Tanghe, Assistant City Manager Grice, City Attorney Beckerleg, Police Chief Olko, Fire Chief Manning, Community Development Director Cohen, Assessor Bill Griffin, City Clerk Kowal, DPW Director Melchert, Finance Director/Treasurer Schulz, Director of Authorities Mariuz, Mgr. of Public Utilities Michling, and Golf Manager/Pro Marmion.

15 Guests

#### 4. APPROVAL OF MINUTES

4a. Regular City Council – March 13, 2017

**Moved by Verbeke, Seconded by Mitchell.**

**RESOLVED: To approve the March 13, 2017 City Council meeting minutes.**

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

**No: None**

**Resolution No. 17.03.039**

**Motion Carried (7 - 0)**

#### 5. APPOINTMENTS AND PRESENTATIONS

5a. Motion – Confirm appointment of Eveonne Roberts to the Tax Increment Finance Authority for a term ending March 13, 2021.

Ms. Roberts introduced herself and stated that she is familiar with the development process as she previously worked in the Community Development Department for the City of Mt. Clemens.

**Moved by Kittle, Seconded by Mitchell.**

**RESOLVED: To confirm the appointment of Eveonne Roberts to the Tax Increment Finance Authority Board of Directors for a term ending March 13, 2021.**

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

**No: None**

**Resolution No. 17.03.040**

**Motion Carried (7 - 0)**

5b. Motion – Accept Third and Fourth Quarter 2016 Monitoring Network Review Summaries and 2016 Annual Monitoring Network Review Summary of the Oakland Heights Development Landfill Reports.

Mr. Foerg, representing Environmental Consulting Solutions, explained that there was an issue with one pump which was subsequently repaired. There has been a long standing issue with MW31SR where there was a question about whether the ground water concentrations were influenced by the sedimentation pond. A staff gauge was used to measure the elevation and water in the pond relative to the elevation in the ground water well to see if there was some relation. The pond is consistently 4-4.5ft higher in elevation than the elevation in the ground water wells. The movement is from the pond to the well, thereby creating some variability. The levels are still below the criteria and they are keeping an eye on it. He noted there was an issue in 2016 where there were VOCs in two wells in quarter two, and in the third quarter VOCs in one of the wells. The conclusion is that the pump may have been allowing an exchange of gases rather

than the compressed air to push water out. The pump was fixed the fourth quarter sample showed no VOCs.

Ms. Verbeke commented that there has been an odor around the landfill and questioned what it was attributed to. Mr. Foerg commented that odors at landfills that can be detected by humans are usually methane or trash, not the VOC levels. He explained that it depends on humidity, temperature, wind direction, and activities at the landfill. He stated that the key is finding the source.

Mr. Kittle questioned the remaining capacity of the site, which is listed as 2.287 million cubic yards left.

Rob Moore, environmental manager with Republic Services and responsible for Oakland Heights, explained that it has been an unusual winter which has created some operational issues. Typically there is a deep freeze which allows them to do some movement with soil which helps with some of the odors. In terms of odors, one is from a gas collection standpoint, which is some of the sulfur smell. They started gas construction last week and will be installing five additional wells in the area closest to Brown and Lapeer Road. Operationally the active area odors is the garbage as it is deployed each day. It gets spread out and covered with dirt at the end of each day. DEQ has asked them to strictly use soil for coverage.

Mr. Moore explained that based off of the most recent data there is approximately six to eight years of life left.

Mr. Tanghe questioned if most of the excessive odor would be attributed to the fact that you have not been able to cover the landfill. Mr. Moore stated that it is a combination between the weather and the gas collection standpoint. They have five wells that will be installed which will have a positive impact. He noted the well installation should be completed by the end of next week and it will take a couple weeks after installation to determine the effects.

Mr. Knight noted that with the original commitment, there was to be no materials received from Canada. He questioned if that is still true. Mr. Moore stated that as far as he knows they have not taken anything from Canada. He stated that he reviews it on a quarterly basis and does not recall seeing anything.

**Moved by Mitchell, Seconded by Verbeke.**

**RESOLVED: To accept the Third and Fourth Quarter Y2016 Monitoring Network Review Summaries and 2016 Annual Monitoring Network Review Summary prepared by Environmental Consulting Solutions of the Oakland Heights Development Landfill Reports.**

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

**No: None**

**Resolution No. 17.03.041**

**Motion Carried (7 - 0)**

## **6. PUBLIC COMMENT**

Mike Green, 146 Rosetta Court and representative of Post 143 American Legion, asked for City Council support for the Memorial Day parade and festivities. Mayor McDaniel commented that the City appreciates the work that the Legion puts into the parade and would be honored to provide the hot dogs and hamburgers this year. Mr. Green explained that this year is the 50<sup>th</sup> anniversary of the Vietnam War which will be highlighted in the parade.

Mr. Green noted that the Americanism Dinner honoring local police and fire members will be held on April 8<sup>th</sup>.

## **7. CONSENT AGENDA**

Ms. Mitchell requested Item 7a2 be removed from the Consent Agenda.

7a. Board and Commission Minutes

7a1. Minutes of Brownfield Redevelopment Authority meeting of February 28, 2017

7a3. Minutes of Planning Commission meeting of March 15, 2017

7b. Motion – Authorize the City Manager to request reimbursement of eligible mosquito control activity under Oakland County’s West Nile Virus Fund Program

**RESOLVED: To adopt the attached resolution to authorize and direct the City Manager, as agent for the City of Auburn Hills, to request reimbursement of eligible mosquito control activity under Oakland County’s West Nile Virus Fund Program. (Attachment A)**

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

**No: None**

**Resolution No. 17.03.042**

**Motion Carried (7 - 0)**

7c. Motion – Approve Weed Control & Fertilization Contract

**RESOLVED: To award the Weed Control & Fertilization application contract to Green Meadows Lawnscapes, 2359 Avon Industrial Dr., Rochester Hills, MI 48309 in the amount of \$75.90 per acres. Funding is available in the Grounds Fund, Account No. 101-266-805-000.**

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

**No: None**

**Resolution No. 17.03.043**

**Motion Carried (7 - 0)**

**Moved by Verbeke, Seconded by Kittle.**

**RESOLVED: To approve the Consent Agenda items 7a1,7a3, 7b, 7c.**

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

**No: None**

**Resolution No. 17.03.044**

**Motion Carried (7 - 0)**

7a2. Minutes of Tax Increment Finance Authority meeting of March 14, 2017

Ms. Mitchell commented that the Auburn Hills Lunch Loop is very innovative and questioned if there was any preliminary feedback on the activity.

Ms. Mariuz explained that the first lunch loop was March 15<sup>th</sup> with 16 riders and last week had 27 riders. There has been very positive feedback. All the local businesses have been contacted via email to ask for different specials that they would run. This is specific to Volkswagon and Comerica. The lunch loop picks up those employees from their front door and takes them downtown.

**Moved by Mitchell, Seconded by Verbeke.**

**RESOLVED: To approve the Consent Agenda items 7a2.**

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

**No: None**

**Resolution No. 17.03.045**

**Motion Carried (7 - 0)**

**8. OLD BUSINESS**

8a. Public Hearing/Motion – Approve the 2017 Liquor License Renewals for Establishments in Compliance and Object to 2017 Liquor License Renewals for Establishments Not in Compliance

Ms. Kowal explained that all of the businesses are in compliance except for Parkside Tavern which we understand is closed. Parkside is the only establishment not recommended for approval.

Mayor McDaniel opened the Public Hearing at 7:32 PM. Hearing no comments, the Mayor closed the Public Hearing at 7:33 PM.

**Moved by Kittle, Seconded by Burmeister.**

**RESOLVED: To recommend approval of the annual liquor licenses of those establishments who have now met the licensing requirements of the City: Duffy’s Pub, Mex Cantina, Red Ox, and Romano Macaroni Grill and to adopt a resolution objecting to renewal of a liquor license based on outstanding financial obligations to the City: Parkside Tavern.**

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

**No: None**

**Resolution No. 17.03.046**

**Motion Carried (7 - 0)**

## **9. NEW BUSINESS**

### 9a. Motion - Approve a Special Land Use Permit, Site Plan and Tree Removal Permit / Five Points Community Church

Mr. Cohen explained the request to construction a 16,000 square foot addition on the north side of the existing building. The addition will include new offices, a commons room, youth group rooms, nursery rooms and a large gathering area. The plans call for the demolition of the southern wing, which was the original church, as well as the removal of a garage and existing one story concrete block building. The total investment in the project is \$3.2 million. Construction is anticipated to begin in May and be complete by December. The Planning Commission and staff both recommend approval of the project.

Mr. Cohen confirmed for Mr. Knight that only Phase One was being considered tonight and Phase Two would be considered at another time.

Ms. Hammond pointed out that the parking lot will be near the new senior development and will be nicely buffered. Chris Allard, AKA Architects representing Five Points Community Church, confirmed that it is appropriately landscaped with the landscape buffers.

**Moved by Verbeke, Seconded by Knight.**

**RESOLVED: To accept the Planning Commission’s recommendation and approve the Special Land Use Permit, Site Plan and Tree Removal Permit for Five Points Community Church subject to the conditions of the administrative review team.”**

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

**No: None**

**Resolution No. 17.03.047**

**Motion Carried (7 - 0)**

### 9b. Motion – Approve a rezoning of parcels 14-14-151-024 and 14-14-151-025 from B-2, General Business District to I-1, Light Industrial District / Rapid Shred

#### 9c. Motion - Approve a Site Plan and Tree Removal Permit / Rapid Shred

Mr. Cohen explained the request to rezone two parcels of land, totaling 2.24 acres, located on the west side of Opdyke Road between Pontiac and Walton. Since the City’s Master Plan depicts this property as non-residential, both Planning Commission and staff recommend approval of the rezoning.

Mr. Cohen explained that the applicant would like to construct a 21,000 square foot industrial building. The building will offer both off-site and on-site shredding services. The building will be large enough to store all their vehicles inside along with their bundled materials. Total investment of the project is \$1.1 million. Construction is anticipated to begin next month and be complete by October. Knowing the site is abutting residential, Rapid Shred has provided a substantial buffer between their building and the residential area.

Ms. Hammond questioned if there was any feedback from the building next door. Scott Dennis, owner of Rapid Shred, stated that he met with Alfoccino's prior to sending out the public notice letter. He stated that the owner was in favor of the development. He further explained that their trucks are mobile shredding trucks. Mr. Dennis confirmed that there will not be heaving truck traffic and noted that they designate the shipping hours.

In response to a question from Mr. Kittle, Mr. Dennis explained that there is a bailer inside the building. Each bailer weighs approximately 2,000 pounds each and are loaded on to a semi where they are taken directly to a paper mill where it is pulped and recycled.

**Moved by Knight, Seconded by Hammond.**

**RESOLVED: To accept the Planning Commission's recommendation and approve the rezoning of parcels 14-14-151-024 and 14-14-151-025 from B-2, General Business to I-1, Light Industrial District. The rezoning shall be referenced as Ordinance No. 17-891.**

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

**No: None**

**Resolution No. 17.03.048**

**Motion Carried (7 - 0)**

**Moved by Knight, Seconded by Hammond.**

**RESOLVED: To accept the Planning Commission's recommendation and approve the Site Plan and Tree Removal Permit for Rapid Shred subject to the conditions of the administrative review team.**

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

**No: None**

**Resolution No. 17.03.049**

**Motion Carried (7 - 0)**

9d. Motion – Approve a Special Land Use Permit and Site Plan / Stadium Party Store and Shopping Center - Gas Station

Mr. Cohen explained the request to construct a six pump gas station on the site located on the corner of Pontiac and Opdyke Roads. To make room for the new gas station, the vacant restaurant will be demolished. The existing Stadium Party Store will be utilized as the main retail building for the gas station operations. Construction is expected to begin in May and be complete in about three months. Total investment is approximately \$400,000. The Planning Commission and staff recommend approval of the project.

Iden Kalabat, Kalabat Engineering 31333 Southfield Road, Suite 250, Beverly Hills, explained that typically, when there is a mixed retail and field service station as a development whole, the intent is to use the gas station to generate traffic and promote the growth of the retail business. With the existing site, there is an existing and successful retail center so the need for the gas station to generate that traffic is not there. The fuel service will stimulate growth to the existing retail center and open up visibility.

Ms. Verbeke stated that she is not in favor of this as there are two other gas stations already in the area that have been struggling. She expressed concern with the City possibly having another vacant gas station along the corridor that the City is trying to improve.

Ms. Hammond questioned if the parking spaces will remain between the store and the gas pumps. Mr. Kalabat explained that the reason for the separation has to do with the existing driveway off of Opdyke as there were traffic safety concerns with having the gas station canopy closer to the building. In addition, the state looks favorably upon a distant separation between the sale of liquor and the fueling of gas.

Mr. Kittle noted that there are seven other gas stations in the area and stated that he cannot support this as there are too many gas stations.

Mr. Kalabat noted that the addition of the gas station service is more of an improvement upon the visibility of the site and adds a new service commodity to the business. He noted that this will also remove the existing structure on the corner of the site which would vastly improve the visibility of the strip center.

Mr. Burmeister noted that the owner has run a very successful business for over twenty-five years and believes that he will make a success out of it.

Akram Odish, owns the Stadium Party Store, commented that this will be good for the shopping center. Mr. Kalabat stated that the owner is looking to improve the corner and to take advantage of the valuable real estate of the corner of the shopping center for his own business.

**Moved by Burmeister, Seconded by Knight.**

**RESOLVED: To accept the Planning Commission's recommendation and approve the Special Land Use Permit and Site Plan for the Stadium Party Store – Gas Station subject to the conditions of the administrative review team.**

Ms. Mitchell commented that she values the fact that the applicant wants to make a personal investment in the community and be very hands on. There are portions of the Opdyke Corridor where there are multiple gas stations that are very successful and viable and there are portions where the gas stations are closed. If there is an individual that is willing to invest their own funds, she stated that she is willing to give them an opportunity.

Mayor McDaniel stated that he appreciates that Mr. Odish has been a successful small business owner within the Community since 1983. He stated that he can understand the concerns of the many gas stations along the Opdyke Corridor, but stated that he will support it based on Mr. Odish's willingness to invest in the community.

**VOTE: Yes: Burmeister, Hammond, Knight, McDaniel, Mitchell**

**No: Kittle, Verbeke**

**Resolution No. 17.03.050**

**Motion Carried (5 - 2)**

9e. Public Hearing/Motion - Establish a Speculative Building Designation for Continental Property LLC

Mr. Griffin explained that Continental Property LLC has requested a Speculative Building Designation on their property located on the northeast corner of Harmon and Continental. The building is 1,037 square feet located on 9.28 acres. He explained that, currently, if an abatement is applied for, construction must begin within six months. The Speculative Building Designation takes the six month requirement away. The building could be built and the abatement could be applied for once the tenant is found. City Council has the discretion to approve or not approve it. Because of the size and scope of the proposed building, it is a perfect example of what a Speculative Building would be as it is tough to fill a building of that size. Staff recommends approval of the designation.

Mr. Kittle questioned if there is interest for spec buildings as he would feel better if there were tenants. Mr. Griffin commented that if they build the building and do not get a tenant, they will be paying standard ad valorem taxes.

Ms. Hammond questioned why the applicant is not present. Mr. Griffin explained that the applicant is out of town. Mr. Knight commented that he would like to hear from the applicant. Ms. Mitchell expressed her preference that the applicant be in attendance when the decision is made.

Mr. Cohen pointed out that the project was approved by City Council in September, 2016. The applicant had explained that he had to get ahead of the market and was willing to take the risk to construct the

building so it would be ready when a company wanted to make a selection. The applicant had their preconstruction meeting and would like to start construction in the next two weeks.

Mayor McDaniel opened the Public Hearing at 8:23 PM. Hearing no comments, the Mayor closed the Public Hearing at 8:23 PM.

**Moved by Kittle, Seconded by Burmeister.**

**RESOLVED: To approve the request to establish a Speculative Building Designation for Continental Property LLC by adopting the attached resolution. (Attachment B)**

Mr. Kittle commented that he likes the concept of getting it on the tax rolls.

Ms. Verbeke stated she is more comfortable after hearing the information shared by Mr. Cohen as the City did go through the due diligence previously.

Ms. Mitchell stated that if Council was to move forward with this today, she requested that they come to the April 10<sup>th</sup> meeting as an introduction to let Council know the status. If that request can be made, she will support the motion.

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

**No: None**

**Resolution No. 17.03.051**

**Motion Carried (7 - 0)**

9f . Motion – Approve Fieldstone Lift Station Replacement Bid Award

Mr. Melchert explained that two of the five storm system pump stations failed. Upon inspection of the pumps, piping, check valves and appurtenances within those two stations, staff determined that the entire assemblies need to be replaced. They are twenty year old pumps. In addition, a rail system will be added to each station to help DPW more easily extract those pumps without pulling the pipe assemblies out of the pit. He noted that the project was not budgeted, however it will be a minimal impact to the General Fund.

Mr. Knight questioned if these will be placed on a pump inspection list. Mr. Melchert confirmed that DPW and Fieldstone will team up to perform annual inspections and maintenance on all the pumps in the golf course.

**Moved by Burmeister, Seconded by Knight.**

**RESOLVED: To approve amending the General Fund account number (101-901-999.501) with an increased expense of \$51,810.00, amend both the Fieldstone Golf Club Fund revenue account number (594-753-699.472) and expense account number (584-753-977.000) with an increase of \$51,810.00, and award the Fieldstone Lift Station Replacements to CSM Mechanical, in the amount of \$51,810.00 to be paid from Fieldstone Golf Club Fund account number (584-753-977.000).**

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

**No: None**

**Resolution No. 17.03.052**

**Motion Carried (7 - 0)**

9g. Motion – Introduction with Intention to Adopt Ordinance 17-890 Unauthorized Water Usage

Mr. Melchert explained that this is the first reading for an amendment to Chapter 74, Utilities. DPW has encountered several instances where contractors were utilizing the City water system to construct their developments without approval. Staff conducts preconstruction meetings prior to the beginning of a development and explains that if they want to use City water, they must rent a hydrant meter, which has proper backflow protection. When the sites are inspected, staff has found that even though the contractor has rented a meter, it is not being used. The City Attorney has drafted ordinance language to curb this activity, which includes a \$200.00 fine for each occurrence of the unauthorized water use.

Mayor McDaniel commented that water is expensive and expressed concern when a development is using water and not paying for it. Mr. Beckerleg confirmed for Mayor McDaniel that in addition to paying the fine, they would be responsible for the water used. He explained that the fine could be made up to \$500.00. Mayor McDaniel stated that the fine should be \$500.00. The City is very proactive with development and we have a clear path for businesses to do the right thing.

Mr. Beckerleg confirmed for Mr. Knight that the ordinance states that every day the violation happens would count as a separate occurrence.

Mr. Kittle agreed that the proposed fine was too light. A \$500.00 is a bigger deterrent. He noted that the backflow has him more concerned than the water loss. If they contaminate the water system because of the lack of a backflow prevention device, he questioned what would do to the City and costs and risks associated with it. Mr. Melchert explained that it could be very significant.

Mayor McDaniel pointed out that the issues are failure to use a backflow and stealing of water. He questioned if it was possible to fine both issues. Mr. Beckerleg explained that he was not advised of the backflow issue therefore the ordinance only addresses the stealing of water.

Mr. Kittle questioned if they would be responsible for any costs associated with contamination of the system. Mr. Beckerleg stated that it would be reasonable to draft an ordinance to include it. Mayor McDaniel suggested language be included to cover the cost to test for contamination.

Ms. Hammond suggested adding that if it happens twice, the City can stop construction as it would hold their feet to the fire to ensure they are doing what they should be doing. Mr. Beckerleg explained the language in the ordinance that the property owner is responsible for the subcontractor's actions. He confirmed for Ms. Verbeke that a complaint against their license could be made to the state.

Mr. Burmeister commented on the release of hazardous material or chemicals into the water system. He questioned if there was something in the cost recovery regarding hazmat release. Mr. Beckerleg explained that there are several areas in the ordinance that address persons responsible for hazardous spills and paying the costs of those.

Mayor McDaniel suggested postponing action on this and request staff to include additional language to make this as strict as possible.

Mr. Tanghe questioned if there was an indication of how many instances where we know this has occurred. Mr. Michling stated that there have been five or six instances in the past year. The problem is that a couple of these contractors are larger and have been caught numerous times.

City Council agreed to postpone this item.

#### 9h. Motion – Approve the purchase of a reserve ambulance

Chief Manning explained the recommendation to purchase a fourth ambulance which would serve as a reserve ambulance that would fill in when a current ambulance goes out of service for preventative maintenance or mechanical failure. He explained that the new staffing model puts all three of the current ambulances into service. The ambulance has 20,760 miles on it and was inspected by the City mechanics and fleet manager. There were no major mechanical issues, there were some minor issues that need to be corrected with minimal cost. The proposed ambulance is a practical and affordable option that meets the department needs.

Mr. Burmeister questioned why it would not be used as one of the front runners. Chief Manning explained that the fleet is shuffled regularly based on forecasting the mileage and use. By adding a fourth ambulance, it allows the City to have a reserve ambulance.

**Moved by Hammond, Seconded by Knight.**

**RESOLVED: To approve the purchase of a 2015 Wheeled Coach ambulance from Independence Township in the amount of \$125,000.**

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

**No: None**

**Resolution No. 17.03.053**

**Motion Carried (7 - 0)**

9i. Motion – Terminate the Brownfield Plan for Oakland Technology Park and remove the tax capture district from the tax roll effective as of December 31, 2016.

Ms. Mariuz explained that the plan was approved in 2010 for the 211 vacant acres of land and the 28 lots along High Meadow Circle, Cross Creek Parkway and Deepwood Drive in the Oakland Technology Park. This is a thriving business district with few lots left to build. All of the conditions of this plan have been met. The plan officially expired on December 31, 2016, the consultants recommended taking official action to terminate the plan and notify all external taxing jurisdictions.

**Moved by Kittle, Seconded by Hammond.**

**RESOLVED: To terminate the Brownfield Plan for Oakland Technology Park and remove the tax capture district from the tax roll effective as of December 31, 2016.**

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

**No: None**

**Resolution No. 17.03.054**

**Motion Carried (7 - 0)**

9j. Motion - Approve Tree Funds for Eligible Expenses for Amphitheater/Splash Pad Project

Mr. Tanghe explained that over the past couple years the Auburn Hills Community Foundation has been raising funds towards the completion of the amphitheater project plaza area and motion activated children's splash pad. To date, just over \$500,000 has been raised. The Auburn Hills Tax Increment Finance Authority has contributed \$400,000 toward the project. We are trying to reach a target estimate of between \$1,030,000 to \$1,050,000 for the project. In order to do so, the project has been reviewed to determine where we may be able to save on some of the expenses. One of the ways is to utilize in-house labor which would save approximately \$42,500, leaving a shortage of \$100,000. There are \$100,000 of expenses that are eligible under the tree fund, that have to do with plantings, irrigation and other components of that work. With the \$100,000 from the tree fund, the project will be fully funded and we can move forward with the process to go out to bid. It also must be approved by the Planning Commission, then to City Council for final approval.

Mr. Knight questioned the cost amount for drainage and legitimate tree fund expenses. Mr. Tanghe explained that the definition of what the tree fund dollars could be utilized for was broadened. The DPW and Engineering has reviewed it in detail and determined those items are eligible under the tree fund definition.

In response to a question from Mr. Kittle, Mr. Tanghe explained that this approval would confirm that the funds are in place to begin the project. The project is designed, the next step is to go out to bid, then through Planning Commission approval. The intention is to start the project this year. It is likely it would not finish until 2018, but depends on how quickly we get started this year.

Ms. Verbeke questioned the balance in the tree fund. Mr. Tanghe confirmed that the balance is about \$520,000, with \$20,000 obligated to several projects. Mr. Burmeister questioned if the tree fund will continually be drained for the maintenance operation or upkeep of it. Mr. Tanghe stated that the maintenance would come from the Parks Maintenance account.

Ms. Mitchell questioned the broaden definition of acceptable expenditures under the tree fund. Mr. Grice read the language from 2014 which states “Funds to be used for tree and landscape improvement and/or the re-establishment or restoration of planting materials on public lands or in the public right-of-way. Funds may be used for planting materials, site preparation, including all supporting infrastructure. Infrastructure including, but not limited to, irrigation, planters, tree grates, protection systems, and any and all equipment and supplies for the successful establishment and maintenance of all planting materials.”

Ms. Mitchell questioned how much longer would be needed for fundraising activities to secure the \$100,000. Mr. Tanghe stated that he could not predict that we would be doing the project any time soon. We have been raising funds for two years and are at a standstill. He explained that brick pavers were sold and both private and corporate donations have been received.

Ms. Hammond stated that this will still be done in phases. She questioned the feasibility of the splash pad and the cost to maintain it. Mr. Juidici explained that Phase 1 includes the amphitheater and splash pad area. Mayor McDaniel noted that adjustments could be made as it is going out to bid and we do not know with labor and construction what the cost will be. Mr. Juidici noted that there will be specific line items associated with the construction of the splash pad so there will be a direct cost that you will be able to see.

Mayor McDaniel commented on the fundraising efforts and how people contributed with the expectation that we would carry out the plan to the best of our ability according to what we had presented. Mr. Tanghe pointed out that there is at least one corporate donation specific to the splash pad.

Mr. Knight stated that it is all or nothing. Either do the splash pad and the whole thing or do not get started. If it is not in there, we have to go back to the drawing board.

Ms. Verbeke stated that she was not in favor of making the change to take funds from the tree fund. She pointed out that there is no breakdown explaining what the money would be used for and requested a breakdown of those items.

Ms. Mitchell stated that she firmly believes that we need to operate with integrity. If we have been soliciting donations which have encompassed a splash pad, we need to honor that. She stated that she is conflicted about using funding from the tree fund. We are close to having enough funds to do this now and she is not sure why it needs to be expedited. She stated that she would like a breakdown of specifically what it is that we would like the \$100,000 from the tree fund to cover.

Mr. Kittle commented that, as a committee member, he would like to know the on-going costs. He stated that we take the approach of ‘if you build it, they will come’. He would like us to curb that, get some of the other developments in and shoot for having it in next year. He noted that using the tree fund money does not bother him.

Ms. Hammond commented that part of the reason we ran out of the brick part of fundraising is because we were not getting the word out that we were still taking donations after the deadline. Mr. Tanghe explained that they were smaller amounts and would not change the outcome significantly. She stated that she still has questions as to the on-going maintenance of the splash pad. She stated that as much as she wants the amphitheater, she does not know if she wants it as a package deal.

Mr. Knight stated that the cost of the project will increase 8% if we wait another year. We need to decide if we want it or not and either do it now or get rid of the project.

Mayor McDaniel acknowledged there is concern with the \$100,000 from the tree fund by certain Council members, but pointed out that the change was made to allow for this. He stated that it is an insult to the TIFA Board, our residents, those contributing, and the two years of staff time to make this project happen

sooner rather than later. It is very unfortunate that now we are coming to the table and there is a change of heart. He stated that he appreciates the concerns around the \$100,000, it clearly ~~this~~ meets the definition, but if there are Council members that are not comfortable with it or want additional information for those line items, that is a very justifiable question to ask and it is doable for our staff to provide. He questioned if there are any concerns other than the \$100,000 tree fund.

Ms. Verbeke commented that she approves of the whole plan, but is not sure about the funding as she thought this was a fundraising effort, not using government money. Fundraising does not have a deadline based on the people who donate. Mayor McDaniel commented that it has always been partial fundraising. There has always been a commitment by TIFA. The money captured in that district is made for improvements in that district.

Ms. Mitchell commented that she would like to see the project go forward. Her concerns are the percentage of funding from TIFA and the City to support this project. She does not feel the urgency for this project and thinks there is still an opportunity to secure the additional \$100,000 through fundraising or some other avenue. Her concern is taking so many City funds and concentrating them in a certain portion of the community. She would like to see the breakdown and would like to understand why we cannot wait. She does not want to rush a decision and this feels rushed.

Mr. Knight commented that the children's play structure brings 100 people. The water park done well, will bring older millennials and families to the park. It is an important draw for kids and families. It makes the amphitheater successful for activities.

Mr. Kittle commented that it is a timing thing. He pointed out that the fundraising link is lost on the City website in a shuffle of twelve banner messages. He suggested another social media push be done and add a "donate now" button to the website.

Mayor McDaniel questioned when the last substantial purchase was made using the tree fund. Mr. Melchert commented that it was the Squirrel Road Tree Planting from Walton to Dutton. He confirmed for Mayor McDaniel that we are challenged to find places to put new trees at this time. We have been using the tree fund largely to replace trees that have died along City owned roads and parks. The idea of expanding the eligibility of using the tree fund for other things was to support any infrastructure we put in as far as plantings, especially trees.

Mr. Tanghe clarified that the banner on the website was the last push. There has been a lot of effort. The corporate donation machine is Mr. Cohen and himself. He explained the fundraising efforts that have gone on for two full years. Mayor McDaniel pointed out there were substantial updates from the City Manager that kept the Council abreast of each step of the way.

Mr. Burmeister stated that he is not opposed to using the tree fund for this purpose, but would like to have seen the estimate from OHM. He would support the motion, but does not want to give up on seeking donations.

Ms. Hammond does not have a problem with the \$100,000 from the tree fund. She suggested compromising tonight to get this moving by using the \$100,000 but continue to try to raise funds. Mayor McDaniel commented that we would always welcome donations for the fundraising effort.

Ms. Verbeke questioned how many grants were applied for. Mr. Juidici explained that there are a number of different grant programs, however the DNR Trust Fund grants have specifically excluded amphitheaters and splash pads as a non-eligible expense. Based on the parameters, they do not anticipate that changing any time soon. Some of the future components of the project, such as the trails, would be potential expenditures.

Ms. Mitchell proposed that Council revise the resolution language to read “up to” \$100,000 from the tree fund and continue the fundraising. She commented that she has heard requests to do additional fundraising and to get the breakdown of expenditures to be covered by the \$100,000. She stated that she is concerned with how much money the City and TIFA are spending in the downtown area to push development. She wants to see us have a partnership of municipal growth and private growth.

Mr. Tanghe commented that they have put in two years of fundraising which raised over \$500,000 and reiterated the fundraising efforts. He noted that the fundraising is a side issue along with the regular jobs of staff. He stated that he is not objecting to another fundraising push. He does not want to create false expectations on it.

Mr. Knight questioned if we could borrow the funds from the tree fund, instead of granting it outright. Mayor McDaniel questioned if we are not concerned about the \$100,000, why such an effort to push for more funding. Ultimately this is just stating if we are comfortable with the \$100,000 coming from the tree fund. We have known from the beginning that other than \$50,000 was coming from TIFA and the goal was to get roughly \$600,000 if we could from corporate and personal donations.

After polling the Council members, Mayor McDaniel stated that the majority are comfortable with utilizing the tree fund. The Council was in agreement that we will continue moving forward with the fundraising effort, make some changes to the website and social media.

**Moved by Hammond, Seconded by Mitchell.**

**RESOLVED: To authorize the utilization of Tree Funds up to \$100,000, Account No. 242-447-955.002, for the Amphitheater/Splash Pad Riverside Park improvement project, subject to the continuation of fundraising, with the extra monies raised by the continuation of the fundraising returned to the Tree Fund. Also subject to Planning Commission’s site plan approval and the completion of a competitive bid process for the project.**

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

**No: Verbeke**

**Resolution No. 17.03.055**

**Motion Carried (6 - 1)**

9k. Motion – Approve Department of Public Works Roof Replacement Bid Award

Mr. Melchert explained that the original rubber membrane roof is over twenty-five years old. Funds were budgeted for this project, however the bids came in significantly higher due to significant increase in work across the region from the auto industry, recent windstorm, and increases in material and labor costs. The roof needs to be replaced to avoid structural damage in the building.

Mr. Melchert confirmed for Mr. Knight that the entire roof, over the office area, will be replaced, which includes removal, new insulation, and new rubber membrane on top.

**Moved by Mitchell, Seconded by Burmeister.**

**RESOLVED: To approve Department of Public Works Roof Replacement Bid Award to Royal Roofing Company Inc. for the amount of \$81,000.00 to be paid from Facilities Building Maintenance 101-265-931-000.**

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

**No: None**

**Resolution No. 17.03.056**

**Motion Carried (7 - 0)**

**10. COMMENTS AND MOTIONS FROM COUNCIL**

Ms. Hammond

- Commented that the coyotes are still in the area.

- Received a letter regarding Code Enforcement with no contact name or address. She pointed out that the City has a Code Enforcement hotline, 248.364.6935, which is more helpful than sending an anonymous letter. Mayor McDaniel noted that staff has the list from the letter and will thoroughly investigate and make sure appropriate action is taken.

Mr. Knight

- Commented that early yesterday morning, his son reported that someone had hit the curb and left debris over the road on Squirrel. He said the police responded in six minutes.

Mr. Burmeister

- Questioned the status of Mountain Jacks. Mr. Cohen stated that the building has been stabilized and no developers have shown interest.

Ms. Mitchell

- Questioned the status of the Employee Identification Number for the Library. Mr. Tanghe explained that research has been done on libraries with their own EIN number. We will have to make a determination as to whether it will be feasible for the City to impose having a separate EIN number for the Library.

Ms. Mitchell questioned how much time will be required before that assessment is complete. Mr. Tanghe explained that we know some details about what will be required as a result of whether they have their own independent EIN number, however they need to determine the implications as well. It has not been a priority as we have been operating this way since the library has existed. The issue seems to be as a result of the lease. He noted that the Library would have to file for their own EIN number.

Ms. Mitchell concurred that it is not something we immediately need to do. She initiated this request in January. If we are not going to do this, if we decide that for whatever reason it is not manageable or not necessary, she would like to understand that. Her original concern regarding the lease was the absence of the EIN Number and the confusion she felt that it lead to. If we have done an assessment and say why it should not be done, she will respect that, but would like to understand the timing associated with having that done. She requested the feedback by the end of the month.

#### 11. CITY ATTORNEY'S REPORT

#### 12. CITY MANAGER'S REPORT

#### 13. EXECUTIVE SESSION - Attorney Opinion Letter Re: Multi-Family Zoning

**Moved by Verbeke, Seconded by Hammond.**

**RESOLVED: To adjourn to executive session to discuss an attorney opinion regarding Multi Family Zoning.**

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

**No: None**

**Resolution No. 17.03.057**

**Motion Carried (7 - 0)**

City Council recessed to executive session at 10:17 PM.

City Council reconvened in open session at 10:51 PM.

#### 14. ADJOURNMENT

Hearing no objections, the meeting adjourned at 10:51 PM.

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Kevin R. McDaniel, Mayor

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Terri Kowal, City Clerk

**ATTACHMENT A**

**CITY OF AUBURN HILLS RESOLUTION  
AUTHORIZING WEST NILE VIRUS FUND EXPENSE REIMBURSEMENT REQUEST**

At a regular meeting of the City Council of the City of Auburn Hills, Oakland County, Michigan, held in the Council Chambers at 1827 N. Squirrel Road, Auburn Hills MI 48326 at 7:00 p.m., on the 27th day of March, 2017

The following resolution was offered by Council Member Verbeke and supported by Council Member Kittle:

WHEREAS, upon the recommendation of the Oakland County Executive, the Oakland County Board of Commissioners has established a West Nile Virus Fund Program to assist Oakland County cities, villages and townships in addressing mosquito control activities; and

WHEREAS, Oakland County's West Nile Virus Fund Program authorizes Oakland County cities, villages and townships to apply for reimbursement of eligible expenses incurred in connection with personal mosquito protection measures/activity, mosquito habitat eradication, mosquito larviciding or focused adult mosquito insecticide spraying in designated community green areas; and

WHEREAS, the City of Auburn Hills, Oakland County, Michigan will incur expenses in connection with mosquito control activities believed to be eligible for reimbursement under Oakland County's West Nile Virus Fund Program.

NOW, THEREFORE, IT IS HEREBY RESOLVED that the Auburn Hills City Council authorizes and directs the City Manager, as agent for the City of Auburn Hills, to request reimbursement of eligible mosquito control activity under Oakland County's West Nile Virus Fund Program

AYES: 7  
NAYS: None  
ABSENT: None  
ABSTENTIONS: None

RESOLUTION ADOPTED

STATE OF MICHIGAN)  
COUNTY OF OAKLAND)

I, the undersigned, the duly appointed City Clerk for the City of Auburn Hills, Oakland County, Michigan do hereby certify that the foregoing is a true and complete copy of a resolution adopted at a regular meeting of the Auburn Hills City Council held on the 27th day of March 2017.

IN WITNESS WHEREOF, I have hereunto affixed my official signature on this \_\_\_ day of March, 2017.

\_\_\_\_\_  
Terri Kowal, City Clerk

**ATTACHMENT B**

**CITY OF AUBURN HILLS  
RESOLUTION APPROVING SPECULATIVE BUILDING DESIGNATION  
FOR 50 CONTINENTAL PROPERTY LLC**

At a regular meeting of the City Council of the City of Auburn Hills, Oakland County, Michigan, held in the Council Chambers at 1827 N. Squirrel Road, Auburn Hills Mi, 48326 on the 27th day of March, 2017

The following resolution was offered by Councilperson Kittle and supported by Councilperson Burmeister.

Whereas, the City of Auburn Hills has established an Industrial Development District on the 21st of October, 1985, commonly referred to as the Anirjot Invest Company Development District; and

Whereas, Continental Property LLC has requested designation of a building within said district, located at 50 Continental Drive as a Speculative Building under the provisions of Public Act 198 of 1974, as amended; and

Whereas, the building is being constructed as a manufacturing facility before the identification of a specific user of the building; and

Whereas, the building has not been occupied; and

Whereas, the designation of the building as a Speculative Building would allow future tenants to apply for Industrial Facility Exemption Certificate for real and personal property to be located at 50 Continental Drive; and

Whereas, the availability of tax abatement may serve as an inducement for attracting tenants to occupy the building and increase the tax revenues to the City of Auburn Hills,

NOW, THEREFORE, BE IT RESOLVED that the request for Speculative Building Designation for 50 Continental Drive is hereby approved with the following conditions,

That the Speculative Building Designation does not constitute approval of an Industrial Facility Exemption Certificate, but serves to give notice that City Council will consider future applications.

AYES: 7  
NAYS: None  
ABSENT: None  
ABSTENTIONS: None

RESOLUTION ADOPTED

STATE OF MICHIGAN)  
COUNTY OF OAKLAND)

I, the undersigned, the duly qualified and appointed Clerk of the City of Auburn Hills, Oakland County, Michigan do hereby certify that the foregoing is a true and complete copy of a resolution adopted at a regular meeting of the City Council held on the 27th day of March, 2017, the original of which is on file in my office.

IN WITNESS WHEREOF, I have hereunto affixed my official signature on this 27th day of March, 2017.

\_\_\_\_\_  
Terri Kowal, City Clerk